



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, October 7, 2004  
(Part A)**

—

**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Thursday, October 7, 2004

The House met at 10 a.m.

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*Prayers*

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## ROUTINE PROCEEDINGS

• (1000)

[*Translation*]

### COMMITTEES OF THE WHOLE

#### APPOINTMENT OF DEPUTY CHAIR

**The Speaker:** I am now ready to propose to the House a candidate to the position of Deputy Chairman of Committees of the Whole.

Pursuant to order made Tuesday, October 5, 2004, I move that Mr. Marcel Proulx be appointed to the position of Deputy Chairman of Committees of the Whole.

The motion is deemed moved and seconded. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to)

[*English*]

#### APPOINTMENT OF ASSISTANT DEPUTY CHAIR

**The Speaker:** I am now prepared to propose, for the ratification of the House, a candidate for the position of Assistant Deputy Chair of Committees of the Whole.

Pursuant to order made Tuesday, October 5, I propose the Hon. Jean Augustine for the position of Assistant Deputy Chair of Committees of the Whole.

Pursuant to order made Tuesday, October 5, the motion is deemed moved and seconded.

[*Translation*]

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

**Some hon. members:** Agreed.

(Motion agreed to)

[*English*]

**The Speaker:** I congratulate both hon. members on their appointments.

[*Translation*]

### CODE FOR PUBLIC OFFICE HOLDERS

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I have the honour to table, in both official languages, a revised copy of the Conflict of Interest and Post-Employment Code for Public Office Holders, pursuant to section 72.062 of the Parliament of Canada Act.

[*English*]

I do not know if it is parliamentary but I would also like to congratulate the new officers.

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### ACCESS TO INFORMATION ACT

**Mr. Pat Martin (Winnipeg Centre, NDP)** moved for leave to introduce Bill C-201, an act to amend the Access to Information Act and to make amendments to other acts.

He said: Mr. Speaker, I am honoured to be introducing a bill today entitled an act to amend the Access to Information Act or, as it has come to be known, the Bryden bill, because the bill has been championed for the past 10 years by the former member of Parliament, John Bryden.

The bill seeks to expand the Access to Information Act so that it would include all crown corporations and virtually all the activities of government so as to expand the accountability and transparency of government so that we can shine the light of day on the activities of the government and so that scandals can no longer operate under the shadow of secrecy which I believe has plagued this Parliament since I have been a member of Parliament.

I am very pleased and honoured to introduce this important legislation today.

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

\* \* \*

• (1005)

### PETITIONS

#### INCOME TAX ACT

**Mr. John Williams (Edmonton—St. Albert, CPC):** Mr. Speaker, I have the honour to present a petition on behalf of citizens in the provinces of Alberta and British Columbia who are calling upon Parliament to change the Income Tax Act, specifically section 118.2, to allow that vitamins and supplements be used as a medical expense on personal tax returns.

*The Address***QUESTIONS ON THE ORDER PAPER**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I ask that all questions be allowed to stand.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

**SPEECH FROM THE THRONE**

[*Translation*]

**RESUMPTION OF DEBATE ON ADDRESS IN REPLY**

The House resumed from October 6 consideration of the motion for an address to Her Excellency the Governor General in reply to her speech at the opening of the session, of the amendment and the amendment to the amendment.

**Hon. Jean Lapierre (Minister of Transport, Lib.):** Mr. Speaker, it is with a great deal of emotion that I rise today again in this House after a twelve-year absence. I wish to thank the people of the riding of Outremont for their confidence in me, returning me to this place to make a contribution to public affairs and to try and make a difference.

For 12 years I was on the other side of the mike and I always deplored the cynical and judgmental attitude toward politicians. Over those 12 years, I did try to improve public attitudes toward elected representatives. I have always believed that theirs is the most noble job anyone can have. I have always believed that here in Parliament is where it all happens, and that is why I am so honoured to be back.

I am also honoured to have an opportunity to speak on this Speech from the Throne, which is totally in keeping with our campaign commitments. There are no surprises in it, because it reflects what we told Canadians during the election campaign. It is a faithful reflection of our commitments, with an approach that is responsible and pragmatic, and of course aimed at promoting a strong economy. People need only look at the current figures on the unemployment rate and the interest rate. They will see that many Canadians can now realize their ambitions, find the job satisfaction they seek, and ensure their families have access to housing.

All of this, of course, requires sound public finances. That is the Liberal way, the responsible way. The Right Honourable Prime Minister has made it his trademark. This government's finances are sound. As a result, we are able to fulfill some of our commitments without delay. Such was the case with our major commitment on health. Within weeks of our election, we have managed to deliver the goods, and deliver them properly. We did so in a way that would gain the signature of all of the provincial premiers and territorial representatives, thereby ensuring at last a stable and fair basis for funding health care, while accomplishing some extraordinary feats.

All the governments had the same goal of reducing wait times. It does not take a constitutional expert to know that, right across the country, waiting times are unacceptable for those who are the most vulnerable, the sick.

This agreement is historic in its content and its form. It reflects the Prime Minister's sensitivity to regional and provincial differences. In this agreement, the Prime Minister recognized the asymmetry in this country. He recognized that the Canadian solution does not need to be the same from coast to coast. He recognized that the provinces can adapt, since delivery, especially in terms of health care, depends exclusively on the provinces. Each province applies its own approach provided that every Canadian has a common program with common goals and values.

In the first poll since the election, the CROP poll in *La Presse*, 53% of Quebecers say this is an historic event for the good of Quebec. We should all be delighted that this government's first item on the agenda, that of health, which is also the most important item, has been resolved to the satisfaction and with the enthusiasm of all parties involved.

We will be meeting again soon, on October 26, at which time we will be discussing equalization. Again, I am sure the necessary imagination and talent will prevail in finding a solution to prevent the occurrence of such excessive fluctuations, which make planning difficult for the provincial governments. I am sure that having a lot of money one year and uncertainty the next is very difficult to manage, especially since demand does not fluctuate at the same rate as the equalization payments.

●(1010)

Thus I am convinced that the Prime Minister, along with his provincial colleagues, will find a solution that will permit both predictability and growth. That is important, because the needs are there. We know that.

There is also the agreement we will be signing with the provinces, but which concerns cities, towns and municipalities. This too will require flexibility and an understanding of regional differences and the differences that exist everywhere in Canada. It is clear that we will find a way to come to an agreement with each province, which will then deliver the urban infrastructure, transportation and environmental goods.

I am convinced, too, that with the hundreds of millions of dollars available for such infrastructures, the goods will be delivered and a unanimous agreement will be reached among the provinces, the territories and the Canadian government.

There is also the coming agreement on day care. Obviously the program in Quebec is exemplary. The national program takes its inspiration from the Quebec day care program, which is respected and envied by all Canadians. Because Quebec has done the early work, a transfer will help to alleviate those famous fiscal pressures. And so it will provide another opportunity for federal-provincial collaboration.

Regarding parental leave, there is talk of transferring \$600 million. Negotiations on this are going very well. The Minister of Employment is in talks with the Quebec minister and I am convinced that ways and means will be found. Working in good faith and wanting things to work makes all the difference.

*The Address*

When we look at this program, we cannot help but be pleased. As a Quebecker, I am proud to see this cooperation between the Government of Quebec and the Government of Canada. I am proud to see Jean Charest take on his role as leader of Quebec's government, looking for the best deal but wanting a solution. He does not come here to break things up; he comes here to help the country function for the well-being of our fellow citizens.

That is why it is impossible to support this Bloc Quebecois subamendment, which is not in good faith but instead appears to be motivated by some form of trickery, perhaps inspired by Mr. Parizeau.

Nevertheless it is clear that this subamendment is not being submitted to the right parliament. It asks this Parliament to permit a provincial premier to dictate the next budget. It is clear that this subamendment has been moved to divide the forces that are getting along well together. It is also clear that this subamendment is unacceptable because it asks us, the members of Parliament, to abdicate our responsibilities.

This amendment to the amendment basically says that we should manage things the way a provincial premier wants us to. Regardless of the province, no one in this Parliament was elected to relinquish his or her responsibility to a premier. I am convinced that each one of us here feels that he or she has a role to play in the administration of public funds. We have a responsibility regarding the taxes that we collect from our fellow citizens. We cannot let others dictate our actions. We must take our responsibilities and be able to count, to give and to share under a fair and equitable system.

This is why this resolution might be quite acceptable at the National Assembly. The problem is that a number of members may have made a clerical error, because they already see themselves in that assembly. Perhaps the Bloc Quebecois leader is training for when he is done with his leadership duties here.

One thing is certain: federalism is a game of give and take. As for the council of the federation, we know that this is a fantastic counterpart created by the Quebec Liberal government with the support of all its provincial partners.

• (1015)

I know that Mr. Charest does not want to come here to tell the Parliament of Canada what it must do. He has too much respect for the system. However, he will want to get as much as he can, along with his colleagues from the council. The council is the forum where the provinces should have this discussion amongst themselves.

Mr. Charest is not asking for a blank cheque, as the Bloc Quebecois is doing. The latter says "No limits". What relief is it talking about?

Is it what is in the Séguin report? What are we being asked to do? We are being asked to sign a blank cheque. Are we being asked for a GST transfer? We do not know. This amendment will not make us relinquish our responsibilities.

We intend to govern for all Canadians and to deliver the goods for Quebeckers, but this will be achieved through a decision of this Parliament and not by—

**The Speaker:** I regret that I must interrupt the hon. minister, but his time is up. The hon. member for Saint-Hyacinthe—Bagot.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, through you I would like to tell the hon. member for Outremont that we are not asking the government to abdicate its responsibilities: we are asking it to assume its responsibilities while taking into consideration the fact that it is a minority government.

When we call on people's sense of responsibility, we must look at ourselves. The member for Outremont is saying "We do not want others to tell us how to govern". What does this Speech from the Throne do if not dictate the Liberal Party's agenda to a Parliament in which the government is in a minority position, a Parliament in which a majority of members sit on this side. This is not a consensus. This is not the way to ensure that this Parliament will work.

As for being responsible with the taxes paid by Quebeckers and Canadians, we do not need to be lectured by people who are in it up to their necks with the sponsorship scandal. If they want to talk about sound management, that is fine with us.

During the last five years that the current Prime Minister was the Minister of Finance, the federal government's operating expenditures increased by 39%. This means an annual increase of about 8%, while inflation was at 1.9%. Is this what they call sound management? An abyss of sponsorship spending and operating expenditures out of this world?

Do you know how this came to be? When you make a surplus year in and year out, this means you have too much money compared to the responsibilities you have to fulfill. That is what happens. Laxness sets in. During that time, Quebec and the provinces have needs. Their people have needs in health, education and income security. We do not need any lectures from them. Anyway, we did not miss the member during his 12-year absence from the House of Commons.

I would like to ask him the following concerning the fiscal pressures referred to in the amendment. The current Prime Minister was the first to raise this issue during the election campaign, when he acknowledged that the provinces were facing fiscal pressures and indicated he was prepared to sit down and work on this.

Later, he made another commitment. After the conference on health, another conference was held, which dealt with not only equalization—there is this incomplete formula we were presented with two weeks ago, which does not take into account the demands of the provinces which benefit from equalization—but also transfers as a whole and the redefining of tax fields. The Prime Minister of Canada himself appeared to be open to this debate.

I have a question for him. Why is it that in less than three months the government has changed its tune?

• (1020)

**Hon. Jean Lapierre:** Mr. Speaker, I want to thank the hon. member for Saint-Hyacinthe—Bagot for his question.

*The Address*

I must say this is quite extraordinary. I thank him for commending the Prime Minister for the fact that we have surpluses. That is quite something. Let me say this: we are the only G-7 country that currently has surpluses. It is all thanks to this government and this Prime Minister.

We are the envy of the world because of the fine administration of this government. I am pleased that we have surpluses and that we can help with the financial burden in Quebec.

The Government of Quebec applauds the health transfer. Everyone in Quebec applauds it. I had expected the hon. member for Saint-Hyacinthe—Bagot to applaud it as well.

Thanks for the congratulations. There will be other opportunities in other matters, where we will be just as flexible and sensitive to the needs of Quebec and the other provinces.

[*English*]

**Mr. John Williams (Edmonton—St. Albert, CPC):** Mr. Speaker, I would like to welcome back the Minister of Transport after an absence of 12 years. Before his departure, of course, he decided that separatism was the way to go in this country, by joining the separatist party. As he said, he was on the opposite side of the microphone advocating such policies.

Now he is here as a member of the federal Parliament, a member of the federal government and a minister of the Crown. I was wondering if he would like to stand and tell us where he stands on federalism and what his personal position is regarding federalism.

**The Speaker:** The hon. Minister of Transport will do so, but very briefly.

**Hon. Jean Lapierre:** Mr. Speaker, I am happy to be here today as the federalist member of Parliament for Outremont. The member has never learned the history. The Bloc Québécois then was temporary functionally and a rainbow coalition. I was the red of the rainbow coalition, but I was the only one who became temporary because they all stuck around.

The reality is that the member does not know what has happened in Quebec for the last 12 years, because I have never advocated any political position. I was doing my job as a host and being very professional about it. I am back here because I believe we can make a difference in this country, and we are not going to play footsie with the separatists like you are going to do tonight.

**The Speaker:** The Minister of Transport is an experienced member. I know he intended to address his remarks to the Chair.

[*Translation*]

**Mr. Peter MacKay (Central Nova, CPC):** Mr. Speaker, I am very pleased to rise in this House to take part in this important debate on the Speech from the Throne.

• (1025)

[*English*]

I am tempted to go there and suggest that not only was the Minister of Transport playing footsie, he was actually under the covers. We do not know what happened under the covers in his flirtation with separatism.

It is interesting to note his new-found enthusiasm. There is nothing like the enthusiasm of a recent convert. Yet, a few years ago, he would have been quite comfortable sitting with the Bloc, so the suggestion that somehow there is something improper about opposition parties trying to cooperate at this time runs completely contrary to the signals and the lip service that have been given by the government to the issue of cooperation.

Speaking of that, we are here to talk about the throne speech and the reasoned, measured attempts by all opposition parties to enhance, to add substance to, to in fact prop up what is otherwise a very vacuous throne speech. This particular document is so lacking in detail and so completely devoid of any real direction that it is difficult to know where to start. What we do know is that much of it is completely recycled. We know that at least 43 of the promises outlined in this document are regurgitated from a previous throne speech of 2002.

It is particularly easy to note the promise of a national day care program, which dates back to 1993. We have the 1993 red book, the 1993 throne speech, budget promises and election promises, so much of which is simply recycled.

This particular reference to the Citizenship Act is a project that goes back to the previous government as well. Promised legislation with respect to child pornography also dates back to previous legislation. We have seen it all before and the real question now becomes one of credibility.

The opposition parties are trying legitimately to improve this document. We are putting forward very measured, consistent amendments meant to add substance to what we see before us.

I listened to the speech of the government with respect to the 38th general election. The House leader, in reference to the throne speech, said just the other day, “We are working as if we have a minority government”. Well, maybe that was just a slip of the lip, but they do have a minority government.

The government has to explain. While it had all summer to prepare, to consult, and to do what it is now trying to do at the last minute in scrambling around, what is clear is that the government has lost its majority but it certainly has not lost its arrogance. Sixty-three per cent of Canadians voted against this government in the last election. That has not quite penetrated the skulls of some of the members opposite.

Despite the message of the electorate, the Prime Minister and his cabinet are simply saying, *carte blanche*, “Just trust us. Just believe us”. They have had 11 years to implement legislation to work on many of these very important issues, yet these programs have not been delivered. In fact, the promises that have been laid out have been laid out time and time again over the last 11 years, over four elections, and the government is saying, “Just allow us to manage affairs in the Commons in the way we always have”. That is, ineffectually, with no action, with no particular plan.

What we are seeing here where the opposition parties are now putting forward a spirit of cooperation is that it is being rejected. The posturing that is going on now in saying the government can absolutely not support an opposition amendment because somehow this would derogate from their throne speech is nonsense.

*The Address*

Let us look specifically at the subamendment that we will be voting on this evening. It is permissive. It speaks directly about including in the throne speech references to respecting provincial jurisdiction. It speaks of consequences from the fiscal imbalance that are currently being carried by the provinces. Why would the government reject an opportunity to embrace the opportunity to address this specifically with its throne speech?

It is there. It is a measured response, and not a response but a request for the government to actually follow through on this. It is coming not only from the province of Quebec. It is coming from all the premiers in the country. All the premiers are looking for this particular initiative.

Mr. Speaker, I neglected to mention at the outset that I will be splitting my time with my friend and colleague from Medicine Hat, the critic in the area of finance. I am sure he is going to be able to lay out in some very specific detail the shortcomings that he sees in the throne speech.

I also note that some of the more disturbing action that has been taken in the past number of days with respect to the throne speech has left many Canadians wondering how this Parliament itself is going to function if this is in fact the government's attitude. The throne speech left a lot of questions in the areas of environment, education, how the economy will be run, and particularly how we are going to continue to function vis-à-vis the United States of America and our trade relations with it and the concerns it has expressed over security.

Canadians have become quite skeptical not only of the government but of the political process itself. Many of the initiatives that we in the official opposition want to see take place are meant to enhance and build upon the concerns of all members regarding how we renew some of the credibility of this place itself, and how we establish arm's-length bodies that are meant to work collaboratively and in a non-partisan fashion to fix the EI system.

We want to ensure that we remove some of the politicization that takes place at committee level, the fiscal forecast, the way in which budget projections are laid out, and the way in which we currently examine supplementary and main estimates. There is a great deal of work to do. In the past, Mr. Speaker, you have expressed concerns over this particular subject.

This attempt by all members of the opposition is about building upon the initiative that the government is putting forward in its throne speech, about ensuring that the House of Commons will have votes on important issues of international significance, including a proposed missile defence system for North America. It is about ways in which the public, citizen assemblies, could examine the issue of electoral reform, and about ways in which we can lower taxes, particularly for lower and middle income Canadians.

The government is playing a dangerous game by suggesting that this amendment as well as the subamendment will derogate from the direction it is taking. To suggest that if the opposition were to vote in this particular area then the government would be in a position to fall and then visit the Governor General is simply not the case. That is pure poppycock.

Many on the other side were big fans of former Prime Minister Pierre Trudeau. We learned from him. He engineered his own minority government's defeat in 1974 by introducing a budget that he knew would fall. This has been documented by cabinet documents that have been made public. This type of strategy is not beyond the realm of possibility. The government, while accusing others of playing games, knows it is very precarious if it goes down that road.

The throne speech promises accountability, and yet Canadians are still waiting for openness and transparency with respect to what took place with regard to the sponsorship scandal. Last February the Prime Minister talked about how he was going to ensure that no stone would go unturned and that every effort would be made to disclose information. We know in fact that is not the case. That is simply not true.

We are seeing disclosure daily at the Gomery commission that was not available to the public accounts committee and was not available to the public before the election. It is very curious that these documents are now readily available.

At the outset of the federal campaign last spring the Clerk of the Privy Council allowed Canada Post to delay the release of the findings of an audit which showed that André Ouellet, another famous Liberal, had directed contracts to firms that the Liberal government had chosen, hired relatives, ran up expenses of \$2 million, and did not submit receipts. The average Canadian should try telling Revenue Canada that receipts are not available. I suggest there would be somebody knocking at the door pretty quickly. Where was the Prime Minister's outrage when the Clerk of the Privy Council failed to shed light in this area of the sponsorship scandal?

The throne speech makes promise after promise. The government was going to involve parliamentarians in the key review of appointments but that did not happen.

• (1030)

We know that the Minister of National Revenue appointed Gordon Feeney against those guidelines and the new chairman of Canada Post was put in his position without any consultation. Similarly, the process that was set up for parliamentary input into the appointment of Supreme Court judges was again a farcical, after the fact, consultation.

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

**Mr. Peter MacKay:** We have chipmunks opposite chirping away, but they know that the facts are there.

We do not know what the government will do about court policing or enhancing security in the country. That was devoid. A plan for the fishery was devoid from any mention in the throne speech.

A big city agenda, what about a rural agenda? We hear very little about the rural agenda. Again, there is much that we need to discuss in this place and we will.

This amendment is reasonable, measured, and Canadians will judge it appropriately.

*The Address*

•(1035)

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, yesterday the Leader of the Opposition made a statement that made me reflect somewhat. It was a statement to the effect that the majority of Canadians did not vote for the government, but that the majority of Canadians voted for exactly what is happening now, for the opposition parties to get together and make amendments to the throne speech. It was that theme that this is what Canadians voted for.

In terms of assuming that it is the majority, it is assuming that all of the opposition parties are of a like mind on policy issues. We have the Conservatives, the Bloc, and the NDP or in other words, the extreme right, the extreme left and simply the extreme.

I want to know the answer to a simple question and I might demonstrate it. Could the hon. member advise the House whether his party is in favour of proportional representation which is one of the matters in the amendment?

**Mr. Peter MacKay:** Mr. Speaker, it was an extremely inane and ridiculous allegation to cast this party as extreme right. The hon. member knows better and I would expect more from him.

Where is the position of this party on proportional representation? If the hon. member were to take the time, actually get out of his seat and read what is in our amendment, he would see that we are asking for the House of Commons to establish a non-partisan citizen assembly to re-examine changes to the electoral system including proportional representation.

So get a grip. We are absolutely prepared to look at this issue and to put it into a citizens assembly that would allow for this party to participate and put it into the area of proportional representation.

Talking about positions, the Liberals are turning themselves into pretzels over there to avoid any kind of accountability for the fact that they are governing. They want to govern and yet they want to know what the opposition thinks about it. It is not that they are going to listen to it, but that they can delay taking a decision on it, and putting it off as they did with the helicopter procurement and as they have done with so many other important issues.

The government has no lessons to give about accountability or positioning. The best position that it has taken is one that moves from time to time, depending on the electoral fortunes of the position of the party of the day, just like it did on GST.

The Liberals are for free trade now. They have wrapped their arms around it and called it their own. They did the same thing on the price of gasoline and wage and price controls.

The Liberal government has a reputation of not being left or right, but being like the proverbial political windsock. Wherever the winds are blowing that is where we will find the Liberals and they are doing a lot of blowing over there today.

[*Translation*]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, I read the Speech from the Throne carefully. I listened to my knowledgeable colleagues opposite and I especially listened to the hon. member for Outremont who spoke to us this morning.

Not so long ago I was the president of the international mountain bike committee. I was also very active in international sports, the International Cycling Union and the World Anti-Doping Agency. Thanks to the member for Bourassa, we brought the World Anti-Doping Agency to Canada in 2000.

Nonetheless, I would like to point out that I read the Speech from the Throne carefully. After the performance of our athletes at the Olympic and Paralympic Games, I had expected to hear more than one lousy sentence. There was almost no mention of how we were going to develop our elite athletes, those who represent Canada and Quebec at international competitions, or prepare the next generation.

Does the government intend to invest—and since I am talking to the Conservatives as well, will they support a major investment in sports to make our athletes representative on the world stage—

•(1040)

**The Speaker:** I am sorry to interrupt the hon. member, but the five minutes allotted to him are really up. The hon. member for Central Nova, with a brief reply.

**Mr. Peter MacKay:** Mr. Speaker, I thank my colleague for his question and congratulate him on his election.

The answer is a simple one. Investment in sport in Canada is absolutely necessary.

[*English*]

The results of the last Olympic games were evidence enough that our athletes are certainly in need of greater support. We spoke of that during the election campaign and we included that in our platform. I would suggest as well that another area, not to equate the two, is the Canadian military. I want to take a brief moment just to express concern over—

**The Speaker:** Order, please. We have run out of time on the hon. member's speech and the five minute question and comment period. Is the hon. parliamentary secretary rising on a point of order?

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#### BUSINESS OF THE HOUSE

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, there have been discussions among the parties and I believe that you will find unanimous consent to order that the debate on bovine spongiform encephalopathy to be held Thursday evening be interrupted, rather than terminated at midnight, and that it be resumed at 7 p.m. on Tuesday, October 12 and concluded when no member rises to speak or at 6 a.m. on Wednesday, October 13, whichever is earlier.

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

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#### RESUMPTION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion for an address to Her Excellency the Governor General in reply to her speech at the opening of the session, of the amendment and of the amendment to the amendment.

*The Address*

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, it is my pleasure to rise to address the throne speech. Off the top, I want to thank the electors of the Medicine Hat constituency for sending me back here again. It is truly an honour to represent them. When I go home it is always so refreshing. These people are always so supportive of me, even at times when I probably do not deserve it. I really do appreciate that.

On a serious note, somebody once said that one thing which distinguishes people from my part of the world, and I will say this about Albertans in general, is that it does not matter what colour skin people have or what religion they are. If they want to work and contribute, they will be welcomed with open arms. On the other hand, if people complain and whine, no matter what colour their skin is, what religion they are or whatever, they will not be welcome. People want to move forward. They want a positive message and input. That is one of the great things about my riding and it is why it is always a pleasure to go home.

I want to say a few words about the throne speech from the perspective of the government's economic agenda. I want to argue that this document could have been so much stronger if the government had not acted as though it had a majority and if it had listened to Canadians. It did not receive the support of 63% of Canadians who voted for somebody else. It has been noted already that some of the other parties have been able to agree on things that should be in a document like this.

The three opposition party leaders talked about these things earlier in the fall and suggested the government should listen to opposition parties in a minority government because the opposition parties had something to offer that would strengthen a throne speech. It is disappointing that the government is behaving like it has always behaved: taking Parliament for granted and assuming that it will get the rubber stamp one more time for whatever it wants to do. That is so disappointing. It is as though it has learned nothing from the sponsorship mess and all the scandals that have plagued it. It has lost none of its arrogance and I find that very distressing. I think Canadians are at a point where they want to see some cooperation in this place and some give and take. Right now we are not seeing that. We are seeing my way or the highway from the government.

In the spirit of cooperation, we want to offer some things that we think will improve the throne speech. In particular, I want to talk about this from an economic perspective. When the government sets public policy it has a lot to do with the standard of living of Canadians, ensuring they are better off and more prosperous. That is what I and I know my colleagues on this side are concerned about.

I want to talk about two of the amendments that my leader made to the throne speech the other day. He moved an amendment that we have an independent parliamentary budgeting office so that we could give independent fiscal forecasting advice to the government. I want to underline why that is important. Over the last number of years the government has engaged in a practice where it makes forecasts that are wildly inaccurate. That means billions of dollars are hidden until the end of the year, which the public is really not aware exist. That means there is never a true debate about how to spend that money.

Since 1999-2000 there have been about \$30 billion in surpluses where there was never a debate as to how that money should be

spent. That is not to say that in some cases it did not get spent on things that are laudable, but in some cases it was spent on Challenger jets. Canadians deserve to have a debate about how that money should be spent. I think that is reasonable. That is what my party believes should be done. We think Canadians should have a say in how their tax dollars are spent.

We want to argue very strongly that this independent parliamentary budgeting office be established much in the same way that the Auditor General's office is established. It would be an independent body that would answer to Parliament and would not be part of the government. It would not be a situation where the government could manipulate the figures to its own ends. Independent officers of Parliament would make these determinations so that in the end the public, the markets and all concerned could have confidence in these numbers and know that this was not some great manipulation that was going on for the political benefit of the government.

● (1045)

Surely, in a modern democracy I do not think that is an unreasonable request. In fact it makes eminent sense. This is nothing new. It happens in other countries. It happens certainly to the south of us, our closest trading partner. We have the congressional budgeting office where political parties really cannot play political games with the numbers because they come from an independent body. That is what we want to see, and it is reasonable.

I know the government is sensitive to this criticism because, in response to our criticism to its accounting practises, it just appointed Tim O'Neill of the Bank of Montreal to study this issue. He is certainly a distinguished economist and someone who understands these things, but we do not need a study. We know there is a problem. We need some action right now because this is simply unacceptable.

This leads me to my second point. It has to do with the amendment we moved regarding providing tax relief to middle and low income Canadians. I mentioned a minute ago that we have not had a debate over how that \$30 billion should have been spent over the last number of years. I want to argue that many Canadians would say that they should have a say in how their tax dollars are spent, especially when they see some of the messes that have occurred in this place. I think it is reasonable for them to ask who does a better job of minding the thousands of dollars they send every year in taxes. Would it be the Government of Canada or could they make better use of that money themselves, given what they have seen with the firearms registry, for instance? This was something that was supposed to cost \$2 million. Now it is going to \$1 billion and possibly to \$2 billion. Who knows where it will end. There is also the sponsorship. We could go on and on. There are many of these abuses to which we could point.

If we are to agree on the principle that Canadians should have a say in how their money is spent, one of the issues on the table should be tax relief.

*The Address*

Consider the taxes that people in the low end of the income scale pay. They pay income tax, starting at a very low level compared to other countries. They pay provincial and federal income taxes. They pay a goods and services tax. They pay employment insurance taxes. They pay Canada pension plan tax. They pay capital gains taxes. They pay excise taxes. They pay property taxes. Of course, ultimately they pay corporate income taxes. They pay sales taxes. There are many taxes that people are burdened with today. On average in Canada 41% of all income we generate goes toward taxes. I think it is wrong when the government is running big surpluses to not include tax relief for people on the low end of the income scale as one of the options. It simply has to happen.

Often members on the government side like to talk about compassion and they often do. They think compassion is synonymous with how much one spends. I want to argue that sometimes compassion really means leaving some of that money in people's pockets in the first place. They know better than government how to raise their children. They know better than government what is important to them and what their priorities are. They can save that money a lot better than government can.

Let the record show that the Conservative Party of Canada, and probably some of the other parties in this place, understands that message and wants the government to be open to adopting this amendment or at least consider it.

I know my time is running out so I will be brief in wrapping up. When I read this throne speech what occurred to me was that this was a government that was content to rest on its laurels. I think Canadians want to see progress made when it comes to increasing their prosperity, helping people on the low end of the income scale and helping people who are unemployed today. The way to do that is to provide some incentive through lowering taxes. That is something that has been completely neglected and overlooked by the government in its 11 years in power. It is time to change that. It is time to start to be a little more progressive in its outlook.

● (1050)

To finish where I began, I want to say to all of them that this party wants to work with the government. We are offering some positive amendments that enhance the throne speech. We certainly are not undermining anything in the throne speech. I hope Liberals will be mindful of that as they consider how they vote in the next days and weeks to come.

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, the hon. member has indicated in his remarks a number of contradictions. First, he has indicated that his party is in favour of lowering taxes for those who are less well off in society. For 10 years it advocated only tax cuts for the rich. Those of us on our side of the House remember the history of the Alliance party very well. We will leave that aside for a minute.

I want to ask him something on a substantial area. Why is the MP telling the House that he has moved an amendment to the throne speech, when he knows perfectly well that there is no such thing? The throne speech was read into the record. That is like saying that one is amending the *Hansard* of two days ago. It is a ridiculous proposition. He is not amending the throne speech. He has moved an

amendment to the motion to congratulate Her Excellency for having read the throne speech.

Does he not know the difference? Does he not know there is no such thing as moving an amendment to the throne speech? No spinning in the House or outside of it will hide the truth that this is not the way Parliament works. The foremost procedural expert in the country is in the chair right now. While the Speaker obviously cannot make a speech about all this, I will invite my colleague across to just remind Canadians that the reality is somewhat different than what he has just pretended it is.

● (1055)

**Mr. Monte Solberg:** Mr. Speaker, I was kind of hoping for a substantive question from the hon. member, but instead we get this procedural rant. It is really unfortunate I suppose that the Speakers have already been chosen or maybe there are no more clerks' positions opened because otherwise the member could apply for one. He could work his way back down the feeding chain and go back to where he began as a busboy in the House.

However, the member is factually incorrect when he states that we have been proposing tax relief for people in the high end. During the election campaign that just passed, we actually proposed the biggest tax cuts in Canadian history for middle and low income Canadians. Unfortunately, the member across the way has gotten his facts wrong again.

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I am very pleased to have this opportunity to speak.

I do not share all of the opinions expressed by my colleague from Medicine Hat, nor do I subscribe to all the comments made by my colleague from Glengarry—Prescott—Russell. I know my colleague from Medicine Hat well, from eight years together on the Standing Committee on Finance. Right from the start, we were on the same side in certain battles, particularly those for indexed tax tables and reduced tax rates for those with lower incomes. It is, therefore, inaccurate to say that my colleague has done nothing for the past ten years but defend tax cuts for the rich.

That is, however, what the Liberals have done for the past ten years: reduced taxes of all kinds for the richest members of society. One former finance minister even managed to obtain tax advantages for his shipping companies in Barbados. This also represents not a tax reduction for the less well off, but a tax reduction for the well off, his peers. So let them not try to preach to us on this.

I have a question for my colleague from Medicine Hat. I am very pleased that tax reductions for low- and middle-income people are still being promoted. But what is the explanation for the fact that, the whole time the present Prime Minister was finance minister, the government operating budget increased a mere 39% over the past five years, or close to 8% annually, whereas inflation increased an average of 1.9%? Can this government be described as a good manager?

*The Address*

[English]

**Mr. Monte Solberg:** Mr. Speaker, when we see those kinds of increases, it ensures that there is less and less money available for things that are very high priorities of Canadians, whether it is in the area of health care or education or ultimately even tax relief for people who truly do need it.

I invite my friends across the way to really examine Canada's record in terms of the exemption levels, for instance, for people on the low end of the income scale versus other countries. We truly are not doing a good job. Students or seniors who are still working end up paying EI premiums when they really cannot claim it. This is an atrocious problem. It does not reflect well on the country and it certainly does not indicate any kind of compassionate government.

[Translation]

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Mr. Speaker, I will be splitting my time with another Liberal colleague.

As I take the floor for the first time in this 38th Parliament, I feel a real sense of gratitude towards the residents of Pierrefonds—Dollard. For the fourth time, they have given me the mandate to represent them in the House of Commons. It is with pride, but also humility, that I will fulfill this responsibility, and I will do so by listening attentively to their concerns and by striving to promote their best interests, here in the House and within the government.

Our country is currently going through a period of critical challenges and issues. This is why I am pleased to see that our government's determination to promote the betterment of Canadians was clearly stated in the recent throne speech.

As parliamentarians, we have a duty to make a concrete contribution to the implementation of the government's agenda, which seeks primarily to ensure that the Government of Canada is, more effectively than before, at the service of all Canadians. This is the number one responsibility for all of us and we should never forget it.

Because of the position I was honoured to occupy in recent years as chair of the Standing Committee on Foreign Affairs and International Trade, the current state of the world is of special concern to me, as are our country's responsibilities and commitments on the international scene. From experience, I know that my worries are shared by a large and steadily growing number of Canadians.

We no longer live in separate compartments; everything that happens in the world affects us and concerns us. The diversity of our people, who come from and retain solid and longstanding ties with the four corners of the earth reminds us of that fact directly. The people of our country have a tangible interest in world affairs; it is obvious and we see it everywhere.

I often hear them talking about the kind of world they want to live in: a world founded on justice and tolerance; a world that promotes human dignity and respects human rights; a world of solidarity, that builds democracy and fosters economic, social and cultural progress.

In his recent address to the United Nations, the Prime Minister made it clear he understands what Canadians want, particularly when he insisted on the fact that the primary obligation of the international institutions is to our common humanity. He also said that

governments have the duty to speak to the dignity and freedom of every human being on earth.

What the Prime Minister was expressing lies at the very heart of the most fundamental Canadian values, the values that individual Canadians fervently wish to see spread across the world. Our partisan affiliations in this House cannot prevent us from recognizing the predominance of such values among Canadians, and it is our duty to contribute to making them reality.

We can also recognize the urgent need to act, to give our best as a country and as individuals, to bring relief from the many cruel plagues and misfortunes that so many of our brothers and sisters in humanity have to suffer.

There are certainly some serious problems caused by phenomena related to the contingencies of our human condition, such as natural disasters and outbreaks of infectious diseases. In such situations, the actions of our country and its people of all backgrounds and all ages, are always characterized above all by an open heart, a quick and generous response. This trend must continue, with the same determination and compassion that brings honour to this country.

Then there are other scourges that arise out of the darker side of our own human nature. It is of the utmost urgency that we address these head on, with all the strength of conviction we are able to muster. For example, hate, whether based on ethnic, social or religious grounds, is what lies behind most of these terrible scourges which destroy lives and leave despair and fear in their wake in too many parts of this world.

It is true that eradicating hate is a mammoth undertaking in itself, but our country and its people are among those best suited to driving back the forces that propagate it.

● (1100)

Our civil society has never ceased to amaze me with its diversity, its wealth of experiences and solid accomplishments on the international scene.

When our people talk about helping others, it is not just empty words. Through our NGOs and the variety of associations working in favour of peace and tolerance in the world, our fellow citizens are providing tangible proof of the reality and depth of their convictions.

Many of these associations and NGOs, often with private sector backing, are focusing their attention on a theme very dear to my heart: tolerance and peace through education. Education, particularly in early childhood, is the primary means of tearing out the vile roots of hatred and consigning them to the garbage heap of history.

This requires a real battle around curriculum content and academic goals. We must promote a school system that fosters the development of human and civic values, for these are the seeds from which peace can best grow.

*The Address*

During the various consultations over which I have presided in recent years in the standing committee, I have been delighted to learn of a multitude of projects within our civil society with the specific goal of reaching out to school children in those areas of the world where hate and intolerance are most rampant.

In the Middle East for example, an extremely troubled region if ever there was one, some of those projects are either at the planning stages or under way. Young Israeli and Palestinian children learn at school about the virtues and benefits of peace and tolerance, of listening to one another and of understanding. These children are also given opportunities to meet and have dialogue with their counterparts in the other camp. This simple and unpretentious, yet concrete and creative approach is the best way to contribute to eliminating prejudice and eradicating hatred. The seeds of hope are being planted in order to reap the benefits of peace and tolerance in the future. This is something our country and many Canadians are in a position to make happen.

Now more than ever, as a government and also as parliamentarians, we must provide solid support to this type of initiative. At first glance these may seem like modest initiatives, but they will truly contribute to lasting peace in our world.

These initiatives also reflect the emergence of one-on-one diplomacy, whether it be Canadians and foreigners, or people from various camps who are too often the object of hate and division.

In conclusion, this is what leads me to believe that although Canada may not be a major world power, we certainly have a powerful potential for inspiring hope where there is despair, tolerance where there is hate and justice where human rights are being abused.

It is up to us to get on with the job, realize the extent of our potential and our international responsibilities, and give more tangible expression to the values that make our country what it is: a model for the nations of the world.

●(1105)

[*English*]

**Mr. Deepak Obhrai (Calgary East, CPC):** Mr. Speaker, before I being I congratulate you on becoming Deputy Speaker. It is a reflection of your contribution to the House of Commons that you are sitting there today.

I would first like to thank the constituents of Calgary East for sending me here for the third time, especially with a bigger majority than before, despite a campaign of lies by the Liberals. Nevertheless, the people of Calgary did not listen and they sent me back with a greater majority.

I want to ask the member, and I know in the last committee he was chairman of the—

**Hon. Wayne Easter:** Mr. Speaker, I rise on a point of order. Will the member refrain from using that language in the House and the words he used in terms of the policies of the Liberals and what they have said? I would ask him to withdraw his remarks.

**The Deputy Speaker:** The Chair was otherwise occupied at the time. The hon. member is very experienced and he knows that

language must be judicious. I am sure he will watch his language and I urge him to do so.

**Mr. Deepak Obhrai:** Mr. Speaker, when I was on the foreign affairs committee, the member was the chair. Why does his party not respect Parliament? Let me explain my question. The government sent the same sex marriage question to the Supreme Court without bringing it here to the Parliament of Canada.

Not only that, but the defence minister recently said that he would not bring the issue of missile defence into the House of Commons, that the decision would be made by an executive decision.

Why does his government constantly ignore the will of Canadians as expressed to the Parliament of Canada?

●(1110)

**Mr. Bernard Patry:** Mr. Speaker, I also wish to congratulate you on your appointment as Deputy Speaker. I am thrilled to work with you.

To answer my colleague for Calgary East, I am disappointed. I made a speech but he asked me nothing about my speech. What is he doing? Did he not listen to the speech? I think it is much more important for him to listen to what we have to say.

**Mr. Deepak Obhrai:** Answer my question.

**Mr. Bernard Patry:** I will answer the member's question by giving him some information because he does not seem to have the information.

The government wants to spend more than \$70 million to help fight AIDS in the world. I think this is something very concrete. This is something that Parliament wants to do. This is something that Canadians want to hear about. This is one thing that the government is doing. It is very important to say that. There is malaria also.

Something else that is very important is the international scene and Africa. There are many conflicts in the world. What we want to do is have money so that the African union will work together to try to get some "les Casques bleus" there to try to help the native people of the world. This is what we want to do. This is my answer.

[*Translation*]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, I congratulate you on your appointment.

I have been listening attentively to the remarks by the hon. member for Pierrefonds—Dollard, who has demonstrated his knowledge of politics and international affairs. I had a great deal of trouble understanding the meaning of his support or opinion regarding the Speech from the Throne. Perhaps I misunderstood or did not fully grasp what he was trying to say.

*The Address*

I would like, very humbly, if I may, to bring him back to the throne speech and ask him a question. During the election campaign, the Prime Minister said that he wanted to reduce the financial pressures on the provinces and at the same time, I believe, to continue to completely respect provincial jurisdictions. Does he agree with the words of his leader, the Prime Minister? If I could just return to the throne speech and the amendment to the amendment we are discussing today, I would ask the hon. member for Pierrefonds—Dollard if he personally agrees that provincial jurisdictions should be respected and does he recognize that they are suffering financial pressures that should be alleviated? In other words, does he support the Bloc Quebecois's amendment to the amendment?

**Mr. Bernard Patry:** Mr. Speaker, of necessity, as I am a member from Quebec, I believe that we must respect matters of government responsibilities and provincial jurisdictions. I have no problem with that.

As for the second part of the amendment to the amendment proposed by the Bloc Quebecois, it is very important that the government not abdicate its financial responsibilities. That is the crux of the matter. In my view, the federal government that has been elected, even though it is a minority government, must earn the public's respect, must go in the right direction, and have a balanced budget.

[*English*]

**Hon. Eleni Bakopanos (Parliamentary Secretary to the Minister of Social Development (Social Economy), Lib.):** Congratulations, Mr. Speaker.

[*Translation*]

First, I would like to thank the residents of Ahuntsic for once more giving me the honour of representing them in the House of Commons. It has always been an honour.

I am pleased to rise today to tell the House about one element of the Speech from the Throne that is part of my responsibilities within this new government. I am referring to the importance of the social economy in Canada.

[*English*]

I will quote the Speech from the Throne:

The Government is determined to foster the social economy—the myriad not-for-profit activities and enterprises that harness civic and entrepreneurial energies for community benefit right across Canada. The Government will help to create the conditions for their success, including the business environment within which they work.

Social Development Canada was created to become the point of convergence for all social policies and programs for children, families, persons with disabilities, seniors and the volunteer sector.

●(1115)

[*Translation*]

I have always been one of those who believe that that the government has a role to play as an economic and social catalyst. I am also very much aware that the quality of life in Canada is greatly enhanced by the work of organizations in the volunteer and

community sectors which, day after day, accomplish incredible things.

In our communities, they have contributed greatly to the quality of life of millions of Canadians. Their work reflects the values that we, on this side of the House, believe are truly Canadian.

[*English*]

We as politicians see this in our everyday lives while we tour our ridings. I wish, and on behalf of all members, I believe, to pay homage to all the volunteers and those compassionate and caring individuals who contribute so much to our society and to their fellow Canadians.

Canada's non-profit and charitable organizations, community groups and volunteers are important allies of our government in that they build strong and resilient communities. The volunteer sector organizations fill a need that is both real and growing.

[*Translation*]

In this country there are over 160,000 non-profit organizations and some 6.5 million Canadians who give their time to voluntary organizations. That adds up to more than a billion hours of work per year. Not only does this bear witness to the vitality of our communities, but it is also an important economic force that generates revenues of \$14 billion a year.

These volunteer hours make it possible for the organizations to contribute to their community by serving meals to seniors, offering respite care to families in need and enabling our children to develop to their full potential through sports and cultural activities.

[*English*]

The social economy is an area in which the non-profit and charitable sectors excel. I want to thank the Prime Minister again for giving me that responsibility because I think it is going to be a great trial and, as we evolve in the next few months, we will see it having direct implications in terms of communities in this country.

Many people are unfamiliar with this concept of social economy enterprises. The social economy is everywhere. People only have to look around their neighbourhoods: it may be the day care centre, the housing co-op, seniors' support services or a local community economic development organization.

The term “social economy” may be new but it is simply a variation and a continuation of what social, non-profit enterprises already do, such as, for instance, the trade union movement or the cooperative movement in this country. Simply put, it is people working together to solve challenges that confront us in our communities. It is people empowerment, in a way, and community based community action.

Moreover, social economy enterprises operate like businesses. They produce goods and services to generate revenues but manage their operations on a not for profit basis by reinvesting all revenues to achieve a social purpose rather than generate a profit for their shareholders.

*The Address*

For example, AMRAC, an organization from my own riding of Ahuntsic, refurbishes and builds new furniture and employs and trains people who are having difficulty finding work. The organization has two storefronts, one for the furniture it sells to the general public and one that provides household items at prices that are affordable to individuals and families with low incomes. The revenues generated are then reinvested in training programs for the unemployed and in equipment.

This example demonstrates what can be accomplished when community networks get built, when people who care come together to do something about the challenges they see in their communities. There are numerous examples of this all across the country. They come up with new ways to solve long-standing problems. Social enterprises have great potential to provide a flexible and relatively sustainable means for achieving a range of community goals.

[*Translation*]

Social economy enterprises are not always small. For example, the Cirque du Soleil began as a small business and is now internationally known. It is still active in the social economy, however, through activities such as the Tohu in my colleague's riding.

In Canada there are nearly 10,000 social enterprises and agencies that employ some 100,000 people and whose yearly sales amount to approximately \$20 billion, which is an average of \$2 million.

• (1120)

[*English*]

The government is determined to foster the social economy. In our budget commitments of 2004 we identified three priority areas for the social economy: capacity building, financing and research.

The funding is allocated as follows. There is \$100 million over five years in support of financial initiatives that will increase lending to social economy enterprises. With that money, they can also then leverage funds from the private sector. This whole endeavour requires that there be a partnership between the three levels of government and the private sector. The funding also includes \$17 million over two years for a pilot project for strategic planning and capacity building of community economic development organizations and \$15 million over five years to the Social Sciences and Humanities Research Council in support of community based research on the social economy. These programs are just down payments, as I have always said since we started back in January toward building a foundation for Canada's social economy.

As stated in the Speech from the Throne, we will also introduce a new not for profit corporations act that will aim to reduce the regulatory burden on the not for profit sector, improve financial accountability, clarify the roles and responsibilities of directors and officers, and enhance and protect the rights of members.

We must also identify and share the strategies that work best and work with others to develop a longer term framework for the social economy, which will guide our future efforts in building strong, vibrant and sustainable communities. For that reason, I established a national round table to which I have invited the main stakeholders from the volunteer sector, such as, for example, the United Way, and also from the private sector, VanCity from B.C., the cooperative movement, the trade union movement, and le Chantier de l'économie

sociale, to name just a few, to advise me and federal government ministers on moving forward on these commitments.

[*Translation*]

In conclusion, since today's debate is on the Bloc Québécois's amendment to the amendment, I would like to emphasize that in my opinion, which is shared by most of the Liberal members from Quebec, it is a way of asking for a blank cheque from the government.

The Prime Minister will hold a meeting with the provincial premiers. I believe that will be the forum for a serious discussion on the subject of the country's finances. This government has never abdicated its responsibilities.

**Ms. Nicole Demers (Laval, BQ):** Mr. Speaker, I wish to thank my hon. colleague from Ahuntsic for her comment.

I would like to start by thanking the voters of Laval who have given me the opportunity to represent them here and to defend their interests. I have to say that I came here full of good faith, planning to do my job in good faith and to make room for the interests we may have in common despite that fact that we are sovereignists. We do not deny that we are, and never have. We are sovereignists and that is our agenda. I do, however, have a great deal of difficulty reconciling this desire to cooperate with this government's very arrogant and scornful attitude.

Laval is the city in Quebec where life expectancy is the longest. Women live to be 82.2 years old, and men, 78.3 years old. Laval is home to more than 40,000 citizens over 65, 38% of whom are 75 years old and over. Social economy, cooperation, that is all fine and well, and I am familiar with both. However, additional measures are needed to protect and help our seniors.

I would ask my colleague whether her government also plans, when it talks about improving the guaranteed income supplement program, to provide retroactivity for those eligible.

• (1125)

**Hon. Eleni Bakopanos:** Mr. Speaker, it is great to rise in the House and start off by accusing the government of arrogance. There are more acceptable ways of beginning one's maiden speech.

As regards the specific question the new member asked, we have introduced the New Horizons program referred to in the Speech from the Throne. The guaranteed income supplement for seniors will be adjusted. During the last session of the House of Commons, when I was the parliamentary secretary to the minister responsible, we took the trouble, as a government, to advise all seniors across the country of their rights.

[*English*]

**Mr. Garry Breitkreuz (Yorkton—Melville, CPC):** Mr. Speaker, I also want to join my colleagues in congratulating you on your appointment to your new position. I look forward to working with you.

*The Address*

The Prime Minister and the Liberal government members said when they were sworn in after they won the election that they were going to “hit the ground running”. Instead, they did a belly flop. It is most evident in their treatment of farmers as to how big a belly flop this was, with really no action on that front. In the speeches I am listening today from that side, they talk about fundamental Canadian values and all kinds of high sounding phrases. That is just like the throne speech. It sounded so good but it was complete fluff.

What are real people in this country experiencing? Let us take rural Canada, the west, Saskatchewan, rural Ontario, Quebec, or rural eastern Canadians. They are being devastated by the BSE crisis. We heard virtually nothing about that. In fact, we had cabinet ministers yesterday defending their backbenchers’ bad-mouthing of our American neighbours. We need that trade. When that border was slapped shut—and it is still closed to live cattle exports—we were devastated.

Now for the west, we had a devastating frost in August, which has hurt the part of the sector that was maybe going to be the bright light this year. The government does not even seem to recognize that. We do not hear anything from those MPs opposite about what real Canadians are experiencing. I think the lack of action is just devastating. As I said when I began my remarks, they are making a belly flop. The people who need to have farm programs that work and who need to have government programs that work are not getting them. I think it is about time that all MPs over there recognize this.

**Hon. Eleni Bakopanos:** Mr. Speaker, was there a question in that? I would just like to remind the House that tonight, in fact, we are having a debate on BSE. It is a special debate. I think there have been other measures, mentioned in the last budget and in the Speech from the Throne, to help the agricultural sector in this country.

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## ROUTINE PROCEEDINGS

[English]

### LOWERING OF FLAGS TO HALF-MAST

**Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC):** Mr. Speaker, when I was walking to the office this morning I was actually saddened and disappointed to notice that the federal government has not recognized appropriately the tragic loss of Lieutenant Chris Saunders yesterday in the HMCS *Chicoutimi*.

Therefore, I am rising today to ask unanimous consent of the House for the following motion. I move:

That this House demand the Prime Minister instruct all federal government buildings to immediately lower all Canadian flags to half-mast to recognize the tragic death of Lieutenant Chris Saunders yesterday on the HMCS *Chicoutimi*.

**Hon. Eleni Bakopanos:** Mr. Speaker, on a point of clarification, perhaps, did we not yesterday in the House in fact have a moment of silence? On the premise of the hon. member's statement, I am sorry, there was in fact recognition of and respect for the family, and the opening of the member's statement is erroneous.

**The Deputy Speaker:** This is not debate. There is a point of order. There has been a motion proposed to the House. The House

has heard the motion. Does the hon. member have the unanimous consent of the House to move the motion at this time?

**Some hon. members:** Agreed.

**The Deputy Speaker:** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**The Deputy Speaker:** I see no dissent. The motion is adopted. (Motion agreed to)

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## SPEECH FROM THE THRONE

• (1130)

[Translation]

### RESUMPTION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion for an address to Her Excellency the Governor General in reply to her Speech from the Throne at the opening of the session; and of the amendment; and the amendment to the amendment.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I will be sharing my time with my distinguished and very competent colleague from La Pointe-de-l'Île.

I would like to thank my constituents from Saint-Hyacinthe—Bagot for giving me their trust for the fourth time with the largest majority I have received since 1993. I can assure them once again that they will not be disappointed in their choice. I will work hard to defend their interests.

Some things in the Speech from the Throne are surprising. My colleagues will have the opportunity to talk about other matters that are missing from or poorly presented in this speech. I will focus on two aspects. The first concerns the whole issue of financial pressures, commonly referred to as the fiscal imbalance on this side of the House. The second concerns the agricultural sector, which is also one of the major areas that was forgotten in the Speech from the Throne and one of the major sectors that has been neglected by the government for many years.

A first ministers' conference will be held shortly to address equalization and all federal transfers. It is quite surprising that just a few weeks before this conference there is no mention in the Speech from the Throne of this important issue, except for one line. It says that the federal government will present the most significant, most magnificent reform of the equalization program in 45 years.

My first point is this: equalization is one thing, but there is also the conference of October 26. I trust the Prime Minister is far better prepared than for the last first ministers' conference on health care. That time he was absolutely at a loss. He gave the impression of being totally disconcerted, with no idea of what he was talking about. I hope this time he will be well prepared.

*The Address*

During the election campaign he made a commitment—one he repeated two weeks ago—to open the first ministers' conference with two major subjects: equalization payments and the other fiscal transfers which are causing tax pressure on the provincial and Quebec governments. This is in large part due to the skyrocketing costs of health care and the growing needs in the area of education and social assistance.

Equalization is important, but if it is done according to the formula presented to us two weeks ago, nothing will be accomplished and it will be a mere travesty of the objectives and mission of an equalization program.

Two weeks ago, on the very first day of the premiers conference, the federal government presented an equalization payment amending formula: take the 2000-01 payments and index them. When the formula is not corrected from beginning to end, we end up with a situation where, for example, the Government of Quebec would end up over the next 10 years not get half of what it would normally would have obtained in equalization payments had the formula had been reshaped using correct and stringent parameters. There has been talk of reshaping the equalization payment system for 10 years now.

Two constants with two parameters keep coming up and there is provincial consensus on these. The first: provincial representation must be changed. Calculations to determine the per capita payment must be based on the ten provinces, not five. The other parameter is property tax. This has been volatile in recent years and as a result, for example, Quebec suddenly lost \$2 billion in equalization payments.

Real property tax values must be used as the basis for the calculation. There is nothing complicated about that. Change two parameters and we have a lasting solution to the problem.

Second, the Prime Minister must fulfill his two commitments—the one he made during the election campaign and the one at the last conference—and deal with the fiscal pressures. I find it hard to understand why the Prime Minister and the members of his government are upset when we propose an amendment dealing with fiscal pressures and fiscal imbalance. The Prime Minister himself admitted, during the election campaign and two weeks ago, that the Quebec government and the provincial governments were under undue fiscal pressure and he said that he was prepared to work on this issue.

But the throne speech makes no mention of these fiscal pressures. The first ministers' conference is in three weeks. Are we justified in questioning the government's agenda? After all, this is what the throne speech is about: it presents the government's agenda.

If the Prime Minister is not able to anticipate that, under his agenda, he will have to meet the provincial premiers in three weeks to discuss fiscal pressures, then there is a problem. Something was overlooked. I do not know whether this is deliberate or if the Prime Minister is in the process of changing his mind.

There is only one way to deal with the fiscal imbalance in a thorough fashion. The tax fields of the federal, Quebec and provincial governments must be redefined.

●(1135)

In other words, we must transfer the additional taxing powers to the provincial governments and to the Quebec government so that they can fulfill their primary responsibility regarding health, front line services to citizens, education and income support for society's poorest.

It is easy to transfer tax points or, for example, to transfer GST revenues, as was pointed out by the Séguin commission. Here again, the government is not even open to discussing the issue. Imagine what it will be like when it comes to finding solutions.

But we are expecting the Prime Minister on October 26. So are the premiers of Quebec and the provinces. The federal government cannot accumulate surpluses unduly while the provinces have glaring needs in health, education and income support, which are all fundamental responsibilities enshrined in the Canadian Constitution.

There is something indecent about the fact that they hid these surpluses from us, year after year. Once again, the Conference Board is talking about a federal government surplus of \$164 billion over the next 10 years, while the deficit for Quebec and the other provinces will be over \$60 billion. Something is not working properly; the federal government has too much money for its responsibilities and there is not enough money for the basic responsibilities for services to the people, such as health and education.

This conference must be guided by four principles that are not found in the Speech from the Throne. These principles are: provincial autonomy with regard to constitutional responsibility; stability; predictable management of the funds they have on hand; and long-lasting arrangements. It must not happen that every two years someone has to come back and grovel on behalf of those who require services. The money does not belong to the federal government; it belongs to the citizens whose highest priority—and this was seen everywhere in the election polls—is to have that money invested in health, education and income support.

Unless it accomplishes this, we will consider the conference a failure.

Second, there is agriculture, the most important sector in my riding. It is an important economic motor for all rural regions in Quebec. The same is true in the rest of Canada. My honourable friend from the west was saying so just now.

For a number of years, the federal government has neglected farmers, so much so that if we compare the incomes of farm families now to those of the past 30 years, these are the lowest incomes for 30 years. The men and women who farm have been victims of an incredible depression, particularly in the last three years. Between mad cow disease and American subsidies, it has been incredible. Those subsidies represent at least 20 times what the federal government can provide to the producers of large-scale crops such as corn and wheat.

We cannot go on like this. Competition is not based on the quality of the products; it is based on the ability of governments to intervene with outrageous subsidies that contravene all the trading rules of NAFTA and the World Trade Organization.

Five years ago the federal government cut the dairy subsidy by \$6.03 a hectolitre. It provided \$120 million to dairy farmers in Quebec. If the farmers still had this \$120 million today, they could survive the mad cow crisis. But that is not what the federal government did.

As for the Quebec Artificial Breeding Centre, a vital part of the agricultural economy, it has been cornered a financially disastrous situation because of mad cow disease. Indeed, 75% of QABC products that used to go the United States no longer go there.

The federal government is abandoning the agricultural sector and cast doubt on the survival of the École de médecine vétérinaire de Saint-Hyacinthe, the only francophone school of veterinary medicine in North America. It is the only one that currently does not have full accreditation. The four others located elsewhere in Canada are fully accredited, but Saint-Hyacinthe is not. Why? Because the federal government did not do its job.

If that is what they call a government program then it is only normal that we reject it. However, it is abnormal for the government not to agree to work with us to improve its work program, to make this Parliament work.

The government has to understand that we are in a majority position, which is not easy to do. We are the majority, we have a majority predisposition and that can have a major impact. The Liberals still do not understand that they have a minority in this Parliament. It might be a good idea for them to cooperate rather than impose the Liberal party agenda, which was rejected by 62% of Canadians, a significant figure.

• (1140)

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, congratulations on your election.

I would like to ask my hon. colleague a question. But first, let me say that I thought he described the situation very well when he talked about a meaningless throne speech following the results of the election on June 28.

Since my colleague was previously the Bloc Québécois critic for aboriginal affairs, I would like him to comment on the fact that not one word is to be found in the Throne speech on the appalling conditions in which Canada's native people live.

As we know, some initiatives launched in Quebec were successful, including the peace of the braves, an agreement reached with the Cree, and the common approach with the Innu. Unfortunately, as I have witnessed myself, despite the efforts made by the government and the people of Quebec, native people in Quebec are still encountering difficulties because the federal government is doing absolutely nothing to help these communities solve their problems. I would like to ask the hon. member to speak on this.

**M. Yvan Loubier:** Mr. Speaker, I thank my illustrious colleague from Joliette for his most important question.

The two and one-half years during which I was responsible for aboriginal issues were a great revelation to me. I learned something new every day. The situation of Canada's aboriginal people is disastrous, and not far off third-world levels. Every throne speech

### *The Address*

makes reference to aboriginal problems. It looks good. In all throne speeches there is a paragraph about recognizing the first nations.

How then does it come about that the necessary actions are not taken? The first thing we should have seen in the throne speech, particularly after the battle we led against the governance bill, C-7, unwanted by every aboriginal nation across Canada, is that the government was planning on allocating additional resources to speed up negotiations on first nations self-government. This is the only way to enable the first nations to take charge of their own affairs, to have their own tax base, to make decisions on their own future, and to have full jurisdiction over that future.

There is a frequent tendency to paint a bleak picture of our first nations, whereas 90% of these communities are administering their lands appropriately. They ought to be allowed to do so because it is their jurisdiction. They ought to be given the resources as well as compensation for the harm done by an Indian Act that is as bad as any apartheid regime the world has ever known.

But no, back they came again with the usual paternalistic approach, telling the aboriginal people what was good for them and how to do things. There we were with Bill C-7. My NDP colleague and I fought for 55 days and 55 evenings, some of them into the night, to get that bill rejected. Despite what we were told, this was just a second version of the Indian Act on top of the original one, which was terrible enough on its own.

The problems are so obvious: chronic under-employment, otherwise known as unemployment, a youth suicide rate double that of the rest of society, multiple addictions, housing problems. Some of the housing is not fit even for an animal to live in. I have had the opportunity to visit reserves in Quebec and in Canada, and the situation is shocking.

It is disgrace for a government not to have made the aboriginal issue a priority. Aboriginal people are promised the moon every five years or so. Such was the case with the report of the Erasmus-Dussault royal commission, which opened up incredible possibilities for them. In opposition to the Erasmus-Dussault report, they are presented with a bill no one wants. Enough time has been wasted on this issue. It is time to speed up negotiations. First, there has to be a recognition of first nations as nations, according to the UN definition, like any other nations of the world. In that sense, they have the right to self-determination and ought to be able to decide their future, as should Quebec's people.

[English]

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Mr. Speaker, first let me congratulate you on your appointment. We look forward to great things from the Chair.

The member represents the party which is extremely concerned with the eroding of provincial controls. In the Speech from the Throne there is a statement which says that the government intends to give a portion of the gas tax to the municipalities. I always thought that municipalities came under provincial jurisdiction.

*The Address*

I would like the hon. member's observations. Is he aware of a deal with the provinces which would allow the federal government to deal with municipalities? What is meant by "a portion of the gas tax"? How thinly is it being spread or is it just another sham perpetrated by the government opposite?

•(1145)

[*Translation*]

**Mr. Yvan Loubier:** Mr. Speaker, I thank my colleague for his question.

You can see dirty tricks the government plays to try to alleviate the disaster it has created over the past decade. It has starved the provinces, forcing them to tighten their belts to avoid running huge deficits. Some were successful, while other are on the verge on going into a deficit. Recently, we saw the situation of the Government of Ontario.

These are dirty tricks. All that has guided the federal government for the past 10 years is visibility. When you are swimming in surpluses—\$10 billion annually on average these past three years—you end up spending left and right. Visibility is what is guiding this government's decisions.

There is a solution to this problem: redefine tax fields. If there is too much money in Ottawa given the mandates the federal government has to fulfill, there is too little in the provinces and in Quebec to meet the needs of the people. That is what has to be redefined. The last time this was done was in 1964, under Messrs. Pearson and Lesage, when tax points were transferred. Let us do it again.

**Ms. Francine Lalonde (La Pointe-de-l'Île, BQ):** Mr. Speaker, I too want to congratulate you on your appointment. As my colleagues before me have done, let me thank the voters in the riding of La Pointe-de-l'Île, the new name for the riding of Mercier. This new name reflects the geography and the history of this corner of East Montreal, on the shores of the St. Lawrence River. It is a reminder that Montreal is an island the east point of which is inhabited by proud people whom I want to represent to the best of my ability.

It is with pride that I take my turn to speak to and in favour of the Bloc Québécois' amendment to the amendment. I would like to remind the House of what it is all about since this morning I heard comments that made me wonder if those who were taking about it had really heard or even read it. Here is the amendment, which is worded with respect:

"and we ask Your Excellency's advisors to ensure that all measures brought forward to implement the Speech from the Throne, including those referred to above, fully respect the provinces' areas of jurisdiction and that the financial pressures the provinces are suffering as a consequence of the fiscal imbalance be alleviated, as demanded by the Premier of Quebec."

When we talk about respecting the provinces' areas of jurisdiction in the amendment to the amendment, we are referring to the Constitution. We talk about the financial pressures the provinces are suffering, the very same words the Prime Minister himself used. If pressed, he will eventually cough up the same answer. We are not asking for the total elimination of financial pressures. We are not that demanding; we ask only that they be alleviated.

I will add right away that I heard the member for Outremont say that they were not going to relinquish their responsibilities to the Premier of Quebec. After "as demanded by the Premier of Quebec", we could add "and by all the other provincial and territorial premiers as well as a vast majority of Canadians".

We wrote this amendment to the amendment so that it would be acceptable to the government. That is what we want. Our leader said yesterday that we do not want to practice the politics of the worst-case scenario. We could easily vent the anger we feel, especially after a series of speeches such as those we heard this morning. I am as fired up as I was during the election. We wanted the wording of the amendment to the amendment to be acceptable so that the areas of provincial jurisdiction would be recognized and the financial pressures alleviated. Is there anything more sensible than that?

If the hon. member for Outremont were sitting behind a microphone, I am sure he would come to a very obvious conclusion. Not one of the commentators from Quebec, including those from the English-language papers and media, thought the throne speech would be acceptable to Quebec and the Bloc Québécois. No one thought the Bloc Québécois could support the throne speech. That was made very clear and in no time at all.

To make this totally unacceptable document more palatable, the least we could do is find the amendment to the amendment to be in order and see it as a manifestation of our goodwill.

It should not come as a surprise really. Last February, in the throne speech, the Prime Minister said:

Jurisdiction must be respected. But Canadians do not go about their daily lives worried about which jurisdiction does this or that. They expect, rightly, that their governments will co-operate in common purpose for the common good, each working from its strength.

•(1150)

Unfortunately, from what we can see, the Prime Minister seems to be saying that jurisdictions are not all that important, as long as the provinces have some money to spend.

Interestingly, Mr. Pelletier, the Quebec Minister responsible for Canadian Intergovernmental Affairs and Native Affairs, who is a Liberal and a federalist, said:

To say that the distribution of powers is obsolete is to say that federalism is obsolete.

I know that Benoît Pelletier is a true hard-line federalist. He believes in the sovereignty of jurisdictions, including areas of provincial jurisdiction.

**Mr. Benoît Sauvageau:** Mr. Speaker, I rise on a point of order.

**The Deputy Speaker:** The hon. member for Repentigny on a point of order.

**Mr. Benoît Sauvageau:** Mr. Speaker, while my colleague from La Pointe-de-l'Île is trying to express the opinion of the Bloc Québécois about the throne speech, our colleague opposite is calling us traitors, is telling us to take our paycheque and go back to France. I cannot name the riding of this member because I think he is not sitting in his seat. If he is in his seat, he only has to name his riding.

*The Address*

In this House, the Prime Minister talked about cooperation and goodwill. I would like to have the member retract, apologize, stop calling us traitors and stop telling us, during the speech of the member for La Pointe-de-l'Île, to return to another country.

**Hon. Denis Coderre:** Mr. Speaker, I can understand why my colleague from Repentigny is so sensitive. Perhaps such words as “get out of the country”, were used, which is unacceptable.

As for calling people traitors, it would mean that this applies to all separatists in Quebec, including the Société Saint-Jean-Baptiste, which had called the members of the Liberal Party in the House traitors. I would like him to comment on these unparliamentary words and tell us exactly the same thing, which is that he is sorry and that the word “traitor” is unacceptable, no matter which side of the House he is referring to.

[*English*]

**The Deputy Speaker:** I think we are getting into debate now. I did not hear the initial comments down at that end of the House. I would urge all members, obviously, to make whatever comments they need to in the questions and comments period that follows the debate and to keep the language and the decorum to that which we expect from experienced members.

[*Translation*]

**Ms. Francine Lalonde:** Mr. Speaker, you have to agree that this kind of participation is stimulating. I have to tie this in with what I was saying. I was talking about the sovereign provincial jurisdictions. Let me repeat the statement of a Quebec minister: “To say that the distribution of powers is obsolete is to say that federalism is obsolete”.

I find unacceptable many things in this throne speech. One of them was not mentioned by other members, but I would like to deal with it. At the beginning of the throne speech, one can read, and I quote:

The Government's actions on behalf of Canadians will be guided by these seven commitments:

—to promote the national interest by setting the nation's objectives and building a consensus toward achieving them—

I have two points to make about this. First, Quebec is not only a province, but also a nation. It is not an ethnic group, but a nation in the real sense of the word.

I might add that I am proud we have in this Parliament, thanks to the Bloc Québécois, but mainly thanks to him, the first African-born MP, the hon. member for Saint-Lambert. He has been elected by wise and intelligent voters.

Quebec is not only a province, but also a nation. A large part of what I have to say about Quebec could also be said about other provinces. If Quebec had waited for a national federal initiative to further its development, if it had waited for some federal consensus to develop, it would still be marching to the drum of the fifties.

Saying that is really ignoring history. As to the Quebec social model, I know many provinces would like to implement it. There is a growing recognition of that in day care. This model was developed by the grassroots, the same way the healthcare model was developed in Saskatchewan many years ago. Our model was developed because

we used our skills, intelligence, expertise and leadership to achieve our goal of protecting our national interest.

It is utterly unacceptable that the only type of leadership being suggested is a leadership that does not take into consideration the fact that Quebec has its own goals and means. It is not true that, outside a national consensus, particularly in matters of provincial jurisdiction, but also in other matters, there is no redemption.

• (1155)

[*English*]

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.):** Mr. Speaker, I will be splitting my time. Congratulations on your new role. I am sure you will do an excellent job based on your past performance.

I, too, would like to thank my constituents for re-electing me. All members know that with every decision we make and every position we take some of our constituents would disagree. It is a very difficult role in that respect. Those constituents of mine who have been on the other side of various debates have been exceedingly generous with me and I certainly appreciate their support every time I return to the riding.

I want to talk about the north but before I do, I would like to make a quick point on the national debt. It is great to be able to go on the record now to show that we are the only party that is committed to reducing the national debt which is a very significant debt.

In the debate so far the leader of Her Majesty's loyal opposition has explained how rich the federal government is and how we have so much more money than we should have. The Bloc has commented constantly in this debate and previous debates on these large surpluses. The leader of the NDP is on record as being opposed to debt reduction.

This party in the throne speech has made it quite clear that we are continuing on the path of slow but steady reduction of the debt. Canadians appreciate that we are reducing the taxes and what people in Quebec will have to pay to pay off the interest on the national debt; we should get rid of it as soon as possible.

The Bloc subamendment calls upon the government to fully respect provincial jurisdiction and alleviate the financial pressures on the provinces caused by fiscal imbalance as demanded by the premier of Quebec. I can say, as my colleagues have said, that we are not going to abdicate our responsibilities in the fair sharing of our resources across the country.

We recognize that all governments face financial pressures, some more than others, in this great nation. That is why the Prime Minister will be meeting with his provincial counterparts to conclude the most fundamental reform of the equalization program in history later this month.

The Bloc subamendment would commit the government to an open-ended call on government finances. That is a fundamental issue which the government cannot support.

I want to spend most of my time talking about the north and how tremendous the throne speech has been for the people north of 60 in this country.

*The Address*

During the throne speech I was sitting in the gallery in front of a professor of Canadian studies from the University of Alaska. She said to me after the speech, "Did you write that speech? Your constituents are going to be elated". I certainly agree with her on the great effort that was made in the throne speech to recognize the north. Although it has a very small population, it is very unique and beautiful and is an important part of the country.

Most throne speeches do not talk about particular regions or areas because most of the provisions, many of which will benefit my constituents, are national in scope. The throne speech made two very significant references to the north which is very exciting for the people in the Yukon, the Northwest Territories and Nunavut.

The first reference in the throne speech states:

A region of particular challenge and opportunity is Canada's North—a vast area of unique cultural and ecological significance. The Government will develop, in cooperation with territorial partners, Aboriginal people and other northern residents, the first-ever comprehensive strategy for the North. This northern strategy will foster sustainable economic and human development; protect the northern environment and Canada's sovereignty and security; and promote cooperation with the international circumpolar community.

That is a huge agenda for the north, when we talk about the economy, the environment and international cooperation. One I am particularly proud of and which I have been working on for a number of years is the commitment to protecting northern sovereignty.

The other reference in the throne speech relates to health care:

The Plan addresses the unique challenges facing the delivery of health care services in Canada's North, including the costs of medical transportation, and encourages innovative delivery of services to rural Canada.

● (1200)

This recognizes one of the major problems in the north for health care, which is the distance. In a place like Quebec City a person can get in an ambulance and be at a hospital in a few minutes. In the north one might have to get into a plane and spend \$10,000 or \$20,000 to get to the nearest hospital that can perform major surgery. It is tremendous for our constituents in the Yukon, Northwest Territories and Nunavut to have recognized those tremendous obstacles we face in providing health care similar to that which the people in the south have.

There are a number of references in the throne speech to other initiatives that are national in basis and on which my constituents have approached me a number of times. I am very excited to see those in the throne speech, too.

There are the internal trade barriers and in particular, there are some related to transport with the province of British Columbia which my constituents have raised with me. I am delighted that we are going to renew our efforts to make sure that we have as much free trade as possible within this great federation.

I think people across Canada are excited about the item on reduction of wait times. Certainly it was raised before by my constituents.

Seniors are very excited about bringing back the new horizons program. The aboriginal health transition fund and the reference to FAS also are very welcome in my riding. Issues related to aboriginal

health have been raised with me and I am delighted to see that in the throne speech.

The three different programs to be extended for homeless people will once again be very well received by the people working in the social area in my riding. All those three programs were well used in the past and were very popular. People will be happy that the SCPI program, the affordable housing initiative and the RRAP have been extended.

There are hundreds of voluntary organizations in the Yukon. People will be very happy that there is continued support and recognition of how important the volunteer sector is to Canada.

The young people are very interested in the Canada Corps. One of the issues in the throne speech related to the environment has also been raised by my constituents. It is the legislation to ensure the ecological integrity of national parks. I know that the Canadian Parks and Wilderness Society will be quite happy that that is in the throne speech.

Yet another initiative to help post-secondary students, the learning bond, will be well received. I was approached by post-secondary students before. I could not imagine that anyone would argue with the tax cuts for those people caring for the aged and disabled.

Some in the opposition accuse us that the throne speech is the same as previous initiatives, in essence that we are helping the same problem or the same people again. On that count, I plead guilty.

If the extension of three successful programs related to affordable housing to help the poor is the same, then I plead guilty.

If it means that adding to the many student programs we have had for post-secondary students, including the largest scholarship program in history with the learning bond for poor families is repetition, then I plead guilty.

If it means including yet another initiative, the new act for voluntary non-profit corporations is a repeat of assistance to the voluntary sector, then I plead guilty.

If it means making further commitments to Kyoto over and above the \$3 billion and many programs that we have already put in place to reduce emissions and have cleaner air is repetition, then I plead guilty.

If it means more attention to the precious and unique area of northern Canada, 40% of Canada's geographical land mass, over and above the tremendous financial contributions made in the last budget, then I plead guilty.

If it means over and above the great strides the Prime Minister made in his short time in the first Parliament restructuring government, increasing Indian affairs funding to help aboriginal people and adding more programs to help aboriginal people, then I plead guilty.

If it means adding more tax breaks to the biggest tax break in Canadian history, a \$100 billion this time for tax breaks for the disabled and the poor, then I plead guilty.

• (1205)

That is the type of Canada that I believe in. Future Liberal governments will continue to provide initiatives to help the poor, secondary students, and health care. For that type of repetition, I plead guilty. I would be proud to go into another election based on that.

**Mr. David Anderson (Cypress Hills—Grasslands, CPC):** Mr. Speaker, congratulations on your new position.

It is good to hear that we have one more guilty Liberal on the other side. I want to ask him a specific question. I have a situation in my riding regarding health care. He talked a little bit about northern health care and the fact that many of his people have to rely on planes and those kinds of things to receive health care. He should probably be thankful for that because in one section of my riding people are not even going to be able to have that level of health care themselves.

This summer the provincial government, taking federal money and putting into health care, decided it would shut down a number of the health care centres in my riding and remove ambulance services in other areas. One of the areas involved affects communities along the border. This is an area that involves Val Marie, which has Grasslands National Park near it, the communities of Bracken, Climax, Frontier and Claydon. All told it is an area of about 2,500 square miles.

The government has basically decided that it is going to shut down the only health care facility in the area. The local people have desperately tried to do something to maintain their health care. They went to the provincial government. The provincial government refused to negotiate with them. My constituents have actually appealed to the new Minister of Health. They have not had a response from him.

Instead, my constituents decided they would do something themselves to preserve their health care. In this small rural area these folks have now raised hundreds of thousands of dollars to keep the public health care facility open.

We have talked in this place a number of times about two tier health care. We see it showing its face in Saskatchewan. We have an area where health care is being denied to people. These are rural folks, farmers, some manufacturers, and business people. Some of the rural municipal governments are involved in raising money for their own health care facility.

I would ask the member, why is there no accountability in rural areas for health care? Why is it that in health region number one, the birthplace of medicare, people are now having to raise private money to keep their public health care facilities open?

• (1210)

**Hon. Larry Bagnell:** Mr. Speaker, my congratulations to the member on his re-election.

First, in relation to the word accountability that he used, one thing that we are all very proud of in this new health care accord that the

### *The Address*

provinces and the federal government have signed is that over and above the additional funding are the provisions for accountability and transparency. People across Canada will be able to see how the programs are being delivered and for situations such as his to be resolved.

I do not know the details of this particular situation. In the member's opening comments he said that we should be happy about the travel provisions that we receive. I can tell him that the three northern members of Parliament lobbied strong and hard to get those points across. I congratulate the member for bringing forth this point.

His last point referred to the local people raising funds. I also want to congratulate my constituents. They have a Festival of Trees every year in the City of Whitehorse. They raise tens of thousands of dollars from individuals and generous private sector donations. I congratulate all those people in Whitehorse who have donated so much for more modern equipment for the Whitehorse Hospital.

[*Translation*]

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Mr. Speaker, congratulations on your appointment. I am glad that the member for the Yukon is satisfied with the benefits of the federal government in his riding.

We also live in the north and we have constituents that do not even have any roads. In terms of transportation costs, they pay \$12,000 for a van, for example. That is about the price of a snowmobile or an all terrain vehicle, the only vehicles they can use there. They pay the same for a loaf of bread that we would pay for several loaves of bread. I wonder if there is any way to take some of the federal money for roads in Canada and use it to subsidize transportation. Why should a nation get preferential treatment just because it is in Canada's north and not Quebec's north?

[*English*]

**Hon. Larry Bagnell:** Mr. Speaker, one of my colleagues would like me to say that it is a pity that after all the years of the PQ government there are no roads in there, but I would not say that myself because I like to be very positive.

I sympathize with the people in other parts of northern Canada as it relates to their remoteness, which I think was the point the member was making. He is probably correct that in some instances the northern parts of provinces like Quebec and other provinces may have some difficulties related to rural services. I would certainly encourage the three northern MPs to constantly make that point loud, hard and clear about the necessity of providing equal services as much as possible under reasonable circumstances.

• (1215)

**Hon. David Anderson (Victoria, Lib.):** Mr. Speaker, I congratulate you on your appointment to the Chair. It is a great pleasure to be here with you.

I would also like to thank the electors of Victoria for returning me to the House of Commons or to the legislature of the Province of British Columbia for the sixth time in eight elections. The confidence of my fellow citizens of Victoria is extremely gratifying and I am very humbled by the support they have given me.

*The Address*

The Speech from the Throne is a general document that lists various objectives of the incoming administration. I had the advantage of listening to the speeches of the four party leaders yesterday. As one would expect their speeches were somewhat more substantive than the Speech from the Throne. With the House's indulgence, my comments today will be somewhat broader than strictly the Speech from the Throne itself.

First there was the speech of the Leader of the Opposition. It was with surprise that I heard the Leader of the Opposition propose the novel theory that the throne speech should somehow be a document including all political opinions represented by the four parties of the House and of course the opinion of the party that did not get people elected, the Green Party as well.

His position would be more understandable if he had attempted to obtain a role for himself or for some of his supporters in the executive of the government, but he did not, preferring quite correctly to remain Leader of the Opposition rather than become part of the administration.

In that role, he presented an amendment which is essentially a non-confidence motion. The amendment made by the Leader of the Opposition is thus quite proper and quite traditional. What is quite contrary to tradition and to common sense is the specious argument advanced that the Speech from the Throne is a document for all parties in the House to write. It is not. It is a speech for the administration to write giving a proposal regarding what the administration would like to accomplish before the next election. It is quite appropriate that the Speech from the Throne be written and delivered by the executive. I trust that the government will reject the opposition amendment.

The second notable feature of the speech from the Leader of the Opposition is that while he spoke of the need for the opposition to be considered a government in waiting, his speech lacked the intellectual consistency which would allow anyone listening to it to take that assertion seriously. However, I commend him for that because this is the first time in 11 years in the House that the official opposition has apparently understood the importance of that role.

More specifically, the bulk of the speech consisted of pleas for greater expenditure or transfers to provinces, municipalities, industries and of course to individuals, but concluded with proposals for tax cuts which combined with those spending proposals would inevitably mean expenditures in excess of revenue or as we know it, deficits. This of course is the policy of the neo-conservative republicans in the United States whose disregard for massive deficits is, in my opinion, one of the greatest threats to global economic stability and prosperity.

I was surprised to hear the Leader of the Opposition continue in this line. There is a long way to go before the Leader of the Opposition can be considered a prime minister in waiting. He still appears to be infatuated with the US neo-conservative ideology and lacks an appreciation of Canadian mainstream political realism.

The first item in the Speech from the Throne is the economy and I applaud that. It was similar to the first item in the Prime Minister's speech and I applaud that too. The House will forgive me for reminding the campaign handlers, the advisors and speech writers of

the Prime Minister, that when I and some other experienced Liberal MPs and Senators urged the leader's campaign team to stress the economic success of the Chrétien government, and of course the Prime Minister when he was finance minister, we were given very short shrift indeed.

It was only when the possibility of defeat became strong did they realize that Canada's successful economic performance did interest the Canadian people. Only then was the economy discussed and only then did the campaign regain some possibility of success, but better late than never. If I may judge by the speech given by the Governor General and by the Prime Minister yesterday and the day before, at least the lesson appears to have been well learned.

● (1220)

With respect to that speech, however, I would like to mention on the economic side that there was a reference to the deficit being reduced to 25% of GDP in 10 years' time. I certainly accept that as a long term goal, but I have heard the finance minister say time after time that there had to be two year rolling targets to keep the government's feet to the fire.

I certainly hope that this target over 10 years will be fleshed out in the budget to be a target every year: a minimum \$6 billion of debt reduction every year. If we do not do that, our children will face remarkable increases to expenditures for a wide variety of subjects, the so-called implicit deficit, as well as the explicit dollar deficit, and they will have great trouble handling future financial requirements. I hope we will see the return to the approach of the Minister of Finance, which was of course keeping the feet of the government to the fire and not having simply long term targets.

A second issue on the economy is the reference to in-house science and technology activity, which is in the seventh paragraph on page 4 of the Speech from the Throne. This is described as substantial and that word troubles me. At least in part, the part with which I am familiar, it is simply incorrect. The Canadian government's in-house science capacity in the areas with which I am familiar has substantially declined over the past 20 years. That is particularly true of ocean science and of Arctic science.

It is true that more is being done at Canadian universities through the foundation for innovation, one of Prime Minister Chrétien's most successful initiatives. However in-house government science, which was referred to, has declined and, in my mind, it has declined to disastrous levels. There are many things that university scientists will not do and which, therefore, must be done by the government. We simply will not be able to recruit and keep good scientific people if we continue to pare away at their budgets and, thus, at the work they are able to do.

Mr. Speaker, I follow the member for Yukon and would remind you that 2007-08 is the International Polar Year. Other nations will be expecting Canada, a leading member of the Arctic council and a leading polar nation, to be there and to be ready to do a large number of scientific tasks. If we do not now restore funding and dynamism to the excellent people we have working for us in this area, this country will simply be greatly embarrassed.

*The Address*

The western Pacific countries, the Koreans, the Chinese and the Japanese, are all expanding their activity dramatically. The European northern countries are doing the same and the European Union is following suit. They are all doing excellent work. I certainly discovered that when I visited Svalbard in the European Arctic last summer. The US also has a very extensive scientific activity, both in Antarctica and in the Arctic. The laggard on the scientific activity is Canada.

This is not just a science issue. While I applaud the Prime Minister for visiting the Arctic this past summer, I was concerned that his strong statements on sovereignty in that part of Canada was not followed up by a commitment for Canadian scientific research in the Arctic. Strong statements from the Prime Minister are of course important and welcome but they are no substitute for coherent policy approaches.

I am sure that Mr. Putin, the leader of another important Arctic power, will be listening with interest to what the Prime Minister will say in the next few days in Moscow. I believe he would pay even more attention if we were doing more and talking less.

On this last point I will add another concern, namely, the lack of coherence in our Coast Guard icebreaker fleet maintenance and procurement policy. As part of successive cost cutting programs, maintenance on our northern icebreakers is not optimal. They do not have the level of dry docking and refitting that is required to give them maximum reliability.

Surely, speaking as I do on the day after the tragic loss of life of a Canadian naval officer in a fire aboard a Canadian naval vessel, I do not have to stress the importance of keeping ships in first class condition. Even with the best of ships, in the best of conditions, accidents happen.

• (1225)

However they happen more frequently and the possibility of serious accident is greater when maintenance, which means dry docking on appropriate schedules and refitting, is not the best possible. Further, when ships are older other problems multiply. Over the last 35 years I have studied tanker traffic quite extensively and know the tanker area better than submarines or icebreakers. That said, the principle is the same. Ships are ships.

As icebreakers are used in the north in summer, and as they and not the military are the appropriate uniformed service of the Canadian government to show our determination to maintain sovereignty against whatever threats—

**The Deputy Speaker:** Questions and comments? Seeing none, resuming debate.

**Ms. Bev Oda (Durham, CPC):** Mr. Speaker, congratulations on your election.

I am pleased to rise today on behalf of the citizens of Durham to reply to the Speech from the Throne. I would like to thank my colleague, the hon. member from Charleswood—St. James—Assiniboia, for sharing his time with me.

First I would like to extend my condolences to the family of Lieutenant Christopher Saunders and say that my thoughts and prayers, along with those of all Canadians, are with those sailors who

are currently trapped at sea in the HMCS *Chicoutimi*. The men and women who serve this country deserve our support and sincere gratitude.

It is an honour and privilege to stand here today in our national Parliament on behalf of the people of Durham. As this is my first address in the chamber, I would like to take this opportunity to express my sincere appreciation to the people of Clarington, Scugog, Uxbridge and Durham region. They have bestowed upon me a great honour, but also a great responsibility. This is a responsibility that I take seriously and I would like to assure them that I will represent their interests to the best of my ability.

One hundred and twenty-seven years after the first Japanese immigrant came to Canada and 56 years after Japanese Canadians received the right to vote in 1948, I am proud that I am the first person of Japanese decent elected to the House.

In a parliamentary system, the throne speech is meant to serve as a document that defines the plans of the government and the directions and policies it will be using to guide it over the next session. I regret that today I stand to express my disappointment in the lack of a clear statement of vision and direction by the government.

I strongly believe that Canadians are tired of being ignored, their tax dollars wasted and promises never fulfilled. As part of this new opposition, we will demand action and accountability in programs and policies that recognize the goals and aspirations of all Canadians.

The amendments presented by the Leader of the Opposition yesterday will be of benefit to all Canadians and add much needed substance to vague government promises for democratic reform and accountability. These amendments, which I will support on behalf of my constituents, respond to their demands for better government, a demand they made last June 28.

The throne speech recycles the same promises that we have heard for the last decade but, again, no plans or commitment to move forward on the issues important to those in my riding.

• (1230)

[*Translation*]

**Mr. Yvon Lévesque:** Mr. Speaker, there does not appear to be a quorum.

*And the count having been taken:*

[*English*]

**The Acting Speaker (Mr. Chuck Strahl):** I do see 20 members in the House. Resuming debate.

**Ms. Bev Oda:** Mr. Speaker, the Canadians I speak to in my riding and across the country expect government to deliver on its promises. The citizens of Durham expect action on the gun registry, democratic reform, lower taxes and infrastructure dollars.

In my riding of Durham there are over 1,700 farms and many will not survive the void in the throne speech, a speech that offers little for the agricultural community at this time of crisis. Canadians, like Joe Schwarz, a dairy farmer from Bowmanville who is concerned about losing his livelihood and his business, the family farm that has been in operation for over 60 years.

*The Address*

The agricultural community in Durham and across Canada has been begging the government for some action, for a commitment to the farmers in this country. Farmers want ag dollars to go to those for whom it was intended and they need it now without extensive red tape and delay. They want an open border and markets for their cattle. This is a priority for farmers, producers and all those dependent on agriculture for their living. Let me assure hon. members that the farmers in my riding do not believe this is a priority for the government.

Agriculture is not the only concern of the people in Durham. They are also concerned about the future of health care in rural areas. The throne speech makes a great deal of reference to the recent health care accord, which I am sure will be covered by my colleague, the member for Charleswood—St. James—Assiniboia, but I would like to touch on concerns about rural health care.

Rural and community providers of health care are an important segment of the health care system. Providers, like Lakeridge Health in Durham, have made a valuable commitment to the continued provision of front line services available closer to home. These priorities continue to be important to the people in my riding and in Canada.

The maintenance of local hospitals, the shortage of family doctors willing to practise in rural centres, the recruitment of specialists and the long distances elderly people have to travel to access health care are of great concern to the people in my riding.

The health care accord is a positive step forward and it is my hope that part of the accountability measures will be to ensure that the health care needs of rural Canada are not forgotten.

The riding of Durham is a centre of rapid growth and potential. It has the people and ability needed to expand its industrial base and economic prosperity. This potential is greatly untapped due to its current, inadequate and deteriorating infrastructure. We need new roads, bridges, a regional transit system and commuter services. The government's commitment to a new deal for Canada's cities and communities must ensure that the potential of Durham can be realized.

As the heritage critic, I was of course disappointed to hear little mention of culture, heritage or broadcasting in the throne speech. The heritage ministry is responsible for a budget close to \$1 billion a year and yet there is no clear direction in this document to indicate any priorities.

Our priorities would certainly be to ensure that the \$9,000 grants given each year by this ministry are accountable, have measurable goals which are balanced and reflect the diverse makeup of our population in the arts and in our peoples.

Over the summer we saw that recent decisions of the CRTC are not meeting the demand for choice in broadcast programming that Canadians want. The CRTC and the Broadcasting Act of 1991 desperately need to be reviewed for this century.

• (1235)

Today, over 14 million Canadians use the cell phone, 14 million from only 2 million in 1994. Today, over 70 million households use the Internet. There were fewer than half a million back then. Satellite

TV subscribers have grown from zero to over two million. The speed and scope of advancement in these areas will not decrease but will in fact accelerate over the next decade. The government needs to ensure that legislation and regulation are updated so we can move forward at a speed relevant to the changes in the communications environment.

In this throne speech the government stated, "Smart government includes a transparent and predictable regulatory system". I believe the review of the CRTC and the Broadcasting Act is called for if the government means what it says.

In 2003 the government refused to support Canada's participation in the ITER program to be sited in my riding in Clarington, a project designed to demonstrate the scientific and technical feasibility of fusion energy for peaceful purposes and a project that would have significantly contributed to the global development of new technology and innovation as well as over 1,300 jobs in my riding.

In this new age technology and innovation is an important part of our economic prosperity. I know that in my riding many businesses and companies are poised to grow and become leaders in the new industrial basis based on exciting technology and innovation. I hope the government actually means to fulfill its latest promise to make communications, technology and innovation a priority.

In conclusion, the Canadians in my riding and the people across Canada want a government that delivers on its promises, that is accountable to its people, that is not afraid to be transparent and that clearly states what it intends to do. In other words, a government we can believe in. I believe it is time for the government to demonstrate that it is listening to all Canadians.

**Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC):** Mr. Speaker, congratulations on your appointment.

I am very honoured to have this opportunity to reply to the Speech from the Throne. To begin, I wish to acknowledge the kindness and patience that the House of Commons staff has shown in preparing this facility for my arrival. Your staff, Mr. Speaker, has been professional, courteous and accessible, and for that I commend them.

As members are aware, many physical modifications were required to accommodate me in this spot. I feel I need to inform the Speaker that the physical renovations are only temporary, as in the not too distant future I will be sitting on the other side of the House working with a new prime minister, the Leader of the Opposition. Perhaps then I will run for the Speaker's position myself.

*The Address*

I wish to call the attention of the House to my personal health care assistant, Melissa. Melissa will be sitting on the floor of the House to help me perform my duties as a member of Parliament. Melissa is special in many ways and I wish to highlight two of them. First, she is the first unelected person in the history of Canada to sit full time on the floor of the House of Commons. Second, Melissa is a great example of today's health care professionals. To be a successful health care professional, one needs to be dedicated, hard-working, caring and, most important, able to empathize with one's clients. Melissa has these qualities. I know all Canadians appreciate the work that people like Melissa do. They are the unsung heroes in our society.

Finally, I want to take this opportunity to thank the hon. leader of the official opposition for my appointment as senior health critic. It is my hope that I will fulfill this role as successfully as my predecessors have. That being said, I will begin.

As senior health care critic, I will focus my attention on the parts of the throne speech that deal with health care.

The state of our health care system is the top issue for Canadians. There was a health care summit last month to try to deal with our deteriorating health care system. The Prime Minister called last month's health conference "a fix for a generation". I would like to take this opportunity to bring the Prime Minister and his caucus up to speed on the definition of a generation. The dictionary defines a generation as the average time from the birth of one generation to the birth of the next generation, about 30 years. Perhaps the Prime Minister could inform the House later as to which generation will get the fix that he has promised.

Obviously, the Prime Minister has fallen far short of the commitments he made during the campaign. When the Prime Minister cut \$25 billion from the health care system in 1995, he gouged the health care system for at least a generation. Canadians cannot trust the government when it comes to health care. Essentially, after this deal the government still has not replaced the funding it took from the health care system in the first place. The government should stop the self-congratulations and reflect on the harm that it has caused the users of the health care system.

The Conservative Party supported the health care deal, in part because any deal is better than no deal. The people on the front lines, the patients and the health care professionals, need help and they need it now, but the health care deal is still fundamentally lacking on a plan of action for reform.

In typical government fashion there is no direction and no vision for the system. The health care deal has no specific concrete measures for accelerating reform and improved access. All this deal includes is funding to help the health care system begin a long and painful process of trying to fix the problem the government has caused.

During the election campaign, Canadians heard a lot about the increase in waiting times since the government took office. While I agree that waiting times are an important issue for Canadians and that the government has failed miserably in this area, it is not the sole issue on which one should form a basis for fixing the whole system. There are other important issues in health care that must be dealt

with on the same priority level as waiting times, items such as a national catastrophic pharmacare program, training more family doctors and specialists, improvements in mental health and community care, and of course the throne speech makes no mention of the health care challenges our seniors face.

• (1240)

I am also disappointed to find out that there are literally no accountability mechanisms. Other than the reporting dates from the 2003 accord, which were pushed off well into the future, there are no assurances that the government will get a bang for its buck.

If the government were serious about reforming health care, it would not have walked away from the table without accountability measures. The Prime Minister did not need to invent these measures to hold the provinces accountable. These measures were in the previous accord of 2003. Instead we have a deal which throws out billions of dollars and no sign of where the money will go.

I wish to acknowledge my counterpart the Minister of Health. Soon after his appointment, the minister said that it was his priority to stem the tide of privatization. If there was ever an opportunity to do that the health summit was the place. However, the new health deal includes no measure to stem privatization. As the House will recall, a private for profit clinic opened its doors in Montreal during the first ministers' meeting. That is so much for stemming the tide of privatization.

The minister had another chance to tell Canadians how he would deal with the tide of privatization. It was in yesterday's throne speech. Lo and behold, privatized health care was not addressed in the speech.

This is an issue in which Canadians have a great deal of interest. The government cannot have it both ways: either it will allow innovative and efficient health care delivery or it plans to nationalize the entire health care system, family doctors included. On this issue like so many others, the government is hypocritical.

The throne speech also mentioned, "The needs of patients will drive change". The needs of patients have not driven change in the past for the government. Why should Canadians expect it to do it now?

The government makes promises and breaks promises. All that is left is people who are worse off than when the government took power.

There is also a passing mention to affordable drugs. There is nothing in the new deal on health that will lessen the burden of prescription medications for Canadians. The government did agree to set up a committee to study the issue and report back. More committees will not help Canadians.

*The Address*

The Leader of the Opposition clearly outlined his plan for pharmacare during the campaign. It did not include round table discussion groups to study a problem. Our party is a party of action. Where the Liberals form committees and break their promises, our party fulfils commitments and we fill them in a timely manner.

A Conservative government would have protected Canadians from the financial hardships involving catastrophic drug costs because no person in Canada should lose their home to buy a prescription. This is part of the vision that the Leader of the Opposition has for Canada.

However, I offer my colleague best wishes in his new portfolio, and I would like to offer the minister some advice as he begins his tenure. I urge the minister to always keep the focus on the patient. Every person is unique. Empower Canadians so they can make the best health care decisions for themselves. If he does that, Canada will be a better place.

In closing, it is my privilege to recognize the great constituents of Charleswood—St. James—Assiniboia. My constituency is both rural and urban, includes portions of the city of Winnipeg and the rural municipality of Headingley. It includes the Winnipeg international airport, 17 Wing armed forces base and Air Command headquarters, the Canadian Mennonite University and a significant aerospace industry.

I note that the throne speech neglects to appropriately deal with the issues of transportation, justice, post-secondary education, agriculture, infrastructure renewal and many other important topics that are of keen interest to me and my constituents.

Time does not permit me to outline all the concerns my constituents have in regard to the throne speech. Rest assured I will be representing Charleswood—St. James—Assiniboia and Headingley to Ottawa, not vice versa.

The success of the government will be to determine what each Canadian asks oneself come election time: Is Canada better off now or before the government took office? The overwhelming answer of Canadians and my constituents is, no. The throne speech provides little hope that things will be better in the future under this government.

•(1245)

[*Translation*]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, I would like to congratulate our new colleague, the hon. member for Charleswood St. James—Assiniboia. I want to congratulate him and, more importantly, to point out that he is sending a message of courage and hope to the whole community.

Recently, in August, during the Olympic and Paralympic Games, people witnessed true examples of courage, hope and tenacity. Through his presence among us, our colleague is setting the same example. In sports, athletes in all categories and from the whole community are welcome. By being present on the political scene, the hon. member is sending the same message.

This is why I wanted to make this comment, to congratulate the hon. member and to tell him that we are pleased to have him here.

Like us, he has listened carefully to the speeches made by members from the various parties. He also listened to the Prime Minister, who said that, under a minority government, we should display greater cooperation. This attitude can be seen in the Address in Reply to the Speech from the Throne by both Conservative and Bloc Québécois members. Heaven knows that we rarely agree. However, there are times, when higher interests are at stake, where we can do so.

I wonder if the hon. member could share with us his impressions on the thrust of the speeches that he has heard from the government in reply to the throne speech and to our motion.

•(1250)

[*English*]

**Mr. Steven Fletcher:** Mr. Speaker, I thank the hon. member for his kind comments. I feel very fortunate to be here to share this time with my colleagues, particularly at a critical time in our nation's history.

I have to say that I do not come from a family of money or power. I came here with grassroots support. I cannot think of any other country where someone in my situation could be elected to the federal House. For that, I would like to thank all Canadians.

To respond specifically to the hon. member's comments, yes, I think that in this minority government situation we need to cooperate. As we know, the Liberals did not get the majority of votes throughout the country. It is up to the opposition parties to hold the government to account. I think we will find common ground among the Bloc, the Conservatives and even the NDP, and hopefully the Liberals, to ensure that the interests of Canadians are fulfilled. That is our main obligation, putting aside party affiliation.

Having said that, I think the amendments that were presented would enhance the throne speech. The government obviously did not listen to or misheard what Canadians were telling it. The amendment put forward by the Leader of the Opposition, along with that of the leader of the Bloc, would help improve the lot of Canadians, if the Liberals would go along with them.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I think those who have heard this member speak detected not a disability, but an ability, and I congratulate him on his speech.

Let me say to the hon. member that in my view the measure of success of a country is not a measure of economic performance but rather a measure of the health and well-being of its people.

For example, the member talked about caregivers. It is an area that I know that the House has been seized with many times because of the difficulties with regard to provincial jurisdiction and the ability of the federal government to reach down to help.

I wonder if the member care to comment on how he feels we may use the jurisdictional tools we have to work collaboratively with our provincial counterparts to ensure that Canadians in need receive the caregiver services they require.

**Mr. Steven Fletcher:** Mr. Speaker, I think on this we agree. A country should be judged on the way it treats its most vulnerable people.

*The Address*

We do have a contradiction in Canada. On the one hand, we save people from accidents like mine or from birth defects or illness or prolong their lives, but in many cases we do not provide the resources to allow these same individuals to lead meaningful and productive lives.

What I think we need to do first is educate the Canadian public about these challenges. As long as people feel that their tax dollars are being utilized for the benefit of their fellow Canadians, there will be a lot of support for these vulnerable people.

However, one of the challenges, with all due respect to the hon. member, is the strong feeling among the Canadian populace that this government is not utilizing taxpayers' dollars in the way that Canadians expect the moneys to be used.

**Hon. Ethel Blondin-Andrew (Minister of State (Northern Development), Lib.):** First, Mr. Speaker, as a colleague I would like to congratulate you on your appointment. It speaks well for your ability to deal with everyone over the years you have been here. It is a very high calling, Sir.

I would also like to congratulate the previous speaker from Charleswood St. James—Assiniboia. I like to think of myself as a champion for persons with disabilities. This is a wonderful opportunity for all Canadians to see that anyone from anywhere in Canada can serve in this House and contribute as a member. This is a very wonderful and unique opportunity. I welcome and congratulate the member.

I am honoured to address the House today in response to the Speech from the Throne. I am sharing my time with my hon. colleague.

I would like to say also that I welcome the Prime Minister's commitment to northerners. As members can well imagine, when we heard his comments and felt his presence first-hand this summer during his visits to Tuktoyaktuk and Inuvik, we knew that the commitment from the Government of Canada was strong for our part of Canada.

Incidentally, I would like to take a moment to pay particular attention to the community of Tuktoyaktuk, which is currently struggling with the issue of four beloved members of their community who have been missing since September 23. We have been working fully with Mayor Jacobson and other leaders, including the MLA, in search and rescue efforts. We offer our heartfelt prayers to their families as we continue to assist them in whatever way we can.

As a Canadian northerner born in the Northwest Territories, having served as a member of Parliament for the last 16 years and as a member of cabinet for 11 years, I regard the Speech from the Throne's promise of a dedicated strategy for the north with great conviction. This commitment will undoubtedly provide the north with the ability to further exercise greater control over its destiny.

On Tuesday, northerners received a further commitment through the development of a dedicated strategy to meet their unique needs, one that I have been made responsible for in part in my new role at Indian Affairs and Northern Development. The strategy emphasizes sustainable development, protection of the north's environment,

enhancing our sovereignty, and promoting the international cooperation of the circumpolar community.

Like all Canadians, we in the north want a strong, vibrant and growing economy. We want a fiscally prudent federal government that balances its books, pays down its debts and has a plan to build an even stronger globally competitive and sustainable economy.

We in the north, after all, are Canadians. We feel we can contribute given all the right conditions and opportunities. Reference made to a northern strategy speaks to my new role, as I indicated. I am pleased about the announcement and the opportunities. This coincides very directly with responsibilities given to me by the Prime Minister. I have been asked to focus my attention on some very real and hard-hitting issues and files that have been and are critical to the north. They are files I have been working on over the years since I came to Ottawa in 1988, along with many successive and current northern leaders, working and fighting hard for the right thing to do for the north.

I am often criticized for not taking enough credit for the things that happen in the north. It is simply not my style. I believe that what a person needs to do is work hard, work smart and try to do the right things, and everything else will fall into place. Sometimes that works, but sometimes it does not.

I am not much into going to every microphone and every press conference to get credit for everything. I believe credit has to be shared, because many hands have had a play in what has come about in the throne speech.

• (1255)

The north faces unique challenges in the delivery of health care services, including the cost of medical transportation. Non-insured health benefits, the cost of transportation in the north and remote regions, as well as the whole issue of dentists and dental care for aboriginal people and northerners have long been some of my issues.

The north has unique challenges as I indicated. One of things that is encouraging is the innovative delivery of health services to the rural communities and the acquisition and retention of medical professionals. There is much that goes into this.

I have been asked to take a lead on aboriginal health issues in my new role within this department. This would also include important issues such as FASD, an issue I previously worked on in my role as secretary of state for children and youth. One of my colleagues in the House wrote a book on it and was very dedicated to this issue.

I have also been tasked with dealing with the issue of territorial formula financing. The 2004 10-year plan will mean an additional \$120 million over the next decade for the north in health care transfers through the reform of territorial formula financing, plus its share of the wait time reductions. I look forward to the first ministers meeting scheduled here in Ottawa on October 26 addressing that.

*The Address*

The speech unequivocally sets out the government's support of the north on this fundamental issue, one on which I have worked very intently with my cabinet colleagues. I will also be working along with the Minister of Indian Affairs and Northern Development on resource revenue sharing. This is particularly critical in that much resource development is taking place in the north, exploration, diamonds and the development of the whole mining industry, as well as oil and gas.

The other part is devolution, northern economic development, northern science. This will encompass work on international polar year 2007-08, climate change, contaminated sites, circumpolar issues and international initiatives. This is all for the sake of those people who have questions about what my job entails. It is quite comprehensive.

Devolution and the sharing of resource revenues from non-renewable resource development is among the highest priorities for members of the aboriginal summit in the region and the government of the Northwest Territories. We have a tripartite process on devolution. It includes the federal government, the territorial government and the aboriginal governments. It is very complicated. It has a number of issues that have to be resolved. There is much negotiating going on. It is a huge priority for all northerners.

While negotiations toward an agreement in principle are underway, there are major challenges to overcome prior to the completion of an agreement in principle on devolution. It is imperative that the final agreement on devolution be a tripartite agreement among those said groups.

Land claims and self-government negotiations in the Northwest Territories are progressing well, with significant agreements finalized and negotiations continuing with a number of regions and communities. We have three settled comprehensive claims with the Inuvialuit, the Gwich'in and Sahtu, and one settled treaty land entitlement claim with Salt River first nations.

The Tlicho agreement is due to be reintroduced in the House this session. The Beaufort Delta self-government agreement in principle for Gwich'in and Inuvialuit aboriginal self-government and public self-government for the Beaufort Delta region was signed in April 2003.

The Deline self-government agreement in principle was signed August 23. The community of Tulita recently signed a framework agreement on its community self-government negotiations.

In the Deh Cho region an interim resource development agreement was signed on April 17, 2003 and interim land withdrawals were approved through cabinet in August 2003. Discussions are now focused on an agreement in principle, while negotiations are ongoing with the Manitoba and Saskatchewan Denesuline on boundary issues. The NWT Metis nation and Akaitcho Treaty 8 are also in negotiation.

Burgeoning with development, the world continues to watch the north intently and witness the promise of prosperity through a Mackenzie Valley pipeline and resource development.

I eagerly look forward to continuing my work this session, working extremely hard shoulder to shoulder with my federal and

northern colleagues so that northerners from the many themes and areas mentioned will be able to achieve the goals that they intend to achieve.

● (1300)

Our government intends to review the employment insurance system so that it is responsive to the needs of Canada's workforce, including seasonal workers such as those in the north. We also have the issue of the freshwater fishing industry in the north, which offers stable employment for many aboriginal and non-aboriginal northerners.

These are all the efforts that we have in the north.

Canada entered into an economic union agreement on trapping. This agreement has expired and northerners and all of the various proponents and stakeholders are trying to find a way to resolve this.

We have completed two training programs in the north. One is on mine training for \$14 million and the other one is for \$10 million.

We have made much progress in the north. We are happy to be able to play a major part in Canada's economy.

● (1305)

[*Translation*]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, I was somewhat puzzled by the comments of the Minister of State for Northern Development. I looked at the *Projected Order of Business* and it says "Address in Reply to the Speech from the Throne (resuming debate on the subamendment of the hon. member for Laurier—Sainte-Marie and on the amendment of the hon. member for Calgary Southwest)".

If I may, I will put my question to the minister, based on today's debate. She will rise this evening, at 6:30 p.m., to vote, probably against the Bloc Québécois' amendment to the amendment, after hearing the other speeches—not hers—made by members of her party.

I wonder if the minister could tell us the reasons why she disagrees with the amendment to the amendment proposed by the Bloc Québécois.

[*English*]

**Hon. Ethel Blondin-Andrew:** Mr. Speaker, in this instance, as a Canadian from the north, I agree with the things that promote and expand on the ideals and values of the country as a whole. I do not just promote northern interests as a member of Parliament. I do not believe that only various corners and regions of the country are important; the whole of the country is important. It is important that we are all Canadians and we all participate. That is what my speech was about.

I promote the idea that we all have something to contribute but that we all belong. We are all different but we still believe in equality. We are all Canadians. That is my belief and that is the way in which I conduct myself in the House.

[*Translation*]

**Mr. Benoît Sauvageau:** Mr. Speaker, if I may, I will put the same question again to the hon. member.

*The Address*

This evening, at 6:30 p.m., she will probably vote against the amendment to the amendment proposed by the Bloc Québécois. I would like to know why.

[*English*]

**Hon. Ethel Blondin-Andrew:** Mr. Speaker, as you can see, ideologically we differ and therein lies the dilemma. The member will never understand that I am a fervent believer in the country as a whole and that everything I do as a member of Parliament speaks to that, and everything I do as a member of the Privy Council speaks to that.

We have come a long way. I have been in the House for 16 years. I was on the committee for Meech Lake. I was on the committee for Charlottetown. I was on the Beaudoin-Dobbie committee. I was also on the committee for New Brunswick resolutions. I sat through all of that. I know all of the debates on devolution, on devolved responsibility. I know all of the issues regarding that.

We have come a long way. We devolved labour market responsibility. We devolved many responsibilities. It is not as if we are ignoring any part of the country. However, we cannot abdicate our responsibility to be fiscally responsible for the whole country. We have to govern the country as a government. We do not govern as separate territories and separate provinces or regions.

[*Translation*]

**Mr. Benoît Sauvageau:** Mr. Speaker, I would like the hon. member to tell us on what we will be voting this evening, at 6:30 p. m., and what is the Bloc Québécois' amendment to the amendment.

[*English*]

**Hon. Ethel Blondin-Andrew:** Mr. Speaker, we will have to do better than that. I can read it because I have it here, but I choose not to. It would be a waste of words. Instead, I can say to the member opposite that we have very different views.

I am a first Canadian. I am an aboriginal person. Aboriginals were here first. We welcome people at contact. I want everyone to know that I am proud to be a Canadian. When I go places around the world, people know I am aboriginal, but they also know I am a Canadian and a contributing member. I have sat in the House to serve this country and to serve its people, not to serve just the north, even though that is my priority. As a privy councillor I have to be fair. I have to reach out to all parts of this country, to all people in this country. That has been my role, that has been my opportunity and I believe that is what I have done.

● (1310)

[*Translation*]

**Hon. Denis Coderre (Bourassa, Lib.):** I want to thank my colleague for her contribution. Of course, she did not fall for the tricks of the Bloc Québécois. Her approach is very sensible.

I would like her to speak as an aboriginal Canadian. Since she has also worked extensively with children, I would like her to remind this House, for the benefit of those who are watching us, how the throne speech is important for children and for aboriginal health.

[*English*]

**Hon. Ethel Blondin-Andrew:** Mr. Speaker, in my new responsibility as Minister of State for Northern Development, one of the issues I am dealing with is the health of aboriginal Canadians.

There is a \$700 million contribution for a transition fund which will help with issues such as suicide. It will help with FASD, fetal alcohol spectrum disorder, which affects many children. There are a lot of issues that affect children and their health. There is the whole issue of diabetes, which is almost in a crisis in some regions of Canada. The issue of suicides by young people is in clusters across this country. It is endemic in some communities and has to be dealt with. That is what it is all about.

We are also looking at a child care program. Quebec is very socially progressive. It has some very good social policies. Those are to be emulated, worked with, admired and respected and we do that as well.

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Mr. Speaker, I am honoured today to rise and make my first speech in the House of Commons. I would like to say from the outset how honoured I am to represent the people of Dartmouth—Cole Harbour. I would like to thank my constituents for the confidence they have placed in me as their member of Parliament.

Let me first add a voice of sympathy to those of our party leaders yesterday in offering condolences to the family of Lieutenant Saunders on his tragic passing.

As a member who represents a constituency with a large military population, I know the sacrifices and dedication of our military personnel and their families. This is truly a sad day for us all.

My riding has been represented over the years by individuals from many political parties including Michael Forrestall who served from 1963 to 1988 as a Progressive Conservative member, followed by my good friend Ron MacDonald, who many members here would remember fondly.

I would also like to recognize and pay tribute to Wendy Lill, my predecessor as member of Parliament for Dartmouth—Cole Harbour. I can speak honestly in saying that Wendy was a tireless advocate for the people of Dartmouth, Nova Scotia and Canada, and her efforts to help those in need is a standard that we can all be proud of.

I would like to take a few moments to speak about my riding and my community. Dartmouth is referred to as the city of lakes. It was founded in 1750 and is one of the most historic communities in Canada. I am glad that the member from Kingston is not with us today, and I know I will get some grief from my hon. colleague from Kings Hants, and without intending any offence to other members from perhaps Montreal or Kingston, Dartmouth can legitimately claim to be the birthplace of hockey as so ably chronicled by my friend Martin Jones in his book *Hockey's Home: Halifax-Dartmouth—The Origin of Canada's Game*.

*The Address*

Likewise, the famous Starr manufacturing plant was world renowned as the largest manufacturer of ice skates, selling 11 million skates between 1863 and 1939.

The Shubenacadie Canal played a key role in creating trade links with the world by helping to sell hockey sticks produced by the Mi'kmaq first nation. The Shubenacadie Canal was a marvel in innovation for its time and truly worthy of historic site designation.

Our hockey tradition continues today as Cole Harbour happens to be the home of Sidney Crosby, Canada's greatest young hockey player. My community respects and honours its great history and I intend to do so as its member of Parliament.

Dartmouth's recent history has been marked by leaders of all political stripes like Joseph Zatman, Rollie Thornhill, Danny Brownlow, Jim Smith and my father, John Savage. These leaders put people above politics and worked to make our corner of the world a better place. Their example will be my inspiration.

I am here today to speak to the throne speech and to congratulate the government and in particular our Prime Minister for outlining a vision for us, a vision that speaks to sound fiscal management and the need for government to play a significant role in social policy and to social economy.

Our quality of life, the ability to create good jobs, and to support and enhance social programs relies on our ability as a country to compete in the global economy. The people of Dartmouth—Cole Harbour will be pleased to hear our government's commitment to cities. Whether it be our commitment to affordable housing or to urban infrastructure, we can build on the over \$12 billion invested by the Government of Canada to communities since 1994. I am happy to hear that the government will continue to work with the provinces to share a portion of the gas tax revenue.

I was pleased to hear that the government will continue to promote trade and investment to secure more opportunities and markets for Canadian goods and particularly in my case, Atlantic Canadian goods. Companies like Acadian Sea Plants is an example of the entrepreneurial spirit that exists in Atlantic Canada. With an office in Dartmouth and plants throughout western Nova Scotia, it has marketed sea plants to the world. ACOA is an example of regional development that works with companies and organizations to improve the lives of our citizens.

Let us not forget that our economy has also resulted in seven consecutive budget surpluses and has made Canada the envy of the G-8 nations. This allows us to invest in the critical need for a national child care strategy.

Health care continues to be an area of concern to Canadians. I believe that the recent health agreement signed by the provinces and the federal government speaks to the vitality of our country and our ability to work together on an issue that need not and should not be a political issue but rather a value that we cherish.

●(1315)

We must ensure that all Canadians have access to universal health care. I believe the leadership of the Prime Minister at the recent first ministers' conference proved that he would go the extra mile to put people ahead of politics.

The new health agreement will have a positive impact on the people in Dartmouth—Cole Harbour and for all Nova Scotians. Our Conservative Premier, Dr. John Hamm, applauded the efforts of the Prime Minister when he said:

From a Nova Scotia perspective this was the most successful First Ministers meeting I have attended in more than five years as Premier.

I want to now focus briefly on two issues that are of personal interest to me and I believe national interest as well. As health care takes an increasingly large share of our government spending, we as a nation would do well to remember that a great deal of care, in fact a great deal of health, takes place far from the hospital rooms. The sustainability of our cherished health care system will increasingly rely on our ability to safeguard the health of Canadians before they get sick and our ability to allow people to recover from illness in their own homes.

Let me tell the House about health promotion Nova Scotia style. A recent study conducted by Dr. Sally Walker and Dr. Ronald Colman, on behalf of the Heart and Stroke Foundation in Nova Scotia, indicated that increased physical activity would save the province of Nova Scotia millions of dollars. In my municipality alone, the inactive lifestyles of individuals costs the taxpayer more than \$23 million. Some 200 residents of the Halifax Regional Municipality die prematurely each year because of physical inactivity.

I come from Atlantic Canada where we have the highest incidences of chronic disease. Poor nutrition, lack of physical activity, high levels of smoking and stress lead to intolerably high levels of cardiovascular and cerebrovascular diseases, cancers and diabetes which some people consider epidemic.

We need to understand the importance of a national wellness strategy that must include governments, medical professionals and non-profit organizations. It should include teachers. It should include us all.

This Speech from the Throne lays that groundwork. We need to empower Canadians to improve their own health, but we must recognize that poverty and a lack of education are the root cause of much ill health and not all Canadians have equal access to better health. A coordinated national approach that eliminates the barriers to systemic poor health and encourages individuals to improve their own health and promotes the benefits of healthier lifestyles would be the single best investment we could make in our health care system.

A national wellness strategy must incorporate all partners to encourage the use of public transit and to encourage governments to improve the physical design of workplaces so that people can choose to walk or take a bike.

*The Address*

I was delighted to campaign in June of this year as a Liberal under the leadership of our Prime Minister. One of the great issues that we addressed in our campaign was the key and growing issue of caregivers. Millions of Canadians provide care to loved ones. This has two advantages: for the loved ones it provides more comfort and dignity, and it reduces the burden on our health delivery system.

People who provide care to loved ones in their hour of need carry a heavy burden. There is a large emotional and physical toll that should not be compounded by financial stress. Families that struggle to make ends meet because of their full time dedication to a sick child, an injured adult or the elderly deserve our attention and our support.

In April this year I had the honour of speaking to the Family Caregivers' Association of Nova Scotia, following in the path of the member for Halifax who spoke last year. I spoke of my own experience as a caregiver to my parents while they were dying last year. Being from a large, close family made this difficult experience perhaps much less trying than for many others. The heroes in my case, aside from my parents who showed the same dignity in dying that they did in living, were my sisters, Brigit and Shelagh, who both left their jobs in Toronto, moved into the family home in Dartmouth and provided full time care to my parents from Christmas until their passing six weeks apart in April and May.

While it was a difficult time for our family, it was also a very special time as we came together and shared the amazingly graceful experience of helping our parents to prepare for death. Most important for all of us, they died at home surrounded by family and in familiar surroundings. I speak of my own experience, not because it is particularly significant, but because thousands of Canadians every year would prefer to die at home but simply cannot afford to do so and nor can their caregivers.

Our government has taken steps in concert with the provinces to address the role of caregivers. We have committed \$1 billion over five years and I am proud that we will double the caregiver tax credit to \$10,000. This tax credit will go a long way in helping families. There is more to do and we will do it.

• (1320)

Our health care system is perhaps the most important Canadian value we share as citizens. Let us invest in keeping Canadians healthy and increasing their dignity when they are sick.

In conclusion, I suspect that all members have fond memories of their first day on parliament hill as an MP. To me that day was July 8 of this year. It was a beautiful clear day in Ottawa. The buildings seemed even more grand than usual. The halls seemed to echo with the voices of leaders past. These grounds have a way of ensuring that one understands the great honour of representing one's community here in Parliament. It comes with a corresponding duty and commitment to serve the best interests of one's constituents.

This Speech from the Throne honours that commitment to the people of Dartmouth—Cole Harbour. I am proud to stand here today to indicate to the House my support for the work of the government.

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, I am sure all members of the House join me in congratulating the member

on his first address, as well as continuing the wonderful tradition of his father who had served in public life over many years.

The member addressed issues related to health and, most appropriately, his own experience with respect to caregiving. In fact, we heard a previous member from the opposite side talk on the same theme. I would like to invite the member to address themes throughout the throne speech that have been extremely important to Atlantic Canada, such as regional development.

Would the member like to take a few moments to elaborate on how the throne speech focuses on regional development and any further initiatives that he would like to see that would benefit Atlantic Canada?

**Mr. Michael Savage:** Mr. Speaker, in difficult economic times, while inheriting a government that had an annual deficit in excess of \$40 billion and taking it over 10 years to perhaps the leading economy in the world, we have not forgotten the regions of Canada that need assistance.

Atlantic Canada has a unique nature. We have a great entrepreneurial spirit. We have great people. We have good companies. We know how to get things done. Through the Atlantic Canada Opportunities Agency in particular we have been able to take companies, like Acadian Sea Plants and many others, and developing that spirit of entrepreneurial activity, employing Nova Scotians, employing Atlantic Canadians, and selling our products to the world.

I am delighted to see the continued commitment to Atlantic Canada through ACOA in the Speech from the Throne. I applaud it and am delighted to see it. I am glad that the leadership came from Atlantic Canadians.

• (1325)

[*Translation*]

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Mr. Speaker, earlier, my colleague asked to bring to your attention the fact that we were debating an amendment to an amendment to the Speech from the Throne. If I correctly understood what the member for Dartmouth—Cole Harbour was saying, it was not about the amendment to the amendment.

The question was also put to the Minister of State for Northern Development. He did not ask her if she was aboriginal, Chinese or whatever. He asked her, as a Canadian citizen, as a citizen from a province and a region, if she would support the amendment to the amendment.

I put the same question to the member for Dartmouth—Cole Harbour.

*The Address*

[English]

**Mr. Michael Savage:** Mr. Speaker, we will be voting on that amendment tonight and I will keep the member in suspense because I know it must be causing him a lot of anxiety throughout the day as to how I will vote.

The Speech from the Throne addresses the needs of Canadians in a very important way. It addresses the financial stewardship of the government, the investment in the social economy, understanding the needs of Canadians through things like caregivers, and the promotion of the national child care strategy. It answers all the questions that I have, so I am very pleased with it. I suspect we will have a vote tonight and I will let the member know what I will do at that point in time.

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Mr. Speaker, I am proud to share my time during this debate with the hon. member for Ottawa Centre.

I also wish to extend my condolences to the family of the sailor who lost his life this week while serving his country.

It is my great pleasure to rise for my first speech as the member of Parliament for Nanaimo—Cowichan. I want to thank the people of my community for voting for me. It is a great honour to represent them in Ottawa.

I am fortunate to live in a riding that has an urban and rural mix, access to many natural resources and an economy that is changing to include an expanding wine industry, a thriving tourism sector and some fine outdoor recreation. I would welcome every member here to visit my riding and take advantage of the opportunity to kayak, hike, sail, golf, indulge in some fine wines and enjoy our seafood.

However, this is also a region that has struggled with the effects of the softwood lumber trade dispute with the US, the impact of changes in the fishing industry, the challenges of dealing with aging infrastructure, expensive post-secondary education and a health care system that is not meeting the needs of our residents.

People are looking to all levels of government to work with them on the issues that affect their everyday lives. Issues such as access to affordable post-secondary education and clean drinking water, protection of our environment, a child care system that meets the needs of working families are all factors that keep our communities liveable.

What do we have? We have a string of broken Liberal promises. For the past 11 years Canadians had hoped that the grand ideas promoted in throne speeches would actually be implemented. Mr. Prime Minister, the residents of Nanaimo—Cowichan are still waiting. Canadians are still waiting. There are broken promises on education, Kyoto, first nations, women, far too many for me to list here.

The Liberals promised to cut student debt. Ask a recent graduate if the Prime Minister kept that promise. In the 2001 throne speech the Prime Minister promised to meet the basic needs of first nations' employment, housing and social needs. The government is still promising that.

In 1997 the Liberals promised access to prescription drugs. They promised it again at the first ministers meeting just a few weeks ago.

The throne speech had no details, no time lines and no scope for a pharmacare program.

After 11 years of broken promises Canada is falling behind on the environment. Enough of the rhetoric. Talk is cheap. Nero fiddled while Rome burned and surely we Canadians do not want to be in the same spot. It is time for a detailed Kyoto plan to create jobs and cut pollution.

As my leader said yesterday, quoting another greater NDP leader, Tommy Douglas, "I would point out that the Speech from the Throne is notable not so much for what it says, but for what it fails to say."

There are issues today on which I want to shine a light. Over the past few months I have talked with university students in my riding about their lives and the debt they face when they graduate. Many are facing debt that would amount to a down payment on a home. How can we expect our young people to start their working lives with this kind of baggage?

To build the country we want, we must invest in education. That means we must put the resources into supporting an affordable, quality post-secondary education. The education plan in the throne speech does not adequately address the issues of access and affordability for students. It will not help address student debt. It is the same old, same old from the Prime Minister.

The plan the Liberals announced does nothing to help relieve debt today. The best way to reduce debt is still to reduce tuition and to provide long term stable funding for post-secondary institutions.

Then we have the learning bond. Let us think about this for a minute. We have families that may be struggling to pay the rent and to juggle the rest of the demands on their pocketbook. Then what we offer them is a token chance to save for their children's education. The learning bond demands that families, who already live too close to the line, give over their hard earned paycheques to invest at a low rate of return. Instead, we need a system of grants and loans that reflects the true cost of attending school and does not load down students with huge debts.

● (1330)

In British Columbia over 15,000 jobs have been lost to the ongoing softwood lumber dispute with the US. It has been an important issue in the Nanaimo—Cowichan riding as well. The throne speech has one brief mention of softwood, which does not recognize the serious impact that this dispute has had on many parts of our country.

The government has no plans for finding a long term strategy to deal with US protectionism. There is nothing here about industrial policy for key industries, and where is the support for workers who have been laid off and are struggling to put their lives back in order after years of working in the forestry sector?

*The Address*

My riding of Nanaimo—Cowichan is known for more than its trees and its rolling farmland. We have farming families in my community that have also been affected by the BSE crisis. Recently, I had a long conversation with a Cowichan valley farmer who told me how important it was that we supported our family farms and recognized the hardships that many of them were facing. The throne speech has made no mention of plans to have the border re-opened to Canadian cattle. We need support for our farmers and it is coming far too slowly for many small farmers to keep going. The effects of BSE are felt well beyond the cattle industry.

I have to talk about women of course, as the women's critic. Many women have commented that it feels like we are losing ground. We make up over half the population, yet as I look around the House, especially right now, women are sadly under-represented here. One hundred years ago women were paid two-thirds of men's wages to do the same job. Today, on average, women's wages are still 30¢ less an hour than the average man's wages.

**An hon. member:** That's progress there.

**Ms. Jean Crowder:** Lots of progress, thanks.

The lack of attention to women's equality in the throne speech reflects the priority that the government places on issues that impact on women. Where is the action from the government on enforcing pay equity in the public sector? Where is the examination of the EI legislation and its impact on women? What is the timeline for implementing a national child care strategy? We need action now.

My riding of Nanaimo—Cowichan is home to one of the largest aboriginal populations in British Columbia. I want to acknowledge the fact that my home is within the traditional territories of the Cowichan people. This week, Amnesty International, in partnership with the Native Women's Association of Canada, released a report called "Stolen Sisters", which highlights some of the issues aboriginal communities continue to face. The report outlines concrete steps that the government could take to improve the situation of aboriginal women, both on reserve and off, in urban and rural communities.

I have already said that the Liberal government must live up to another promise it made in 1994 to ratify the inter-American convention on the prevention, punishment and eradication of violence against women. The women of Canada have been waiting too long. Words do not fix problems, action does.

Canadians want to see a government that is working on their behalf to improve the quality of each and every life. It is time to roll up our sleeves and get to work on implementing an agenda that improves the quality of life for today's families.

● (1335)

**Mr. James Lunney (Nanaimo—Alberni, CPC):** Mr. Speaker, first, I congratulate the member for her election in the riding of Nanaimo—Cowichan, a neighbouring riding to mine. I heartily endorse her invitation to members to visit Nanaimo and Vancouver Island. I am sure it will be found as one of the most wonderful parts of Canada. I heartily endorse her remarks related to our beautiful island home.

The member mentioned a number of items that I am sure are important to many Canadians, but I want to ask her about a couple of others that might benefit our own community. First, with huge infrastructure needs in Nanaimo, and I am sure in Duncan and Ladysmith as well as in my own riding and cities like Parksville, Qualicum Beach and Port Alberni, the government promised a portion of the gas tax to help our cities. However, it did not tell us how much, when or how. There is no mechanism to get the money back.

Would the member care to comment on the deficiency of the government's plan in that regard and how it might benefit our ridings, if it actually implemented something? On the gas tax it did say that it would increase over five years, but we do not know how much or when.

Second, is the issue of EI. There is the extortion of about \$6 billion annually from employers and employees in the name of employment insurance that hurts both our employers and our employees. That hurts people on Vancouver Island, our neighbourhoods, people who might be employed and small businesses that are beginning to flourish on our island. However, they need some help from the government. It would really help if EI was not being used to extort funds into general revenues.

Would the member care to comment on these items?

**Ms. Jean Crowder:** Mr. Speaker, I was a municipal councillor with North Cowichan. How the gas tax will be allocated is of great concern to the smaller municipalities and communities. Certainly, we would welcome a more progressive look at how rural and other smaller urban communities get an allocation. We would also appreciate seeing a concrete, detailed plan that outlines how much and for how long.

On the employment insurance, I would welcome a look at taking the surplus EI funds and using them to invest in an innovative training strategy that has us preparing Canadian workers for new and emerging jobs in the 21st century. We would welcome some initiatives and innovative debate around that matter.

● (1340)

[*Translation*]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, I agree with what the hon. member for Nanaimo—Cowichan said. I know her region quite well. It is an incredible area to go mountain biking. I know for a fact that she comes from a very beautiful part of the country.

Since we are considering the amendment to the amendment put by the Bloc Québécois, which will be voted on later tonight, my question to the hon. member is as follows: what position will she be taking? Will she vote in favour of our amendment to the amendment, since it includes almost everything she has mentioned?

*The Address**[English]*

**Ms. Jean Crowder:** Mr. Speaker, I thank the member for his comments about my lovely riding. I believe our duty and responsibility to the Canadian public, given the opportunity, is to look at the kind of work that we can achieve over the next several months.

At this point, I will reserve my options.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I would like to take this opportunity to congratulate you on your appointment to the position of Deputy Chair of Committees of the Whole.

I also congratulate our new member for Nanaimo—Cowichan. We are so happy that she is in her place. She is well known as a local advocate and a very strong person in her community, and we are delighted that she is our new spokesperson for women's issues.

Would the hon. member talk about the new women's committee that is being set up and what she hopes to see happen there to ensure that women's equality finally is back on the political agenda? The NDP insisted that it be there.

**Ms. Jean Crowder:** Mr. Speaker, it is a very important moment in Canadian history. As the hon. member pointed out, the NDP put this proposal forward and all parties agreed to it.

We have been working closely with women's organizations across the country to ensure that when policy and legislation is proposed we see how it impacts on women and children in our communities. I look forward to working closely with other members of the House on this very exciting new initiative.

**Hon. Ed Broadbent (Ottawa Centre, NDP):** Mr. Speaker, I want to begin by complimenting my colleague from Nanaimo—Cowichan for making such an exceptional maiden speech reflecting the long traditions of her own area, going back and including, but not restricted to, Tommy Douglas who was a distinguished member and leader of our party coming from the same region. It was a great speech, reflecting not only the great variety of her own riding but also concerns which she made clearcut right across the country. I congratulate her.

*[Translation]*

I am pleased to have this opportunity to briefly address the issue of electoral reform, something we have implemented in five provinces in Canada. Once again, the provinces have led the way. I must say that I am very glad to see that a federal government has, for the first time, referred to this important topic in the Speech from the Throne.

*[English]*

I want to note in my brief comments that my party and I have been advocating an electoral system for Canada that would combine single member constituencies with members elected on the basis of proportionality since the 1970s. I want to emphasize that such a system or a variety of systems like this is in place in the large majority of stable democracies around the world.

The evidence clearly indicates that a mixed system, combining single member with proportionality, does the following. It elects more women than we do in Canada. It elects more minorities than

we do in Canada. It produces a generally higher level of voter participation than exists in Canada. It also allows new parties to gain a place in the electoral system and then grow if they have support. It is, I would add, profoundly democratic because the vote of every citizen, wherever that vote takes place, counts in some sense in shaping the government, which our voting system does not do.

Because I am going on to other matters, I want to conclude with this brief list of advantages of such an electoral system by saying that such a system is long overdue in a country called Canada. In my limited comments I want to concentrate exclusively on another of its advantages, namely its contribution to national unity.

● (1345)

*[Translation]*

The first time I noticed that the Canadian electoral system was obsolete, pre-democratic, regionalist, fractionary and non-inclusive was after the 1980 federal elections.

*[English]*

In doing so I want to illustrate why our present system is profoundly divisive, deeply harmful for national unity and alienating in its effect on border participation throughout the land.

After the 1980 election, the then prime minister, Mr. Trudeau, asked to meet with me as the leader of a minority party to discuss our participation in the government. I found this strange because he had just obtained a substantial majority and we were a minority party. In spite of the 25% of the vote his party won in western Canada, if we were to look at the results of the seats, we would see a completely different percentage. No Liberal was elected in British Columbia, none in Alberta, none in Saskatchewan and only two in Manitoba. The Liberals won two seats out of 25% of the vote and became the governing party.

The New Democratic Party had 26 seats in western Canada. Mr. Trudeau told me of his intention to bring in what was to amount to the national energy program and the repatriation of the constitution and he definitely felt his party was a so-called eastern party and, with the NDP being strong in the west, he wanted our participation because, in broad outline, he knew we were sympathetic philosophically to the directions on those issues in which he was going, although we differed in some details.

The point I want to make is that here is a party that has governed in Canada for most of my lifetime and yet systematically our system produces a set of MPs in the governing caucus that nowhere represents the strength that they got in western Canada.

The same pattern prevailed in the three elections that took place since I left the House in 1989. We have a governing party that does not reflect at all the very nature of the country. I would submit that if it did then the national energy program would almost certainly have been different if the governing party had elected members actually from the west proportional to its strength as well as other legislation at the time.

*The Address*

The other point I want to make is that our electoral system and its impact on governing is counterproductive in terms of the opposition parties. I want to mention the Reform Party, not exactly one ideologically to which I am sympathetic but the Reform, the Alliance and the Conservatives had negative impacts comparable to the Liberals in terms of vote.

Preston Manning was said to have been blanked out in Ontario. Mr. Manning received 20% of the vote in Ontario. In the large majority of democracies he would have had seats proportionate to his vote as a democracy should do. In spite of that 20% of the vote, no seats and his party was then regarded as simply "in the east a western party".

Also, the 20% of people in Ontario who actually voted, not by political friends but they were equal citizens who actually voted for his party, became more alienated from the system because they did not see their desires reflected in the outcome.

I am deliberately choosing parties different from my own. I will just say in passing that if we had seats today proportionate to our vote we would be in excess of 40 seats in the House of Commons. However I am talking about other parties.

The point I want to make is that our system, as the Pepin-Robarts documented very clearly, is counterproductive to national unity. Our national caucuses, whether on the government side or on the opposition side, do not reflect accurately where their votes come from and therefore they see Canada through highly distorted, highly conflictual lenses that almost always come into the debates.

I want to stress this as a key point to leave with governing members and opposition members in the House as we approach the subject, and we will, of electoral reform in this session. I want to use my concluding moments to give particular praise, not to a government of my party but to a government in British Columbia that did introduce a citizens assembly process that has worked remarkably. It is one that my party would like to see duplicated at the national level. It is one that has involved in that province two citizens from each constituency, plus two aboriginal peoples. They have met for over a year, met in their communities, have professional experts so-called and real who give them advice, and have had systematic deliberation. Not one of the 160 citizens of British Columbia participating in this process has dropped out.

• (1350)

It has been inspiring and empowering for them and it has generated support wherever they have held meetings in the province of British Columbia. They are making electoral reform an issue that is engaging people throughout the length of that province.

I and my party believe that we should have this process at the national level. It could become exciting and it could engage Canadians.

[*Translation*]

In Canada's provinces, not all Canadians can directly take part in a process that is supposed to provide a fair system for everyone.

[*English*]

I deeply believe that if we were to engage our citizens, have them deliberate, think seriously about it and make a recommendation for a new equitable electoral system, we would finally get the electoral system the people of Canada deserve. Let us get on with it.

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, once again I am sure all members of the House join with me in congratulating the member, not only for his return to Parliament but also for an eloquent second maiden speech.

The member has spoken at great length on the issue of democratic reform, parliamentary reform, in particular in the area of proportionate representation. I am sure the House would like to know what the member's position will be with respect to the subamendment that has been placed by the Bloc inasmuch as that is the motion that we will be voting on later.

If I read between the lines of some of the things the member has said, my inference is that his position in fact goes contrary to, in federal terms and in terms of the role of the federal government, the subamendment. I and I am sure the House would like the member to just elaborate a little bit in terms of what his position and understanding is of the subamendment that will be voted on later this day.

**Hon. Ed Broadbent:** Mr. Speaker, I would like to use the occasion to at least address part of what the question is intended as I see it. The subamendment did in fact refer to a citizens' assembly of the kind my party has advocated and I hope the government will take it seriously under consideration.

My reason for coming back to politics, by the way, was to get away from playing games. Canadians are fed up with the politicians who come here, whatever side of the House they are on, playing nice little rule games that they know the outcomes are going to be different from the words they use. If we were to accept the subamendment that is before us, the government would be defeated, and the people on the other side of the House, both the Conservatives and the Bloc Quebecois, know that very well.

I did not return to federal politics to indulge in this hypocritical, silly kind of politics and I will have nothing to do with it.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, if the measure of success of a country is related to the measure of the health and well-being of its people, certainly our children and issues like child poverty have to be addressed. I know that member had a lot to do with the subject of child poverty. When he left this place there was a motion passed in his name, that the House seek to achieve the elimination of child poverty by the year 2000, but the member will also know that 54% of all children living in poverty come from 15% of the families in Canada who are lone parent families.

*S. O. 31*

I wonder if the member would care to comment on how we can seek to achieve the elimination of child poverty without addressing a serious problem in Canada and that is the breakdown of the Canadian family.

• (1355)

**Hon. Ed Broadbent:** Mr. Speaker, as the member knows, it is a long and complicated question to answer in 30 seconds. I would be glad to take that up with him on another occasion.

I would, having received a question from a Liberal member, like to use the occasion to remind him that we will be coming up to the 15th anniversary of that motion. A similar motion is going to be presented to the House. This time I hope that when his party supports the motion, it will act on it, because in 10 of the 15 years that I have been out of the House of Commons, poverty among Canada's children has increased in spite of six surplus budgets by the Liberals, who did almost nothing to get rid of it when they had the power. I hope we will see some changes now.

[*Translation*]

**Ms. Francine Lalonde (La Pointe-de-l'Île, BQ):** Mr. Speaker, I have a question for the hon. member for Ottawa-Centre.

Why is it that he refers to the amendment to the amendment brought forward by the Bloc as "games"? Without our amendment to the amendment and all these amendments, he would not be able to vote for what is being proposed in the Throne speech before the House?

Instead of wholeheartedly supporting our amendment to the amendment to get the government to respect Quebec, why is this tough old fighter joining forces with the government unconditionally?

[*English*]

**Hon. Ed Broadbent:** Mr. Speaker, as one old war horse to a middle-aged war horse, I want to say to her what I said a minute ago. These are parliamentary games.

She knows that the words they have used indeed reflect our values, but she also knows that these votes in this context in our system constitute or set in motion confidence in the government. We have no intention at this point of bringing down a government that the people of Canada want to see produce something.

We are not going to play games. We are going to work for concrete reform on child poverty, on the electoral system and on many other things.

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## STATEMENTS BY MEMBERS

[*English*]

### CHRIS SAUNDERS

**Mr. Paul Zed (Saint John, Lib.):** Mr. Speaker, like all Canadians, I was shocked to hear of the death of Lieutenant Saunders of the Canadian Navy, who was serving on board the HMCS *Chicoutimi*.

He was a 32 year old combat systems engineer who grew up in the Kennebecasis Valley near Saint John. As a teenager, Chris joined the

cadets after graduating from Kennebecasis Valley High School in Quispamsis in 1990. He joined the regular officer training program on a full military scholarship.

One of his high school teachers this morning described Chris as a strong student who was a hard worker and who always had a smile on his face.

Lieutenant Saunders leaves behind his wife Gwen and two young sons in Halifax. He was a loving father, husband and son, and he will be greatly missed by those who loved him.

While serving our nation, the men and women who wear a Canadian Forces uniform put themselves in harm's way every day. Yesterday Chris Saunders gave the ultimate sacrifice, losing his life in the service of our country.

On behalf of the citizens of Saint John, I wish to offer our deepest sympathies to the family and friends of Lieutenant Saunders. Our thoughts and prayers are with them at this most difficult time.

\* \* \*

### INTERGOVERNMENTAL AFFAIRS

**Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC):** Mr. Speaker, the recent first ministers meeting will not be remembered for any great innovations by the federal government with respect to health.

The Prime Minister claimed he had a vision of national standards. Instead, he turned his back on the shared legacy of Jean Chrétien and Pierre Trudeau and endorsed asymmetrical federalism.

Asymmetrical federalism is not a bad thing. In fact, it is the way federalism should work: provinces exercising their jurisdictional authority within the framework of our Constitution. It is not a new thing. It is just not a Liberal thing.

The Conservative Party has always believed strongly that areas of provincial jurisdiction must be respected. We were very impressed by the Prime Minister's endorsement of our policy, but this era of intergovernmental enlightenment did not last long. The throne speech mentioned no such commitment to asymmetrical federalism or to respecting the constitutional authority of the provinces.

What are the provinces to think? Is it asymmetrical federalism or Liberal politics as usual?

\* \* \*

• (1400)

### SPEECH FROM THE THRONE

**Mr. Mark Holland (Ajax—Pickering, Lib.):** Mr. Speaker, I rise today to speak for the first time in the House to commend the Prime Minister for a throne speech that lays out the foundation for a strong and progressive vision for this nation.

It builds upon other recent successes: the first ministers meeting on health care, a bold speech at the United Nations, and the deftly executed first offering of Petro-Canada. It demonstrates clearly that our government is ready to make this Parliament work for Canadians.

What is of concern to me is the cavalier way in which this Parliament is being regarded by some members of the opposition: as a game of chicken, a game that will put the priorities of Canadians in a train wreck in the name of ego and partisanship.

While the opposite side of the House plots and schemes and engages in games of chicken, we on this side of the House are ready to govern. We are ready to make this Parliament work and achieve great things for Canadians and nothing will deter us from that course.

\* \* \*

[Translation]

#### SAINT-ÉMILE KNIGHTS OF COLUMBUS

**Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ):** Mr. Speaker, this fall will mark the start of the celebrations of the 50th anniversary of the founding of the Saint-Émile Knights of Columbus in the riding of Charlesbourg—Haute-Saint-Charles.

In the coming months, a number of special activities will take place in the community, reflecting the dynamism and vitality of this group.

The Saint-Émile Knights of Columbus are recognized as leaders and their commitment to the community has been acknowledged for the past 50 years. I could not, of course, begin to list all their wonderful accomplishments, but the commitment of these men over the past half-century is a fine tribute to their founder, Father Michael McGivney, and continues his example.

As the group prepares to begin its celebrations, I join with my colleagues in the Bloc Québécois in extending our most sincere fraternal wishes to the Sainte-Émile Knights of Columbus. Congratulations.

\* \* \*

[English]

#### UNIVERSITY OF PRINCE EDWARD ISLAND

**Hon. Shawn Murphy (Charlottetown, Lib.):** Mr. Speaker, it is my honour to rise today to pay tribute to Mr. Norman Webster, who will soon be completing an eight year term as the distinguished chancellor of the University of Prince Edward Island.

Chancellor Webster has had an exciting and diverse career in a variety of roles, ranging from Rhodes scholar to political columnist. He served as Beijing correspondent for *The Globe and Mail* during China's cultural revolution and went on to become editor-in-chief of both *The Globe and Mail* and the *Montreal Gazette*.

Appointed chancellor of the University of Prince Edward Island in 1996, Norman Webster brought a love of education to the job and has contributed enormously to UPEI's development as a world class institution. I have always been impressed with the astounding energy with which Chancellor Webster conducted his affairs. His enthusiasm for students will be sorely missed.

I ask members to please join me in expressing our gratitude to a remarkable gentleman who served our university with optimism, grace and generosity.

S. O. 31

#### AGRICULTURE

**Mr. Leon Benoit (Vegreville—Wainwright, CPC):** Mr. Speaker, the closure of the American border to Canadian beef has caused the worst crisis seen in beef and related sectors in the past 30 years.

These industries had done well in an almost ideal free market environment, which included the United States, with very little in the way of subsidies. This has all been destroyed by U.S. protectionism, which is simply wrong.

Not only has our government's undiplomatic treatment of Americans contributed to our border remaining closed, but the Liberals have done little to deal with the problem.

The government must do better. It has to figure out that simply having the border open will not solve the problem, because the industry will remain vulnerable to future closures. What must happen is the quick expansion of packing and processing capacity to allow processing of all of our beef and related animals here in Canada. This will re-establish a competitive market and allow us to take control of the industry once again.

It is long past time for the government to act. Talk is no longer enough. Our cattlemen need action today.

\* \* \*

• (1405)

#### STATUS OF WOMEN

**Ms. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, the establishment of a Standing Committee on the Status of Women is an important step forward for women parliamentarians and indeed all Canadian women.

The national Liberal women's caucus has called for this initiative several times over the past years and is extremely pleased to see the request realized. Having a national all-party committee will strengthen and build upon the progress that has been made by the women's movement across the country.

I know that my colleagues on this side of the House offer full support to this committee and look forward to working in a positive manner with colleagues from all parties to further the equality of Canadian women.

\* \* \*

[Translation]

#### YVES TESSIER

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** Mr. Speaker, I rise to pay tribute to a resident of Blainville who has recently returned from Nevada's International Police and Fire Games with a gold medal in shot-put.

This international event brought together more than 600 competitors from 25 different countries. Yves Tessier is considered the best shot-putter in Quebec. A motorcycle policeman, he still finds time to lobby in connection with the lack of facilities for his sport in the region and to act as the spokesperson for the Blainville athletic association.

*S. O. 31*

This 37-year-old policeman won a bronze medal in Indianapolis in 2001, a silver in Barcelona in 2003, and another gold this summer in Calgary at the Canadian Masters Athletic Association championship in Calgary. A role model for the young people of Blainville, Yves' perseverance has earned him the honours we are proud to share with him.

The Bloc Quebecois joins with the residents of Blainville—

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

\* \* \*

[*English*]

#### PUBLIC SERVICE

**Hon. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, the threat of a widespread public service work stoppage is of concern to all Canadians. Any work stoppage has a dramatic and negative impact not only on the economy but also on the lives of Canadians in a most direct way.

It is therefore critical that both parties, the Treasury Board and representatives of PSAC, make a renewed and sincere effort on their return to the bargaining table. Both sides, and I emphasize both, must in good faith seek a fair and equitable resolution to the outstanding issues.

Public service workers of Canada perform a key function and have demonstrated a high degree of professionalism in conducting government business.

For collective bargaining to work, both Treasury Board and PSAC must negotiate with the objective of finding a settlement and must stay at the table until they get the job done.

\* \* \*

#### HEALTH

**Mr. David Anderson (Cypress Hills—Grasslands, CPC):** Mr. Speaker, health care in my riding has become like housing in communist Russia: it's free, but there isn't any.

The government has supposedly rescued the health care system. That is not true.

This summer the Saskatchewan government decided to shrink health care in my riding by closing down facilities and removing ambulance service. One affected area involved the communities of Val Marie, Bracken, Climax, Frontier and Claydon, an area of about 2,500 square miles. The government in its wisdom decided to lay waste to the only health care facility in the area and make it an eight hour a day clinic.

The local people have responded. They tried to negotiate with the provincial government. No chance. They have appealed to the federal minister. No response. They have now raised hundreds of thousands of dollars privately to keep their public health facility open. What we need is a commitment from the federal government to protect our right to access and a commitment from the provincial government to keep the facility open.

Is it not ironic that health region number one, the birthplace of medicare, will be using private money to keep the public health system operating?

#### LUPUS AWARENESS MONTH

**Ms. Beth Phinney (Hamilton Mountain, Lib.):** Mr. Speaker, October is National Lupus Awareness Month. In recognition of this, I would like to remind the public and the members of this House of the devastating nature of this disease.

Lupus is an autoimmune disease that prompts the body to attack its own muscles, kidneys, joints, skin, brain, lungs or heart. Lupus is a potentially fatal disease for which no good diagnostic test exists.

It is estimated that lupus affects more than 50,000 Canadians, of which 90% are women and 20% are children.

• (1410)

[*Translation*]

I also want to recognize the courage of people with lupus, who must struggle with this disease, and the help provided by their families and friends as they do so.

[*English*]

Finally, I would like to thank the countless individuals and organizations that work toward improving the quality of life for those affected by lupus.

\* \* \*

#### CHRIS SAUNDERS

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, all Canadians today are shocked and saddened by the death of Lieutenant Chris Saunders, an officer on board HMCS *Chicoutimi*.

On behalf of my caucus I extend deepest sympathy for this tragic loss to Lieutenant Saunders' wife Gwen, their two young sons and to his family, friends and colleagues.

As the member of Parliament for Halifax, I know the resilience of military families and how supportive they are of one another in the face of adversity. Lieutenant Saunders died serving Canada. For that, his community and his country express deep gratitude and extend our heartfelt sympathy.

We extend to Lieutenant Saunders' injured colleagues best wishes for a swift recovery and our prayers for all HMCS *Chicoutimi* crew to return home as speedily and safely as humanly possible.

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#### CHRIS SAUNDERS

**Mr. Rob Moore (Fundy Royal, CPC):** Mr. Speaker, on behalf of the constituents of Fundy Royal and citizens of New Brunswick, I would like to take this opportunity to express our heartfelt condolences on the passing of Lieutenant Chris Saunders. His loss of life was the result of a fire aboard the HMCS *Chicoutimi*.

Lieutenant Saunders was a truly distinguished servant of Canada, who started his military career in the 31st Service Battalion in Saint John while still in high school. As an outstanding student, he received several honours while in school and won a scholarship to military college in Saint-Jean, Quebec.

Earlier today I had the privilege of speaking with Debbie Sullivan, Lieutenant Saunders' mother, who remembered her son as a strongly committed young man dedicated to his job, his country and his family. We owe a great debt of gratitude to Lieutenant Saunders and will not forget the ultimate sacrifice that he made.

\* \* \*

[Translation]

#### HMCS CHICOUTIMI

**Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ):** Mr. Speaker, on Monday, when they set out for Halifax from the port of Faslane, Scotland, on their maiden voyage, the 57 crew members of HMCS *Chicoutimi* could not have imagined the tragedy that awaited them on the first leg of their Atlantic crossing.

The fire on board the submarine on Tuesday turned into a nightmare yesterday when one crew member, Lieutenant Chris Saunders, a combat systems engineer from Saint John, New Brunswick, succumbed while being transported to hospital.

In this time of grief, our thoughts are with the family and friends of Lieutenant Saunders.

We also salute the courage of all the crew members and their families in the difficult times they are going through. Your sense of duty is commendable and exemplary; we are very grateful to you.

\* \* \*

[English]

#### EDMONTON

**Mr. James Rajotte (Edmonton—Leduc, CPC):** Mr. Speaker, I rise today to pay tribute to the great city of Edmonton on the occasion of its 100th birthday.

In 1795 the Hudson's Bay Company established a trading post on the banks of the North Saskatchewan River called Fort Edmonton. The railway arrived in 1902. It was incorporated as a city in 1904 and designated the provincial capital in 1906.

Edmonton quickly became known as the gateway to the north, a phrase that has held true since the Klondike gold rush when prospectors venturing northward stopped in Edmonton to trade their goods and gather supplies.

Edmonton has long had a diversified economy, historically driven by the fur trade and agriculture.

Then, in 1947, oil was discovered just south of Edmonton at Leduc No. 1. The pipeline and petrochemical industry were established and the economy and population began to boom.

Edmonton is a city whose quality of life is second to none. We have a vibrant arts community and our citizens are renowned for their charitable leadership and community fellowship.

I ask all of my colleagues here in Parliament to wish the city of Edmonton a wonderful 100th birthday.

S. O. 31

#### BREAST CANCER

**Mr. Andy Savoy (Tobique—Mactaquac, Lib.):** Mr. Speaker, October is breast cancer awareness month.

I would like to recognize four women from my riding of Tobique—Mactaquac who attended a national golf tournament and helped raise awareness for the Canadian Breast Cancer Foundation at the same time. Angela Welch, Lisa Thomas, Crystal Brown and Pauline Pelkey of the Woodstock Golf and Curling Club led the 36 teams at the Canadian Ladies Golf Association's Scramble For the Cure.

The Scramble For the Cure is a major event on the Canadian Breast Cancer Foundation's fundraising calendar. The event raised nearly \$70,000.

Congratulations to the Woodstock foursome on their win and best wishes to the Canadian Breast Cancer Foundation in its goal of creating a future without breast cancer.

\* \* \*

● (1415)

[Translation]

#### OFFICIAL LANGUAGES

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, I am saddened to learn that a group claiming to represent the interests of Canadians, a group called Canadians for Language Fairness, intends to take the City of Ottawa to court to prevent it from providing bilingual services to its residents.

Their spokesman, Sebastian Anders, is none other than the Canadian Alliance Party candidate who ran against me in the 2000 election. That party is now called the Conservative Party. He was also a Conservative Party organizer in Glengarry—Prescott—Russell during the recent election.

On behalf of my constituents, I demand that the leader of the Conservative Party denounce and dissociate himself from the pronouncements of Sebastian Anders and reaffirm his party's commitment to Canada's linguistic duality.

\* \* \*

[English]

#### CHILD CARE

**Mr. Tony Martin (Sault Ste. Marie, NDP):** Mr. Speaker, we now have a Speech from the Throne commitment to a national child care program. This is a benchmark after 20 years of promises from both Conservative and Liberal parties in election campaigns.

I have been across the country over the last month meeting with and listening to the child care community. There is great expectation. Canadian families are all now waiting for the details, timelines, legislative framework and a commitment of money.

We have an opportunity in this minority government to have this promise finally delivered. We New Democrats will be working hard to ensure that it actually happens and is rooted in the principles of quality, universality, accessibility, developmental, inclusive and affordable. We also insist that it be publicly funded and delivered, and that it be enshrined in legislation.

*Oral Questions*

**ORAL QUESTION PERIOD**

[English]

**NATIONAL DEFENCE**

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, I know you will not mind if I begin by expressing on behalf of the Conservative Party, and I am sure all members of the House, once again our regrets and our condolences to the family of Lieutenant Saunders and also to commend all those on board who continue to show such bravery in the face of adversity, and to assure all those people that our prayers are with them in the coming days.

[Translation]

Yesterday I asked the Prime Minister about the condition of the crew of the submarine the *Chicoutimi*. The Prime Minister assured this House that the crew was safe and sound. Later we learned that a tragedy had occurred and that Lieutenant Saunders had died.

Will the Prime Minister once again update this House on the conditions on board and assure the House that the rest of the crew is safe?

[English]

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I appreciate very much once again the sentiments that have been expressed by the Leader of the Opposition. I would like to inform the House that I have ordered that the Canadian flag on the Peace Tower and all federal buildings and establishments fly at half-mast immediately in honour of the late Lieutenant Chris Saunders.

[Translation]

I have ordered the national flag of Canada to be flown at half-mast on the Peace Tower in Ottawa and on all government buildings and establishments, effective immediately until further notice, in honour of the late Lieutenant Christopher Saunders.

[English]

The information that we have is that one of the two who have been taken off the submarine is in a more difficult health situation than the other. We have been told that the other six are in reasonable condition. Again, I would inform the hon. member that because communications are difficult the information is evolving. I am sure the Minister of National Defence, in response to the next question, will take over.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, let me ask the Prime Minister to clarify some things he perhaps would be more able to clarify. There are three other submarines like the *Chicoutimi* in Canada's fleet. This morning the defence minister admitted that the subs are, "not up to 100% of their performance yet". We are all aware of the history of problems.

Could the Prime Minister assure us that the *Chicoutimi* was 100% safe before it was put to sea?

• (1420)

**Hon. Bill Graham (Minister of National Defence, Lib.):** Mr. Speaker, what I can assure the House is that the maritime command, and in fact all of our military personnel, ensure how equipment works because security is the most important concern for their men. I can assure members of the House that the Canadian navy took all the

precautions and professional measures necessary to determine the seaworthiness of this ship before it set to sea. I have had assurance from the chief of the maritime command that all necessary precautions were taken about the security of the ship before it set to sea. That is the procedure in our navy.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, I would have preferred a direct answer rather than a different set of wording. Let me put my next question in any case.

We all know the *Chicoutimi* has a history of safety concerns, and I will list them: cracks in engine valves, plugged turbine pumps, leaks, engine malfunctions, problems with the breathing systems, and rust problems that restrict it from deep dives.

When can we expect a full inquiry into what took place? When will the House receive a full report? When will we know the full truth of what transpired?

**Hon. Bill Graham (Minister of National Defence, Lib.):** Mr. Speaker, it is a great strategy on behalf of the hon. member to ask questions for which there is no answer so then he can say that he is not getting a serious answer.

The hon. member knows well enough that the way in which this system works is the military is in charge of these inquiries. They are the professionals who are responsible. The military will determine the inquiry. The navy will do a professional inquiry. When the facts are known, those facts will be made available to the House. I do hope that the Leader of the Opposition does not think the House is qualified to do that inquiry. I leave it for the professionals in our maritime command.

**Mr. Gordon O'Connor (Carleton—Mississippi Mills, CPC):** Mr. Speaker, when the Liberal government acquired four used submarines from Britain, it clearly made an inaccurate assessment of the difficulties and costs involved in reintroducing decommissioned submarines to service. There has been a litany of problems, including leaks, dents, severe corrosion and diving restrictions which should have been anticipated.

Will the Minister of National Defence acknowledge that the submarine fleet and its crews face undue risks which should have been addressed before these vessels were put to sea?

**Hon. Bill Graham (Minister of National Defence, Lib.):** Mr. Speaker, I will certainly agree with the hon. member that there have been problems in the commissioning of these subs and Canadianizing them to the way in which they can fit into our navy. We all know what those are, but I can assure the member these have not been undue risks.

I have been assured by maritime command that these are risks that exist in the normal process of bringing these ships up to speed. They are still in the process of being properly commissioned.

I want to assure members of the House that the ships in question are being run by our naval professional staff under great circumstances and they are going to be of great service to our navy.

*Oral Questions*

**Mr. Gordon O'Connor (Carleton—Mississippi Mills, CPC):** Mr. Speaker, it is the responsibility of the government to minimize the risks that our sailors, soldiers and aviators face every day. It is obvious that the government does not have a rescue plan to come to the aid of our submarines when they are in distress even though serious problems plague the submarine fleet.

Will the Minister of National Defence advise the House why HMCS *Chicoutimi* was not escorted across the Atlantic Ocean by one of our navy surface ships on its maiden voyage to Canada?

**Hon. Bill Graham (Minister of National Defence, Lib.):** Mr. Speaker, it is the responsibility of the government to support our maritime command and our competent naval officers in the exercise of their functions. We have done that.

I have perfect confidence that we have supported them. I have perfect confidence in their capacity to make the operational decisions that our navy needs to make and I will continue to support them. That is what the government has always done.

\* \* \*

[Translation]

**SPEECH FROM THE THRONE**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the Speech from the Throne is not meeting the Quebec government's expectations. Yesterday, Benoît Pelletier, Quebec's intergovernmental affairs minister, made the following statement, "I would like the Speech from the Throne to be amended to explicitly provide for the respect of provincial jurisdictions".

Could the Prime Minister tell the people of Quebec whether or not Liberal MPs will respect the wishes of the Government of Quebec by voting in favour of the Bloc Québécois' amendment to an amendment calling for measures to "fully respect the provinces' areas of jurisdiction"?

•(1425)

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I can almost quote from the speech I made yesterday. I made it very clear that we had no intention of infringing or interfering in provincial jurisdictions.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, if it is so clear, why not spell it out in the Speech from the Throne? It would be even clearer.

On September 16, the Prime Minister called a first ministers conference for October 26 to discuss, among other things, "financial pressures facing provinces and territories". This is consistent with the amendment to an amendment put forward by the Bloc Québécois, asking "that the financial pressures the provinces are suffering as a consequence of the fiscal imbalance be alleviated".

Since the Bloc's amendment to an amendment is along the same lines as his September 16 announcement, what is stopping the Prime Minister from voting in favour of the amendment to an amendment?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the Bloc's amendment to an amendment is asking members of Parliament to vote in favour of Parliament's totally abdicating its responsibilities with respect to public finances. We are not prepared to do that. We are going to assume our responsibilities in this place.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, this is such a misinterpretation that it reeks of bad faith. Everyone agrees that Quebec and the provinces are faced with a serious lack of financial resources. Even the Prime Minister recognizes that. On June 3, he said, "Are the provinces facing financial pressures? Absolutely!"

If the Prime Minister agrees with the facts, why does he refuse to include them in the throne speech supporting the amendment to the amendment proposed by the Bloc Québécois?

[English]

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, the Speech from the Throne and indeed the conduct of the government in the prior two or three months go a very long way to addressing the concerns of provinces, including the province of Quebec.

We are for example putting an incremental \$41.3 billion into health care and an incremental \$33 billion into equalization, not to mention things like child care and contributions to communities and cities.

The Government of Canada is behaving in the national interest on behalf of all Canadians.

[Translation]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, Quebec minister Benoît Pelletier identified not only the equalization program as posing a problem, but the whole issue of transfers to the provinces, which should also be discussed by Quebec, the provinces and Ottawa.

If the Prime Minister agrees that these issues must be examined, why is it unacceptable to support the Bloc Québécois' amendment to the amendment, which, precisely, reaffirms the need to alleviate the financial pressures that the provinces are facing?

[English]

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, on the money side of the question, the hon. gentleman might be interested to know that the total provincial revenues, their own source revenue plus federal cash transfers, have substantially exceeded federal revenues for more than two decades and they are expected to continue to do so.

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**MUNICIPALITIES**

**Mr. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, today we learned that the government is about to say no to Canada's mayors. This is not very surprising because after all the Prime Minister did not even include the commitment to the fuel tax in the throne speech.

Mayor Miller told me today that the government is in the process of transferring the national debt on to the shoulders of the municipalities. This is unacceptable.

Will the Prime Minister honour his promise? Why can he not make that promise today and commit 5¢ per litre of the fuel tax?

*Oral Questions*

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, earlier this week I had a very good meeting with a number of mayors and the FCM. I can assure the hon. leader of the NDP that it is the government's intention to fully live up to the commitments it made during the election campaign.

**Mr. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, if the Prime Minister were intending to live up to his promises, he would have put it in the throne speech. The fact is that he did not.

Nothing prevents the Prime Minister from listening to the mayors right now and sharing more of the fuel tax. Nothing prevents him, except that he has decided to put far more money against the debt, while cities build up an \$11 million per day debt.

Why will the Prime Minister not come through with his commitment that we all heard?

• (1430)

**Right Hon. Paul Martin (Prime Minister, Lib.):** Again, Mr. Speaker, let me assure the hon. member that the government fully intends to live up to its commitment made during the election campaign. I made that very clear. It is in the Speech from the Throne and it was in my speech.

I also fully expect that the government will be able to retire debt. I think that it is our responsibility to those who live in the cities of tomorrow not to be burdened with a huge national debt.

\* \* \*

**SPONSORSHIP PROGRAM**

**Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC):** Mr. Speaker, yesterday the Minister of Public Works told the House that 10 million documents have been turned over to the Gomery inquiry. That is 10 million documents conveniently after the election campaign. Before the election, the documents submitted by the government could fit on a single book shelf.

Where were these millions of documents before the election and why did the government hide the truth from Canadians?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, first of all, I draw the hon. member's attention to the statement by the Information Commissioner yesterday that lauded our Prime Minister and our government for its openness and transparency with information both for the public accounts committee and for the Gomery commission.

We have provided 10 million pages of documents to the Gomery commission and have in fact gone back to 1994 in a remarkable step for cabinet documents. We are cooperating because we want to get to the truth in this party and in this government.

[Translation]

**Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC):** Mr. Speaker, they hid the documents because these documents show that the cabinet had concocted a strategy to dupe the Quebec wing of the Liberal Party. These revelations would surely have had a bearing on the outcome of the election.

How can we believe a government that hides the truth from Canadians? How can we believe you?

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, on a day to day basis over the next several months we will hear testimony at the Gomery commission and we will not prejudice Justice Gomery's work by commenting on that testimony. Today's testimony could be contradicted by next week's testimony.

We on this side of the House, in this party, want to see the full report from Justice Gomery which will lead us to the truth. We are not going to interfere with that. The hon. member is prejudging a lot of the important work that is being done by Justice Gomery and I would urge him not to do that.

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, we hear contradictions in testimony coming from the government every day. It was confirmed yesterday that the Prime Minister knew all along about the secret slush fund that fuelled the sponsorship program.

We also know that Treasury Board officials red flagged all kinds of problems in the sponsorship program at the same time as the Prime Minister was vice-chair of Treasury Board.

Does the Prime Minister really expect us to believe that he knew nothing at all about the problems in the sponsorship program until he read the Auditor General's report?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the fact is that the Prime Minister has said repeatedly in the House that he was aware of the unity reserve. He was not aware of all of the individual projects and that is of significant difference. The hon. member is taking some pretty significant liberties with the truth in this case.

However, I am glad that he has once again drawn the attention to the House of the importance of transparency and openness. I would ask him to review what the Information Commissioner said yesterday when he said that the early signs were very positive, that this Prime Minister was sufficiently self-confident, courageous and honest to beat the secrecy that has been the—

**The Speaker:** The hon. member for Medicine Hat.

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, either the Prime Minister knew early on about the problems in the sponsorship program or he was asleep at the switch when the sponsorship train went over the cliff. It was one of the two.

Is the Prime Minister not a little bit embarrassed that his only excuse for not knowing about the sponsorship program was that he was neglecting his duties at Treasury Board?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the Prime Minister is modest about his accomplishments and he will not brag about this, but I will. The fact is that the Prime Minister's first step was to cancel the sponsorship program.

Furthermore, he established the Gomery commission which has remarkable powers and a mandate to discover the truth. We have cooperated with that commission with the fact that 1994 cabinet documents are being provided.

We in the government are not afraid of the truth and I would ask the hon. member to have similar courage and wait for Justice Gomery's report.

\* \* \*

• (1435)

[Translation]

### HEALTH

**Mr. Réal Ménard (Hochelaga, BQ):** Mr. Speaker, on September 15, the Government of Quebec signed the premiers' agreement on health. Its acceptance was on the express condition that Quebec not be subjected to any federal accountability mechanism.

Now the throne speech makes no mention of the terms of the specific Quebec—Ottawa agreement on health. On the contrary, it repeats the obligation for all governments, Quebec included, to be accountable.

Can the Minister of Health again confirm that the agreement of September 15, 2004 imposes no obligation on the Government of Quebec to be accountable to Ottawa with respect to health, despite what is implied in the throne speech?

[English]

**Hon. Ujjal Dosanjh (Minister of Health, Lib.):** Mr. Speaker, the fact that we entered into a historic agreement to provide \$41 billion over 10 years to the provinces means that we are a successful federation.

Quebec would be setting the benchmarks in reporting to its citizens as will all the other provinces. We will be correlating all those reports through the Canadian Institute for Health Information, or CIHI, so that we have a national understanding of where the money is going, and whether or not we are successful in reforming, enhancing and improving our health care that all Canadians love from coast to coast to coast.

[Translation]

**Mr. Réal Ménard (Hochelaga, BQ):** Mr. Speaker, when I asked whether he could impose penalties for non-compliance with the September 15 agreement, the federal Minister of Health replied as follows:

[...] we are going to take legislative action. A member of the Prime Minister's Office has said that a mechanism will apply to all, Quebec included, in order to ensure compliance with the agreement.

Are we to understand that the federal government is prepared to impose penalties on the provinces, including Quebec, should it feel that its requirements are not being respected?

[English]

**Hon. Ujjal Dosanjh (Minister of Health, Lib.):** Mr. Speaker, this is a federation that works, contrary to what those people over there believe. The fact is that we want to depend on the good faith of all of the provinces and territories to ensure that the agreement is lived up to.

We have an obligation to the taxpayers across the country to ensure there is accountability and we will do so.

### Oral Questions

[Translation]

### THE ENVIRONMENT

**Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ):** Mr. Speaker, the government announced in the Speech from the Throne its intention to establish a single environmental assessment process in Canada. Yet, the Minister of the Environment said yesterday that he does not intend to impose a single environmental assessment system.

Can he clarify this issue? Are we to believe the Speech from the Throne or the Minister of the Environment?

**Hon. Stéphane Dion (Minister of the Environment, Lib.):** Mr. Speaker, both; there is no contradiction. The Government of Canada will improve its own environmental assessment process to ensure that the departments work together better, to make it better, more responsible, quicker and more effective.

We will immediately begin to increase harmonization with our provincial counterparts, who have been calling for the same thing, and all the stakeholders. Only the Bloc Québécois does not agree because, by definition, the Bloc never agrees.

**Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ):** Mr. Speaker, I would like to remind the minister that in May 2004 Quebec signed a harmonization accord on environmental assessment with Ottawa, but today we learn that the federal government is thinking about imposing a single environmental assessment system.

Does the Minister of the Environment realize that this approach threatens the terms of the 2004 agreement between Ottawa and Quebec on environmental assessments?

**Hon. Stéphane Dion (Minister of the Environment, Lib.):** Mr. Speaker, leave it to the Bloc to promote such paranoia. If an environmental assessment agreement was signed in 2004 that means we have a federation that works well. I thank my hon. colleague opposite for confirming once again how well Canada works.

\* \* \*

[English]

### CANADA POST

**Mr. Brian Pallister (Portage—Lisgar, CPC):** Mr. Speaker, perhaps the Prime Minister will remember his words from before the election when he said that every piece of information and every fact will be made available to the public as quickly as possible. Well, the facts are these: The Deloitte & Touche audit of Canada Post was given to the Prime Minister before the election was called. He knew it had harmful information. The Prime Minister decided to delay its release until after the election.

I ask the Prime Minister today, would he now explain the contradiction between his words and his deeds?

• (1440)

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, the words of the hon. member are without foundation. The fact of the matter is that the board of directors of Canada Post requested that Deloitte & Touche be given additional time to finalize the report before delivery to the government.

*Oral Questions*

The critical fact is that no report was received by the government until after the election. At that time, soon after becoming the minister, I received the report and two days after that, I released it to the public.

**Mr. Brian Pallister (Portage—Lisgar, CPC):** Mr. Speaker, obviously the only words that are without foundation are the words of the Prime Minister and the promises he made before the election to be open to Canadians.

The Prime Minister had the Deloitte & Touche interim report. He knows it. He was aware of it before the election. He had a choice to make at that time. He could release it as he promised he would do, or he could hide it and break his promise to Canadians. That is the choice he made.

I have asked the Prime Minister to be open and transparent and I will give him another chance to do that. Before he goes off on his globe trotting journey around the world, maybe he would like to explain to Canadians why he chose—

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

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, it sounds as if the hon. member read his second question without listening to my answer.

It is impossible to hide something from the public of Canada when one has not received it. As I said just a few seconds ago, it was the board that requested a delay in the report. The government received the report only after the election and I released it to the public. Those, for the second time, are the facts of the matter.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, how can Canadians trust or respect someone whose solemn word proves worthless? The Prime Minister, facing outraged voters, purported to establish a new process for senior appointments to crown corporations. He promised, “We are going to condemn to history the practice and the politics of cronyism”. Well, the new guidelines have just been swept aside for a Liberal crony to chair scandal plagued Canada Post.

Let the Prime Minister speak. Why does his word mean so little?

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, to repeat the answer to this question, I received a recommendation of names from the board of directors of Canada Post. I selected one of those names, Mr. Feeney, at an annual base salary of \$17,100. I recommended that name to the cabinet. The name was accepted.

Then, in the spirit of cooperation in today's minority government, Mr. Feeney has agreed to appear before a parliamentary committee before he assumes his duties on October 28.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, nothing can excuse breaking solemn promises to Canadians. Nothing. The Prime Minister gave his word. “No longer will the key to Ottawa be who do you know”, he pledged, “Let's be clear. This culture of change that we are bringing to Ottawa is not some exercise in political grandstanding. It is genuine change”.

But Gordon Feeney is chair of Canada Post today because of his Liberal connections. The new process was simply thrown out the window.

Let the Prime Minister speak for himself. What does he have to say to Canadians?

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, Liberal connections? I am unaware of that.

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

**The Speaker:** Order, please. How is the poor member for Calgary—Nose Hill going to be able to ask another question if she cannot hear the answer?

The Minister of National Revenue has the floor and the members will want to hear the answer.

• (1445)

**Hon. John McCallum:** Mr. Speaker, the job of the chair of Canada Post is to promote the governance of that institution and to seek out a new CEO. It is an important job which Mr. Feeney is undertaking for an annual salary of \$17,100. In my opinion, he is totally qualified to undertake that task, but I will listen to any negative points that the members of the opposition may have if they summon him to appear before them.

\* \* \*

[*Translation*]

#### PUBLIC SERVICE

**Mr. David Smith (Pontiac, Lib.):** Mr. Speaker, my question is for the Minister of Public Works and Government Services.

Some years ago a policy was put in place to distribute Government of Canada jobs in the national capital region in a particular way: 75% in Ottawa and 25% in the Outaouais region of Quebec. At present, the number of jobs on the Quebec side is hovering around 20%.

What is the minister going to do to comply with this policy?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I thank the hon. member for his question. I have also discussed this with the hon. member for Hull—Aylmer. We do respect the 75/25 principle. It is not exactly being applied at this time. This situation should be attended to as soon as possible.

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#### INDUSTRY

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, my question is for the Minister of Industry.

More than 11,000 Canadian businesses were taken over by foreign investors under the Mulroney and Chrétien governments. Nothing could be easier than getting Investment Canada's green light for an acquisition; the light is always green.

*Oral Questions**[English]*

Will the minister commit today to review the Investment Canada Act to secure an effective examination of foreign takeovers of Canadian firms, including human rights, labour and sustainability standards, starting with the expected Minmetals purchase of Noranda?

**Hon. David Emerson (Minister of Industry, Lib.):** Mr. Speaker, I would like to thank the hon. member for asking me that question because it gives me the opportunity to thank for the first time the people of my constituency for allowing me to be here.

The hon. member also knows that foreign investments in Canada, foreign acquisitions, are reviewed by the Minister of Industry. We will continue to do that. The Government of Canada has an unassailable record of human rights. We will continue to have an—

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

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**CANADA POST**

**Mrs. Bev Desjarlais (Churchill, NDP):** Mr. Speaker, my question is for the Prime Minister.

Under his direction the Treasury Board minister introduced new guidelines to clean up the mess created by the Liberals. The revenue minister blatantly ignored these guidelines when he appointed his buddy, Gordon Feeney, to the board of Canada Post. Now he says he will put the appointment before a parliamentary committee. How is this any different from the procedure used under the predecessor's regime?

Will the Prime Minister either revoke Mr. Feeney's appointment or at least guarantee that he will accept the recommendation of the committee?

**Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, if the member would read the guidelines, I could tell her how they are different. We instructed all the boards in the interim to appoint a nominating committee that would review and recommend candidates. That was done. Candidates were presented to the minister. The minister was then charged with making a selection and presenting that selection to the House of Commons, which will be done the moment a committee is struck.

\* \* \*

*[Translation]***ROYAL CANADIAN MOUNTED POLICE**

**Mr. Peter MacKay (Central Nova, CPC):** Mr. Speaker, two weeks ago the Conservative Party denounced the closing of nine RCMP detachments in Quebec, a decision that could endanger the safety of communities in those regions. Yesterday the federal Liberals' Quebec caucus said it shared our concerns.

Why is the government endangering the safety of Quebecers by closing these RCMP detachments? Will the minister take action to reverse this unfortunate decision?

● (1450)

*[English]*

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, I am sure the hon. member would not want me to interfere in the operational matters of the RCMP. I do want to reassure the hon. member that this is a redeployment. The number of RCMP officers in the province of Quebec will remain the same. This redeployment only took place after broad based consultations, including the Sûreté du Québec.

Everyone, I am sure, is aware the RCMP is not the provincial police force in the province of Quebec. The RCMP works strategically with them. The redeployment is taking place to ensure that strategic cooperation is facilitated.

*[Translation]*

**Mr. Peter MacKay (Central Nova, CPC):** Mr. Speaker, the closing of nine RCMP detachments in Quebec is intended to reorganize the resources needed to fight organized crime and terrorism. Just by chance, all the detachments being closed are in places that had the misfortune not to elect Liberals.

Does the minister believe that crime only strikes in Liberal ridings?

*[English]*

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, I cannot believe the outrageous allegation that I have just heard from the hon. member.

I simply go back to the fact that the RCMP, in all provinces and territories in this country, regularly makes decisions around redeployment. The number of officers in the province of Quebec will stay the same. In fact, the redeployment is taking place so that we can work with our partners, like the Sûreté, to do a better job of fighting organized crime.

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*[Translation]***CANADIAN HERITAGE**

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, during the election campaign, former Minister of Canadian Heritage Hélène Scherrer flew to the Banff television festival in a Challenger jet, which ended up costing the taxpayer \$55,000. During her time in Banff, she gave a speech that had but one purpose: to discredit the leader of the Conservative party. This was a purely partisan expenditure.

Why then was this trip paid for out of public funds?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, Ms. Scherrer accepted the invitation in early January 2004, or in other words well before the election call. The festival took place in June. Ms. Scherrer gave a speech. No partisan event was held.

*Oral Questions*

[English]

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, I would invite the Prime Minister to recheck that speech. It was overly partisan and way out of line. H  l  ne Scherrer and the Liberal Party broke the election financing law by having the taxpayers pay for her election speech in Banff. Now she has a plum patronage job as the Prime Minister's principal secretary. The Liberal Party policy seems to be: break the law and get rewarded.

Will the Prime Minister end this Liberal cycle of corruption immediately and force his party to pay back the expenses of this trip?

[Translation]

**Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.):** Mr. Speaker, the Banff festival is the most important festival for Canadian television and new media. It was the role and duty of the Minister of Canadian Heritage to attend, particularly as she had been invited back on January 9. As far as I know, we are still ministers, even during an election campaign.

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**NATIONAL DEFENCE**

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, once again, the lives of members of our armed forces have been put in jeopardy, as evidenced by the tragic events that recently unfolded on the submarine *HMCS Chicoutimi*.

Since there is still potential risk, could the Minister of National Defence tell us about the measures that military authorities intend to take to ensure the safety of the submariners who are still adrift along the coast of Ireland?

**Hon. Bill Graham (Minister of National Defence, Lib.):** Mr. Speaker, it goes without saying that all the members of this House are concerned about the fate of our brave submariners aboard the *HMCS Chicoutimi*. I can assure the House that these people are professionals. The British navy is there to help. Our own navy has dispatched another ship to the scene.

I can assure the House that every possible measure has been taken. I hope to soon be able to report that these brave men have made it back safely and that we can determine the causes of this serious accident.

• (1455)

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, considering that the four submarines have been experiencing a great many problems since they were bought, will the minister ensure that all necessary corrective measures will be taken before these four submarines are deemed to be operational, even if it means docking them until then?

**Hon. Bill Graham (Minister of National Defence, Lib.):** Mr. Speaker, this is precisely why, this morning, I asked the head of navy what measures they were taking. He assured me that the other three submarines are operational. Of course, the navy, the air force and the army always try to figure out the causes of every accident, to decide what to do with our equipment. I trust their professionalism. They will find the causes of the accident and we will make sure that it does not happen again.

[English]

**The Speaker:** The hon. member for Charleswood—St. James—Assiniboia.

**Some hon. members:** Hear, hear!

\* \* \*

**HEALTH**

**Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC):** Mr. Speaker, I thank everyone for that warm introduction. I have to say, however, that I do not think the government side will be applauding after I ask my first question.

This question is for the Minister of Health. This week the minister said that the Government of Ontario should account for how it spent the additional \$83 million funded by the federal government to care for hepatitis C victims. Is that not ironic, the minister providing advice on accountability?

When will the government be accountable for all the victims who were affected by hepatitis C, not just those on the existing list who qualified for compensation?

**Hon. Ujjal Dosanjh (Minister of Health, Lib.):** Mr. Speaker, we provided over \$1.1 billion which is in a trust fund for the post-1986 and pre-1990 victims. We provided over \$300 million to all the different provinces to deal with the pre-1986 and post-1990 victims. The fact is that the government has provided close to \$1.6 billion all together in those two programs for all the victims in this particular situation. This is obviously a very difficult situation. Yes, I can tell Ontario and I can tell the other provinces that—

**The Speaker:** The hon. member for Charleswood—St. James—Assiniboia.

**Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC):** Mr. Speaker, I would like to remind the Minister of Health that people are suffering and this babble is not helping.

According to the original agreement, the provinces do not have to account for this money until next year.

Will the health minister ask the other provincial governments to account for how they spent their share of the money ahead of the scheduled reporting date?

**Hon. Ujjal Dosanjh (Minister of Health, Lib.):** Mr. Speaker, yes, I will ask them for accountability. As per the agreement, the accountability will be some time in 2007.

I have stated my preferences. When there are very serious questions being asked by people who are suffering and people who have suffered injuries, the answers should come now so that their concerns are satisfied and Canadians' concerns are satisfied.

Yes, I am asking them to be accountable.

• (1500)

### INFRASTRUCTURE

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, the Speech from the Throne broadly outlined the government's plan for a new deal for cities and communities. The Minister of State for Infrastructure and Communities has pursued an exhaustive consultation with stakeholders, for which he is to be congratulated.

Would the Minister of State for Infrastructure and Communities please provide the House with more detail on the gas tax and when municipalities across the country can expect to see the money flow?

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, I would remind the House that during the election campaign, and confirmed in the Speech from the Throne, we indicated that we would provide \$5 billion for sustainable infrastructure over the next five years.

The amounts will start to flow with budget 2005. We will begin on a modest ramp but it will spike up in the fifth year to \$2 billion. That money will flow to the provinces as soon as we have completed negotiations with the provinces and discussions with the municipalities which will allow us to go forward.

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### CANADIAN HERITAGE

**Mr. Jason Kenney (Calgary Southeast, CPC):** Mr. Speaker, the Prime Minister just excused and dismissed the \$55,000 Challenger trip of his principal secretary to give an exclusively partisan speech right in the middle of the national campaign because she booked it back in January.

If she was interested in representing the government's cultural policy, she could have done that legitimately as a minister but she did not. She went there as a Liberal attack dog. Every line in that speech was a partisan line.

How can the Prime Minister defend his principal secretary spending \$55,000 of tax dollars in violation of the Elections Act—

**The Speaker:** The hon. Minister of Canadian Heritage.

**Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.):** Mr. Speaker, I have the invitation right here. It is an invitation dated January 7. It was her role and her duty to be at the festival—

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

**The Speaker:** Order, please. The minister is right beside me and I cannot hear her because of all the noise. We are entitled to some silence so the member can hear the answer. The member for Calgary Southeast has to hear the answer for a supplementary.

**Hon. Liza Frulla:** Mr. Speaker, the Banff festival is a most important festival in audio, visual and television. It was her duty to be there.

As for the speech, she gave a speech at the Banff festival pertaining to the Banff festival. It was her duty to be there and she accepted the invitation on January 7.

**Mr. Jason Kenney (Calgary Southeast, CPC):** Mr. Speaker, she has the invitation but I have the speech. It was not her duty to go

### Business of the House

there and give a partisan screed. That is not the job of a minister of the crown, certainly not at taxpayers' expense.

She had the bad judgment to abuse public funds, to violate the Elections Act and the Prime Minister has had the bad judgment to appoint her as principal secretary.

Will he call that person on the carpet and insist that the Liberal Party repay the public for the \$55,000 that was misspent?

**Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.):** Mr. Speaker, I do have to repeat that Madam Scherrer was Minister of Canadian Heritage. She had the obligation and the duty to be at the Banff film festival, which is a most important film festival in audio-visual in Canada. She gave a speech at the Banff film festival pertaining to the Banff film festival.

She was a minister during the campaign and it was her duty as a minister to be a minister during an electoral campaign.

\* \* \*

[Translation]

### PRESENCE IN GALLERY

**The Speaker:** I wish to draw the attention of members to the presence in our gallery of Her Excellency Danielle Saint-Lôt, Minister of Trade, Industry and Tourism for the Republic of Haiti.

**Some hon. members:** Hear, hear!

[English]

**The Speaker:** I would also like to draw to the attention of hon. members the presence in the gallery of the Committee on Social Affairs from the National Assembly of Vietnam, led by Mrs. Nguyen Thi Hoai Thu, Chair of the committee.

**Some hon. members:** Hear, hear!

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### BUSINESS OF THE HOUSE

**Mr. John Reynolds (West Vancouver—Sunshine Coast—Sea to Sky Country, CPC):** Mr. Speaker, I would like to ask the government House leader what the business is for the rest of the week and for next week after everybody goes home and has a nice Thanksgiving weekend.

• (1505)

[Translation]

**Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, we intend to continue this afternoon, tomorrow and next Tuesday with the debate on the Address in Reply to the Speech from the Throne.

[English]

Members will have observed a number of bills on today's Notice Paper. These bills will be introduced tomorrow. On Wednesday and Thursday of next week, the government will proceed with motions to refer to committee before second reading two of these bills, namely, the bill respecting the protection of children and the bill respecting whistleblowers.

*The Address*

As a consequence of the House schedule this week, the House leaders have been unable to meet, an omission that will be corrected this evening. I will discuss the business for the remainder of next week at that time.

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## SPEECH FROM THE THRONE

[*English*]

### RESUMPTION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion for an address to Her Excellency the Governor General in reply to the speech at the opening of the session, of the amendment and of the amendment to the amendment.

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, I am very pleased to have this opportunity to say a few words about the government's agenda in this new and very different Parliament and about the subamendment that is now before us from the Bloc Québécois.

The government's agenda flows directly from commitments made to Canadians in the June election campaign. That is now embodied in the Speech from the Throne. It is an ambitious agenda for an ambitious country.

Beginning with health care, we will implement the historic agreement which the Prime Minister reached with all first ministers in mid-September. By that agreement the Government of Canada will provide the provinces and territories with more than \$41 billion in new health care funding over the coming decade. That is on top of some \$36 billion per year which the federal government currently invests directly and indirectly in the health of Canadians.

This means that we have met and surpassed all of the federal financial obligations laid out by the hon. Roy Romanow in his landmark report on health care. We have a long term agreement duly signed by every premier from every province and territory. It provides the best terms ever on transparency. It is a triumph of successful Canadian federalism and it allows all of us to focus all of our efforts at long last on the real substance: shorter waiting times, more health care professionals, better equipment, improved primary care, home care and catastrophic drug coverage, better services in the north and for aboriginals, more health innovation, and improved public health and wellness.

To a very large extent, that is what the throne speech and that is what this session of Parliament are all about, but there is more.

There is equalization, the Canadian way of building equity and fairness among all our provinces and regions. Equalization has been an integral part of federal-provincial fiscal arrangements since 1957. It has been in our Constitution since 1982. It typically transfers some \$8 billion to \$10 billion annually from the Government of Canada to those less fortunate provinces whose revenue raising capacity falls below a certain calculated standard.

The existing equalization system is based upon a hugely complicated formula with at least—count them—1,320 constantly moving parts. Provinces are concerned that it lacks clarity and predictability and it sometimes works retroactively.

When equalization payments go down, as they do on occasion according to the formula, even though that means the gap between the have and the have not provinces has narrowed, and that should be a good thing, provinces still worry about the adequacy of the system. To meet these concerns, we have tabled the biggest changes in equalization in all of its 47 years.

For this current year we will put two new financial floors under existing calculations, boosting overall payments from what was expected to be about \$9.2 billion this year to about \$10.8 billion all together, well above the average value of the equalization program over the past five years.

For next year and going forward, we will go further to create a new equalization base amount which will then be indexed to increase automatically year by year into the future. The new base amount for fiscal year 2005-06 will be set at the highest level that equalization entitlements have ever reached, that is, \$10.9 billion. The index factor on top of that base will be 3.5% per year and we will review the arrangement every five years.

We have thus addressed all three concerns about clarity, predictability and adequacy with what amounts to an estimated \$33 billion in improvements in federal contributions to the provinces and territories over the coming decade. First ministers will meet again on October 26 to finalize the details.

There is more. We have outlined important plans for early childhood development, learning and care; for seniors, the disabled and their caregivers; for aboriginal Canadians; for cities and communities; for rural Canada, agriculture and natural resources; for the north; for the environment; and for Canada's place of respect and distinction in world affairs. Still there is more.

• (1510)

Our commitment is to balanced budgets, fiscal discipline, steady and sensible debt reduction, and just as we have done in every budget since 1996, further reductions in federal taxes especially for lower income Canadians, and to enhance the competitiveness of the Canadian economy.

The fact that Canada has been a strong fiscal, economic and social performer over the past seven years is the direct result of our successful battle in the 1990s to beat the deficit. It is a battle that we fought and a battle that we won.

After nearly three decades of chronic red ink, no growth, high interest rates and lost jobs, we balanced Canada's books in 1997 and we have kept them balanced every year since. We are the only G-7 country to be operating solidly in the black. Our triple A credit ratings have been fully restored from where they were in the mid-1990s and later.

*The Address*

Since moving into surplus, the average standard of living of Canadians has increased at a faster pace. There has been more improvement in the past seven years than in the previous 17 years.

Our careful planning and prudent budgeting have given Canada the strength to deal with expensive and unpredictable crises like security threats, natural disasters, the SARS outbreak, and of course BSE in the livestock sector.

We have also had the wherewithal to invest in primary Canadian priorities like health care, learning, families and innovation while also paying down debt, cutting taxes and always balancing the books. However, we can never take our fiscal and economic success for granted. It is crucial to the well-being of Canadians everywhere but it is not automatic.

That is why I was very pleased to see a substantial portion of the Speech from the Throne devoted to the challenge of how we maintain and build upon our economic strength, because that is the enabler for everything else that Canadians want to do. It is the enabler for the things we do in common with our provincial colleagues and partners, things like health care and equalization, but also post-secondary education, certain other social programming, infrastructure, the environment, agriculture, immigration, regional development, housing and alleviating homelessness, innovation and research.

Our economic success is also the enabler behind our direct federal responsibility for things like the public pensions of an increasingly aging society, international diplomacy, foreign aid and world trade, national defence, national security and dealing with national emergencies. Of course there is still that federal debt of more than \$500 billion, which incidentally is nearly double the size of all provincial and territorial debt combined. Just keeping that debt current consumes about 20¢ out of every dollar of federal revenue. It adds up to about \$35 billion a year, probably the biggest single expenditure item facing the Government of Canada.

No one should doubt the serious responsibilities carried by provincial governments. Of course, their jurisdictions, just like the federal jurisdiction, must always be respected. At the same time, in fairness, it also needs to be noted that both orders of government have access to all of the same major tax bases.

It has to be noted that some provincial revenue sources, like royalties and the proceeds from lotteries, are not available to the federal government. It has to be noted that provinces have complete autonomy in setting their own fiscal policies. It has to be noted that federal fiscal responsibility, balanced budgets and debt reduction save interest costs not just for the Government of Canada but for all Canadians, including provincial governments.

It has to be noted that recent improvements in national economic performance will boost not only federal revenues but also provincial revenues. It has to be noted that the Government of Canada is already committed to substantial increases in its annual multibillion dollar transfers to assist other governments, most notably for health care of \$41 billion, and equalization of \$33 billion, not to mention other things yet to come, such as child care, communities and others.

●(1515)

It has to be noted that, just like the provinces, the Government of Canada too has serious responsibilities to discharge, as I have already outlined.

It is interesting to note that international comparisons show that Canada, as a very successful country, a very successful federation, is one of the most decentralized federations in the world.

On the money side of the equation, total provincial revenues, that is, their own source revenues plus federal cash transfers every year, have substantially exceeded federal revenues for more than two decades now and they are expected to continue to do so.

For all of these reasons, I have profound difficulty with the motion from the Bloc Québécois, which is now before the House. Both its premise and its remedy are, in my view, fundamentally wrong. It denies recent progress on things like health care and equalization. Most seriously, it ignores the duties and the responsibilities of the government and the Parliament of Canada by proposing essentially the delegation of a huge portion of national fiscal decision making on an unaccountable and absolutely open-ended basis to one single provincial premier acting alone.

Let me make it clear. I have enormous respect for the premier of Quebec. I had the honour of sitting in the House with him and working with him on such things as the environmental challenges, for example. He is an outstanding leader of his province and he did a superb job at the recent first ministers conference on health.

I think we are all very proud of Mr. Charest, but that does not change the fact that it would be a distortion of our democracy to bind federal fiscal policy to the pronouncements, past, present or future, of any person or authority outside this chamber and not accountable to this chamber.

Further, to single out the premier of one province, as this motion does, is a fundamental disservice to the leaders of every other province and territory. The premier of Quebec, I suspect, is not the only premier with some pretty strong views on financial matters and it is probably true that among the premiers there are many and varied opinions. It is not a case of one size fits all.

On the question of equalization, for example, I know the premier of Quebec has a very strong position and I respect that position. However, with the greatest of respect, I also know that the premier of Newfoundland and Labrador has a very strong position, as does the premier of New Brunswick, as does the premier of Saskatchewan and, I suspect, on the other side of the equation, so does the premier of Alberta and so does the premier of Ontario.

*The Address*

The issue here is not speaking for provincial premiers. My point is this: it is simply not acceptable to enshrine the view of any authority outside of Parliament as the basis of federal fiscal policy. It makes no sense from the perspective of responsible government because this is the place where those fiscal decisions are ultimately made, and it makes no sense from the perspective of fairness and understanding within our federal system.

Therefore, I would urge all hon. members to support the thrust and the fundamental direction of the throne speech itself and to defeat the subamendment in the voting later tonight.

● (1520)

**Mr. Garry Breitreuz (Yorkton—Melville, CPC):** Mr. Speaker, I have listened very carefully to the comments of my colleague from Saskatchewan. I agree with some of the things he said about equalization, but I must register my extreme disappointment that, just like the throne speech, he was silent on the issues in Saskatchewan that have now seized the province, that is, the BSE crisis and the recent frosts that have claimed a lot of the grain and oilseed crops.

We were told during the election that we should elect a Liberal because then there would be a strong voice at the cabinet table. We have had this member at the cabinet table for many years and agriculture is in such a predicament now that it is as if there is no one there speaking up. I wonder if the member can explain his silence on this issue.

He is not strongly advocating for agriculture. We have a severe crisis. That border remains closed. We do not seem to have any voice in the government for our province. I do not understand why the throne speech was silent on this area, and many other areas need to be addressed.

I would appreciate it very much if he would begin to express some concern and give us some indication of where the government is going on this. We cannot wait any longer for equalization payment agreements. We can have all of these high-sounding things that should have been addressed years ago. Why is there not something now coming forth for agriculture? It is in desperate need in the province and this minister should recognize that.

**Hon. Ralph Goodale:** Mr. Speaker, I am very interested in the hon. gentleman's final remarks, because I gather that his party is intent on voting for this subamendment that is before us tonight, which would have the effect of essentially scuttling the equalization deal that is presently before the federal government and the provinces.

He should know that this deal is worth \$507 million this year alone to his province and my province of Saskatchewan. The government of Saskatchewan wants that deal. It wants the \$507 million so it can participate in programs to alleviate BSE and so it can participate in programs to alleviate the impact of the frost. It is very anxious to have this equalization deal proceed on schedule. If this amendment were to pass tonight that deal could very well be scuttled because of the diversionary tactics of the opposition in the House of Commons.

On the issue of agriculture, I am very pleased that we have in place a \$5.5 billion agricultural policy framework that includes

within it a whole series of safety nets, including a more robust crop insurance program that, because of the very severe frost conditions in western Canada, will pay out this year probably the largest indemnities it has ever paid out.

I am also pleased that we have provided \$1.8 billion in incremental funding over and above the agricultural policy framework, that is, \$1.8 billion to directly address the issues related to BSE.

I am very pleased, despite what I hear from the member for Saskatoon—Rosetown—Biggar and the member for Yorkton—Melville, that in putting together these programs we had the active engagement, involvement and advice of members of the Canadian Cattlemen's Association, who are a lot more learned on this subject than the hon. member, I would add. They helped us design this program and the Canadian Cattlemen's Association says this most recent tranche of programing is exactly what the industry needs and wants right now.

● (1525)

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, the Minister of Finance is saying so many incorrect, narrow and twisted things it is outrageous.

To say that our amendment to the amendment is threatening the accord on equalization is twisted. What our amendment to the amendment says is that we must go further than equalization, resolve equalization, but go beyond and examine all federal transfers.

The Minister of Finance, who prides himself on helping the agricultural sector, does not recall having made a commitment that he did not live up to when he was responsible for the Canadian Dairy Commission four years ago. He cut the \$6.03 a hectolitre provided to dairy producers. It provided Quebec dairy producers with \$120 million. He said he would raise prices accordingly to compensate for the losses. He never did. This man does not honour his commitments.

Today, he is talking nonsense. He just told my Conservative colleague that our amendment to the amendment is threatening the equalization accord. What equalization accord?

Two weeks ago I attended the first ministers' conference. They presented a convoluted position for reforming equalization. He says there is no agreement. Yes, there are agreements with the receiving provinces to make substantial changes to the equalization system based on all 10 provinces and a realistic view of property taxes.

This minister is talking nonsense, as the government did earlier, as the Prime Minister did during oral question period when he said this would be abdicating the federal government's responsibilities.

This is so wrong and warped that it is bad faith. It is bad faith. It reeks of bad faith.

I have a question for the Minister of Finance. Will he admit that he and the Prime Minister made promises?

*The Address*

They need to broaden the scope of the first ministers' conference and come better prepared than they were two weeks ago at the health conference, when the Prime Minister did not even know what he was talking about. They need to be ready to explain to the provinces the shameful surpluses that were accumulated not by good administration, but by making cuts to employment insurance, health and education. That is what you have been doing for 10 years. So much for your good administration and your surpluses.

While people have needs in health and education, there are surpluses here. Will he address the public's real concerns?

[English]

**Hon. Ralph Goodale:** Mr. Speaker, when the Government of Canada invests an incremental \$41 billion in health care, that is looking after the concerns of Canadians in partnership with the provinces.

When we enhance equalization by \$33 billion, that is looking after the concerns of Canadians in partnership with the provinces.

When we propose measures to improve child care, to improve the quality of life in our cities and communities, to expand affordable housing in the country to deal with the needs of senior citizens, the disabled and their caregivers, and when we try to address the needs of aboriginal Canadians, who are among the least advantaged of all of us in society, that is indeed taking care of the interests of Canadians.

That is what is in the throne speech and this government is very proud to stand by that throne speech.

The hon. gentleman wonders why voting for his subamendment would somehow potentially affect equalization. If the opposition effectively destroys this Parliament and brings it to a screeching halt, then everything on the agenda goes up in the air. That is the problem.

Canadians want to see health care dealt with. They do not want another fast election.

Canadians want to see equalization dealt with. They do not want another snap election.

Canadians sent us here to do the business of the country in a responsible and responsive manner. They want this Parliament to work. There is an obligation on all of us to cooperate with each other and get the results that Canadians expect.

• (1530)

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I am pleased to ask the Minister of Finance a question, and to comment on that part of the Speech from the Throne that focuses on fiscal discipline.

I want him to know that contrary to popular opinion, New Democrats are very concerned about fiscal discipline and very supportive of that approach. I would suggest to the Minister of Finance that he jive that rhetoric with his actions by applying the fiscal discipline model to the question of projecting revenue and accumulated surpluses. He is aware of our concern about these accumulated surpluses to the tune of \$80 billion over the last 10 years and that goes automatically against the debt because of the formula with which we have to live.

Would the Minister of Finance accept a notion that we have advanced in the House, and that has been raised by a number of academics, particularly Michael Mendelson from the Caledon Institute and others, for the establishment of an independent parliamentary budget office so we would have before Parliament a voice to give us regular advice on fiscal forecasts of the Government of Canada? That was a proposition we made in the spirit of constructive contribution to this minority government. Some of the opposition members support it since they have adopted the idea and included it in the main amendment to the Speech from the Throne.

Is the Minister of Finance prepared to move on this idea?

**Hon. Ralph Goodale:** Mr. Speaker, I think the hon. member for Winnipeg North would acknowledge that at least a portion of the idea that she is suggesting is drawn from experience in other countries, most particularly in the United States. I would note in that experience that sometimes it works well and sometimes it does not. There are, for example, some unfortunate conflicts that emerge between the CBO, the congressional budgetary office on the one hand, and the office of budget and management associated with the White House on the other, and in the third place, the department of the treasury. There are some differences between our system and the American system that makes some of the ideas not directly transferrable.

On her essential point that we need to have greater precision and accuracy in the process of forecasting and laying out fiscal and economic projections into the future, I agree with that principle absolutely. That is why the government has asked one of the most prominent forecasters and modellers, Mr. Tim O'Neill of the Bank of Montreal, to provide a comprehensive review of the Canadian way of doing these forecasts and advancing these econometric models. We want to ensure that we are producing those fiscal projections in a way that matches up with the best practices in the world.

I am very pleased to report to the House that not only will Mr. O'Neill bring his great experience and expertise to bear on this issue, but we have also enlisted the cooperation and support of the International Monetary Fund that will be participating in this review process as well to ensure that—

**The Speaker:** I am sorry to interrupt the hon. minister. I know he is providing a fulsome answer for the member for Winnipeg North but time has expired.

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC):** Mr. Speaker, I would like to inform you that I will be sharing my time with the member for St. John's South—Mount Pearl.

First, I begin by congratulating you on your return as our Speaker. Your steady hand in the past has given us the confidence to move forward with the challenges a minority government situation can bring.

I would also like to thank my constituents for returning me to Ottawa as their representative. Their support and encouragement is humbling. I look forward to exceeding all their expectations. The campaign seemed very brief, but I met many of the new constituents.

*The Address*

I would like to especially thank at this time all those who took the time to assist with my campaign, while putting my aspects of their person lives on hold. Their participation in our democracy is a gift to us all. Thanks again.

This week we heard the Speech from the Throne, and many of us could be forgiven for feeling a sense of déjà vu. Much of what we heard was recycled, rehashed, repromised Liberal letdown. I am not surprised, but I am disappointed.

Given that the Prime Minister has been in power for almost a year, and planning for a decade before that, I expected much more. I expected a vision, a focus for Canada, organized priorities with organized goals. Instead of a finely trimmed racing schooner heading for the finish line, we see a government that resembles a dinghy floating on an ocean, lost, drifting and in desperate need of a plan.

Nonetheless, the government reoffered its throne speech again. Again the Liberals have promised to introduce a national child care program. This is a promise that former Prime Minister Jean Chrétien promised three times before and failed to deliver on. Now, under much of the same cabinet, the Prime Minister has promised the same thing yet again.

The government is promising a quarter of a million spots within the next five years. This plan apparently will cost \$5 billion. However, before we get too excited, let us not forget that this is the same government that promised to eliminate child poverty by the year 2000. Instead of achieving their goal, it bought new VIP jets for themselves. Life is about choices and choices are about priorities.

The Conservative Party believes that parents should have the tools and the choices to care for their children. Good child care is important to the Conservative Party. We know parents will choose what is best for their children, and we believe parental choice is imperative because different families have different needs. Child care needs in our rural communities are vastly different from those in the centre of our urban centres. One size will not fit all.

I must admit that it is difficult to comment on this program as the government has yet to table legislation or even lay out a proposal. I guess a decade was not enough time to prepare.

In one form or the other it has been promised before, but the Liberals have failed to deliver. We will have to take a wait and see approach until this government determines if it actually intends to deliver on its promise this time. It is quite a record of broken red book and throne speech promises.

Child care is a provincial responsibility. There are serious logistical, jurisdictional and economic issues that must be better explained by the federal government before we can move ahead. Universal daycare is something that will require the cooperation of the provinces and the federal government. How would such a program be implemented and, more important, audited for cost and performance?

We have seen programs, such as the national gun registry, stray far from its original mandate, goals and budget. There are only so many boondoggles that one government can afford.

The government does not have a good track record of dealing with the provinces on jurisdictional issues. Given that the Romanow

report came out several years ago and it took until this fall for the deal to be hammered out, we cannot realistically expect anything for a long time.

● (1535)

Child care is very different. In each corner of the country, local and provincial governments have already realized this. By the time regional, cultural and economic adjustments are made for each party of the country, we end up with anything but a national program.

In addition, we are interested to know what side deals will be negotiated with various provinces, as we saw in the recent health agreement. How much control will the federal government have over its funding and how much control does the federal government want over its funding?

As members can see, this is a complex matter that will require a lot more information from the government before we can get an accurate picture of where the government intends to go on this issue. We believe all professional child care providers should be properly qualified and certified. This is also a provincial responsibility, but the federal government can encourage a minimum national standard. Provincial jurisdictions must be respected.

I do want to stress that whatever plan the government proposes, it must not limit the options available to parents. Parents must have fair options to choose how to raise their own children. Parents choose their child care arrangements based on many things other than just budget constrictions. Child care can be based on cultural preferences, language preferences, educational options, location of service, family needs, medical needs and many other priorities. These are important criteria that must be incorporated into any proposal.

Another area I wish to touch upon is the lack of attention in the throne speech to the plight of our rural agricultural communities. These communities have been devastated by years of unexpected, unprecedented challenges that have pushed farm families to the brink of ruin. Many have left the land and many others are running out of options to stay on the land.

The CAIS program and CFIP are a joke. They have failed to deliver the help when and where needed. The frustration that farmers have experienced with these programs have only added to the stress and the strain of the situation. The government needs to listen to our farm families to better meet their unique needs. So far that has not been the case.

Unfortunately, the throne speech offers little as far as hope and solutions go. While I am not surprised, I am very disappointed. In fact this is part of a disturbing pattern of growing indifference from the Liberals to agriculture.

In the throne speech agriculture received no more than a single word of reference in passing. The throne speech before contained just two sentences of attention to farm families, a significant drop from the speech before when they received 14 seconds of discussion in the speech. Sadly, I would not be surprised if the next speech contained nothing for Canada's suffering farm families and the agricultural industry.

This situation is unacceptable and the Prime Minister should be ashamed for turning his back on his election promises. He promised to make agriculture a priority and he has failed. So much for dealing with major issues facing those in agricultural communities and agricultural industries in the agricultural sector.

The finance minister should also be ashamed of his participation and lack of influence in this situation. The people of Saskatchewan not only expected better, but he promised better. I expected more from a man who has been chasing the job of prime minister for so long. I also expected better from a government that needs to earn the respect and the support of Canadians.

Before I sit down, Madam Speaker, I want to congratulate you on your position.

\* \* \*

● (1540)

#### BUSINESS OF THE HOUSE

**Hon. Karen Redman (Kitchener Centre, Lib.):** Madam Speaker, I rise on a point of order. I too congratulate you on your new appointment.

There have been discussions and I believe you would find unanimous consent for the following motion. I move:

That, during the take note debate on the bovine spongiform encephalopathy, any member may, after notifying the Chair, divide his or her speaking time.

**The Acting Speaker (Ms. Jean Augustine):** Is it agreed?

**Some hon. members:** Agreed.

(Motion agreed to.)

\* \* \*

[*Translation*]

#### RESUMPTION OF DEBATE ON ADDRESS IN REPLY

The House resumed consideration of the motion for an Address to Her Excellency the Governor General in reply to her speech at the opening of the session, and of the amendment and subamendment.

**Mr. Gérard Asselin (Manicouagan, BQ):** Madam Speaker, first I would like to congratulate the member who just spoke on the throne speech. It is her first speech in the House in this 38th Parliament.

Essentially she said that it gave her a sense of déjà vu. The throne speech we heard this week was a rehash. A photocopy of Jean Chrétien's previous throne speeches.

This throne speech bears two initials, they can also be found in the schedules. In the throne speech, the initials JC appear. They stand for Jean Chrétien. The same initials can be found in the schedules: JC for Jean Charest.

The Prime Minister started writing his Speech from the Throne from the standpoint of areas of provincial jurisdiction. When we talk about labour training and labour, health care and education, direct support to municipalities, subsidized housing and child care, we talk about areas 150 per cent under Quebec's jurisdiction.

The Prime Minister might have looked at the schedules to the Quebec premier's throne speech.

#### *Business of the House*

I would have thought that in the Speech from the Throne the new Prime Minister would have taken his distances from the former Prime Minister, Jean Chrétien, and the Liberal policies of his government.

He might have included in the throne speech real reform of the employment insurance plan giving status to seasonal workers, relaxing eligibility criteria and increasing the number of insurable weeks. I might have read in the throne speech—but it is not there—that the government was committed to amending Canada Labour Code to include anti-scab legislation and also to eliminating the excise tax on gasoline in order to help the transportation industry in the regions.

I might have seen in the throne speech a real fisheries policy, and help for road infrastructure, air transportation and shipping in our areas as well as mining.

My question is this: did the member notice, as we did in the French and the English versions, that this Speech from the Throne does not come close to being a Speech from the Throne. It is an empty shell.

There is nothing in it to help the regions develop. There is nothing to promote regional development and stop the exodus of young people. There is no incentive to create jobs in the regions to employ young people or seasonal workers. Unfortunately, the latter cannot find work year-round. They work in various sectors and need employment insurance at specific times of the year.

● (1545)

[*English*]

**Mr. Paul Szabo (Mississauga South, Lib.):** Madam Speaker, I wish to congratulate you on your appointment.

I also want to thank the member for her speech. Regarding the matters related to agriculture, I agree with the member. I know that it has been a very difficult past few years for the agriculture industry and that members across this place have continued to demonstrate a sensitivity to the plight of the agricultural community.

However, I am also very interested in her comments with regard to the child care issue and the investment in children. I think there will be good support in this place for quality child care with a secure consistent attachment to a committed adult. The issue is the equity between parents and the choices that they have. Parents who choose paid child care would not only get subsidized care, but they would also have access to the child care expense deduction which is not available to those who choose to provide care in the home to their own children.

Therefore, would the member consider amendments to things such as allowing the stay at home caregivers to take advantage of the child care expense deduction for the costs that they incur at home? Another example might be to open up or extend the child care expense caregiver credit not only for the aged and infirm but also—

● (1550)

**The Acting Speaker (Ms. Jean Augustine):** The member for Saskatoon—Rosetown—Biggar.

*Business of the House*

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC):** Madam Speaker, I agree with my hon. colleague. We must allow parents to raise their children and make the proper decisions on how those children are raised.

My daughter in fact had a nanny at one time in her life when it was a necessity. I have a son that is at home with his two daughters while his wife is at work because he has a disability.

Our families have to make those choices and that is the proper way of doing it. Being from a rural community I look at a rural area compared to a downtown in one of our large cities. There are so many different things that we have to look at.

We must ensure that there is a proper plan and that it is done properly. That is why I am looking forward to seeing what the government brings forward and if it does indeed bring forward a child care program.

**Mr. Peter Stoffer (Sackville—Eastern Shore, NDP):** Madam Speaker, first of all, I wish to congratulate the hon. member on her re-election.

Just recently the B.C. Ferry Corporation of the B.C. government assigned a deal of over \$500 million with a German company to build two or three ferries for the B.C. ferry system.

Many of us are outraged with that because we believe that shipbuilding companies and the workers who are attached to shipbuilding should have access to those jobs. That money then flows back to the communities, especially in the west or in the east or even in Quebec for that matter.

I have yet to hear the Conservative position on that deal. Does that party support the shipbuilding policy that was designed by the unions and the corporations?

For example, we had J.D. Irving and Buzz Hargrove singing out of the same hymn book on this. We had a policy called "Breaking Through: Canadian Shipbuilding Industry". The government has yet to initiate that policy. Our companies and our workers are unable to get access to these tendering processes and these jobs.

I would like to have the member's personal view on what she thinks we should do in Canada to have a viable shipbuilding policy so that our workers in British Columbia, Quebec and in the Atlantic Canada region can have access to those jobs.

• (1555)

**Mrs. Carol Skelton:** Madam Speaker, I am sorry to tell my hon. colleague that I am not aware of the whole situation and I would prefer to have my colleague who looks after fisheries comment. My expertise is in regard to the fishermen cops who we have in Saskatchewan. We would gladly give them to the member.

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Madam Speaker, I wish to congratulate you on your appointment. It is certainly well deserved. I would also like to congratulate my colleagues on both sides of the House on their re-elections.

There are many old friends back along with new people who will hopefully become friends because in this place we find, despite our political stripes, that for the good of the country we must work together.

I wish to thank the constituents in St. John's South—Mount Pearl who returned me to this tremendous building where we have an opportunity to do so much for them, and hopefully for the country.

The name has been changed to St. John's South—Mount Pearl, which signifies most of my riding. I once had about 70 communities in the old riding. Now I have two cities with one extra town, Petty Harbour-Maddox Cove, a place very near and dear to me. That makes up the total riding.

Most of our speakers have gone over the issues in the throne speech. I am going to do a cursory run through of a number of them and then concentrate on a couple of issues which are of great concern to my own riding and province.

Perhaps we should mention the fact that we are speaking on the subamendment. There are people who have concerns about the subamendment. In fact, some of our premiers today expressed some concern because they were interpreting the subamendment a little further than it actually goes.

The concern is that the Bloc has asked the government to concentrate on the financial pressures provinces are suffering as a consequence of fiscal imbalance and that it should be alleviated, as suggested by the Premier of Quebec. Nobody has any problems with that.

Some of the provinces might have difficulty if the premier or the Bloc in its subamendment had demanded that we use the mechanisms perhaps as would be suggested. That is not the case. It is pretty straightforward and something that we can support.

The throne speech itself has an interesting sentence in it. It talks about creating a strong economy supported by a committed and excellent public service. There is no doubt that we have a committed and excellent public service and it is very supportive of the country and the work that has to be done.

The question is whether government is supportive of the public service because right now PSAC, the union representing the workers, is negotiating with the government and we wonder from some of the signals whether the government is negotiating in good faith. We hope it is and that a resolution will be found quickly so that we can get on with the work.

The speech talks about a review of the EI program. It is badly needed. We emphasized it in our amendment. I hope we concentrate on the plight of seasonal workers because of the downturn in the economies of agriculture and the fisheries. The infrastructure is falling apart in our country. We see very little construction which leads to a dearth of work in relation to seasonal workers.

We have people who need to get out of the workplace. We must look at an early retirement program for people who have been around so long, who have contributed so much, and are finding it so difficult. We cannot forget those who have already been displaced and whom we have ignored.

I hope we live up to the health care agreements that we signed with the provinces. That is extremely important and I hope we do it in the light of proper federal-provincial cooperation.

*Business of the House*

It is great to see the child care program mentioned, but it has been mentioned now for 11 years and I hope this time, with the minority government situation, that pressure can be put on government to deliver.

We can never forget the seniors, those who have done so much for us. The word is mentioned but we do not see much substance here. That also ties into affordable housing and drug costs because these are the people who are really affected.

● (1600)

Omitted entirely from the speech was agriculture. There was one little reference, three letters I believe, and no reference made to the arts. We have to remember that our heritage and culture must be preserved.

The municipalities will get a portion of the federal gas tax. We do not know how much, when, how thinly it will be spread and we have no idea if an arrangement has been made with the provinces for delivery so that the money given by one will not be clawed back by the other.

That takes me to the issues relating to my own area. During the election we had two major commitments made by the Prime Minister and I will read them to the House. These are not my words by the way but the words of the hon. Minister of Natural Resources. He said "the Prime Minister has given me the responsibility of finalizing the deal on the Atlantic accord as soon as possible. That will bring Newfoundland and Labrador 100% of its offshore oil royalties without affecting the provinces equalization payments".

What the Prime Minister actually promised was 100% of total revenues. We hope that will be carried out. The minister said today that a few *i*'s had to be dotted and a few *t*'s had to be crossed but he said the same thing at the beginning of the campaign four months ago. We hope the deal is being finalized but we hope it is being finalized as promised.

The other thing the Minister of Natural Resources said concerning Newfoundland and Labrador was "the Prime Minister came to this province and promised to do whatever it took to win foreign overfishing on the nose and tail of the Grand Banks, including custodial management. He has listened to the concerns of Newfoundlanders and Labradorians and he is acting on these concerns".

What a farce. The Prime Minister, the Minister of Fisheries and Oceans and the Minister of Natural Resources promised during the election to deal with this issue that has drawn so much attention in this hon. House. Just before we went in to the election, the House passed a motion telling the government to deal with this issue.

What has happened now? In the throne speech the Prime Minister and the government said, and this was the only reference, "we will enhance the rules of enforcement". An extra boat will be sent out to issue extra citations so that more and more people will be frustrated with foreigners thumbing their nose at us as they bring our resources home. This is an insult to all Canadians. That is an issue that has to be dealt with.

The Prime Minister himself went to the United Nations. All the members said on both radio and television that the Prime Minister mentioned fish at the United Nations. He was trying to deflect the

responsibility of dealing with this issue to an international circus. We know what will happen, which is what has always happened in the past, nothing at all. Our resources will be diminished and destroyed while the government twiddles its thumbs.

We are asking the government to step up and live up to its promises because if not there will be another government that will do it shortly.

One other thing I would like to mention in the short time I have left has to do with the issue of education. Many topics were mentioned in the Speech from the Throne, the cost of health care, child care, the health of seniors, the economy and the need to develop our resources. An educated population can do that but very little reference was made to education. We must ensure that every child in this country has the opportunity to receive a full education regardless of geography and regardless of his or her socio-economic status. We have to make sure we have a contributing population so that in turn the country can be developed by them.

● (1605)

I recommend that the government immediately appoint if not a minister at least a secretary of state responsible for the coordination of education. There is absolutely no coordination of education between the federal government and the provinces. Nobody accepts responsibility for the job that has to be done. We better get on with the job. We will do our best to cooperate to make sure the job can be done.

[*Translation*]

**Mr. Roger Clavet (Louis-Hébert, BQ):** Madam Speaker, I just listened with amazement to the member's comments. We almost need a magnifying glass to read the throne speech. When it comes to the situation of the unemployed, we have to search for information, we really need to look extremely closely. The government's only commitment in this respect is to "review the employment insurance program to ensure that it remains well-suited to the needs of Canada's workforce". That is a little hard for those who are out of work and for seasonal workers to swallow.

In the riding of Louis-Hébert, we have young workers who do not qualify for employment insurance because of an arbitrary threshold set at 910 hours. These people are wondering why a throne speech, which is supposed to be a statement of intentions, contains so few of them and such little food for thought. A long and hard look is needed. The unemployed are forgotten. They are cast aside. This throne speech does not say much about what will be done to help them.

Reference was made earlier to seasonal workers. My colleague from the Conservative Party mentioned it; and it is also true for several regions, including the Quebec City area. Some people would like to see a little more content in it.

*Business of the House*

I hope that the Liberals who are running the country will be able to put their words into action and to flesh this throne speech out. Frankly, as it is, it leaves us unsatisfied. There is nothing in it for the unemployed. No remedies are provided; it is a mere statement of facts. This is absolutely deplorable. The unemployed may have been overlooked, but they will not forget the government's decisions or lack of decision.

[*English*]

**Mr. Loyola Hearn:** Madam Speaker, my colleague is absolutely correct of course. I think I referred to the fact that the throne speech mentioned a number of areas, such as employment insurance, child care and seniors, with absolutely no substance. Their subamendment coupled with our amendment put some meat on those bones but we should not have to do that. It is not our job. It is up to government to present a vision for the future, not a requiem for the past, which is exactly what we have in this throne speech, a regurgitation of the same old issues that have been raised for years.

People want to hear what the government is going to do, not to hear again that it has a problem here. We know that, certainly in relation to seasonal workers. Because of the lack of attention the federal government has paid to the country, because of the lack of funding to the provinces, our infrastructure, which I will use as one example, is falling apart: our highways, our water and sewer, and general recreational infrastructures. Years ago we could drive throughout this country, particularly in the summer during construction season, and everywhere we would go there were bulldozers, trucks, backhoes, name it. Now we can drive almost anywhere unimpeded because there is nothing underway. These were the jobs that kept Canadians working.

We have seen a fishery mismanaged. We see people in that seasonal line of work out of work. We see our agriculture being ignored. Again, these people are out of work.

We must realize that we must concentrate on dealing with the resources we have because they in turn can create the jobs that improve the economy and give us the money to deal with health, child welfare and everything else. It is a very simple procedure but if we omit one part of it the rest falls apart, and they have omitted the whole works.

• (1610)

**Mr. Paul Szabo (Mississauga South, Lib.):** Madam Speaker, the member talked about how the infrastructure is in bad shape. I have often had the discussion with regional and municipal politicians about the accountability these levels of government have, which collect taxes from people, to invest in infrastructure and then when they do not have it they turn around to the federal government. The federal government has stepped up, the member is quite right, but where is the accountability of those who collect money from ratepayers at the levels when the infrastructure is their jurisdiction?

**Mr. Loyola Hearn:** Madam Speaker, I know my time is short. I do not argue with that. The member has a pretty good point that it is the responsibility of all levels, municipal, provincial and federal.

However, what has happened and why the federal government has been blamed is that there has been so much downloading that the others cannot afford to do what has to be done. To prove that I

challenge the member to look at the budgets of the municipalities and the provincial governments and then ask who has the surplus.

[*Translation*]

**Hon. Denis Paradis (Brome—Missisquoi, Lib.):** Madam Speaker, first, let me congratulate you on your appointment.

Second, I would like to inform you that I will share my time with the member for Beauce, the Parliamentary Secretary to the Prime Minister.

Permit me to salute and thank my constituents from Brome—Missisquoi for this fourth mandate, for the renewed trust they put in me during this last election. They are certainly proud to have heard the Speech from the Throne delivered to us a few days ago.

Concerning my riding, I will deal with a few issues. Of course, health care is important. The Speech from the Throne talked a lot about it. However, an issue particularly caught my attention in this Speech from the Throne. It is the environmental issue. My riding, concerned a lot about the environment, is facing environmental problems, while, of course, having environmental assets.

Let us start with the negative. There is a problem with the quality of water in Lake Champlain. The government asked the International Joint Commission on Boundary Waters to examine the problems of water quality in Lake Champlain. It did. The commission held hearings this summer and is to meet the local people soon.

As for Lake Memphremagog, everyone has heard about it. In Coventry, Vermont, Americans want to expand a landfill site. Indeed, they want to triple the size of the landfill site. This would be dangerous for our Lake Memphremagog. It should be understood that the people of Magog, Sherbrooke and the whole region drink water from Lake Memphremagog. Thus, the Lake Memphremagog and the Coventry landfill site issues require careful attention.

However, there are also good news. This is an issue on which I worked extensively and which deals with the creation of a reserve at Mount Sutton. This is extraordinary. This is in cooperation with the Quebec government. It is a reserve at Mount Sutton. We have to ensure there is cooperation among the different levels of government to guarantee future generations an abundance of such green spaces in the country.

The Speech from the Throne addressed cooperation at length. What does cooperation mean? It means less bickering. Our friends from the Bloc are not ones to dislike bickering. The Speech from the Throne addresses cooperation at length. Hon. members know that there is always a single taxpayer. He pays at the municipal level; he pays at the provincial level; he pays at the federal level, but it is always the same taxpayer. He asks one thing: that the people he elected agree. In the area of health and municipalities, we saw the desired degree of cooperation, one that works with this government.

In his speech in reply to the Speech from the Throne, the Prime Minister talks about cooperation 11 times.

**An hon. member:** When it suits.

*Business of the House*

**Hon. Denis Paradis:** On page 43 of the *Debates of the House of Commons*:

If we can make cooperation not just rhetoric but reality.

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

**Hon. Denis Paradis:** It seems like they do not want to hear the word cooperation.

Further, on page 44, it says, and I quote:

— working with the provinces and territories to secure a 10-year agreement for better health care.

A little further we read:

—I will meet with the first ministers to put in place some of the most meaningful reforms to equalization—

On the same page it says:

—the premiers and I sat down with Aboriginal leaders—

And it continues:

—as we work with provinces, cities and communities on the mechanism and ramp-up for our transfer of a portion of the gas tax—

On the next page, page 45, we read:

We will also be working with the other orders of government on infrastructure—

I am already up to six quotations. Here is the seventh, found later on the same page:

As a government, we will work with the territories and Aboriginal groups—

In the next paragraph, we see:

—in collaboration with our circumpolar partners.

• (1615)

On the next page, we read:

—we will work with the provinces, the territories and stakeholder groups to increase support for family caregivers—

It goes on to say:

When the government of Canada brings together its 13 territorial and provincial partners—

And that is the meaning of the Speech from the Throne. I think it is important that our friends in the Bloc recognize, although it does not suit them to, the degree of cooperation and collaboration that exists among the various levels of government.

We are talking about respect for jurisdictions. They are going to talk about it. Not only do I feel it coming, but I have heard it. They are talking about the fiscal imbalance.

In our constituency offices, people are well aware that we respect provincial jurisdictions. What they are looking for from their elected officials are answers. They do not want any more hassle. “Will you be able to get along together?” I ask the House: will we be able to get along together? I think the answer from our friends in the Bloc still involves a lot quarrelling.

There is this constant desire to sow discord and fuel it. They claim that it is not working and will not work, that nothing is working. That is not our message. The message of the throne speech is a positive one.

They talk about financial pressures, about fiscal imbalance. They used those words in an amendment to an amendment. But before

putting this amendment to an amendment forward, did they confirm with the council of the federation that this is what was wanted? Did they check?

I have heard that the council of the federation is not unanimous on this matter. Let there be no misunderstanding: things are going well. Members have seen the health accord signed by the council, the premiers and the Prime Minister of Canada. We have seen that, and see what is coming with respect to equalization. I think that that too will work very well.

It is essential that we work together rather than divide and conquer. I do not think that Quebec's premier needs the Bloc Quebecois to convey his messages to this House or to the government.

Let us consider this issue for a moment. Allegations were made about the fiscal imbalance. An entire theory has been built around this topic. That is not what matters. What matters is that, for each issue, we can sit together, negotiate and ensure that a win-win situation is achieved. That is what matters. That is what the Prime Minister of Canada is doing with the provincial premiers. That is what matters to us. We do not want to squabble; the time for squabbling has passed.

I will conclude with an example, on page—

**Some hon. members:** Absolutely not.

**Mr. Denis Paradis:** My colleagues do not want me to conclude. I realize that my time is running out.

On page 4 of the Prime Minister's reply to the Speech from the Throne, he was wise to emphasize the following:

Our growth in living standards: first among the countries of the G-7.

We rank first.

Our job growth: fastest among the countries of the G-7.

Our budgetary surplus: alone among the countries of the G-7.

And the Prime Minister added:

There is today a new confidence among Canadians. We are focused on possibility. We are ready to compete, to excel, to showcase what we have to offer.

• (1620)

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Madam Speaker, would you be kind enough to tell me if I am limited to one question or if I can also express an opinion?

**The Acting Speaker (Ms. Jean Augustine):** We are at the question and comment period.

**Mr. Yves Lessard:** Madam Speaker, I was a bit stunned by the last speech. The member used the term cooperation as in to cooperate to make proper use of the taxpayers' money. But is it being properly used when \$45 billion is taken out of the EI fund and spent for purposes other than that for which it was originally intended?

Is the hon. member aware of the poverty that exists in his riding precisely because of the misuse of that money and other restrictive EI measures?

*Business of the House*

The hon. member talks about proper use of the taxpayers' money and cooperation. We will never fail to decry unfairness just to avoid hurting anyone's feelings. When the poorest of the poor in our society are eligible to a Guaranteed Income Supplement but do not get it because the money was spent on something else, there is reason to be upset.

And if that does not make the hon. member for Brome—Missisquoi upset, then I would worry about his constituents in dire straits, like those I just referred to.

**Hon. Denis Paradis:** Madam Speaker, my colleague does not need to become annoyed. To start with, there may be a point on which we both agree, and that is the fact that we should absolutely do something to bridge the widening gap between the rich and the poor. This is a message in the throne speech. It is important that our society reduce this gap.

The hon. member mentioned two more points. First, a word about the EI fund. There is no such thing as a separate fund in which we put money aside for EI. That is not the way it works. Right now, this fund is included in the general revenues. This matter could eventually be debated, but, for the time being, there is no separate fund. It is lumped with public finances, like all other revenues and expenditures. We have years with a surplus and others with a deficit. It is all part and parcel of the same thing. Many years ago, back in 1986, the Auditor General told the government that that was the way to proceed.

Secondly, let us talk about the wise use of tax money. My colleague is right. It is important to use it wisely. That is what is suggested in the throne speech. We know what the federal government gives to the municipalities, and we know on what it agrees with them, for example concerning the infrastructure. These moves should be applauded. We should be glad that a government recognizes the needs in matters of health, municipal infrastructure, and the environment. That is really how the money Canadian taxpayers pay to the federal government, the provinces and the municipalities should be used. There is only one taxpayer.

• (1625)

[English]

**Hon. Don Boudria:** Madam Speaker, I rise on a point of order. Discussions have taken place between all parties in the House concerning the tabling and the adoption of the striking committee report that lists the members and associate members of the standing committees. I believe you would find unanimous consent for the following, although I think it would be perhaps lengthy to read the entire report of the names of all MPs. I seek consent for the following: That the first report of the Standing Committee on Procedure and House Affairs concerning the membership and associate membership of Standing Committees be deemed tabled and concurred in.

**The Acting Speaker (Ms. Jean Augustine):** Does the member have the consent of the House to put the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Mr. Ken Epp:** Madam Speaker, I would like to point out to the House and the member opposite that he said discussions had taken

place, but we are unaware of those discussions, unfortunately. That may be an internal party thing, but we are not aware of it. That is why we at this time decline unanimous consent. We will certainly reconsider if this has been done.

**The Acting Speaker (Ms. Jean Augustine):** Resuming debate, questions and comments. We have 34 seconds left.

[Translation]

**Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ):** Madam Speaker, in under 34 seconds, I will remind the hon. member that it is the throne speech and not the Bloc members that is at the heart of all these squabbles and conflicts,

In fact, I would refer the hon. member to an article published in *Le Devoir* on October 6, dealing with the throne speech and environmental issues. It was entitled "Ecologists fear constitutional wrangling".

This statement does not come from the Bloc members. All the tension and the squabbles stem from the throne speech, because the federal government in being intrusive.

**Hon. Denis Paradis (Brome—Missisquoi, Lib.):** Madam Speaker, I just want to point out that, for everything pertaining to this issue, we said that we would work in cooperation and in consultation with the provinces, our partners. So, there are no squabbles. We will come to an agreement.

**Hon. Claude Drouin (Parliamentary Secretary to the Prime Minister (Rural Communities), Lib.):** Madam Speaker, permit me first to congratulate you on your appointment.

I would like to thank my hon. colleague from Brome—Missisquoi for allowing me to join him in commenting on the Speech from the Throne and to congratulate him on emphasizing the importance of collaboration and of what the people expect of us.

As I begin, I would like to thank the voters of Beauce for the confidence they have shown me by electing me for a third consecutive term. I am very proud of that and I thank them from the bottom of my heart.

This week's throne speech has shown once again how much emphasis the Liberal government puts on making sure it respects the priorities of Canadians.

First, with regard to health, we saw in the agreement signed by the provincial premiers and territorial leaders—an agreement for \$41.3 billion over 10 years, more than the Romanow report asked for—that once again, the Canadian people are our highest priority.

We are going to work in other fields as well—and I underscore this, as did my colleague from Brome—Missisquoi—on the importance of working in collaboration.

Second, we intend to invest \$1 billion over 5 years in a national early learning and child care program. We take as our inspiration the program the Quebec government has established and we want to set it up all across Canada, and that again shows the collaboration we want to employ in giving the best possible service to the people of Canada.

*The Address***ROUTINE PROCEEDINGS**

●(1635)

*[English]*

Third, we want to increase assistance to caregivers and to seniors. I think nothing could be more appropriate than what we are planning to do now. The throne speech emphasized this well, and I am proud of it. In addition, we will increase the guaranteed income supplement by 7%, which shows once again how strongly we feel about helping the least well-off in our society.

Fourth, our collaboration will extend to equalization. There will be an important meeting in a few weeks, and I am sure that the provincial premiers and territorial leaders will agree with the Prime Minister on a way to have a more stable and predictable equalization program, in order to provide the best service possible to the population. We have already made a commitment to substantially increase the equalization program from which they benefit, beginning this year.

Then there is our commitment to support the cities and communities, which once again demonstrates the possibility of cooperation, with the federal, provincial and municipal levels working together in a shared interest. Since the Liberal government has been in power, \$12 billion has been invested with the provinces and cities to help them with infrastructure, which brings the total of assistance to communities and municipalities for their needs to \$30 billion.

Then there is our commitment to use 5¢ of the gas tax for the next 5 years to help the municipalities, cities and communities to meet their numerous challenges. I am sure that, in collaboration with the provinces, the territories, the communities and the municipalities, we will again succeed in rising to that challenge.

We are, of course, going to work very hard to resolve the mad cow and softwood lumber problems, both of which are crucial for Canada and Quebec, and particularly for us in Beauce. I can assure you that we Liberals are committed to finding a lasting solution to these problems.

We are also going to help businesses, since they are what drives job creation. In recent years, 90% of jobs created in the country were in small and medium businesses. We therefore want to give more access to risk capital and specifically to start-up funding to help businesses through the Canada Development Bank. This is good news. We must support all areas of industry. We have already done so and will continue to do so within our areas of jurisdiction, in conjunction with the provinces and territories.

●(1630)

In closing, I would just like to express my views on the amendment to the amendment on which we are to vote a little later on. We are accountable here for our management of the public purse. I am sure the opposition will understand that we cannot accept the amendment to the amendment, any more than could the provincial and territorial governments agree to a similar request from major cities. That is why I am obliged to oppose this amendment to the amendment.

**COMMITTEES OF THE HOUSE**

## PROCEDURE AND HOUSE AFFAIRS

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Madam Speaker, I rise on a point of order. Further discussions have taken place between all parties concerning the tabling and adoption of the striking committee report that lists the members and associate members of the standing committees, and I believe that you would find consent for the following motion:

That the first report of the Standing Committee on Procedure and House Affairs concerning the membership and associate membership of Standing Committees be deemed tabled and concurred in.

**The Acting Speaker (Hon. Jean Augustine):** Is there consent?

**Some hon. members:** Agreed.

(Motion agreed to)

**SPEECH FROM THE THRONE***[Translation]***RESUMPTION OF DEBATE ON ADDRESS IN REPLY**

The House resumed consideration of the motion for an address to Her Excellency the Governor General in reply to her speech at the opening of the session, of the amendment and of the amendment to the amendment.

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Madam Speaker, does the member who just spoke against the amendment to the amendment realize that it is designed to give concrete effect to the commitments the Prime Minister of Canada has made to the provinces and Quebec and act on a request from the Premier of Quebec? Does the member realize that voting against it means voting against the commitments made by the Prime Minister of Canada and the request from the Premier of Quebec? Does he realize that? Does he?

**Hon. Claude Drouin:** Madam Speaker, I understand that, if the hon. member for Chambly—Borduas says that commitments have been made by the Prime Minister, then there is no need for the amendment to the amendment. He should therefore fulfill the commitments contained in the throne speech and be happy with what we plan to do in cooperation with the provinces and territories.

**Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ):** Mr. Speaker, I understand the point my colleague is trying to put across. But we will never subscribe to the philosophy outlined by the hon. member. All he is trying to do is have us believe that the provinces should no longer have all the powers they had previously.

*The Address*

Take for example page 14 of the Speech from the Throne, which I suggest he read. The provinces are referred to as provincial governments, as if they had become mere municipal governments. This is the danger with a refund for the federal tax on fuel. The money should be transferred to the provinces and there should be some sort of arbitration.

Naturally, municipalities present certain problems, such as public transit systems in several of our cities which are running deficits. Why not take the money and transfer it to the provinces so that arbitration can take place? Instead, the philosophy advocated by the hon. member is designed to reduce the provinces to mere administrations. We will never agree with that vision of Canada.

**Hon. Claude Drouin:** Madam Speaker, with the arguments made by the member for Rosemont—La Petite-Patrie, we have just realized that, no matter what we say on the Liberal side, Bloc members will never support what we are doing, even if it is good for the public. What is important to them are their arguments and how they want to achieve sovereignty, which the majority of Quebecers do not want.

When we talk about provincial governments, we might as well talk about the federal government. We recognize the provinces, we recognize their jurisdictions and we respect these jurisdictions. The member asked a question; he could listen to the answer. I know that it is difficult for them, but we will try to work together for the betterment of the public. We will respect provincial jurisdictions, as we did with infrastructure programs. We even provided \$100 million for the Montreal metro, which shows the importance that we attach to public transit. This is a first for a Canadian government.

• (1640)

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Madam Speaker, there are three counties in my riding. Thank you for noting that.

I would like to ask my colleague one question, while of course congratulating him on his excellent speech. Can he explain once and for all to the Bloc Québécois what a motion of non-confidence is? I would draw his attention to Beauchesne, 4th edition, citation 170. I would ask the hon. member to help me get this across to the Bloc. I have it here in English and will read it:

[English]

An amendment to the Address in Reply to the Speech from the Throne is a motion of "No-confidence".

[Translation]

Could my colleague help me explain that to the Bloc? We will thus be able to get it through to them that what they are asking for in wishing to amend the motion on the Speech from the Throne is, in fact, an expression of non-confidence in the government. That is what they themselves are about to do, presumably, in a few minutes.

**Hon. Claude Drouin (Parliamentary Secretary to the Prime Minister (Rural Communities), Lib.):** Madam Speaker, I greatly appreciate the opportunity afforded to me by my colleague from Glengarry—Prescott—Russell to explain exactly where the danger lies. This runs counter to what the population wants and what it asked for this past June 28, to see its best interests served as well as possible, without partisan politics.

I think they will be in the majority in committees, and they will be able to work to improve what the Liberal government will be wanting to do. That is where they ought to focus. But instead they are prepared to force another general election, and I find it deplorable that the ones who will suffer will be the taxpayers, considering how much we know an election costs.

[English]

**Mr. Bob Mills (Red Deer, CPC):** Madam Speaker, I want to congratulate you on your position which is well deserved. I also want to tell you that I will be sharing my time with the member for Macleod.

I want to start by thanking the people of the riding of Red Deer for again having confidence in me and electing me with an increased majority. I certainly appreciate all those people, all the workers and all the campaign people. It is an honour and a privilege.

It is a little different this time in that now we are the government in waiting. It feels that it will not be very long until we will achieve our goals that we started some 11 years ago in the House. That is a very different feeling than has been.

In listening to this throne speech, and I have heard a great many here, this has to be probably one of the dullest, weakest pieces of regurgitation that I have heard. There is absolutely no vision for the country. If anything, as we travel around the world, we know that Canada is losing its position because of a lack of vision, a ho-hum kind of government which we have had for the past 10 years.

There is no mention of agriculture. There are recycled environmental promises. There is no help for the military. There is no help for low and middle class taxpayers. There is no parliamentary reform, no substance, no accountability and no consultation. The government should be ashamed of this throne speech more than any that it has given prior to this.

We need to add some vision and substance. That is what our leader's amendments have done. To say that this is a non-confidence vote is only in the minds of people who are living in the past, as the member for Glengarry—Prescott—Russell quite does. It is not a confidence motion. It is simply trying to make it better so that there is some substance.

The throne speech is full of platitudes. As the senior environment critic, I want to deal with that part of it. We talk about the platitudes of how we will fix the Great Lakes. That was 1993 and long before that. We will fix our oceans, yet a million birds are dying in Newfoundland every year because of oil spills. That is because of weak legislation.

We talk about procurement for the federal government in 2006. We asked Canadians to do the one time challenge in 2003, and the government only now is saying that it will start doing it. When the cabinet ministers were asked to drive fuel efficient cars, only one of them did that and that was the environment minister.

*The Address*

Environmental integrity in our national parks, what does that mean? They are nice words. Are we going to fix the infrastructure? Are we going to fix what is so wrong with our national parks?

Kyoto is a great one. We simply stamp on that we are for all the international treaties and go along with it even though every year we increase our CO<sub>2</sub> output. We have no plan and cost to Canadians. Basically we will be part of a carbon trading system which is all about bureaucracy and transfer of money, and nothing to do with the environment.

I spent time in Europe this past summer visiting wind projects, garbage recycling and all kinds of things. My wife really enjoyed the holiday as we visited all the sites. I will have a lot more to say about that in years to come. We talk about quadrupling the wind credits. Germany, where people became committed, added 10,000 megawatts in five years because it had that vision. It put in targets and money and said that it would do it.

In our next throne speech we will show a long term vision. Environment cannot be planned in four year segments, or in this case the government's one year segment. It must be planned in much longer terms. It is a 50 year project, and developing technology. It is by showing investors that they should invest in a country that knows where it is going, that has a vision.

The OECD says that we are last in the industrialized world in terms of living up to environmental standards. That is where we are because of the commitment of the government. This throne speech simply shows that further. We need a commitment to the air. We need to have a clean energy plan. We need to take garbage, deal with it and help municipalities, cities, and provinces by providing the technology that is there.

•(1645)

I was in a recycling plant where nothing comes out of the stack. It makes money from garbage. It is a resource. It buys garbage because it cannot get enough to generate heat and electricity, and recycle all the products.

We need to take care of our brownfields and have an inventory of our aquifers. That is what a government with a vision for the environment would have had in the throne speech.

We talk about looking at the Great Lakes and studying them. Sixteen million Canadians live and depend on the Great Lakes. We already have an international commission that is toothless. It cannot do anything. A former member of the House, Mr. Gray, has attempted but has not accomplished very much because of the structure of that organization.

Energy is a most important issue today as fuel, heating, electricity and transportation costs go up. We also need a vision for that. We need to emphasize conservation. There is much more we can do in that area. We need to talk about transitional fuels and what we can do there.

Finally, we need to look at alternate energy. I was impressed with the wind projects and farms that I was privileged to see around the world. I went to the universities in Denmark. I listened to 150 engineers working on R and D for that country to become a world leader in wind energy and generation. It is pretty exciting stuff.

Wind energy is growing by 30% a year. I have to congratulate the Quebec government for taking the biggest plunge most recently with its announcement of a \$3 billion, 2,000 megawatt project.

How about our agriculture community? How can it be helped? The municipality of Pincher Creek, Alberta, gets \$900,000 in increased tax revenue from windmills. I have talked to the farmers in that community who get income from the windmills on their properties. Many of them say that they would have lost their farms because of the BSE issue if it were not for the revenue from the windmills. That was the sort of exciting vision for the environment that we needed to see in the throne speech but we did not. There was no excitement at all.

In Copenhagen I visited the solar city project. There is also a project in Amsterdam. They are rebuilding downtown dilapidated communities and are using solar cells. The street lights are run by solar and batteries. There were no elevators in the old buildings. They have put solar collectors on three sides, and the electricity for elevators and heat for the buildings is provided by solar.

There is so much vision and technology out there, but I do not believe the government is prepared to look at it or invest in it. It is kind of a status quo; do what it has always done. That is not what the country needs at this time.

There are all kinds of restrictions that cause investment to shy away from Canada. There are all kinds of interprovincial grid problems and environmental impact problems. We at least have a promise from the government to try to streamline it.

The federal government can provide some leadership on so much and do something about it. I encourage the government to take a look at the amendments that we have put forward. We just want a further accounting. We want some more vision for the country.

As well the Bloc wants more vision on provincial and federal jurisdictions. We need to really talk about that, not shy away from it or fight over it. We need to work together to achieve that kind of cooperation. That will be the vision for the country. That kind of throne speech would get credit from everyone, and everyone in the House would be able to vote for it.

•(1650)

**Mr. Mario Silva (Davenport, Lib.):** Madam Speaker, I was pleased to hear about the member's commitment to the environment. I hope that is shared by all the members of his party.

On the issue of the environment, which I think is quite critical to this country, I would also let the member know of a very important piece of legislation that we are looking to bring forward, particularly in the area of green procurement policy, which I think is quite crucial to this country as we move forward with the Kyoto protocol.

*The Address*

The member mentioned several countries around the world that have been leaders in the environmental area, whether it is in procurement or environmental initiatives, yet they also committed to the Kyoto protocol. From what I remember, the Conservative Party is not committed to the Kyoto protocol. I want to know if he and his party have changed their minds on the Kyoto protocol.

**Mr. Bob Mills:** Madam Speaker, most definitely not. Kyoto is long gone as an issue. There are really only three countries that have any hope of hitting their target, those being Germany, Denmark and Britain, and that is as long as they can get all of the things passed in time.

In talking to parliamentarians over there, let me say that they realize we need something much more. We need something beyond trading carbon credits and that huge bureaucracy. We need something that will actually deal with the problem of climate change and pollution, and that something has to involve the United States, which is number one, China, which is number two, and India, which is number five. If we do not involve those countries, we really are not going to make much difference.

The government has no plan. We are a huge country. We have a huge amount of territory. We have little infrastructure. We have a very cold climate. Australia used those same arguments for targeting 8% above 1990 levels. We are 6% below 1990 levels. Today we are 26% above 1990 and increasing.

Of course we like to have our GDP reflect our sales to the United States of our energy, particularly from the tar sands. The hon. member knows that as we start mining more and more of those tar sands, that increases our CO<sub>2</sub> even more.

So why would we lie to Canadians and say we can live up to some kind of target, which we have absolutely no hope of or plan for doing? We have not told Canadians what it will cost for electricity, for heat and for transportation. Why not be honest and say that we are going to champion something that will really deal with climate change and clean up the air in the same process? Let us abandon Kyoto, like most other countries are realizing they have to do.

In Russia, Mr. Putin has made it very clear, saying, "Let me join the European Union and have easy access to Europe and I will sign anything". As far as living up to it is concerned, that is a whole other issue.

•(1655)

**Mr. James Lunney (Nanaimo—Alberni, CPC):** Madam Speaker, I would like to commend the hon. member for both his speech and his intervention. We know that he is very knowledgeable on the subject of the environment. I look forward to having him in my riding shortly to speak on this matter.

The previous member asked him a question about Kyoto, which is where I want to go as well. The other member, being a new member, may not know that the hon. member for Red Deer actually occupied three days of the House's time in speaking about Kyoto and is probably the most knowledgeable member here.

I want to ask him a specific question in relation to Kyoto. The U.S., our largest border partner and trading partner, has not signed Kyoto. Most of our development is along the 49th, with the northern United States underdeveloped now. Increasingly, with investment,

many of our firms are owned at least in part by U.S. firms, thanks to the low Canadian dollar. If we implement Kyoto without the U.S., will this not cripple Canadian industry as we watch investment go south of the border and the development of the northern U.S. at our expense?

**Mr. Bob Mills:** To answer the member's question, Mr. Speaker, I really believe that the government of course has no intention of implementing Kyoto. It will talk about it and keep saying the same platitudes year after year, but it has no intention of implementing it because it has no plan and because if the government told Canadians what it would really cost, there would be no way. Basically the country would have to be shut down just to achieve the targets.

As for shutting down the country, I do not believe that most of us want to live in a cave. We would like to keep the standard of living we have. For good or for bad, 90% of our sales are dependent upon the U.S. One in four jobs is dependent on the U.S. I doubt very much that Ontario members would agree to shutting down the automobile industry, for example, just like shutting down the oil and gas industry is not really an option. Again, what we want to have with respect to our standard of living is what the reality is.

Let us be honest and really do something. Let us deal with pollution and thus deal with climate change. We would also then deal with the smog issue and the smog days that affect the health of children and seniors across this whole country. Let us deal with it. Let us have a plan.

Let me point out to the member that my party supports this environmental approach 100%. I look forward to helping the government, while it is still the government, implement something that is real and realistic.

**Mr. Ted Menzies (MacLeod, CPC):** Madam Speaker, I also congratulate you on your appointment.

It is my great honour to rise in the House today. To begin, I would like to thank my constituents for providing me this opportunity to serve them and my country. The sense of pride and excitement I feel today is equaled only by my desire to return dignity and integrity to this chamber and my desire to show Canadians that they do not have to settle for the insipid leadership and weak agenda of this Liberal minority government.

Some would say it will be a hard task. I am far away from home, from my family and my friends, but I take inspiration from the riding of MacLeod. During the spring campaign, I travelled from the scenic mountain ranges of Kananaskis country and Banff National Park to the northwest corner of the riding, southeast past Calgary and along the beautiful Bow River as it flows through the Siksika Nation, all the way south to the southern border along the Waterton Lakes National Park. I would argue that we have some of the most beautiful countryside in our riding.

*The Address*

Southern Alberta has a diversity of geography and industry, as well as people strong enough to rise to the challenges of both. Macleod boasts Canada's largest wind farms, a proud agricultural industry, major food processing, forestry and manufacturing, and the world renowned fisheries of the Bow and Oldman Rivers. There are coal mining and oil and gas exploration as well as processing, and tourism, including the world heritage site, Head-Smashed-In Buffalo Jump.

The pioneer spirit still lives in the residents of Macleod. There is a desire to succeed and a warm welcome for people from all countries and provinces to be active participants in our thriving community.

I take my responsibilities as a member of the House with all the seriousness that this demands. I pledge to represent the best interests of the people of Macleod. I pledge to support the Conservative Party of Canada and be a proud member of a government in waiting.

I am also rising in the House today as a member of the shadow cabinet and critic for international cooperation. Imagine my disappointment during Tuesday's Speech from the Throne. It sounded like the February 3, 2004 speech. It looked like the September 30, 2002 speech. It repeated promises from January 30, 2001. But to be honest, the October 5, 2004 speech smelled like something I left behind on the farm in Claresholm.

It is shameful for the over 100 new MPs like me who have worked so hard to get here that the Liberal government could not do better than this. The Prime Minister came to this position as leader on the wings of an angel, the messiah, some suggested. But after 10 years of that auditioning for the job, a dress rehearsal last year, and over three months to prepare for this Speech from the Throne, Canadians sat down on Tuesday afternoon and watched the performance of a rank amateur government in an embarrassing pantomime.

There can be no question that the Liberal government has failed in many areas, especially that of international development. It has failed to contribute to the relief efforts in the Caribbean, specifically in Haiti. It has failed to bring diplomatic security or basic humanitarian aid to those suffering in the Darfur region.

It has failed the proud Canadians who work here at home and around the world with private sector firms, the United Nations, universities, colleges and non-governmental organizations.

It has failed the international community, which used to look to Canada to set the example for principled and effective foreign aid. It has failed nations, communities and people who might have benefited from true leadership and a strong Canadian presence in the development community.

● (1700)

The government has reduced its commitment to development issues to a retreat announcement of Canada Corps, a new secretariat to harness idealism and expertise of Canadians and bring that to the world. Is that not the job of CIDA? Is it not tasked with planning and implementing Canada's development corporation program? If so, why has the Prime Minister created a brand new fiefdom in the Department of Foreign Affairs? My fear is that like so many Liberal ideas this throne speech has nothing to offer but jobs for the old boys.

The members opposite have lost their way, mired in the excitement of choosing catchy names for programs and initiatives. Canada Corps may sound good, but it is without a mandate, infrastructure or international policy framework. Canada Corps is set to become yet another patronage cesspool for disgraced Liberals to swim in. Canadians expect more from their government. International development is an important part of how Canada is perceived in today's world.

The government is stalled. It cannot focus its development agenda, its foreign policy or decide what kind of military we need. An *Ottawa Citizen* reporter recently called it "analysis paralysis". Back home we would just say it is time to get off the pot.

The throne speech once again promised the release of an integrated international policy statement. This is fundamental to ensuring that Canada's overseas development agenda moves beyond reactive crisis management to proactive and preventive measures to help people around the world move beyond daily subsistence.

As critic for international development, I will work with my colleagues to ensure that any review of Canada's international policy includes thorough consideration at the Standing Committee on Foreign Affairs and International Trade. All parties must have input in creating an integrated approach to international development that recognizes how diplomacy, trade, defence and development efforts must work together.

Members of Parliament must also develop an action plan that moves this policy beyond a concept into the real world of aid and development, and truly removes the barriers of communication between the departments involved here at home. By getting our own policy house in order, Canada can better engage in the world.

As a farm leader, I have travelled around the world on behalf of Canadian grain and oilseed farmers. I have fought for open markets and fair trade so that individual producers and rural communities around the world can reap the benefits of viable and sustainable economies. Canada should be a leader in the world, extending our expertise and experience, using our development agenda to reduce poverty, and to contribute to a more secure, equitable and prosperous world.

*The Address*

I suppose I should not be surprised that the Liberal government cannot get its act together to help others in need. All we need to do is look at the way the Liberals have failed our farmers here at home. After 17 months of pain and suffering in the cattle industry, the Liberals have lost interest in making a difference. Producers are still waiting for their 2003 CAISP payments and it is not surprising that they lack confidence that the government can come through on their promise of compensation in 2004. We need details now. We need program delivery now. We need increased processing capacity now.

I would like to end my comments today with a few words about my home town of Claresholm, Alberta. I am very proud to be the first member of Parliament from Claresholm. It is also the home of Louise Crummy McKinney, the first woman to be elected to the Alberta Legislature in 1917. She is one of the famous five that will grace our new \$50 bill. We are very proud of this lady.

I would also like to recognize the hard work and dedication of those who worked hard to get me elected. I pledge to live up to their hopes and expectations.

• (1705)

Finally, I would like to thank my family members for all the support and sacrifices they have made for me, not just in my journey to become a member of Parliament but in all parts of my life. While rising today in the House is an honour, the love and respect of my wife, Sandy, my daughter Kari and my son Michael fill me with a pride unequal to any other.

Along with the 98 other Conservatives who sit in this minority government situation, I believe we can accomplish great things for Canada and re-establish this country's respected place in the world.

• (1710)

[*Translation*]

**Ms. Françoise Boivin (Gatineau, Lib.):** Madam Speaker, congratulations. I am happy to see a woman in your position. It is a pleasure for me. It is an even greater pleasure for me to have another opportunity to talk about this wonderful Speech from the Throne.

I am awfully concerned about what I have been hearing for the past two days. I seriously thought that the hon. members who were democratically elected here were truly here to represent Canadians and Quebecers. I am having serious doubts about that.

What I have been hearing for the past two days are strategic discussions about what to do with the throne speech and that worries me and the people of my riding. I received phone calls after the Speech from the Throne was read, after this magnificent day during which I spoke and seconded the motion for the address in reply to the Speech from the Throne.

People from my riding said, "Ms. Boivin, is a Speech from the Throne a statement of the government's intentions?" Indeed it is a statement of the government's intentions. It talks about a strong economy, the environment, the health of Canadians, children, natural caregivers, seniors, Aboriginal Canadians, cities, and communities in Canada. It also talks about Canada's influential role in the world.

The Bloc may not be interested in all that, but the Liberals on this side of the House are. After this election, I knew that we all understood the important role a minority government plays and that every party will have their say. The parliamentary system involves more than just what goes on in this House, for which I have deep respect and admiration. It also involves all the committees where the parties express their opinion and advance various bills.

They would have me believe certain things today by presenting amendments and amendments to the amendment that do nothing but try to corner the government. As we have already said, we are not chicken and this is not a game. We want to work with people. We want to advance matters.

By the way—and this will make it clear that I am new here—I forgot to mention that I will be sharing my time—and this will please the Bloc—with the hon. Minister of Intergovernmental Affairs. The House will not have to listen to me for 20 minutes, but 10.

As a new member of Parliament, to put in a plug for myself, I just recorded a program in which a wonderful representative of this House explains to me how stimulating a minority government can be and that everyone's interests can be heard and debated here.

I was listening to the very interesting speech of the member on the other side. I congratulate him, because I know what it is like to make one's first speech in the House. On another point, I was listening to his speech and all I heard is how people on the other side of the House would do better, how they would be a better government. However, I will remind everyone about the result of the June 28 election.

We have a minority government. Can we respect the wish of the people in this regard? The games that are being played here do not further the debates in any way. All the themes that I mentioned and that are in the Speech from the Throne are policy statements that are of interest to my friends from the Bloc. Indeed, even Quebec did not have other great criticism to make in this regard, except to say, "We will see what comes from bills and all that, that is the agreements".

Do we prefer to have our interests represented by the Bloc, which does not want to have anything to do with Canada, or by a government that has shown that it has been able to further the issues, such as health care, with the approval of the Bloc people, who were very pleased with this agreement that was entered into?

When people of Gatineau call me and tell me there are problems here with health care, that is waiting lists and so on, I do not answer—and I am convinced that my colleagues opposite do not answer—, "I am sorry, can you call your provincial member of Parliament". We try to work together in a spirit of respect for jurisdictions.

*The Address*

● (1715)

I do not know what the people opposite do not understand in this kind of speech. They are clearly engaging in petty politics. I find it deplorable and regrettable. When we think of it, on June 28, Canadians told us that they wanted us to try to work together, instead of engaging in a grandstanding debate just for the heck of it. It is time we moved forward and did something else for a change.

We are proposing an ambitious project in terms of its themes. Some have said that we have been hearing about this for a long time, but that nothing was happening. This is precisely why we should promote these themes on behalf of Canadians. This is what we should do in this 38th Parliament. This is what Canadians from coast to coast to coast expect from their representatives. Are opposition members saying that we will apologize to our immigrants who are waiting for academic equivalence, under the pretext that we must look after the whole country? We have agreements with the Quebec government. We can have discussions with that government.

In this context, I should point out that we have been able to reach agreements with the provinces while the House was not sitting. The government has worked very hard.

Perhaps that is the point of my remarks this afternoon. Perhaps we need to remember, on both sides of the House, the roles we must play, who we are representing here in the House, and our obligation to be accountable to our constituents. That is important.

I like it when young people tell me they listened to the Speech from the Throne. One young man called me at home and said he was happy to see that we want young people to play a role in international affairs. There are young people who are interested in other things than such childishness as shouting back and forth, young people who really want to see their politicians do things that contribute to everyone's well-being.

The Prime Minister's reply to the Speech from the Throne offered good explanations and comments on the speech's content. Collaboration and a willingness to work with colleagues on all sides of the House are more than just empty words to us. The election results are in. It is time to move ahead and get to work. I am ready to work for Quebec and Canada. Are the hon. members opposite ready? That is why I cannot vote in favour of the amendment to the amendment to the Speech from the Throne.

On another note, I would like to say something else. I have had one opportunity this week to thank the voters of Gatineau. I would like to take my remaining time to thank the staff of the House of Commons. As a new member, arriving in an environment that can sometimes be a little daunting, I found my entry here was facilitated by all the staff of the House of Commons. I would like to thank the employees of the House of Commons, all those people who help us get our offices set up and so forth. Thank you, everyone. It is much appreciated. I am still learning to find my way through all the corridors. Thank you, everyone, for your great work.

I am eager to begin living out my dream, working for the good of all Canadians.

● (1720)

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Madam Speaker, I listened with interest to the hon. member for Gatineau and I have three messages for her.

First, when the people of Gatineau telephone her, she should pass the calls on to us so that we can tell them the truth. When it comes to problems in education or health, we will tell them the truth. Since 1995, this is the government that has made cuts in health and education transfer payments. The health problems suffered by the people of Gatineau arise from her government's decisions. Perhaps I am telling her something she does not know, or perhaps not, but I must tell the truth. Instead of answering with whatever comes to mind and ignoring the constitutional jurisdictions formally enshrined in the Canadian Constitution, which she says she wants to respect and defend in the name of her great country, she must tell it like it is.

Also, there is magical figure in her speech, namely 38. First, this is the 38th Parliament. The hon. member should think twice before making such comments, because the Liberals got 38% of the votes at the last election.

A minority government is just that. It is a government that must take into consideration the other percentage of voters, namely the 62% of who voted against this government. This means that the government must try to work with a very acute sense of democracy. It means that a minority government must try to rally the parliamentarians representing all the other political parties in the House. It means that the opposition is speaking on behalf of 62% of the voters. It also means, given that figure of 62%, that the government is not in sole possession of the truth, particularly with only 38% of the votes. It means that when we are asked to cooperate with the government, we must not necessarily give 100% support to the Liberal Party's agenda. It means that we should not have to give 100% support to the Liberal vision. That party only got 38% of the votes at the last election, and that is significant.

They say that we are engaging in childish games, but 62% of the population is speaking through Bloc Québécois, Conservative and NDP members. So, there is a problem. Was it a childish thing to vote on June 28? This is not very respectful to the voters of Gatineau. So, it is childish to work in this Parliament to try to have—and this is the ultimate role of the opposition—a better government in a Parliament with a minority government? So, it is childish to want to improve things, to fight for the common good, to fight so that the government will make decisions regarding health, for the people whom it claims to want to represent? This is our duty. We have a duty to work seriously, to be well informed and to avoid talking through our hats as the member for Gatineau is doing. Let them transfer the calls to us, because we can answer the questions properly.

Does the hon. member realize that she is a member of a minority government? I think so, because she mentioned it several times. Does she also realize the impact of listening to the opposition, which represents the overwhelming majority of Quebecers and Canadians who voted against the Liberal Party?

*The Address*

**Ms. Françoise Boivin:** Madam Speaker, my colleague is quick to talk about education because I talked about childishness. I know that when the teacher is talking in the classroom, students try to listen as much as possible. So, if members opposite want me to believe that, in this 38th Parliament, they have great respect for listening, I have some difficulty with that.

That being said, I am very respectful of the democratic process, and this is what I was talking about. I repeat once again that it is true that we try to talk about all representatives. However, it must be understood that 135 members were elected in this government and, as far as I know, none of the other parties, individually, come close to this number.

Thus, when people from Gatineau call me, it is because they want to see solutions, they want to see action. They do not want just empty words, of which we have had an abundance in this House in the last few days, just for the sake of making it clear to us that we are a minority government. I do not know any other way of telling you that we are a minority government, but we understand that we are. Perhaps colleagues opposite could get to work on the bills instead of playing these little games.

• (1725)

**Hon. Lucienne Robillard (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Madam Speaker, I really want to take part in today's debate on the Speech from the Throne for several reasons. I particularly want to comment on the amendment to the amendment put forward by the Bloc Québécois, which amends the amendment to the Speech from the Throne put forward by the Conservative Party of Canada.

During the few minutes I have, I would especially like to focus on what has already been accomplished by our government and why this is not really necessary.

I have to say that I listened very carefully to the remarks the leader of the Bloc Québécois made yesterday. I wonder if the hon. members noticed what the leader of the Bloc Québécois said at the beginning of his remarks. He said:

The Bloc Québécois believes that only sovereignty will allow Quebec to freely make all the collective choices that are appropriate for it.

He went on to assure the House of his party's openness, rigour, realism and constant focus on its ultimate goal. He said:

—at all times, the interests of Quebec will guide the Bloc Québécois.

I find what the Bloc leader's remarks and ensuing amendment to the amendment are not saying much more meaningful and instructive than what they do say. Let me explain.

Throughout the election campaign in Quebec, the Bloc's strategy has been to hide its real agenda: Quebec's separation. It definitely did not want to talk about it. This reflects exactly the perpetual paradox and the dilemma the Bloc is unavoidably confronted with, as a party which claims to be defending the interests of Quebec in this House while at the same time promoting sovereignty for Quebec.

Looking at the outcome of the last election, one cannot conclude that the Liberal platform was rejected by the people of Quebec and Canada, on the contrary. When we look at the Speech from the

Throne, which is a reflection of this platform, we can see how Quebeckers and other Canadians can benefit.

Like other Canadians, a majority of Quebeckers want their various levels of government to work together. The Bloc Québécois has been confusing the interests of Quebec and the goals of Quebec's sovereignists for a while now. There is a distinction between the two, which really needs to be made.

I must admit that, while I am not surprised by the actions of the Bloc, their choice of words does surprise me somewhat. One may well wonder whether their leader is aware of what has been accomplished in this country in the past few months as far as intergovernmental relations are concerned.

In the Speech from the Throne, our government has set out its vision of the challenges that await all citizens and the policy it plans to put into place to successfully meet those challenges. This means achieving tangible results for the entire population, Quebeckers included, and exercising in a very concrete way a positive impact on the living conditions of our fellow citizens.

Will the Bloc at least acknowledge that the commitments made in the throne speech respond to the needs of Quebeckers? That at least needs to be acknowledged. Think, for instance, of our approach to health care. Children, seniors, natural caregivers, everything to do with the environment. We are going to address all these initiatives concurrently

How are we going to do so? In a cooperative effort with our partners in the federation. Here I am referring to a flexible federalism in which there is serious discussion of the issues confronting us. I am referring to flexible federalism focussed on cooperation and not confrontation; a flexible federalism that is conducive to achieving the best possible results for all of the people of this country, including Quebeckers; in short a flexible federalism with the goal of improving the quality of life of its citizens.

Taking health as an example, I think that everyone in the country — with the exception of the Bloc of course—celebrated the health agreement, that ten-year plan that sets out the responsibilities and objectives all of us in Canada are pursuing. This plan fully respects provincial areas of jurisdiction and has received the support of all premiers in the country, including the Premier of Quebec, who described it as a great victory for Quebec.

• (1730)

All Canadians of good faith were pleased, but not the Bloc. The leader of the Bloc talks instead about a minimal minimum. He thinks it is good when Quebec makes a gain, because then it is better prepared to become a country. In other words, from a Bloc perspective, Quebec cannot move forward within Canada. A gain in Quebec can only be made at the expense of Canada, and the opposite is also true. So, it is impossible to advance anything without everyone winning.

This government thinks differently. When we all decide together, all governments, to truly reach common goals for Canadians, then everyone wins. Canadians are at the heart of our concerns. The health accord proved it.

*The Address*

It will be the same thing with our other promises in the Speech from the Throne. It is the same thing with learning and child care. We plan to lay the foundation of this system in cooperation with provincial and territorial partners. We anticipate that the provinces will be flexible enough to address specific needs based on their own situation. We already know that although Quebec is not officially part of the agreement on the multilateral framework on early learning and child care, it receives its share of federal funding in proportion to its population.

I could give the House many more examples to show how flexible Canadian federalism and our intergovernmental cooperation policy are. I could mention for instance the National Child Benefit, the public pension plan, the immigration agreements, the labour market agreement, the Canada-Quebec agreement in principle reached on May 21, 2004 setting out a Quebec parental insurance system, and so on.

Can you see what our government's achievements in these areas are leading to? It is truly remarkable. With a flexible approach that allows for innovation, takes into consideration the priorities of the provinces and relies on the very principles of asymmetrical federalism, the various orders of government in our country are entering into a new era of intergovernmental relations.

Both as a Canadian and as a Quebecker, I am proud of the results we are achieving by working together. I am proud of our government program which was introduced earlier this week and which meets the needs of the people of Quebec.

We know that no government in this country shares the vision of the Bloc simply because, despite the positive image it tries to project, the Bloc is pursuing a political goal and defending an option that a majority of Quebeckers have never supported.

I urge the members to vote against the amendment to the amendment put forward by the Bloc, because the Prime Minister himself said in his speech yesterday that he would respect the areas of provincial jurisdiction. Also, this Parliament should never abdicate its responsibility for the public finances of Canada.

**Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ):** Mr. Speaker, I have listened attentively to the remarks by my colleague, the hon. member for Westmount—Ville-Marie, who is also President of the Queen's Privy Council and Minister of Intergovernmental Affairs.

My colleague indicated that she was rather surprised at the words used by my leader, the leader of the Bloc Québécois, in his reply to the Speech from the Throne. For my part, I was rather surprised at the words the government used in that speech.

Today they say it is implicit and that the Prime Minister intends to respect provincial jurisdictions and Quebec's jurisdiction. If it is that obvious, why does this government not act consistently and decide to vote in favour of the Bloc Québécois' motion and the amendment? That would be consistent. That is what the people of Quebec expect, not the hidden agenda of the government that is, in principle, supposed to represent Quebec's interests. That is what it has been claiming for years. Except that the reality is otherwise.

All the Throne Speech confirms is the government's intention to make Quebec a mere regional component within Canada. It is a more

centralizing throne speech than even Jean Chrétien could have presented in this House.

If such is not the case, I would ask the President of the Queen's Privy Council and Minister of Intergovernmental Affairs how she can explain that on page 14 of the French text of her document, she uses the word "administrations" to describe the province and the provinces. It is as if the provinces had suddenly—in this flexible and asymmetrical federalism—become mere administrative bodies that could be compared to any other organizations or municipal administrations in Quebec or Canada.

How can she explain the fact that, if this is a decentralized speech that respects Quebec's jurisdictions, page 14 in the French speaks not of provinces but of "administrations?"

• (1735)

**Hon. Lucienne Robillard:** Mr. Speaker, I wonder who has a hidden agenda here if it is not the Bloc.

The hidden agenda of the Bloc is to achieve Quebec's sovereignty. It had a lot of difficulty admitting this during the election campaign. It had so much difficulty admitting it. It has so much difficulty hiding its objective that it has introduced an amendment to the amendment about respecting jurisdictions, which we are already doing, and about fiscal pressure, which we are already addressing. Coincidentally, there is a sentence in our Speech from the Throne that says:

The Government invites members from both Chambers to join with it in the same democratic spirit: committed to unity—

This is strange, because the Bloc's amendment to the amendment was not about the unity of the country. Once again, the Bloc is hiding, is secretive; it thinks that it represents the interests of all Quebeckers. This is false. They rejected its sovereigntist option twice and, if they try a third time, will do so again.

Speaking of regional components, I am sorry, but many times in this speech we talk about the provinces and territories. When, in this Parliament, we put forward a motion to recognize Quebec as a distinct society, who voted in favour of the motion? The Liberal Party of Canada, while the Bloc voted against it.

That being said, who is defending the best interests of Quebec appropriately? I would like to know.

**Mr. Guy André (Berthier—Maskinongé, BQ):** Mr. Speaker, this is my first speech in this House. I would like to react somewhat to what the minister has said.

I am a social worker by training. What brings me here is more or less the same as for the minister, as we have the same background. She too is a member of the Ordre des travailleurs sociaux. What we learn in social work is to defend the rights of the oppressed and to listen to what people have to say.

in the last election, the people of Quebec said that the Bloc Québécois was the party most capable of defending their interests. Why? Because the people of Berthier—Maskinongé and throughout Quebec were scandalized that the employment insurance fund had been robbed. The jobless were robbed and had to resort to welfare. These are disadvantaged persons.

*The Address*

• (1740)

[English]

**The Deputy Speaker:** I am sorry, we are out of time. I would like to get a short answer from the hon. Minister of Intergovernmental Affairs.

[Translation]

**Hon. Lucienne Robillard:** Mr. Speaker, I would ask the hon. member of the Bloc Québécois to go back to his social worker's code of ethics. It states that we must respect the individual first and foremost in his choices. The people of Quebec have chosen Canada on several occasions. The members of the Bloc do not respect the choice made by the people of Quebec. In their most fundamental of choices, the people of Quebec have a dual identity. They are proud Quebecers and proud Canadians who do not want to make a choice between the two.

Every time the Bloc members speak in this House, it is with the same thought in the back of their mind: to achieve Quebec sovereignty. I am sorry, but we cannot ever follow them in this. If they had anything positive to contribute, and if it were really part of an improvement of the living conditions of the Canadian people as a whole, then perhaps we could listen to them. Unfortunately, such is not the case right now.

[English]

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, I will be splitting my time with the member for Calgary—Nose Hill.

I want to take a moment to congratulate you, Mr. Speaker. I must admit I would never have imagined in my wildest dreams that you would look so good in a robe. Congratulations, Mr. Speaker. You look very good up there. We are proud of your achievements as Deputy Speaker.

I would like to start out by saying that both of the amendments we are debating are possible additions to the throne speech. As I watch the debate unfold with our leader the other day to the Bloc leader and now to the debate that is happening in the House, it seems like many of the members across the way are starting to get some common sense.

They are looking at these proposals that have been put forward and are starting to realize that by having a minority Parliament it might be in the best interests of all Canadians that we work together, give and take a little bit, because that is what this Parliament is going to be all about. I am excited to feel the warmth in this place as we lead up to the vote this evening. Hopefully we will start to see that cooperation kick in.

Both the Bloc's subamendment and the amendment put forward by the official opposition are in the best interests of Canadians and do speak to the values that many of us heard about from Canadians during the course of the recent election. It would be fair to note that Canadians do not want to see an election happen sooner rather than later. I encourage all members to take an interest in what is being debated here and see that it is in the best interests of all Canadians.

I hate to be partisan and I do try my best not to be, but I must address some of the glaring problems in this Speech from the

Throne. As we have heard from a number of speakers throughout the day, much of it is recycled promises. There is not much new. There is not much to give Canadians hope and that is why we put this amendment forward to help improve what is already there.

I would like to focus in on some of the promises in the Speech from the Throne that are recycled. At least 43 promises are repeated from Mr. Chrétien's throne speech of 2002. The promise of a national child care program dates back to the 1993 red book. After 11 years of inaction Canadians are still waiting.

The throne speech also promises a new citizenship act. This project was attempted previously by the Chrétien government and died on the Order Paper as we all know. I am speaking of Bill C-18. The promised legislation to crack down on child pornography, Bill C-20, dates back again to the Chrétien era. It died on the Order Paper twice.

This is the Prime Minister's second throne speech in five months with still no plan to implement any of these recycled promises. He simply does not want to govern. He wants to have a government and that is a theme we have been hearing over the course of the debate.

Millions of Canadians expected action on things like the gun registry, democratic reform and agriculture. Many of my colleagues have talked about the crisis with BSE. They wanted to see some movement on tax relief, a modernized and effective military and criminal justice reform. These priorities unfortunately have just been ignored by the government. We hope that within this minority Parliament we can start to move some of these issues forward as they are important to a lot of Canadians.

There is hope. I am happy to announce that the Leader of the Official Opposition has had the confidence to appoint me as the critic for infrastructure and communities. I plan to hold the government accountable, especially on this file and especially the new minister who will be handling this file. I plan to ensure that the government lives up to some of its commitments made in the recent election even though it has not gone into great detail on some of the commitments moving forward in this Parliament.

Infrastructure is an issue that is not only important to the people of Edmonton—Strathcona but to all Canadians right across the country as they drive around in their cities or rural communities. They have seen the challenges that many of our areas face when it comes to infrastructure.

Some people have asked me what infrastructure means exactly. It seems like it is so vast. They have asked how it can be categorized. I will take a moment to outline some of the areas that have already been outlined by a number of speakers addressing infrastructure about where it applies and how it can be broken down to get a greater understanding.

First of all there is structural infrastructure which is made up of roads, sewers, street lamps, et cetera, that we find in our communities. There is also the cultural aspect of infrastructure such as hockey rinks, museums, libraries, theatres, et cetera, all the different things that we enjoy that improve the quality of our life in our communities.

*The Address*

●(1745)

We also have recreational infrastructure that includes parks, recreation centres, pools, beaches, et cetera. Those sorts of things also help to improve our quality of life. Security infrastructure such as police, fire, and ambulance are important and vital aspects of our cities and communities. Physical infrastructure such as municipal offices and convention centres are the sorts of things that fall under that category. Social infrastructure includes subsidized housing, substance abuse centres, and we can think of a number of others that would fall under that category. Economic infrastructure such as airports, sea ports and a number of other areas would fall under that particular category. Finally, the special infrastructure category would include the Olympics, expositions, and waterfronts. They are the sorts of things that also help the quality of life but also help economic engines and help certain activities happen in and around our communities.

As we all know the Ministry of State for Infrastructure and Communities was created by the government in June. The underlining reason for the Liberals to make this a cabinet level position was to promise the new deal for cities that was often referred to as the cities agenda.

I would like to take a moment to turn back the clock, especially when I start talking about the fuel tax. I believe you remember, Mr. Speaker, that about a year and a half ago there was an opposition motion that dealt with making the commitment to communities by giving them a portion of the fuel tax. I believe that all members of the House voted for that motion.

I am happy to say that the action for that issue was led by the opposition, which is why I remember. We kept hounding the government to at least consider giving communities a portion of that tax given the increase in the cost of fuel. The amount of excise tax that is collected on fuel should be a dedicated tax that should go to them. The reason why it was initially levied was that it would go into highways and roads, and a portion of that could be spent by the municipalities. The provinces could use the money for long term programs of infrastructure management so that they would not have the problems that they have now and where in some parts of the country they are in a major crisis.

It is unfortunate that the government has managed that extra tax in the general revenues and it seems to disappear.

I do not have to remind the House, but I mention the issue of the gun registry, sponsorship scandal and a host of other areas where we know the government has failed Canadians when money was collected specifically to go into things like infrastructure, like roads and highways. That is why we have problems today.

As we know, the big city mayors were meeting here recently. They still raise concerns that this particular plan that the government has does not go far enough. It does not kick in fast enough. It does not provide enough resources to attack some of these huge problems of infrastructure.

I can understand their frustration because they have been waiting for something like this for years and years. As I said, because of the fact that we have been pushing that issue, we are finally getting movement by the government.

In the short time that I have left I want to say that we are still waiting. As much as I will applaud the government for going down this road and adopting an issue which was an opposition thrust to have this fuel tax returned to the communities, there is still no indication of how this is going to work. There are no details of how this is going to go into the communities.

This is something that we need to start discussing now. We need to figure out how that is going to work because it is going to take the coordination of three levels of government. It is going to take a long term plan in order to ensure that many of our structural challenges and problems are going to be taken into account in a way that all levels are working together. We need to see more detail as it comes forward from the government.

In my discussions with the minister on this particular file, we still do not know whether the money is going to go directly into the municipalities, whether it is going to be coordinated under existing programs, or if it is going to be delivered directly to the municipalities.

In certain areas we know that there is an advancement of those levels of government working together. For instance, in Edmonton there is the Greater Edmonton Authority within the capital region that works together on many projects. It looks at the long term plans for infrastructure and how it will tackle them with all the municipalities together.

Those are the things we are going to be pushing forward as this debate continues. We wish we could have seen the action of the fuel tax going to communities sooner because we have had this debate for some time.

●(1750)

**Mr. Randy White (Abbotsford, CPC):** Mr. Speaker, my congratulations on your appointment as Deputy Speaker. Coming from the Fraser Valley, I know people are very happy about that.

I would like to ask my hon. colleague a question about priorities as he might see them in the throne speech. I have spent a great deal of time on the issue of illegal drugs in this country, trying to prevent a lot of money being spent on that issue. I find the government now supporting an injection site in Vancouver and also tentatively starting to support what it calls an inhalation site which is a place for crack smokers to smoke up in safety.

I wonder if my colleague could speak on the issue of priorities within the government. I am having trouble fathoming how it is possible for a government to spend multi-millions of dollars on injection sites and smoke inhalation sites for people. and not on the kinds of issues the member was talking about.

**Mr. Rahim Jaffer:** Mr. Speaker, the member's question specifically speaks to the different areas of infrastructure that I outlined and the fact that we as the government must set some guidelines as to how we will work with these different levels of government to create the priority in order for the money to get into areas that we know are more crucial.

The policy of the official opposition is to give priority to projects which require capital reinvestment, such as pre-existing buildings and structural infrastructure rather than new areas in the social area or other areas that I outlined.

*The Address*

The question is a valid one and one that we hope the government will show some leadership. Clearly it has not demonstrated any leadership on how this is going to function and that priority will be given to these sorts of structural investments and infrastructure.

**Mr. Russ Hiebert (South Surrey—White Rock—Cloverdale, CPC):** Mr. Speaker, I want to first acknowledge your presence as our Deputy Speaker, and congratulate you and all those who will be sitting in the Chair over the weeks to come.

I also want to take the opportunity to thank the people of South Surrey—White Rock—Cloverdale who have entrusted me with this great honour to represent them in these hallowed halls and in the House. Finally, I would like to acknowledge the support of my wife, Andrea, who is with me in Ottawa this afternoon.

With respect to the speech given by the hon. member for Edmonton—Strathcona, I can only wholeheartedly agree with the member's analysis of the throne speech as being simply a recycling of previous Liberal promises. Could the hon. member, with more experience in the House, explain to me why it is that the Liberal government continues to resort to this tactic of recycling promises?

**Mr. Rahim Jaffer:** Mr. Speaker, I want to congratulate the hon. member on his election to the House. It is great to see such a wide range of diversity now represented in the House. We are all better off for it.

I do appreciate his question because that is the frustration that many Canadians are feeling. There has not been the type of leadership that we would have liked to see. During the election many will remember that we tried to put forward a debate on a whole host of these issues, but what happened? It was one of the nastiest campaigns we have ever seen in the history of the country.

That was unfortunate because we would have liked to hear new ideas. We would have liked to address a lot of the issues that Canadians want this place to deal with. We have not been able to do that. We have seen the same old ideas come forward from the government because it is not really willing to listen.

Here is why I make that plea today. As the official opposition, given the framework of this new Parliament, we have tried to put forward very responsible amendments to the throne speech in order to give some vision and some direction that represents more Canadians. Hopefully it will take us out of the hole that the government and its lack of leadership has put Canadians into. We want to bring an open, honest, and transparent debate to this place. We hope the Liberals will take heed and listen to Canadians.

• (1755)

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, I am sure that your constituents in Chilliwack—Fraser Canyon are very proud of you. They never thought they would see you in Ottawa wearing a gown, but you look good in it.

I would also on behalf of the people of Calgary—Nose Hill, the people I represent, pay tribute and extend condolences to the loved ones and the comrades of Lieutenant Chris Saunders and to those who were injured in the line of duty on the HMCS *Chicoutimi*. We all grieve with them and our prayers are with them.

I would also like to take this opportunity with my first speech in the House of Commons in this new Parliament to thank the voters of

Calgary—Nose Hill for their wonderful support for me over the years and for returning me to the House of Commons. I take my responsibility to represent them, to listen to them and to work on their behalf for our great country very seriously. I want them to know how much I appreciate their trust and support.

My reply to the Speech from the Throne today will focus on immigration issues because I am the Conservative Party senior critic for citizenship and immigration. Two main immigration issues were highlighted by the government in the Speech from the Throne. One was the recognition of foreign credentials. The other was changes to the Citizenship Act.

I want to begin by telling the House about my constituent, Matthew Bijak. He was sponsored by the Polish government to study medicine in Italy. He was so successful in his studies that he graduated cum laude and decided that he did not want to return to Poland after he obtained his medical degree. He then spoke with the Canadian embassy, where officials encouraged him to come to Canada. They told him the more education he had, the better for being accepted as an immigrant to Canada. He came to Canada, but then the story changed.

He prepared to practise his medical skills, but the dean of one of our largest medical schools told him flat out that we have enough doctors in Canada. That is what he was told, and that he would never get a medical residency. Still, Mr. Bijak persevered. After discussions with the Medical Council of Canada, he pursued his goal, but in spite of glowing references from medical mentors here in Canada, he encountered only roadblocks from Canadian authorities. The rules and regulations seemed to keep changing. All this time Mr. Bijak was taking odd jobs to support his family, never going on welfare or EI. Today, 15 years later, someone who graduated cum laud from medical school in Europe now works as a computer technician.

There are 168 doctors at least in Alberta alone in that very same position. All of these people received their medical training in English. Language is not a barrier. They had fine training. They came to Canada because they were told their skills were needed, only to find that they cannot be given the opportunity to practise medicine in this country. One man who was a doctor in Hungary for 14 years is working in Canada as a cook.

Mr. Bijak tells me that if it had been made clear up front to him that he could not practise medicine in Canada, he would have accepted that as being fair, but in fact he was given the opposite assurance. He was told that we need people with medical skills here. He was encouraged to come on that basis. He said something very interesting. He said that he left a corrupt system. He believed he was coming to a country where opportunity would be based on merit.

*The Address*

•(1800)

A friend of his who went to the U.S. instead of to Canada has been practising medicine there for years. This friend graduated with Mr. Bijak in the very same class in medical school in Europe. He was been practising in the U.S. for years. But this man who chose to come to Canada is not allowed to practise. Canada has failed Mr. Bijak. Our country has turned away a fine potential physician with desperately needed skills.

This story is multiplied thousands of times over to the shame of the Liberal government. Newcomers with solid training and skills, with experience, with enthusiastic hopes and dreams for the future find themselves on a treadmill of low paying survival jobs instead of on the path to success that they believed would be open to them. The Conference Board of Canada tells us that over half a million Canadians would earn another \$4 billion to \$6 billion if their experience and credentials were recognized in the Canadian workplace, but they are not.

Back in 1994 the Liberals promised that they would develop “a national clearing house to assess foreign credentials”. That was in 1994. What a surprise; they failed to follow through on that commitment. In almost every throne speech, including this one, the Liberals keep tossing out that same old promise because they know how critical it is for hundreds of thousands of people and their families in this country.

How shameful and how sad that the same party that showered a quarter of a billion dollars on sponsorships of dubious value cannot get serious about this issue of credentials recognition, an issue that would clearly make such a great difference to so many people. The Liberals talk a good game about the critical shortage of doctors and nurses, about the need for skilled workers to revitalize an aging workforce, but their real lack of commitment is evident. They have had over a decade now with the reins of government in their hands and have barely made it out of the starting gate on the recognition of foreign credentials. Shame on the Liberals.

A Conservative government would ensure speedier recognition of foreign credentials and prior work experience. This would be a major priority under the Conservatives and I look forward to that change.

Since the government has yet to introduce its changes to the Citizenship Act, I cannot comment except to say the Conservative Party of Canada will absolutely oppose the revocation of citizenship by politicians behind closed doors and will oppose citizenship being denied on any vague and undefined grounds. We will uphold Canadian values of due process and certainty in the law.

There are many other key issues in the immigration portfolio that were not mentioned in the Speech from the Throne. I urge the government to pursue resolution of these other issues to the benefit of our country. They are: settlement program funding; more attention to the needs of children of newcomers; the backlog of applications; the frustrating difficulty in obtaining permission for family and friends to visit in Canada; the serious need for further reform of the Immigration and Refugee Board; the current inaction on visa overstays, which leads to disrespect for our country; the dysfunctional removals process for those illegally in Canada; the incredible security lapses in our missions abroad, where valuable paper

repeatedly ends up being sold on the street; and a clear plan to coordinate operations with the Canada Border Services Agency.

There are other issues, but these nine are critical and I hope they will not fall by the wayside under this Liberal government as the credentials issue has done for a decade.

It is an honour to be given the responsibility for citizenship and immigration in the Conservative shadow cabinet. I fully intend to carry out our constitutional responsibility to hold the government to account for better management and fair policy in the dynamic nation-building exercise of immigration.

•(1805)

[*Translation*]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, I have had discussions with the Prime Minister and the leader of the official opposition, and I believe that you will find unanimous consent of the House to amend the amendment to the amendment so that it reads as follows:

That the amendment be amended by adding the following paragraph after the word “continental”:

“and we ask Your Excellency's advisors to ensure that all measures brought forward to implement the Speech from the Throne, including those referred to above, fully respect the provinces' areas of jurisdiction and that the financial pressures some call the fiscal imbalance be alleviated”.

I therefore seek the unanimous consent of the House.

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, we on the government side are prepared to give our consent to the changes made to the amendment to the amendment, as set out by the leader of the Bloc Québécois.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, I too have had discussions with the leader of the Bloc Québécois and the Prime Minister. Our party will consent to these changes.

[*English*]

I would like to say that these were productive discussions that we had. From time to time our rhetoric may become overheated, but I think this is a demonstration that this minority Parliament can work in the interests of all of us. I thank the Prime Minister and the leader of the Bloc.

**Hon. Ed Broadbent:** Mr. Speaker, on behalf of our leader who was also a party to the discussion, I give the consent of the New Democratic Party.

**The Deputy Speaker:** Does the hon. member have the unanimous consent of the House to move the motion?

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

*The Address*

(Amendment to the amendment to the amendment agreed to)

• (1810)

**Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.):** Mr. Speaker, I want to commend the member for Calgary—Nose Hill for her comments and her work on the immigration and citizenship committee. The issue that she talked about as it pertains to accreditation and citizenship is on the point.

Too often in Canada we talk about the brain drain and not often enough about the brain waste. This is exactly what the Conference Board of Canada has identified. When someone in Canada is underemployed because of a refusal to recognize their credentials, then we have a problem and the national economy suffers as a result.

The other issue that she mentioned deals with citizenship. The position that she takes and that her party has taken is one that this House should adopt in legislation.

My question for the member is very simple. It would seem to me that the Charter of Rights and Freedoms, particularly the legal section of the Charter of Rights and Freedoms, should apply to all Canadians, no matter if they are born here or born elsewhere. Would the member please comment on that?

**Mrs. Diane Ablonczy:** Mr. Speaker, I am reminded of the saying that a mind is a terrible thing to waste. The member is right. We have wasted the considerable abilities of many of our citizens, especially our new citizens, due to the inaction of the Liberal government.

In answer to his question, I would confirm with him that the Charter of Rights and Freedoms should apply to all citizens of Canada, regardless of whether those citizens were born in Canada or they came to Canada later on in life. In fact the hon. member was telling me earlier today that 39 members of Parliament were not born here in Canada. I am not sure if I have the number correct but quite a large number of members of the House were born elsewhere. We certainly would want them to have, and they do have and are glad to have, the same rights and privileges of all Canadians.

Our actions here in the House and the actions in government legislation must reflect the fact that a Canadian is a Canadian is a Canadian, that rights and privileges apply to all and that none should be deprived of those charter rights except by due process of law and within the framework of the charter.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, with regard to the undocumented workers, is the member aware of the breakdown of the numbers that we are talking about? What provisions might occur with regard to those who still do not come

forward because they would not be able to pass the review in terms of background checks, et cetera?

• (1815)

**Mrs. Diane Ablonczy:** Mr. Speaker, the Conference Board of Canada tells us that for over half a million Canadians, if they were able to use their skills and experience to the fullest extent, would earn an additional \$4 billion to \$6 billion. That is a substantial number of people in this country, most of them Canadian citizens. It is also a substantial loss to other Canadians who would be benefiting from the purchasing power of individuals should they earn what they really could be earning.

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

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on the amendment to the amendment. Is it the pleasure of the House to adopt the amendment to the amendment?

**Some hon. members:** Agreed.

**The Deputy Speaker:** Is it carried on division?

**An hon. member:** On division.

**Hon. Stephen Harper:** Mr. Speaker, I rise on a point of order. I would appreciate if we could clarify that. I understood the Prime Minister indicated it was unanimous and I think you said it was on division. Could we clarify? We are certainly in support of this motion.

**The Deputy Speaker:** Let me just do that again. I am sure the House is somewhat sympathetic to my position. My hearing is just a little shaky this evening. The vote tonight is on the subamendment. Is the subamendment carried unanimously?

**Some hon. members:** Agreed.

(Amendment to the amendment agreed to)

• (1820)

## SUSPENSION OF SITTING

**The Deputy Speaker:** The special order states that the take note debate starts tonight at 7 p.m. The House will suspend until 7 p.m., at which time we will commence the special debate.

(The sitting of the House was suspended at 6:20 p.m.)

*[For continuation of proceedings see Part B.]*

*[Continuation of proceedings from Part A]*





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CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, October 7, 2004  
(Part B)**

—  
**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Thursday, October 7, 2004

## GOVERNMENT ORDERS

*[Continuation of proceedings from Part A]*

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*[English]*

### AGRICULTURE

(House in committee of the whole on Government Business No. 2, Mr. Strahl in the chair)

**Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.)** moved:

That this committee take note of bovine spongiform encephalopathy.

● (1900)

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Chair, this is my first opportunity to congratulate you on your appointment. I know you will do a great job.

It is also the first opportunity for us as colleagues to collectively come together in committee of the whole. For some members who are new to the House and for viewers who are watching this tonight, this is intended to be more of an informal debate. I hope we can react accordingly. We have an opportunity as colleagues to share ideas about this important topic.

As is often the case, several fixed speaking notes were prepared for me but I do not intend to use those because this is an evening to be talking from the heart. It is an evening to be talking about the challenges being faced by our beef industry. It is an evening to be talking about the challenges being faced by producers, their families, and by the communities supporting those producers. This is what tonight should be all about.

It has been a difficult year and a half for Canadian producers. One of the things we need to do is recognize the challenges they face and to recognize how they have, day in and day out, week in and week out, month after month, risen to that challenge, showed the determination that their industry would survive and the determination to work under what has been very trying circumstances.

The existence of this industry in Canada and, for that matter, the broader agricultural industry across the country, is critical not just for producers, as important as it is for them, not just for rural Canadians, as important as it is for our rural economy from coast to coast, but critical to all Canadians. One of the realities is that even though the

issues that face the industry are complex and difficult, when we push it all away it is fairly straightforward.

It is important that we in this place, working with the industry and our provincial counterparts, ensure that we create an environment that will allow producers to be successful and to operate profitably. If they do not have an opportunity to do that then they will not be there and if they are not there it will be difficult for this country and difficult for this country to do without them.

BSE has been a significant challenge for them. The government, working with members across the aisle over the last several months, has developed a number of programs to assist the industry. The reality is, with the most latest announcements, it is close to \$2 billion of assistance. It is important and needed.

Working with the industry and working with our provincial counterparts has been a critical part of what we have been trying to do over the last few weeks. It was time to take a different approach than the one which we had taken before.

When BSE was first detected and the borders were closed there was an expectation and in fact an anticipation that we were dealing with a short term problem, something that would be corrected in a very short period of time. The programming that was designed and put in place worked under that supposition.

However as time moved on and the issues became more complex and more difficult, it became apparent to the industry, which made it clear to me in my role as Minister of Agriculture and to the government, that it was time to take a different approach. It was time to take a made in Canada approach.

● (1905)

The reality is that it was no longer appropriate for our producers to get up in the morning and realize that no matter how hard they worked, and no matter how much effort they put into what they were doing, their future was dependent upon decisions that were made in another country. The time had come for a made in Canada solution.

The announcement on September 10 was based on those ideas. It was based upon a collaborative effort with the industry and the provinces, and it was based upon repositioning Canada's beef industry.

First, it entails continuing to work on making or having the U.S. border open. Regardless of what we do—and those other things are important—having access to the U.S. market is important. I have worked with Secretary Veneman, my counterpart in the United States, urging her to open the border. Quite frankly, the scientific evidence indicates that it should be open.

Beyond that, we felt it was important to have made in Canada solutions, solutions that saw us balance our ability to produce beef with our ability to process beef. In that respect, we put in place two very important programs. The first was an initiative to build new slaughter capacity in this country. This is something that producers, no matter what part of the country they are from, have told me is absolutely essential. This program invests close to \$66 million to do that, in providing both a loan loss reserve and the regulatory framework that will allow this to take place in an expeditious way.

At the same time, we also realize that slaughter capacity cannot be developed overnight, that it takes a period of time to be created, so at the same time we put in place set-aside programs. Cattle that were coming to the market, either fed or feeder, would be delayed so that we could balance our ability to process with the number of animals that were available to process, or in other words, to balance supply and demand. With that balance, the marketplace would begin to set the price, we would see the rational operation of the market, and that would allow producers to make good sound business decisions based upon a marketplace that was operating in an appropriate fashion.

We are working with the provinces as we speak to ensure that the details of this program are put in place collectively with the provinces, because they are critical partners in this, and we will soon be in a position to have these programs rolling out.

In addition, we felt it was also important to make sure that our foreign marketplace was not just the United States. We felt that it was important to open markets right around the world, particularly in the Far East. I know that there is a member of the party opposite who, along with me and members of the industry, will be travelling to the Far East next week to do just that: to work on developing new markets. This package pledged some \$37 million to do that.

At the same time, we have developed a specific cash advance program to provide liquidity, to provide cash to producers in the short term, because it will take some time for this market to find its appropriate equilibrium.

In closing, I want to say one thing to Canadians, to producers and to the members in the House. We are politicians. We tend to use rhetoric. Across the way, I see the hon. member who is my critic and the hon. Leader of the Opposition. Their job is to be critical of the government. I know that, I understand that and I expect that, but I also will make a request.

I am going to be here tonight and I will be listening to the members across the way. I hope that along with the criticism we will also see suggestions and creative ideas on how we can move forward. Quite frankly, to do the job that we need to do as parliamentarians is going to require all of us from all sides of the House to work together, not in our own interests but in the interests of producers and in the interests of all Canadians. I pledge to

members here tonight to give my very best effort to ensure that takes place.

• (1910)

**Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC):** Mr. Chair, part of the frustration of being from Atlantic Canada and going through the BSE crisis is that most people think it is an Alberta issue or a western Canadian issue, but there are farmers in my riding, in my province and in all of Atlantic Canada who have lost all their equity.

The federal programs have not been there to help them. I think most of us are coming to the conclusion that we have to adapt to the fact that we are not going to have access to the American market like we have had in the past. Maybe we will not have access to it at all. We have to work to find new markets and prepare ourselves for the new reality.

Right now so many farmers are on the very edge or verge of selling all their cattle and walking away from farms that have been in their families for decades. They need some encouragement, some wisdom and some help from the government just in order to stay on the farm and keep on going.

In Atlantic Canada, we suffer from a lack of slaughter capacity. We have no federally inspected slaughter capacity now in Atlantic Canada. All of our beef goes to central Canada. When there is a market in Atlantic Canada, we should be able to service it ourselves, but we cannot because we do not have federally inspected slaughter capacity.

P.E.I. and the co-op in P.E.I. have invested a great deal of money in a brand new plant in Borden to try to service all the maritime provinces. Both the co-op and the province have put a lot of money into this. They have a tremendous commitment to it and it is almost done, but already they have two problems. One is traceability. They cannot access the government program for traceability. We need traceability in Atlantic Canada so that we can guarantee a quality product and prevent any of the BSE issues that have happened in the past.

The other thing is that we already need an expansion of that plant to do a cull cow line so that cull cows can be processed there in a federally inspected process. Then we could provide that meat to Atlantic Canada, become self-sufficient, stop the importation of beef and help our own farmers survive. That is all the farmers want. They do not want handouts. They do not want gifts. They want the ability to survive.

In the last few days I have had discussions with the minister. He has indicated a willingness to provide traceability and to provide the funding, or he has certainly given encouraging comments on that. I hope he will stand tonight and confirm that and give the farmers in the maritime provinces some hope that they will be able to sell their products and sell their cows for what they are worth. That is all they ask. They do not ask for anything other than the ability to survive and market their beef.

I ask the minister to stand tonight and say to Atlantic Canada that there is help and there will be help in these two areas of traceability and funding for the cull cow line.

• (1915)

**Hon. Andy Mitchell:** Mr. Chair, I appreciate the hon. member's question. I think he brings forward a couple of very important points.

One point is that this is a national problem. It manifests itself differently in different parts of the country. The requirements in Alberta are different from some of the challenges faced in Manitoba and different again from those faced in Saskatchewan. They are different again from those faced in Quebec and different from those faced by operators in Atlantic Canada. The member makes that point quite well.

He also makes the point that when we are building capacity not only is it important in the largest sense in that we need the capacity to match the supply, but there are also issues about different regions. We also need to ensure that different regions have that capacity.

I want to compliment the member. He has mentioned his own interventions with me and with several of my caucus colleagues over the last few weeks, including the hon. member from Prince Edward Island, my parliamentary secretary. They have made strong representations about the plant that is being built in P.E.I. This plant is being built with the cooperation of the Atlantic provinces. I have had an opportunity to meet with the premiers and, as well, as recently as a few hours ago with the premier of P.E.I.

I agree that it is important for us to develop programming that will allow them to put in a state of the art traceability system. As I indicated to my caucus colleagues, which I am quite willing to indicate today, we are working very hard to make that happen. As I indicated as recently as this afternoon to the minister from P.E.I., we are doing all we can to make that a reality. We will work very hard over the next while to do just that.

In terms of the specifics of putting another line into the plant, the loan loss reserve, which is there to assist with the expansion of capacity, would be available as long as there is a business plan that is sustainable and makes economic sense to go along with it. I should say that our partners in ACOA have been a big part of what has been taking place there as well. I am very appreciative of that.

We are working very diligently on the issues that the member put forward.

[*Translation*]

**Ms. Denise Poirier-Rivard (Châteauguay—Saint-Constant, BQ):** Mr. Speaker, my question is directed to the hon. minister. How long do our producers in Quebec have to wait before they can earn a decent living from their production?

[*English*]

**Hon. Andy Mitchell:** Mr. Chair, I am hopeful—and, as I said, working with the industry—that the combination of items we are putting in place will work toward returning the industry to profitability.

I said on September 10, and I said earlier in the House, that my objective is to see that our producers are profitable. I think it is important to ensure that profitability with or without access to the U.

S. market, as preferable as it is to have that access to the U.S. market, which we will continue to do.

The hon. member did not say it directly in her question but I know that it is an important issue. As I have said, there are regional variations across Canada. The challenges faced by Quebec producers are in many respects unique and it is important to deal with that.

I have met with my colleague, the Quebec minister of agriculture, by phone or in person on six occasions. We have had lengthy discussions. I met with the UPA and the Dairy Farmers of Canada. We have had some very frank discussions about some of the specific issues facing Quebec.

Many of the initiatives put forward on September 10 certainly do apply in Quebec, but I am very cognizant of the fact that there are some specific realities, some that face the dairy industry. That is not just in Quebec; there are a lot of dairy operators in other parts of the country. I think it is essential that we deal with those specific challenges as well.

• (1920)

**Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development, Lib.):** Mr. Chair, I appreciate my colleague opposite raising the matter of traceability. I hope the minister will bear in mind that in Peterborough there is a DNA cluster which deals with human and animal DNA. I am advised that we no longer need tags and we do not need chip implants: all that is necessary is the registration at birth of an animal and then it is possible by scanners to trace the animal for the rest of its life. I hope the minister will take that into account and that when we go to traceability we go to the best available technology.

On the matter of slaughter capacity, in Ontario we need a capacity of 1,500 to 2,000 animals a day. I know the department is working on it, but as the department is working on it I hope the minister will consider small, regional abattoirs built to the highest possible standards, which can take not only beef but sheep and other livestock. In the long term, I think, such small, regional abattoirs would benefit us, and not just locally; in the end, they would be very acceptable to the international market.

**Hon. Andy Mitchell:** Mr. Chair, the member is absolutely right. We need to use state of the art technology in traceability. It is important for us, particularly in respect of obtaining access to those foreign markets. We need to be able to demonstrate what I believe is the reality: that we have the safest beef supply anywhere in the world.

Having a top of the line traceability system just adds more evidence to the fact that this is the reality in Canada. It is important to be able to demonstrate that to the world. Part of the initiative for Prince Edward Island would be to create something that is state of the art, a model that can be used anywhere.

My colleague is quite right. When we talk about building capacity, part of the initiatives we put forward is an effort to target medium-sized and smaller operations. Many of the big investors are quite capable of achieving, all on their own, the necessary dollars they need. It is the medium-sized and smaller operations that oftentimes need the assistance and it is toward them we tend to put our efforts.

**Mr. Rick Casson:** Mr. Chair, I rise on a point of order. If the minister agrees to it, could see unanimous consent to extend his question and answer period by 10 minutes.

**The Chair:** Is it agreed that we extend the answer and question period by 10 minutes?

**Some hon. members:** Agreed.

**The Chair:** Let us try to keep questions short then. The hon. member for Timmins—James Bay.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Chair, in the spirit of collegiality I have joined my compatriots over here.

I would like to ask the hon. Minister this. We are all talking about regional slaughter capacity. That we know is the fundamental need. Yet we know we lost our domestic capacity because we did not support it and they cannot compete against the giants. That is a fact.

I do not see anything in this proposed plan that has been brought forward that will allow these regional plants to survive against the big packers. They have made a killing and they are making the killing now. There is pressure on any regional plant that goes up against them.

At the end of 2005 any of this loan loss reserve will not be in place. What happens when the border reopens and our small struggling plants go up against the big boys in the United States and in Canada? We will be back to square one, which is no regional and domestic capacity.

I would like to know if we have a plan for dealing with that.

**Hon. Andy Mitchell:** Mr. Chair, first, part of it will depend on the particular business proposal that comes forward.

The idea of using certain business models, such as a cooperative model, something similar to what is being used in Prince Edward Island, is one way to do it. Producers in Prince Edward Island have to buy what they call a hook, where they guarantee a flow of product to a particular regional slaughter facility.

One of the requirements of the loan loss reserve is that they are able to demonstrate that they have a business plan that is sustainable and that makes good business sense.

There is no question that when the border reopens there will be a market adjustment that takes place. However, I believe that given the experience that has taken place and which our producers have been through, given the creativity and determination of our industry and given the initiatives that we have undertaken as part of the package that we announced in September, we will be able to create that slaughter capacity. We then can ensure, as much as we want and will enjoy the expanded international markets, that we create an industry which also has the capacity to process more of its product here and which allows us to have the opportunity as a Canadian industry to ship and sell processed beef.

● (1925)

**Mr. Rick Casson (Lethbridge, CPC):** Mr. Chair, I have a couple of points and then a couple of questions. I am sure the minister fully understands that the idea of a set aside program is absolute folly if there is not increased capacity or if the border is not open when that set aside program ends.

To that end, I believe the date that the set aside on calves when they can be put into slaughter stream is critical when we look at when some of these calves hit the ground and when they will be ready for market. I understand that there is some debate still going on between the federal government, particularly the province of Alberta, and others about what that date shall be.

I would like the minister to comment on that if he would.

Also, on the aspect of the calves that are put on the set aside, they cannot be marketed. I think the original thought was they could not be slaughtered during that period but they could still be marketed. Will the calves that will be put on to the set aside be able to be marketed, to go to a backgrounder or a feed lot, during that period of time? Will that date where these animals can get into the slaughter stream be flexible?

Just before I finish, yesterday we had the opportunity to meet with a fine bunch of young people from Gem, Alberta, the Gem 4-H Club. I understand they are still in Ottawa. If we turn around and look up we might see some of them.

To me, this is what this debate is about, Mr. Minister. It is the future of our agricultural industry. We should have these young, bright people lining up to get into this industry instead of worrying about its future. I think that is where we want this debate.

**Hon. Andy Mitchell:** Mr. Chair, it was great to go to the reception and meet the young people. It is important for the future that they see an opportunity in the industry to remain there. That is why I said earlier in my comments, when we strip it all away and get rid of all the complexities, how important it is to ensure that producers can be profitable. It is important that people see they can have an economic future for themselves and for their families so they will continue in the industry. It is important for themselves, yes, and important for their families and for their communities, but it is important for all of the country.

I will talk about the dates. I am not trying to avoid that. I am trying to cover all of the member's points. There have been intensive discussions in the last three days between officials of my department and of the provinces, including Alberta, to try to work out what the best date would be. Those meetings were still ongoing as of a couple of hours ago. My directions to officials, and I have said this to the minister from Alberta, is to find a way quickly to make this program work. In many respects I believe we need to be guided by those in the industry themselves. They are the ones whose knowledge and experience I would be counting on in order to provide advice as to what would be the most appropriate date. We are looking very closely at that and we will arrive at a conclusion that makes sense for the industry and for the viability of the program that we are putting in place.

Finally, as we say, the issue is holding them back and setting them aside. The issue of ownership during that process is something that was also part of those discussions, but the key point is keeping them out of the slaughter process, regardless of where the ownership may be at any one particular time.

• (1930)

[Translation]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, at the beginning of his speech, if I understood him correctly, the minister asked for specific measures. I come from a riding called Abitibi—Témiscamingue, which is located next to the riding represented by my hon. colleague opposite. In my area, a majority of small and medium size businesses are going through an unprecedented crisis. Abitibi—Témiscamingue has lost \$16,161,716 since the beginning of the mad cow crisis, and 1,400 producers are about to go bankrupt.

The minister asked for some very specific recommendations. The problem in our area is linked to the slaughterhouses. Between 1999 and 2003, close to 5 million head of cattle were exported from Canada to the United States. If the ban is scientifically based, how do you explain the fact that these millions of Canadian animals found their way from the feed lots to the tables of U.S. consumers, even after the discovery of the first case of mad cow?

We want the minister to realize that the phenomenon of the concentration of slaughterhouses has reached the point today where the four main slaughterhouses in the United States control 80% of the slaughter capacity. In Canada, four slaughterhouses, including two American owned businesses, account for 91% of the total weekly slaughter of steers and heifers.

On behalf of Quebec and probably the other provinces, we ask the minister to set a floor price, because the slaughterhouses have benefited and are still benefiting from this crisis. This is a well known fact. Fred Dunn, the Alberta auditor general, carried out a study which showed that the slaughterhouses gained the most during this crisis.

If he wanted, the minister could set a floor price for the slaughterhouses as early as tomorrow. Can we rely on him for that?

[English]

**Hon. Andy Mitchell:** Mr. Chair, first, regarding the member's opening comments, I agree. Quite clearly, there is no scientific reason why cattle should not have access to the United States.

Second, I believe that the increase of slaughter capacity is essential. I also agree with him about his issues about concentration and that is why the program we put in place is designed and targeted for medium and small sized enterprises.

Several colleagues have talked to me about the situation in western Quebec and northeastern Ontario. Perhaps there are some opportunities to work in conjunction with those two regions, which I think would make perfectly good sense. I am sure the hon. member would agree.

The suggestion in regard to floor price has been brought forward in many respects. It is something to take a look at. If we are able though to create a competitive situation within the slaughter industry,

then I think that would be an ideal solution for dealing with the issue about which the member is talking.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Chair, I will be sharing my allotted time with our agriculture critic, the hon. member for Haldimand—Norfolk. Let me just begin by acknowledging that this new member has demonstrated in her very short time here an exceptional dedication to the cause of our agriculture community and is providing strong leadership to help those who are affected by this case.

Mr. Chair, with you and others as our guide, we are taking our first steps on the lesser travelled road of minority Parliament. This is our first emergency debate, but it is one that we have been asking for since June 29th because there is nothing new about this emergency. We are not dealing with a situation that arose overnight or in the last few days.

BSE was first reported in Canada on May 20, 2003 and there was an emergency debate in the House on the issue only six days later. What has changed since then is that because of the inaction and insensitivity of the government the situation has grown much worse for the thousands of men and women and their families who depend directly or indirectly on our beef exports to the United States.

Our farmers are some of the toughest, most resilient and hardest working people in Canada and our country has quite simply the best and safest food and the best food producers in the world. However, these farmers today, our agricultural community, are looking for our help. This is not an administrative problem. It is not a political issue. It is a human tragedy that has been affecting many Canadian communities and many Canadian families. In our own family, my wife and my in-laws have long been in this industry. They are being severely affected by it. Farmers across the country are losing their farms, their homes and their livelihoods. The border closings have cost the industry in rural communities more than \$6 billion and close to 5,000 jobs that depend on this industry.

Last February our party proposed a billion dollar action plan with built in flexibility to respond quickly to these unforeseen circumstances. The plan included: topping up the 2002 Canadian farm income program from 60% to 70% payouts to full 100% coverage; a mature livestock rationalization program; replenishment of Canadian agricultural income support programs for BSE affected operations; the establishment of testing regimes for all non North American markets; and working toward integrated North American rules and processes.

The Liberals had an opportunity to implement these ideas. They chose instead to put off helping this vital industry until the crisis reached a tipping point. Only months ago the government assured producers, coincidentally with an election, the border would be open at the end of the summer. There was no plan, no realistic target, this was only wishful thinking on the part of a government and it was a cruel deception of our farmers.

The latest measures announced by the government on September 10 are long overdue, but they are also woefully inadequate and administratively bungled, as other speakers in my party will talk about in great detail. The Liberal plan, I should add, is half of what we proposed in February 2004 when the industry was not nearly in the dire straits it is in today.

[*Translation*]

BSE is not a problem that affects only our beef producers. It is not a problem that affects only western Canada. The whole Canadian economy is feeling the effects of the closure of the U.S. border to our beef exports.

• (1935)

[*English*]

Many fundamentals and pressing issues already do require the attention of the House, but as we head into winter, I really do urge the government to pay special attention to the problem of the fate of our farm communities.

Canadian consumers across the country have rallied and demonstrated confidence and support in our beef industry. This is the only country in the world where we have been touched by this problem, where consumers have gone out, supported our industry and actually raised the consumption of beef. The people of Canada have done that. It is time that the House did something and it is time that the government did its share as well.

• (1940)

**Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.):** Mr. Chair, I do agree with several of the points that the Leader of the Opposition made in terms of how resilient the livestock industry is and how hardworking people in that industry are and how important the livestock industry is to this country. But I do not appreciate that he would get into the political rhetoric as if the government had been doing nothing all along. He knows full well that the government has been working strenuously from the very beginning to get the border open with the United States and we continue to do that.

He knows full well that discussions have been ongoing with the industry to change the approach. The Minister of Agriculture talked about that earlier. We are changing the approach in conjunction with the industry wishes to go to a higher slaughter capacity within Canada. The member should be standing in appreciation of the efforts of the Minister of Agriculture in that regard instead of trying to play political games and make political points while the industry is in trouble.

**Hon. Stephen Harper:** Mr. Chair, first of all, let me say this. The new minister is obviously trying to deal with a problem that is pretty well advanced, but the government has been here for the entire year and a half that this has been going on. If the government wants to hold office—and some days I wonder if it does when I listen to it—for such an extended period of time and not deal with a problem sitting right in front of it, then the government has to take responsibility for the fact that this is still going on in this industry.

I want to talk a bit about the record on this. I rose in the House of Commons when this issue broke. I stood and urged the then Prime Minister, the leader of the Liberal Party, supported by that member

and all around him, to get on the telephone to the President of the United States and deal chief executive to chief executive with this problem before it got worse, before third party countries got involved, before interest groups in the United States got involved, and before it descended into the bureaucracy of the United States government. That was not done. The Prime Minister did not do that.

Instead, what the Prime Minister and the government had time to do was to call an international press conference on a transatlantic flight to Europe to explain what a terrible job the President of the United States was doing running the domestic economy of the United States. This is not an issue before Congress. This is an issue before the chief executive of the administration of the United States. The only way these kinds of issues could be effectively dealt with is at that level. Talk to anybody who has been a bureaucrat. Instead, this atmosphere was poisoned right from the outset and exactly what we feared happened.

The member for Lethbridge, the member for Medicine Hat and I went to the United States to attempt to deal with this in the summer of 2003 and we were already into this morass. It did not end there.

We understand we had differences on how we handled the Iraq situation, but even after the international community agreed to work with our allies to resolve that situation, the government, the Liberal Party, ran ads that were seen by Americans in the entire northern tier of the United States attacking United States foreign policy. What good did that do our farmers on this issue?

To this day we get an endless tirade of useless anti-American comments. If the government wants to stand up to the United States, stand up to the United States on this issue because it is treating us in a way that is totally unfair. But the government should not be jeopardizing our farmers' livelihoods and our trading relations with the United States so a couple of wing nuts on that side could make anti-American comments.

The government will obviously be working with the minister tonight and we will do whatever we can do to help the situation from here. However, the government is going to have to accept some significant responsibility for this situation.

• (1945)

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I rise on a point of order.

Earlier, there was unanimous consent to extend the debate with the minister and I am wondering if we could have such consent to extend by about ten minutes the debate with the Leader of the Opposition.

[*English*]

**The Deputy Speaker:** Is it agreed?

**Some hon. members:** Agreed.

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Chair, the Leader of the Opposition and I have had this exchange indirectly before. We did it through the media. I understand that the member has his views, which I do not share by the way, in terms of his analysis of the cause of the problem, that it is all an issue of saying bad things about the Americans. I do not believe that is the cause of the problem.

We have substantive issues, real issues, that face our producers. Although I said, and I will live with it, that there would be a great deal of rhetoric here tonight, and indeed there was, I have very specific questions.

In the BSE recovery program that was announced on September 10, there were four components. I would like to know from the Leader of the Opposition which of those components he would disagree, or perhaps agree, with. To recap, they are: first, to work toward opening the U.S. border; second, to build new slaughter capacity; third, to manage the flow of cattle into that slaughter capacity to bring balance to the marketplace; and fourth, to work toward expanding marketplaces beyond the United States through a number of measures, many of them on the regulatory side, but some of them on the marketing side.

If the hon. Leader of the Opposition could put forward his views on those four specific initiatives, I would appreciate it.

**Hon. Stephen Harper:** Mr. Chair, all that needs to be said when after all of these months, the Minister of Agriculture needs to ask us our policy on these things, because our policy on these things has been on the record for some time. If the government had acted, we would have dealt with some of these issues a lot earlier.

Now that the minister has come around to acting on some of these things, I would urge him, rather than just make an announcement, to actually act on them. If people can apply for some support, then let us actually get an application form that they can work on.

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I listened with interest to the leader of the official opposition. First, I want to reiterate that, indeed, a critical condition is to change the attitude that the previous Minister of Agriculture and Agri-Food had. He had made this a national issue. More specifically, the mad cow disease issue had become a national problem. Moreover, the regulations and solutions were the same everywhere.

Yet, Quebec producers may be the most frustrated by this situation in the country, because they had a traceability system and they could follow their cattle from one end of the process to the other. When the first case of mad cow disease was discovered, measures could have been taken very quickly to define the region of origin and to properly target the problem and circumscribe it, as was done with the avian flu. Then, we would not have had the problem that affected the whole planet and brought the price of beef down throughout the world.

Is there not a way to find specific solutions, such as cull cows? Dairy producers are primarily located in Ontario and in Quebec. It is mostly there that the issue of refund for cull cows remains unsolved.

Currently, people are compensated to the tune of 16% for their cull cows, while the replacement rate is 25%. This means that there is a shortfall.

Does the leader of the official opposition agree that we should take the same attitude with this issue as we did today with the throne speech to find solutions? This would force the government to come up with concrete solutions, even if these solutions might be different across the country. This would solve the issue and it would eliminate the problem that currently exists in Canada.

• (1950)

**Hon. Stephen Harper:** Mr. Speaker, I will try to answer. Of course, it is possible to find regional solutions. We already talked about the status of the industry in each region and particularly about production. As for slaughter capacity, there are discussions about regional differences and the possibility of finding solutions for regions.

However, above all, to be fair to the government, the basic problem is the border closure, and this affects all Canadian regions.

[*English*]

**Mr. Myron Thompson (Wild Rose, CPC):** Mr. Chair, I would like to indicate how proud I am to be part of a caucus and an opposition where we have so many people here tonight who are ready to be the government in waiting.

Here is the reality. It should probably be directed to the minister, but I will ask my leader what he thinks. Later this fall I can guarantee that in my riding and many other ridings the banks are going to foreclose on scores of young farmers in particular because they cannot make their land payments. The basic payment that has reached the farm gate in Wild Rose on average has been \$924 since the implementation of all of these programs. The minister can check the records if he does not believe that.

I am saying to the minister, can we get an application out quickly? Farmers are willing to borrow the money at low interest. They do not want a handout. Will the minister help them save their land and then leave the industry to them to continue to work and try to save it because they know how to do it. But they cannot do it if they lose everything because the banks are going to foreclose.

Will the minister at least provide something, or does my hon. leader believe that the government should at least provide some mechanism for them to make their fall payments to save the land so we can continue the battle?

**Hon. Stephen Harper:** Mr. Chair, I thank the member for Wild Rose for that suggestion. I have recently met with the Canadian Bankers Association. I know many members of our caucus have been meeting with various banks to discuss this problem. In fairness, the banks have attempted to be very patient for the most part with this situation. I know the concern that has been expressed to me by the banks and frankly a concern that I share, is that this situation does not appear to have an end in sight. This has been the fundamental problem.

We have been listening, not just to the government in fairness, but to many that have been telling us since the inception of this crisis, some in the leadership in the industry itself, that the solution is just a couple of months away, and all we have to do is be patient and many of us have. The banks in many cases have been, but they are running a commercial business and cannot continue in that mode forever.

This is one solution. I want to encourage the House to do tonight, and I have certainly encouraged our agricultural critic to do this, is to look at solutions that will deal with a range of possible situations. We could certainly have the border open sometime or not long after the next presidential election in the United States. That is possible. We could have a situation where the border stays closed for a period of time. We could have a continuation of this partial closure that we have now.

The other thing we could have, and we have seen how capricious the actions have been in this situation, is a situation where the border opens again and then some incident that never even touches our food supply like this one causes it to be closed again in whole or in part.

Therefore, I would encourage all members on the government side not to propose just a solution. This is an important short term suggestion. We must look at a range of solutions that are going to deal with a range of possible outcomes.

Accuse me of rhetoric, but part of the solution must include having a proper attitude toward our most important neighbour and trading partner, standing up to them when we have to stand up to them on issues like this, but let us not poison our relationship on things that do not matter to the people of this country in a way that hurt our vital interests.

• (1955)

**Mrs. Diane Finley (Haldimand—Norfolk, CPC):** Mr. Chair, it is truly an honour for me to rise in the House of Commons to take part in a debate for the very first time. I want to wholeheartedly thank the fine folks of Haldimand—Norfolk for the trust they have placed in me as their representative in the House of Commons.

Further, it is a great honour for me to stand as the official opposition critic for agriculture and agrifood, and deliver my maiden speech on behalf of farmers and livestock producers right across this great land.

I wish to thank the hon. minister of agriculture and the government House leader for finally capitulating and heeding the Conservative Party's request to hold this important debate tonight.

Over the past several months I have met with a wide range of stakeholders across this country who have suffered greatly since the mad cow crisis hit on May 20, 2003. As a group we have launched a

BSE action committee with many MPs from our party and others, seeking the input of their stakeholders right across the nation.

We have talked and we continue to meet with producers and packers, agricultural organizations, numerous government officials and the financial sector to hear their comments and their solutions. Everywhere it is overwhelmingly apparent that the Liberal government's plans have failed to deal effectively with the mad cow situation.

This evening I would like to concentrate on the recent Liberal BSE aid package and its evaluation as reported to us in our consultations. Although producers no doubt appreciate the government's initiative, this plan is long overdue. It is woefully inadequate and administratively unmanageable.

In September the plan was released that can only be considered phantom farm aid. Why phantom? One month after the minister announced this new aid package there are still no application forms available for producers to apply for desperately needed cash. These are phantom forms.

Astoundingly, the Agriculture Canada website link for "Measures to Assist Industry in Response to BSE" does not even list this new program. How can farmers apply for a program that has no application form, and for all intent and purpose does not exist almost a month after it was announced? Many of the funds are phantom too.

The original Liberal plan claimed \$66 million for loan loss reserves to increase slaughter capacity. Really, when we dig into the depths of it, only \$38 million has been earmarked for financing. The balance is for CFIA inspection.

While everyone agrees that increased slaughter capacity is critically important for the long term viability and sustainability of the industry, \$38 million is barely enough to open one plant, get it up and running, let alone stimulate an entire industry.

What is more, as of October 6, 2004, the allocated funding proportions of this aid program were still not approved by the Treasury Board. Much of the \$385 million pledged to sustain the industry until capacity is increased includes cash advances from the Canadian Agricultural Income Stabilization Program, CAISP, and from final payments under the Transitional Industry Support Program, TISP.

For the Liberals to announce final payments under the Transitional Industry Support Program as new money is not only misleading, it is an insult to the industry. The deadline for applications for TISP payments was July 31, 2004, and applications for both components are no longer being accepted. These too are phantom funds.

Lastly, the administrative viability of the proposal is cause for concern. Administrative relief through CAISP is a proven recipe for disaster. Many farmers are still waiting for their CAISP advances for 2003. If that is the government's definition of an advance payment, how long will it take to get a delayed payment for 2004?

CAISP is a disaster, but it is not a disaster program. It is intended to provide income when producers claim-year margins drop below their previous five year Olympic average. Until cattle prices increase through an open border or a substantial increase in slaughter, every year will be a claim year.

● (2000)

What producers need, what the cattle and other ruminant producers deserve, is reasonable, responsive, reliable relief in the real world, in real time, not phantom forms, phantom funds and phantom farm aid. Canadian farmers and producers demand and deserve better. I hope that this debate will provide the government with the input it so obviously needs to aid farmers in this time of need.

**Hon. Andy Mitchell:** Mr. Chair, I congratulate the hon. member on her maiden speech in the House. I recall making my own first speech and I know there are butterflies when one does that.

Let me make a couple of points and then ask a question. In terms of the increased slaughter capacity, there are two components to what we are trying to do and both of them are critically important. The member may not totally appreciate the approach that we are trying to take here.

On the one side we are trying to ensure that the regulatory process surrounding the approval of new slaughter capacity is enhanced so that it can happen more quickly. We are providing a single window so that those applicants are not spending a good amount of their time running around to different government departments and agencies, but rather that they can get it all in one place. Then of course, once we put new capacities on line, if we do not have the ability to inspect, it is of very little use to us, so it is also important to provide that.

In terms of the loan loss reserve, the idea is not that it is simply \$38 million. By constructing it as a loan loss reserve, where a portion of every advance will be made by the private sector, this government is not trying to decide who has or has not a good business plan. We are allowing the private sector to do the due diligence.

The idea is that the \$38 million can lever at a rate of three or four to one. As I mentioned in the announcement, it should be able to result in between \$140 million and \$150 million of new investments. These are instruments that have been used in the past quite successfully and we have seen that kind of leverage occur in the past.

I have a question for the hon. member. The Canadian Cattlemen's Association was an integral part of the development of this proposal. Mr. Eby, who is the president of that association, has said very clearly in the announcement that he felt that this was clearly the right thing to do. He indicated the importance of working with the provinces and ensuring that we have a common platform for delivery, which we are in the process of doing to ensure that we have an efficient program that will work effectively.

Mr. Eby was with me at the press conference when we announced this. He was very supportive of it. Does the hon. member think that the Canadian Cattlemen's Association is incorrect in its support of this program and the design that it put forward, which we have basically adapted in this proposal? Is she uncomfortable with the CCA position or does she think it is appropriate?

**Mrs. Diane Finley:** Mr. Chair, there are several factors to consider here. One is that \$38 million will not put the cement in the ground. That is what we need. We need cement in the ground to build the facilities. We need the capacity and \$38 million of loan underwriting will not underwrite very much in the way of capacity.

In terms of the administration of it, yes. The CCA said there needs to be a common platform, but CAISP is not a common platform. It is administered differently in provinces right across the country. That is one of the reasons why there is regional inequity in who will get the benefit, how much they will get and when they will get it. With regional variation, not all our farmers are being treated equitably. That is unacceptable to me and to the Conservative Party.

● (2005)

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC):** Mr. Chair, I would like to ask a question of my hon. colleague. This summer I was speaking to an editor of a livestock magazine at the Canadian junior Hereford show in Regina. He spoke about the hardship that his industry was experiencing with livestock publications and with all our farm magazines. It is just one area in the whole agricultural industry that is really suffering. What are the hon. member's communities saying about all the other hardships that are being experienced in agriculture?

**Mrs. Diane Finley:** Mr. Chair, the hon. member is absolutely correct. It is not just the producers who are affected by this. A wide range of people across our country are affected such as producers of farm magazines, people in feed shops, people from whom farmers buy their clothes, their shoes and their groceries. It affects the people from whom producers want to buy a new car but cannot. It even affects whether or not their sons or daughters can take piano lessons. It affects whether or not someone can afford to compete to become the rodeo princess. This comes down to the very fundamentals of life and luxuries.

Everyone within these communities is affected. They are mainly small communities where people depend upon one another. The largest producer of income in the area is the cattle producer or the other ruminant producers. They feed the economy of small businesses, the service businesses, in the area. Everyone is affected by this. It is a loss of income of over \$2 billion to the beef industry. It is a gross understatement of the impact that this crisis is having on our country.

[*Translation*]

**Ms. Denise Poirier-Rivard (Châteauguay—Saint-Constant, BQ):** Mr. Speaker, before entering the special debate on the situation surrounding the mad cow disease, I would like to take this first opportunity in the House to thank all the constituents who put their faith in me on June 28, in the riding of Châteauguay—Saint-Constant.

It is with humility, but also with vigour, that I undertake these new functions. The leader of my party has honoured me immensely by asking me to be the official critic of the Bloc Québécois for agriculture and agri-food.

Like several of you, serving this sector is not new to me and I promise you that I will concentrate all my energy, as a Quebec elected representative, on furthering the cause of our farmers who are presently going through a real crisis.

Let us go back to the reasons why we are here together tonight. What we have to know is that, on the mad cow disease issue, Quebec has been doubly affected. The mad cow disease crisis should never have affected Quebec's cattle producers, who have long been following stricter rules than those concerning producers in the rest of Canada.

The discovery of a case of mad cow disease in Alberta in May 2003 and the American embargo that followed have deeply paralyzed Quebec's cattle industry. If Quebec were sovereign and were controlling its borders and its health policies, it would not be hit by the American embargo today.

As Mr. Laurent Pellerin, president of the Union des producteurs agricoles, said on May 21, 2003:

If we were separate provinces each with its own distinct inspection system and if we had a more regional approach to product marketing systems, only one province would have to deal with this problem.

The current situation is especially frustrating for Quebec producers who, for a long time, have had a series of rules that are stricter than Canada's for the very purpose of ensuring the health of their livestock and the quality of their products.

Ottawa, which says it is open to having special agreements with Quebec, should talk as soon as possible with Quebec authorities about decentralizing the entire food inspection system and dividing Canada into several health regions. Such regionalization of health practices would spare Quebec producers a similar crisis in the future and would allow Quebec to promote the excellence of its practices. Quebec producers are currently being penalized because a case of mad cow was discovered in Alberta, some 5,000 km away. It is not right for Canada to be considered as a single health region.

The regulations in Quebec are much better than Canada's on many levels. For example, a tracking system follows an animal from birth to death, and, the use of ruminant derived meals was banned in Quebec four years before it was in Ottawa.

The minister argues that he has come up with long term solutions, but he is doing nothing to protect producers from any new cases of mad cow.

Let us now talk about the assistance programs that are ill suited to Quebec's needs. The federal government has implemented assistance programs to support producers and help them make it through this crisis. Livestock producers concentrated in Alberta are getting compensation for every head of cattle slaughtered.

In Quebec, the majority of beef producers are in fact dairy producers who sell the cows that no longer produce enough milk. These animals are what we call cull cows.

Every year, producers cull 25% of their herds. Unfortunately, the federal program compensates for only 16%. Although the price they get for their cattle has dropped by 70%, they only get compensation for two thirds of the livestock they sell. The federal government has to improve its compensation program for cull cattle as soon as possible.

The Minister of Agriculture and Agri-Food recently set up his BSE-5 program to provide assistance to the beef producers hard hit by the mad cow crisis, but the flaws in this program are hurting Quebec.

The scientific term for the mad cow disease is bovine spongiform encephalopathy or BSE. The BSE-5 program was set up with Alberta in mind. Unfortunately, Quebec was forgotten. The program has a \$488 million budget, of which Quebec is only getting 4%. For Ottawa to be fair, they should have improved upon the BSE-4 program under which Quebec was getting its traditional share of 10% to 12%. Then, Quebec would have received between \$40 million and \$45 million. Quebec's current share is estimated at \$15 million.

• (2010)

As for cull cows, the dairy farmers are culling 25% of their herds and only receiving 4% from Ottawa.

It is not just the nasty separatists who are demanding fair treatment for Quebec. Let me read from an article by Laurent Pellerin in *La Terre de chez nous* of September 23:

The case of BSE is another patent example of the impasse this centralizing vision of agriculture can lead to. Ottawa has produced five different assistance programs to try to help soften the blow of the crisis. The needs of Quebec's dairy farmers are neglected for the simple reason that the intervention model is based on a reality that does not exist in Quebec and which cannot be applied, especially in its final phase, to the cull cow and calf sectors. We can bet that things would have been very different if the UPA's calls for "special status" had been listened to and heeded.

That is what the Bloc Québécois is demanding of the Liberal government. Ottawa must reinvest in agriculture while respecting Quebec's programs, particularly the Financière agricole du Québec. Ottawa should improve its aid program for dairy producers in Quebec, who are different and who produce 50% of the milk in Canada. Most of Canada's dairy cows are found in Quebec, and that is why Quebec supplies 200% of the veal consumed in Canada.

Ottawa must standardize health practices. Ottawa must act rapidly to eliminate meat meal in all animal feed and ensure that producers do not face additional costs.

It is appropriate to ask whether the Liberal government has the political will to end this crisis equitably and help the Quebec producers who are severely affected by this situation. In Quebec this really is a crisis.

Moreover, the government must begin a major operation to have the United States open its border. It is clear that scientifically speaking the case of the mad cow is over and done with. The current crisis is not scientific but strictly political.

As I mentioned a little earlier, many of our cattle producers are suffering because of this situation. Recently, I talked with a former producer of Saint-Benoît-de-Beauce who lost everything because of the mad cow disease crisis. I say “former producer” because he was forced to sell off all his herd this year, that is 36 pure bred cows and 42 commercial cows. Last year, he sold 54 feeder calves for a total of \$39,000. This year, he sold as many, but for half the price.

The problem is that he is not alone in his situation. We learned this week that six Abitibi cattle producers were forced to give back the keys of their farm to their financial institutions. These are often ancestral farms that are disappearing. Thus, we may ask ourselves if the government wants to solve the problem. Despite this, cattle producers are desperate for help, and we are very anxious to have the minister listen to their message.

That being said, we have other questions for the minister and the Prime Minister. In the United States cull cows sell for 55¢ to 60¢ a pound of live weight; in Canada they sell for 10¢ to 15¢ a pound. So we ask the minister to go half way and set the floor price at 25¢ to 38¢ a pound. It would be a win-win situation for both consumers and producers. However, does the government have enough fortitude to impose such a floor price on the middle men who did not lower their prices during the crisis? This crisis has done irreparable damages to several producers back home.

Second, can Quebec expect to receive its traditional share of these programs? As I said earlier, milk producers are culling 25% of their herd but they only get 4% of federal help instead of their traditional share of 10% to 12%.

The minister decided to have this emergency debate on the mad cow disease crisis. Up to now Quebec producers have been well aware that the measures taken by the minister are tipped in favour of Alberta, and all they get is a few crumbs. We have every right to wonder how interested the Liberal government is in the survival and development of Quebec agriculture and how far it is willing to go to allow it to prosper.

● (2015)

[English]

**Hon. Andy Mitchell:** Mr. Chair, the hon. member asked a couple of questions and I will make a couple of comments.

I think all members of the House will agree, and I certainly do, that agriculture in Canada is different in different parts and in different regions of the country. That is one of the reasons I suspect that constitutionally it is a shared responsibility between the federal and provincial governments.

One of the commitments I made very clearly at the federal-provincial conference that took place recently in Prince Edward Island was my willingness to work with my provincial counterparts in a way that would allow us to deal with the specific issues in different regions.

We need to understand that although we have national objectives, although we understand that it is important to achieve national results, we need to understand that oftentimes how we achieve those results may be different in different regions depending on the reality and on the challenges those particular regions face. I made that commitment to my 10 provincial colleagues and they were very

accepting and very appreciative of that and very willing to work under those circumstances, including the minister from Quebec.

The hon. member is quite right. There is programming that is designed in some respects at fed and feeder cattle, cow-calf operations as well, and that the industry is larger in other parts of Canada than it is in Quebec.

In Quebec though there are specific issues that I will not say are unique to Quebec, but are very predominant in Quebec. The member points those out quite well.

I have met with Mr. Pellerin. I have met with the UPA. I have met with my provincial counterparts. As I mentioned, I have met with the Dairy Farmers of Canada. They have outlined some of those challenges. She also talked about the issue of the cull cow. She talked about the reality of the decline in price and the need to deal with that.

A number of suggestions have been made. Obviously, with the closure of the U.S. border, the ability to have greater capacity to deal with cull cows is essential. It has been pointed out, and I think with some justification, that it is not just simply a matter of capacity. It is a matter that the capacity be increased in the context of a competitive environment so there is the ability to compete back and forth so the price will find an appropriate level in the marketplace. That is one potential solution.

The idea of a floor price has been mentioned. I have indicated my willingness to look at any proposed solution. However I will be very straightforward with the hon. member. I would prefer a solution that could see the marketplace itself deliver on the appropriate price rather than having to have direct intervention into that marketplace.

I think it is possible to do but, as I have said, I will meet with the Quebec industry—dairy is beyond Quebec and so the industry that we need to deal with is beyond Quebec—and see the type of solutions we can come up with to make the effective gains for producers that the hon. member is talking about.

● (2020)

[Translation]

**Ms. Denise Poirier-Rivard:** Mr. Speaker, if I understand correctly what the minister just said, there will be a meeting very soon. Earlier I mentioned that we needed 25% to help our producers of cull cows. Could I hope that we may reach such an agreement in the very near future?

[English]

**Hon. Andy Mitchell:** Mr. Chair, I will not speculate on how long it will take us to develop a particular solution but I understand there is a different challenge that is faced by some of the industry. I am committed to working with the industry that is affected by that. I am committed to working with the province of Quebec and other provinces that face the same issue. I am committed to making sure those parts of the program that we announced which are applicable are tailored in a way that makes sense in Quebec and in other areas that face those particular challenges.

If we do need to do things differently, if we do need to take a different approach, I will go into those discussions with a very open mind and one bottom line, to take actions that will be effective in helping producers.

[*Translation*]

**Ms. Denise Poirier-Rivard:** Mr. Speaker, I am adamant about this because our farms are quickly disappearing one after the other. It is urgent that we have a meeting and an agreement as soon as possible to allow our producers to make a decent living.

[*English*]

**Hon. Andy Mitchell:** Mr. Chair, yes, we need to have an early meeting. As I mentioned, shortly after being sworn in I met with the UPA and Mr. Pellerin and had a very frank discussion about the issues in Quebec. I have met with the Dairy Farmers of Canada, which of course has a significant number of members in the province. I have met on numerous occasions with the minister and we will continue to do that.

I believe the hon. member and myself have a meeting scheduled very shortly to talk about these issues. I look forward to that and to the progress that the two of us can make together.

[*Translation*]

**Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ):** Mr. Chair, before speaking to this debate, I would first like to thank the voters of Rimouski-Neigette—Témiscouata—Les Basques for putting their trust in me and electing me. I want to reiterate to everyone in my riding my commitment to represent them with integrity and vigour.

I thank my colleague, the member for Châteauguay—Saint-Constant, for her speech. I fully agree with her that the mad cow crisis never should have affected the agricultural industry in Quebec since, for a long time now, cattle producers in Quebec have been using rules that are stricter than in the rest of Canada.

The Lower St. Lawrence region was hit hard by this mad cow crisis, and is still suffering the consequences. I would like to quote the president of the Union des producteurs agricoles of the Lower St. Lawrence, Claude Guimond, who reiterated as recently as last week that, “There is a crisis, a serious crisis. It is huge and devastating.” He added that he truly feared for the future and that the producers felt abandoned by the government.

In the Lower St. Lawrence, this crisis affects more than 1,000 farms that have suffered losses in gross income estimated at roughly \$17 million. The three RCMs that I have the privilege of representing, Rimouski-Neigette, Témiscouata and Les Basques, have roughly 50% of the affected farms. After deducting the assistance provided to the Lower St. Lawrence, there is still a real shortfall of \$7 million for local farmers and action is urgently required.

I fully agree with what the hon. member said. The government has to act. The necessary measures have to be taken without delay in order to reopen the borders and to ensure that they stay open. The government should also use Quebec as a model for health regulations.

I heard the minister say that some problems and challenges are specific and unique to Quebec. I would like to ask my colleague if, in the whole issue of cull, she is prepared to remind the minister that we in Quebec are not only unique—which is regrettable in terms of our difficulties in this area—but that we are often very unique in finding solutions to our challenges.

● (2025)

**Ms. Denise Poirier-Rivard:** The situation in Quebec is, in fact, unique. It could help us a great deal and would save the situation if we had mobile inspectors. Since we have all said on numerous occasions in this House that we are different, and that we have many problems with mad cow disease as far as cull cattle go. We would need 25% of a budget to decently meet the needs of our producers.

[*English*]

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Chair, it is a real honour to stand here tonight. This, obviously, is my first time in such wonderful and honourable surroundings. I would like to put on the record that my grandfather, Charlie Angus, was an immigrant to Canada and a very strong social democrat. He lived and died building the gold mining economy of Timmins.

Now, 40 years later, his grandson is here as a representative of the people of a great and inclusive country. I am very honoured to be here tonight and to speak on behalf of an issue of fundamental importance to rural Canadians. I would also like to say that I will be sharing my time with my hon. colleague who can pull me off the floor as soon as I go over five minutes.

At the outset I would like to note that the government did not call this debate an emergency debate. It was a take note debate. Well, take note: we have hardly anyone here from the government side tonight. This is an issue of dire emergency to the families of rural Canada. It is an emergency that is wrecking the fundamental fabric of our rural lives.

I draw the hon. minister's attention tonight to the presence in the House of Algoma Cattle Farmers, Mr. Jack Tindall, his wife and his son.

**The Chair:** Although we are a little more casual in committee of the whole, it is not considered customary to draw attention to people in the gallery by name. You can talk about the issues and so on but try not to draw attention to persons in the gallery by name.

**Mr. Charlie Angus:** Mr. Chair, I will not draw attention to their name, except for the fact that this family drove nearly 1,000 kilometres today on less than 12 hours notice to be here tonight. I will be careful not to mention them by name, but to say that they have lived the nightmare of the closed border, the collapse of cattle prices and 15 months of inaction. I would implore the minister to sometime tonight find time to meet with them and find out what they have been going through.

This family that will remain nameless was here in July with a group of Algoma and Timmins—James Bay farmers to meet with the NDP caucus. We went out and met with the press. They delivered a plea that we needed immediate action plan in place before the fall auction sales. The fall is here and we have a plan but it is not really in place. In fact our farm families are telling us that what we have is all hat and no cattle.

The electronic tagging system for set aside feeder cattle is not ready. Farmers have no idea when it will be ready. We know that they do not know where the forms are. A basic floor price should have been in place this fall, but the government feels that we should have trusted the market. This family that I will not mention went to market, along with a number of other Algoma farm families, and they were killed on the floor this fall. That was the result.

I am sure the hon. minister will tell these nameless farm families to apply to CAIS, but they are not eligible for CAIS, like many other farm families across Canada.

I will mention another family, not by name of course. They are proud Franco-Ontarian pioneers in my riding who opened up farming in my region. Four generations of farm equity was wiped out in 15 months. The father, his sons and his grandsons phone my home every single day because they are their farm. They have taken the machines, they have liquidated the cattle and they are going after the grandfather's house. What do I tell them when they phone me? In this plan there is no debt relief. There is no tax relief. It is just all hat and no cattle. We are being told the promise is that we will advance next year's debt onto this year's debt.

Let us crunch the numbers. In dairy most families have lost \$25,000 in the last year and the federal government is coming back with nothing more than \$150 to \$300 per farm. Top rated dairy cows valued last year at \$1,800 a head are being written down for as low as \$200 a head. They cannot take that to the bank. The debts are rising, our machines are being repossessed and our support infrastructure in rural Canada is crumbling.

While we are talking about cull cows, I would like to point out that our farmers are now more under the thumb of the large packers than ever. The packers have made a killing and they continue to make a killing. Without a basic floor price for cull cows, animals that should have been worth \$400 are being bought up for little more than the price of a pair of rubber boots, and the consumer continues to pay a premium across Canada. Meanwhile, rural Canadians continue to be cast adrift and we are supposed to hope that somehow over the next year market forces will come to bear and help people out.

I know I am a newcomer to this room, but I would like to point out that since 1997 there have been more emergency debates on

agriculture than any other single issue facing the House. We have talked a lot and the farm families here tonight have heard a lot of talk. However, the one difference between 1997 and today is that it has only got worse. I implore the minister to work with all of us. It has to stop.

•(2030)

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Chair, I spent a good amount of time in Algoma and northern Ontario and I appreciate the challenges the producers face in that part of Ontario. I am as committed to them as I am to producers everywhere in Canada to working with them to deal with the issues.

I do not know if I fully agree with everything the hon. member said, and that probably comes as no surprise. I know that his determination and commitment is certainly genuine.

I believe there has been a lot of work done to date. Has it solved all of the problems and dealt with all of the issues? No, but there have been close to \$2 billion committed specifically to BSE and much of it has been delivered.

We are dealing with issues in this package in terms of trying to build increased slaughter capacity and trying to ensure that we have a wider range of an international market, not simply that of the United States. We are working to restore that market as well. We are trying to bring some rationality to the marketplace so producers can make some business decisions based on some certainty. As I said the beginning of the debate, we trying to ensure, beyond all else, that our producers can operate profitably so they can continue to do historically what they have always done in the country, which is to contribute to a secure, safe food supply for all Canadians. All of us, no matter where we live, owe a great debt to our producers.

As I mentioned to the hon. critic from the Bloc, there are specific issues in respect of cull cows in the dairy industry. I have said that I met with a number of individuals, including the hon. member, to talk about this issue. There are component parts and additional issues that we need to deal with specifically in that respect. I have made a commitment to deal with producers, members in the House, the industry and the provinces to address those issues.

The member and the entire House has my commitment in that respect. We will work on that.

•(2035)

**Mr. Charlie Angus:** Mr. Chair, I want to clarify. Because of our commitment, would we get a floor price for cull cows?

**Hon. Andy Mitchell:** Mr. Chair, realizing a floor price is one of the options that has been put forward, the issue, if I understand it correctly from talking to producers, is to try to see a price recovery for those cull cows. One of the suggestions on how to do it is to directly intervene in the marketplace and establish a floor price. There are advantages to doing that and there are some disadvantages to doing that.

Another way to ensure that is achieved is to ensure that the capacity to process the animals is roughly equal to the amount of animals coming onto the market and to produce that in an environment that is competitive so there is some bidding from which a producer can choose.

There is more than one particular approach, but my commitment is to examine the different approaches, to deal with the industry and the producers and to come to a collective decision as to the best way to proceed.

[*Translation*]

**Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ):** Thank you Mr. Chair. I congratulate my colleague on his speech. I think is the third time I have heard the minister use the expression “I appreciate the challenges the family is meeting”, and I imagine he is referring to the challenges it faces along with many others,. I would like to know whether my colleague would agree with me that the minister, who was telling us just now that some of us were going to engage in rhetoric, should be reminded that these people are experiencing a drama and might perhaps appreciate his telling us what concrete actions he plans to take to truly help this regional segment of our economy, our farmers, who are immersed in this drama.

[*English*]

**Mr. Charlie Angus:** Mr. Chair, this is a terrible drama that farm families are living. In fact this afternoon we received an e-mail from a woman who told us that her father is considering shooting the family cows because he cannot wait any longer. I might sound dramatic, but we have newspaper articles of the rise in suicide rates across western Canada. Our farmers are going down one by one.

I appreciate the minister's sincerity on this issue. My concern is that what we are talking about is a year too late. We are talking about ramping up capacity. The big packers are ramping up to 1,000 a day because they can. Our small regional capacity will not be in place in time and we know that.

We know that a loan loss guarantee, as the other hon. member said, will not put cement in the ground. When our members came and spoke in the summer, that is why they said that we needed the plan in place before the beginning of the fall auction season. That has not happened, and we do not know when that plan will be in place.

Therefore, rational business decisions are being made by farmers and, unfortunately, the rational business decision for many farmers is to give up because they cannot go on any longer.

• (2040)

**Mr. Tony Martin (Sault Ste. Marie, NDP):** Mr. Chair, I want to thank the member for Timmins—James Bay, our critic for agriculture, for giving me some time tonight. I also want to thank the constituents of Sault Ste. Marie and area for their confidence in me so that I could be here tonight standing in my place to speak up on behalf of the farmers of Algoma and all farmers across Canada and tell the government it has to stop playing games with the lives and livelihoods of some of our best people. Either there is money or there is not. This is a cynical, dangerous game the government is playing.

As I understand the program, the money being made available is a charge against the CAIS program. For those who do not know about the CAIS program, it does not work. I am also led to believe that the remaining money in is included in this package as well. The minister needs to be clear about what money is really available, how much, how much is new money and how someone can apply. None of this has been done. Farmers are making life-altering decisions without proper and adequate information. Let me explain.

If the CAIS program is used to flow the money, nobody knows if they will qualify because of the formula which looks at a farmer's last five years of financial information, and drops the highest and lowest. The industry has been so volatile it is just plain difficult for anybody to know.

Many farmers in Algoma who were expecting to qualify for CAIS this year have not. As a matter of fact the family that is here tonight has told me that they know of 20 to 25 farmers in the Algoma area who have received letters of denial for CAIS for this year. Cheques that are desperately needed for the cash flow for the families to get through the winter and keep the banks at bay will not be there. My hunch is they are not qualifying because they received BSE money last year and it is affecting their formula.

That is precisely what they are afraid of with this new program. It is going to drive farmers further into debt and disqualify them from applying in subsequent years. The minister needs to come clean on this. This is no way to treat the people who produce our food.

Let us look at TISP as an example of the kind of game that is being played here. When TISP was first announced, it was to be \$150 per animal. Then it was decided it would be \$80 per animal. When the money finally flowed, it was \$56 per animal. How can anyone plan anything with that kind of fluctuation and reduction? It left approximately \$30 million in that envelope which the farmers who applied and qualified could have used. That money should have been transferred without complication once it was determined there was money left. Now we are told it has been folded into this new money.

We are also told there is really no new money in the package to increase capacity to slaughter and to process. It is loans and loan guarantees. As my colleague from Timmins—James Bay said, this will not create one new plant. It will enrich the already existing operators and continue to bankrupt small farmers.

I say to the government, get real. Get out there and talk to some farmers. Talk to the gentleman here in the gallery tonight who drove nine hours to be here for this debate because it is so important to him and his neighbours. He left his farm and work and drove here to say by his presence that he and his neighbours are in trouble and they need the government's help.

The minister needs to make new, real money available and get it to the farmers now with no strings attached. The minister needs to put new, real money into support for new processing capacity across the country so at the very least we can bring some competition and some real market discipline to the industry. Otherwise we should get ready for bankruptcies, fewer farmers, and even greater reliance on the U. S. based food processing and distribution systems.

• (2045)

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Chair, I congratulate the hon. member for his first intervention in the House. I know that he was in another house in a previous life. Let me try to clarify some things because I believe there is some confusion in his understanding of the factual information.

First of all, let me say clearly that I have met with producers across Canada. Very recently I met with producers in northern Ontario to discuss the specific issues that face agriculture in northern Ontario. I was very appreciative that my colleague from Nipissing arranged that and I thank him.

In respect to the program that was announced on September 10, there are 488 million new dollars. It has absolutely nothing to do with CAIS. It is 488 million new dollars. Of that money there are dollars that are going into increasing slaughter capacity. There is money that is going into set aside programs to try to bring the marketplace into balance very quickly, that is both on the fed and on the feeder side. And then finally there is new investment in trying to develop markets beyond simply the United States and to allow our producers to diversify when they are selling abroad. That is 488 million new dollars.

Beyond that, the member mentioned TISP. The TISP is not being rolled into this money. That was a separate announcement that had been made previously. All of that money will be flowed. There is a reference to TISP in the press release that was announced, but simply to say that the last of the TISP money was to be advanced by the end of this month or the first week of November, a commitment to fulfill the total payout in that.

In respect of what was said in the CAIS program is beyond everything else that was in the program. Recognizing that there were challenges in terms of producers waiting until the year after they experienced the loss, which is the way CAIS works, one reconciles the books for one year and then the payment comes the next year, realizing the necessity and the urgency of putting cash into these producers' hands, a special component of CAIS was designed to make straightforward cash advances to them very quickly. That is not the \$488 million we talked about. That is new investment to do those things that I talked about. On top of that, we dealt with ensuring the last of the TISP money was brought forward and that we made sure that we could advance more quickly at a time when producers needed the CAIS advances rather than in the following year.

**Mr. Tony Martin:** Mr. Chair, if the minister thinks I am confused, he ought to meet with the farmers in my riding. There were about 120 at a meeting a few weeks ago and there was lots of confusion about the way that money flows, or does not flow, from the federal ministry and from the provincial ministry. I am glad to hear the minister say tonight that there is in fact new money. I want him to know that we will hold him to that because we will be watching.

We have a significant number of farmers in our area who did not qualify for CAIS this year who thought they would. They played by the rules. They thought they understood how the formula worked. They applied thinking that they would get that money. They were counting on that money to get them through this winter and to hold

the banks at bay, but it did not come. There is no cheque in the mail. There is no money. These folks have been through a couple of really tough years.

The minister has to get out and talk to some more farmers. I suggest that he is probably talking to some of the leadership and some of the organizations that represent farmers. They may not be giving him the full story. He needs to get down into the grassroots and talk to farmers, like the one that is here tonight. I suggest he take a few minutes tonight to talk with my constituent who drove nine hours to be here to listen to this debate and to perhaps contribute in some way if he could to clarify the situation by letting us know what is happening to him and his neighbours.

**Mr. Jeremy Harrison (Desnethé—Missinippi—Churchill River, CPC):** Mr. Chair, this is my first intervention in this place. I would like to thank the people of Desnethé—Missinippi—Churchill River for sending me here. I hope I am able to live up to the trust they have shown in me.

My question is very short and straightforward. I would like to ask the hon. member how he can square his words of support for our agricultural producers with the lack of support shown for our agricultural producers by the NDP government in Saskatchewan which has repeatedly shown that it just does not care about rural Saskatchewan?

• (2050)

**Mr. Tony Martin:** Mr. Chair, I do not know if he is confused, but this is the federal Parliament here. We are talking about the response to this very tragic and not to be trifled with issue for farmers in my riding, and I am assuming his riding as well.

We are talking to the federal Minister of Agriculture and trying to explain to him why this program is not working and why it is that our farmers are still in stress out there.

[*Translation*]

**Hon. David Kilgour (Edmonton—Mill Woods—Beaumont, Lib.):** Mr. Chair, first of all, congratulations on your appointment.

[*English*]

Mr. Chair, as many people have said here tonight, there has never been a more urgent time for all levels of government to start addressing the problems that we have heard about tonight and finding intelligent solutions to the continuing BSE crisis which is hurting tens of thousands of families across this country.

A good many producers are becoming more frustrated at not being consulted on how the crisis should be dealt with. The federal and provincial governments have worked with industry organizations, such as the Alberta Beef Producers and the Canadian Cattlemen's Association, but some producers say that those organizations do not represent them at this particular time on this particularly vital issue.

They complain that the various government initiatives to lessen the impact of BSE have disproportionately aided large meat packing concerns and ensured a consistent oversupply of cattle at low prices at the expense of producers and taxpayers. Cargill and Lakeside, for example, have been doubly compensated since they received \$42 million after June 2003 while simultaneously benefiting from the oversupply of cattle caused by producers lacking access to the U.S. slaughter facilities.

Those who operate independently in the feedlot centre say the current situation is increasingly untenable, as colleagues know. Even with the funds that they have received from the CAIS program and other government initiatives, they are facing increasingly hostile lenders. One feedlot owner from Alberta expressed the following yesterday:

The real story of what farmers are feeling out here on the ground is not getting through to the people at the top, whether it's politicians or industry spokesmen. The banks are starting to put the death grip on some of us out here, especially the independent operators who feed exclusively their own cattle and do not custom feed for packers or Americans like ourselves. We need government to tell the banks to back off.

Without more assistance soon, some operators, as everyone in this House knows, will be forced to sell their operations to buyers from the U.S., who will benefit by picking off their farms at low prices and filling them with artificially cheap Canadian feeder animals.

Feedlot operators have also indicated to me that a 10% cap must be imposed on packer ownership of cattle. Without this the large packers are free to purchase feeders at currently depressed prices from thousands of cow calf operators, and then to contract them out to a select number of custom feedlots to be finished. At the same time that packer owned cattle are finishing, privately owned ones are doing so as well.

The large meat packers have no obligation to buy from private feedlot operators and can thus offer lower and lower prices to those who are anxious to get rid of their inventory, since the finished cattle in their possession are costing them money for maintenance and losing value as they become older and heavier.

The situation in regard to cull cows has been especially bad since they cannot be marketed domestically due to a lack of processing capacity. Nor can they be exported as live animals because they are more than 30 months of age. This has put many feedlot owners in a very severe predicament. They cannot sell these animals due to the lack of domestic slaughter capacity and yet they cannot afford to keep them as they are incurring maintenance costs on them, and banker's interest, with each passing day.

Although the new aid program announced in Calgary pledges money to support initiatives to increase domestic slaughter capacity, it has proven problematic for those attempting to secure financing to build plants to slaughter animals over 30 months of age. The current proposal is simply unworkable they say, because no financial institution will agree to accept a 60% liability for losses on loans which they deem to be high risk. This problem must be solved soon because if it is not, very little if any new slaughter capacity will come on line to absorb the glut, or the wall of beef as it has been put, and a lot of money will simply go to waste.

One key lesson we can all take from this crisis is that Canada needs to diversify our exports, as other members have mentioned. Canadians consume about 28% of our production. The rest must be exported. In the past the customer of choice of course has been overwhelmingly the United States. With the U.S. refusing to accept live animal exports, it becomes exceedingly urgent that Canada find other markets for beef. Australia, by the way, exports its beef to more than 100 countries.

● (2055)

Before foreign customers are willing to accept our beef, their consumers need to know—we know it but they need to be assured—that it is safe. Providing meat packers with the regulatory and financial support to allow them to implement private BSE testing systems as part of their operations would provide this assistance.

There have been arguments, as we all know, about how private testing is unnecessary and expensive, but the reality is that foreign consumers require assurances concerning the safety of our beef, which they are currently not getting. Japan and South Korea have already indicated that they will accept Canadian beef exports provided all animals are screened for BSE. I believe the added cost of setting up regulatory and support for private testing is a small price to pay in comparison to the almost complete lack of access that Canadian beef is faced with at present.

Through private testing, we have the opportunity to turn tragedy into triumph. Once Canadian meat packers begin testing privately for BSE, they will be able to boast that Canadian beef is not only the best in the world but it is also the safest. That in effect would be a huge competitive advantage for Canadian beef and it would help the industry to thrive.

Finally, reopening the U.S. border is not the panacea to the troubles of the beef industry that some seem to think, although we all want it open. Without a strategy for diversifying the customers of Canadian beef, history could end up repeating itself. We could once again be faced with a situation where one BSE-positive cow, as the Leader of the Opposition pointed out, would threaten to destroy our entire industry again.

Producers have recognized that getting the U.S. to allow Canadian beef will not ensure the long term stability of the beef industry. Let us support their efforts in finding a lasting solution rather than trying to impose one on them.

Allow me to end with this plea for help from a Ponoka region producer. She said:

This is an emergency call...Farmers are getting more disillusioned every day...we have a wealth of knowledge and know-how that needs to be passed down to the next generation that is going to feed the world, and yet there is no one to stand up and do the job...When we all go broke from trying, or die from broken hearts and broken spirits, all Canada will be losers.

**Mr. Kevin Sorenson (Crowfoot, CPC):** Mr. Chair, I want to thank you for allowing us to have this debate this evening. It is the main issue in my riding, as I am sure you understand. Mine is a rural riding that is feeling the effects of the biggest crisis agriculture has faced for decades.

Tonight I want to thank the government, that is, the Alberta government, for stepping up to the plate first, for having a minister who understands the industry and understands the crisis in responding to the degree that she has, and it is not just the minister but in fact the entire government.

The Canadian Cattlemen's Association said in its report, "It is important to recognize that the elements of this plan"—its plan—"are interrelated and cannot be considered independent of each other".

The program that this government has come up with is absolutely contingent on a number of things happening if it is going to be viewed as a success. First, if the border is to open, many producers, many individuals in the industry, view that as being a possible saviour, as allowing the industry to carry on. The second part, though, is that slaughter capacity must be increased. The extra supply of beef that needs to be processed if it is going to leave this country is an imperative.

This program has a number of different facets to it, but if slaughter capacity is not increased everything else falls apart.

Today I had a call from a constituent who is prepared to move ahead with a slaughter facility in Alberta, a facility that could cost \$55 million. It has already secured between \$20 million and \$25 million. Now when the banks are approached, the banks say that because the federal government has stepped up with such small amounts, a \$66 million loan loss reserve fund, much less than many lending institutions ever imagined, they are starting to back away. They say the risk is still too high.

So all the set-aside programs and all the other programs are being jeopardized if we cannot see more capacity resolved. There is nothing in this plan about tax incentives for those who would invest risk capital into start-up projects, either to increase existing plants or to begin new plants. There is nothing in the plan about long term tax incentives for those new plants to start.

Again, a loan loss reserve fund that gives a small degree of security or satisfaction to the lending institutions is perhaps part of it, but why did the government miss an opportunity to tell individuals that if they are putting up money it will make sure that there will be tax incentives that will help them in the long term. Why did the government miss on that?

• (2100)

**Hon. David Kilgour:** Mr. Chair, I would point out to the member from Crowfoot the quote at the end of my talk was one from one of his constituents. He probably knows her.

**Mr. Kevin Sorenson:** Not in Ponoka.

**Hon. David Kilgour:** In any event, I agree with the member's premise that we must have more capacity and this loan loss formula is not working. I had a call yesterday from somebody in southern Alberta who said basically what the member just said: the banks will not touch it. They have basically said they will not deal with it. They say to pull it back and replace with something that will work and then they will do it.

I do not know how many new plants the member thinks we can have in Alberta. I gather the proposal is for about 25. We cannot have 25 new plants. We must have proposals that will work whether the border is open or not. I gather from talking to people, as the member does, that there are three or four proposals that would be viable whether the border is open or not. I think he is probably referring to a proposal from a former member of Parliament, if I am

not mistaken, who has done a lot of extremely good work on the matter.

**Mr. Gerry Ritz (Battlefords—Lloydminster, CPC):** Mr. Chair, the member opposite sat on the same committee as I did in the heat of all of this BSE controversy. He is starting to talk as though testing is the answer, to say that there are countries just waiting to buy if we test these animals. I have had meetings with a lot of the ambassadors and the purchasers and so on from those countries. Unfortunately, none of them, not one of them, even Japan, is ready to sign on a purchase order if we test an animal.

My concern is that we can do it—and maybe that is part of the solution—but there is a cost of \$30 a test for every animal or \$200 a test if we take the expanded one. Increased freezer space is needed, as is an increase in CFIA inspection vets, who are poised to go on strike in a little while. We are already short-staffed with CFIA. They are overburdened now. Plus, we need lab space to do all the testing. How does the minister square all that when saying that testing is the answer when we physically do not have the infrastructure or the people to do it?

**Hon. David Kilgour:** Mr. Chair, I understand that this month there is a test that hopefully is going to be approved by the EU, which will cost something like \$10 or \$20 an animal.

**Mr. Gerry Ritz:** They don't sell those—

**Hon. David Kilgour:** No, the test will be developed and we could use it in Edmonton, Calgary, Crowfoot or anywhere else.

The point is that if we go to Japan, as I think the member would realize, they say, "If you will test your animals, we will let your beef in". They may not sign a purchase order but they have indicated—

**Mr. Gerry Ritz:** No, they won't.

**Hon. David Kilgour:** How can they deny our animals into Japan when they have the same rule for their own animals? They all have to be tested.

**Mr. Gerry Ritz:** Or they're backing out.

**Hon. David Kilgour:** They have their rule at the moment. I am sure my colleagues have had people come to them and say, "If you'll test every animal, we'll let your animals into Japan for now". How can they deny it?

I accept the member's point that they have not signed any purchase orders. That is a fair comment.

• (2105)

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, I listened to my colleague's comments very intently. I am really a little bit confused because he talked about opening the border not necessarily being a solution. He talked about testing the animals as being a solution. He talked about the monopoly that has been identified within the province of Alberta and across the country with the packing plants' ownership of animals.

All of those points are interesting, but the member's government has come out with a program that is at least eight months late, probably a year late. It was done in consultation with the industry and hopefully with all the member's colleagues.

I am sitting here a little dumbfounded trying to discern exactly where the member is coming from with regard to the proposal that is on the table from the government as a solution for the BSE problem. Perhaps it is a flashback in the member's past. Maybe he is on the wrong side of the floor. I would like you to explain to us in the House exactly what you think of the proposal that is before the industry at this time.

**The Chair:** I am intervening to say that although we are in committee of the whole, maybe we should use third person and riding name references. It would perhaps be easier.

**Hon. David Kilgour:** Mr. Chair, I made it clear in my talk and in response to the question that I think there is a serious problem with the loan provision. That has been made clear to all of us. The banks are not going to go for that. Therefore, it has to be changed and I have indicated that to the Minister of Agriculture and the President of the Treasury Board. It has to be changed quickly, because if we do not get the shovels in the ground before freeze-up in our province, it is going to be too late and the set-asides and everything else are not going to work.

We have to find a way of getting the banks, the credit unions and other people to provide money to help some of these plants, at least two or three of them, go ahead before the snow flies. The present proposal, as I have said as clearly as I can, is not acceptable to the lenders.

**Mr. Myron Thompson (Wild Rose, CPC):** Mr. Chair, I have a quick question and comment. I am well aware of our counterparts in the U.S. having been to the Far East on a regular, constant basis, negotiating almost daily, working hard to try to get some contracts going and open the borders. I am also quite aware that the Japanese test every animal. Yet if testing every animal is the answer to opening the borders, then I am wondering why Canada has not opened the border to Japan. That was closed off and today it remains closed.

If our American counterparts are there lobbying hard to try for these markets, let me ask the member, where are his government's people? Why are they not over there? Why are we not on the site? Why are we not fighting hard for these markets the same way they are? Instead we stay at home and talk about what we have to do, but there is no action.

Could the member explain to me why his government has not sent a lobby group, along with our friends to the south, to the Far East on a regular basis constantly since this crisis began to work hard at getting some deals going? Why not?

**Hon. David Kilgour:** Mr. Chair, the member who is sitting about a metre away from my colleague will recall that in the committee I think I suggested that we have to open our markets to Japanese animals too and to anybody else. I will tell my hon. colleague that I was in Tokyo in an earlier life and pleaded with the former minister of agriculture there to open up to Canadian beef. I agree it was not put as explicitly as he and I would have liked them to put it, but basically what he said was, "If you will test every animal, we will let your beef into Japan". As the member just said a minute ago, Japan tests every one of its animals. How can we deny it?

I also accept the point made by the member for Crowfoot that the U.S. is very anxious to get into Japan. A lot of people in Washington

seem to think we will not get into the U.S. market until Japan opens up to the U.S. and that is a reality that we seem—

**An hon. member:** The U.S. sure isn't waiting for us—

**The Chair:** Resuming debate.

**Mr. Gerry Ritz (Battlefords—Lloydminster, CPC):** Mr. Chair, it is kind of with a torn heart that I speak here again. I am very thankful to the constituents of Battlefords—Lloydminster who re-elected me to this place to continue this fight, but it is in continuing this fight that I have a heavy heart. We are a year and a half into this crisis. We are talking tonight about the very fundamental problem that we had a year and a half ago, and we are no closer to any sort of solutions.

I agree with the minister that we have to get past this partisanship and work in cooperation to try to come up with programs and policies that will see us through this crisis, and it is a crisis. It goes across the spectrum of the livestock industry. Every type of livestock out there is affected, and everybody who has inputs, or processing or handling of that livestock is feeling this crisis. They are feeling the pinch right in their wallets, so it is reflected out on the main streets right across Canada. We are seeing that. The government will see that in Revenue Canada because the taxation will not come in.

How has the government reacted? We have seen ad hoc program after ad hoc program. It has been given a passing grade on some and a failing grade on others. The problem is the government has not reacted to the failing grade programs. It continues to try to build on that flawed foundation, and that is the CAIS program.

The minister, who has only been the minister for a couple of months, is the third Liberal agricultural minister to promise a review of a program that is two years old and still has not started. People can try to get an advance from 2003, which was the first year. It takes 90 to 120 days for them to process the applications to even tell people if they qualify. That is not acceptable. We have cash-strapped farms and farm families who cannot even get a reply back from the minister and his bureaucrats.

When we talk to the bureaucrats, they say that they are ready to go. They just need somebody to push the start button. When we talk to the minister's people, they say that they do know what is holding up those darn bureaucrats. Somewhere in the pipeline it got clogged. The money is not getting through. The finance minister stood here earlier today and said boldfaced that \$1.8 billion had gone out. It has not left Ottawa. Less than half of it got pried out of the finance minister's fingers, and out of that we got about a 37% administration rate on the clawbacks and everything else that is happening. The government is not helping. It is sending a message to urban Canadian consumers that it is doing everything it can to backstop that safe, secure food supply, but in reality it is not.

The Liberals are frustrating the producers out there on the land because all these programs hit the headlines in the big papers. The *Toronto Star*, the largest daily paper in Canada, even gives these guys a failing grade on this BSE crisis. It said that they were sleepwalking through it. That is an urban paper in downtown Toronto which gets that these guys are sleepwalking through this crisis.

How do we fix this? I guess the first thing we do is that if they are going to use CAIS as the pipeline, they have to get rid of the cash on deposit. The only way to explain that is that anyone who wants to insure a house for \$100,000 has to put \$20,000 in a bank account before the insurance company will sell the person a premium. That is what the cash on deposit does to farmers. If they have the cash, they do not need the program. If they do not have the cash, they cannot get into the program. It is double jeopardy and it is absolutely ridiculous. The bureaucrat or the minister who came up with that needs to be hung at dawn.

Inventory values are being based upon closing inventory rather than opening inventory. Guess what? They went down, so right away they are kicking people off the program. The ones who need it cannot get it.

Less than 25% of producers across the country had applied for CAIS as of last spring. We have those numbers from Agriculture Canada itself. There are reasons for that: the cash on deposit; the inventory values; and the problems we face year after year after year using that five year olympic average. Nobody qualifies. It is a shell game or phantom money, as our critic said awhile ago.

The problem with CAIS too is it cannot handle the program it was designed to do and now the Liberals are adding more work to it with this latest announcement of money that will never go anywhere. Announcements that are not bankable and that do not help are only a frustration. They are a hindrance and a hurdle for everybody to work around.

They want to put some money into processing and that is great and is part of the solution here. Thirty-eight million dollars will not go very far, but apply that to provincial plants that can be upgraded very quickly and apply that to existing plants that only need a floor grain moved, let us look the other way for awhile, and let us get this processing ramped up. I could go on and on for hours about everything that has gone wrong with this.

We started to have a panel that went to the OIE to say that it was minimal risk outbreak and asked for that trading system for North

America. We have dropped the ball on that. Nobody else is going to help us. We have to help ourselves and we have nobody left doing that.

• (2110)

We still have not implemented the five points the international panel gave us a year ago in July. No wonder everyone is giving us the bum's rush when we try to sell them product. We should get on with the job at hand, forget these goofy announcements that do not help anybody and let us get rolling.

• (2115)

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Chair, I thank the hon. member for his intervention. I just want to make a couple of passing comments and then ask the hon. member a question.

I will just read from this: "BSE recovery program \$465 million, disbursed; Cull animal program \$110 million, disbursed; TISP \$567 million disbursed; CAIS program for 2004, \$250 million disbursed". Phantom? I think not.

Phantom payments and bad announcements, maybe he would like to reconcile that with the position of the Canadian Cattlemen's Association that indicated they were fully supportive of the initiative that was put forward on September 10 and fully supportive of its design components. Maybe he would care to comment as to why the Canadian Cattlemen's Association is wrong in that support.

On a very technical issue, the member talked about unrealized equity losses and the need to deal with them. I would be interested because I think that is important. That is an issue with which we need to deal. How would he also deal with, at the same time, unrealized equity gains and how we would do a design so that we could capture both of those if we were to deal with equity losses?

**Mr. Gerry Ritz:** Mr. Chair, there are a number of interventions there. I may have to have you read back the minutes so I do not miss anything.

The big thing he is pointing to is the CCA endorsement of this on September 10. There is an amazing thing to that. I think he will recognize the name Stan Eby. He is now the president of the CCA. Stan actually phoned me on Wednesday, September 8 and asked for help from the opposition party for any lobbying we could do because he could not get the minister to act on any program.

Two days later the minister made the announcement, and I read in the paper that Mr. Eby was on side and everything was wonderful. If he had been in the full consultation process, how could he have phoned me two days before and say that he could not get the minister to do something? He liked our idea about recalling the parliamentary committee and asked if we could put some pressure on these guys to get rolling. That was two days before the announcement, but the minister said that he was fully behind him. I think maybe he came on side after he saw some cash waved under his nose.

The CCA, as well as the CFA and these other folks, also say that CAIS is not the delivery mechanism. They are saying it will not work. They are already saying announce another program, but give them a vehicle that can actually deliver the program. There are still no forms on the web. The minister is talking about dollars that have been dispersed. They have not even been okayed by Treasury Board yet. He is getting the cart before the horse.

It just goes on and on. What he thinks is reality with in the Ottawa bubble is bureaucratic hog heaven because it is going around and around in this place. The dollars are not getting into the mailboxes. There is not a producer out there that wants to farm the mailbox. They just want a decent return on what they are doing. They are working hard to stay in business in spite of what the government says it is doing.

**Hon. Andy Mitchell:** Mr. Chair, I just have a point and I know the hon. member did not mean it this way. I know Mr. Eby and he is a honourable man. To suggest that his actions were motivated because somebody waved money under his nose, I do not think the hon. member meant to say that. I think that he may want to suggest something different.

**Mr. Gerry Ritz:** Mr. Chair, producers out there, including Mr. Eby, are grasping at straws. They will take anything that happens. They keep thinking one of these programs has to work. They cannot all be dismal failures, yet they are. We saw an announcement a month ago, and still no forms. We are seeing announcements made without consultations with the provinces that are supposed to pony up their 40%. All of a sudden these announcements come out of left field because the politics say that the government has to do something right now. Let us get the politics out of these announcements, make them practical, make them bankable and get on with the job.

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, it is a great privilege and a pleasure of mine to stand on behalf of the people of Yellowhead to address this issue.

This is a very important issue for Yellowhead. I take my job as representing the people of Yellowhead very seriously. This also is an issue that comes very close to home. I was raised on a farm and my full time career was working on that farm. Most of my life I was a dairy farmer. As well, I crop land farm, beef farm and I have an Elk herd. We have passed that on to our eldest son. It is the fourth generation within this—

**An hon. member:** That is child abuse.

**Mr. Rob Merrifield:** Yes, I could be accused of child abuse. That is true. In some ways it is not all good news.

Nonetheless, the people of Yellowhead are very concerned about this issue. Not only are they dealing with the BSE crisis, but people in my riding just came through two years of severe drought and a severe grasshopper problem which has put them on their knees. The BSE situation is not the straw that broke the camel's back. It is the absolute life-support cases. My office my staff tell me that they are fielding calls quite often from people considering extreme situations, as much as to say that they are looking at possible suicide. When we start receiving those calls, it is very serious.

We can say that this is a Canadian-U.S. problem. I think that was described very clearly by our leader this evening, and that is absolutely true. We can say that is a solution at which we could work. As far as opening the border, we cannot control what the United States does. We certainly can control how we react to this situation in Canada and how we support the industry or not support the industry. That is exactly what we need to do.

When we talk about the United States and our relationship, I was with an interparliamentary group this spring. We went to the United States to talk to a number of the congressmen. Most of them thought the border was open. They had absolutely no idea of the intensity of the problem in Canada, nor the impact it was having. They were looking at what was happening under their own noses.

When we have a ruined relationship with our largest trading partner, it will cause absolute havoc, not only with BSE in the cattle industry, but in many of the other industries. Of our export trade, 85% to 87% is with the United States. We had better start nurturing that relationship and we had better start doing it quickly. I share that with the members in the debate because it is paramount.

The government thought the Americans would open the border by the end of the summer. Government members crossed their fingers hoping that would happen. The program is more than a year late. It is about a year and a half since the time the first cow came down with BSE in Canada. Since that time, the impact on our industry has been absolutely devastating and it has been described in many ways.

In the little time I have left I want to talk specifically about the program that was announced on September 10 and how it has miscued. First, I have to address the problem of the other ruminants that have been impacted just as severely as the beef industry, namely elk, deer, bison, sheep, goat and lama. These individual producers, through no fault of their own, have been impacted by BSE. It is not about science; it is about politics. It is the worst kind of politics that has influenced and impacted these agricultural communities. We have to support them.

We were looking for some sort of indication in the throne speech for support for the agriculture industry. We did not get that. It is unfortunate because the agriculture industry is certainly looking for it. It needs it now. The industry is questioning whether the government is playing politics not only with the United States, but with the lives of farmers and those of their families. I saw that happen with the government over this last summer, and it has to stop.

I was on the phone just a few hours ago with the ministry of agriculture in Alberta. I asked about the program and about the intense conversations with the federal government. The inflexibility with the dates has to stop. The minister said that he will have a program that will be flexible. He had better back that up. The flexibility has to be there and we have to understand the difference.

Alberta represents 45% of the beef industry in the country. It needs the ability to be flexible and it needs to understand that it is part of this program as well. It needs to be respected to that degree.

• (2120)

When the set aside program was first announced it was going to be 40% but now it is being talked about backing that off to 28%. I would like the minister to comment on that. I would also like to know whether he will allow October 1 to be the start date of this program.

We also have to understand that just because the set aside program is there, these individuals will get \$200 as long as the animal does not go to slaughter. They have to be able to sell that animal and not be restricted to the point where it depreciates to a value that is not any good.

I could go on but I know my time is up. There are lots of things I could say about this program not meeting the needs of farmers and they have to be addressed by the government.

• (2125)

**Hon. Andy Mitchell:** Mr. Chair, the hon. member talked about another important issue with regard to other ruminants and the importance of dealing with them as well. With respect to the program that I announced regarding the development of increased slaughter capacity, it would apply to them but they have their own set of issues.

I just want to mention to the hon. member and all hon. members in the House that a sheep summit, which my department helped to organize, is taking place here in Ottawa tomorrow morning. I will be meeting with a range of producers and others in their value chain, specifically with the sheep industry, but others as well, to address their issues. I am appreciative of the member bringing out the fact that there are other issues such as ruminants.

I agree with him with regard to his other point. We do need to make sure that we have flexibility in the program. I quite clearly demonstrated that. Contrary to what other members have said, I have met with my provincial colleagues on four occasions since being made minister essentially to consult on how to put together this particular BSE program. We have to make sure we have a platform that works for all of the provinces. I understand that it is important for Alberta and a percentage of the industry. However the needs and concerns of other provincial players who have a significant portion of that industry need to be taken into account as well.

**Mr. Rob Merrifield:** Mr. Chair, I appreciate the minister's comments with regard to other ruminants. It is unfortunate this program has taken so long to come forward, really at the 12th hour. The minister has not consulted with regard to other ruminants which have been terribly impacted. I challenge him to make sure they are looked after.

I appreciate that he is meeting with the sheep and goat group tomorrow. I have also talked to those groups. I have also talked to individuals involved in the elk, bison and deer industries which have been impacted just as severely. Some of them have been impacted more so because of a chronic wasting disease in the elk industry which has impacted them for three or four years. They are into their fifth year of absolute disaster. However I do respect what the minister said.

With regard to this program being flexible, he is absolutely right in the sense that all provinces have it differently and the way the

provinces approach the program will be somewhat different. I challenge the minister to be flexible enough to recognize the needs of the provinces and the fact that they are part of this program, and that when they come up with solutions, to be flexible. In speaking with the minister's office today I understand that those negotiations have been rather rigid. I impress upon the minister to make sure that this program actually works. We are here to help the minister, the government and all Canadians by holding the minister's feet to the fire.

I was a little upset this summer when the minister went into the meeting saying that he would consult this summer. However when we asked for the ag committee to be struck in July so a program could be in place sooner rather than later, our request fell on deaf ears. I find that absolutely appalling.

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Mr. Chair, it is a pleasure to stand and speak in this chamber for the first time. I must say, as many others before me have said, that it is truly an honour to stand here and speak. We have all read newspaper reports and watched other parliamentarians on television but to be here is something that is both very humbling and a great honour.

I was also told that at the first opportunity I should stand and say some words about my riding. I want to thank the voters of Regina—Lumsden—Lake Centre for placing their trust in me. I should also say, as probably every other rookie MP has, that when people think about what they are going to say they do a little practising in front of the mirror or speak out loud.

I have to tell everyone a story. Just this morning one of my staff members overheard me practising what I would say if I got up on my feet. Unfortunately I said that I would like to thank the voters of Regina—Lumsden—Lake Centre for the wisdom they placed in me. My staff member said that would not only be highly inappropriate but highly inaccurate. I want to be sure to thank the voters for placing their trust in me.

I do not profess to be an expert in agriculture. I am far from it. I am somewhat in awe of all of the learned colleagues around me speaking on this issue, but I do know a couple of things through consultation with producers in my constituency and the research that I have done. It certainly appears to me and I think I can say without equivocation that the CAIS program is a fundamentally flawed program.

I do not know, however, one simple thing. I have heard all of the problems associated with CAISP on many different levels and I have heard many people say that it could be problems with the bureaucrats or problems with the politicians.

I would ask the member for Yellowhead one simple question. If he were minister for a day, would he please expand upon and quickly provide to me one or two things that he would do to ensure one simple thing, how he would get money to the producers in a more timely fashion.

• (2130)

**Mr. Rob Merrifield:** Mr. Chair, the member is absolutely right. CAISP is being used as a vehicle. CAISP is absolutely swamped. It has been a disaster for the time period that it has been in existence. Now we are asking it to administer another program that was announced on September 10. If we are going to do that, then we have to add the resources to the program and to the people who are administering the program in order for it to comply with the things we are asking it to do. If we fail to do that, then we are asking for disaster.

The member is absolutely right, and others have spoken about it this evening, the CAIS program is not meeting the needs and is not getting the money into the hands of the people who need it the most at the present time, the farmers. The farm gate is where the money has to be and it has to be there now.

**Hon. Paul Harold Macklin (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.):** Mr. Chair, it is a pleasure to have this opportunity to stand before this august group this evening and to discuss the issues before us.

Last week I had the opportunity in my riding of Northumberland—Quinte West in Ontario to meet with the executive of my local cattlemen's association and to discuss with them for a period of two hours the issues that they saw within their area and what they felt we ought to be doing.

I know that each and every one of us when we come to this place would like to come with solutions but sometimes in a take note debate we also have to come with a sharing of support for others who have worked within the system and have done immeasurably good work and to give them credit.

I know when we spoke last week the farmers were concerned, and it has been expressed tonight, as to how we get the details of this program that has been set forward. How do we find out when it will start to actually move forward? Tonight we have actually heard from the minister some of those timing elements and where they actually will come into play.

I believe there is a true focus at this point in terms of going forward with this. It has been a process to get to this focus that has taken some time. We cannot simply reposition an entire industry in the wink of an eye, especially when we sit back and look at how we have gotten to this place. I think a lot of us held hope that the border would open earlier and that in fact we would have that opportunity to once again engage in the harmonized North American market.

However, as luck would have it, and as it has turned out that did not happen, we at least have been able to establish within the industry at large that in fact a repositioning was something that was meaningful and that had to be followed up with.

Repositioning is obviously something that takes time. It does not happen overnight. The reality is that it appears that all of the players within the areas of concern have been working together to try to achieve this goal.

What we see represented in the thinking and the philosophy that was presented by the minister this evening is a positive philosophy and approach. I do believe there is opportunity now for us to try to

put some balance back into the market, get some money into the producer's hands and to build that capacity that we were talking about that seems to be missing.

One of the issues that I would say we want to pay respect to in this process of BSE, has to do with those who have been dealing with the safety of our food. We are all concerned about the safety of the food we eat and the drugs we take. It does not matter whether we are talking about the beef industry or any other industry where our food safety is concerned. We clearly want to take all the precautions that we should to make sure that the industry is protected.

In this particular case, BSE is something that really did have some elements of protection built in through the system that we have in Canada. I think it is important that we review some of those processes that are there.

As it has been said a number of times today and on previous occasions in this House, we have one of the safest food supplies in the world. I cannot disagree with that. Canada has a multi-layered system where we are always working with a network of federal, provincial, territorial and local government departments, ministries and other agencies that combine with the private sector to make sure we are protecting the food from gate to plate.

Through the emergence of BSE in this country, Canada has had very unfortunate consequences for our cattlemen and the cattle producers, but at least we can say from the positive side that the detection and diversion of the infected animal away from the human food chain demonstrates that the Canadian food safety system worked in the detection and response to that threat.

• (2135)

It is extremely important that we note that, once the first case of BSE was confirmed, the full spectrum of partners within the Canadian food safety system became engaged. It was well demonstrated that the various departments and agencies came together, and CFIA did take the lead and did a very positive job for us.

There is a great deal of importance to be placed on this because if our food safety system is not in place and operating well then what happened with this one animal could have had absolutely unbelievable consequences with respect to what has been previously demonstrated tonight in debate concerning the confidence of the Canadian consumer.

As we look at this issue, clearly that has been a very important part of the acceptance of our safety system by other countries because they have looked at us and they have seen the reaction of our consumers to our system. It is very important that we look at that as a measure of protection in the public sector that has been positive.

For example, taking the specific risk material out of our food chain at the point of slaughter was announced in July 2003. That was a very important part of this process and of course that specific risk material is composed of tissues that in BSE infected cattle contain an agent that may transmit that particular disease.

In diseased animals the infected agent is concentrated in tissues located in the brain and spinal cord. Many international observers have marvelled at the fact that there was no mass panic among Canadian consumers and that there was not the mass hysteria about the safety of beef in this country that there was in Europe and in Japan when the disease first emerged in those parts of the world.

The fact that Canadians have continued to buy beef during the months that followed the detection of that first case of BSE is reflective of the high level of confidence that Canadian consumers have in our food safety system. That consumer confidence was not altered even after the finding of that second Canadian cow that had BSE in the United States. The public confidence in our food system was very important.

Canadians believe that every effort is being made to provide a food inspection system that ensures that sick animals do not get processed into meat and that our government food inspection authorities verify the removal of the specific risk material at slaughter, and ensure that the proper processing and packing practices are followed in this country.

It is important that we acknowledge the great work done by the government officials who worked so hard and effectively to ensure that the right mechanisms were and are in place to manage these issues on our behalf. The public's trust in our food safety and food inspection system is extremely important. If it were not for CFIA and Health Canada being pro-active in developing a number of counter measures to deal with these threats, the results could have been significantly different.

When we look at this whole issue, it comes down to a great deal of reliance upon science and the science-based approach to dealing with this issue. Yes, we are having difficulty convincing some of our trading partners that it is the basis upon which we should go forward. However, that science is what has made and helped to maintain our consumer in this country as a positive force in this fight to keep our beef producers in business.

I want to thank everyone who is engaging in this debate. It is important that we do so. I certainly hope that we will look forward to days in the very near future when this will be something that was just an event that happened in the industry and we have recovered.

• (2140)

**Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC):** Mr. Chair, it gives me great pleasure to speak through you to the hon. member across the floor.

My first thoughts were that we should take a sample of what was in his glass tonight. He started out very clearly representing that Canadian food was not safe. We have the safest food in the world, bar none.

As said earlier by my leader tonight, our consumers in Canada proved to us how safe our Canadian beef was. The last figures that I have seen show consumption in this country having gone up a little over 5%. Although the member recovered a little later on in his comments, I took exception to that. I think it needs to be pointed out that we have the proudest farmers and the safest food in the world.

**Hon. Paul Harold Macklin:** Mr. Chair, there is no question that is true. I want to emphasize tonight that fact that has been developed

through a system of mutual respect. I think the respect is for the agencies that we have in place and the wonderful job that they do in inspection, setting out guidelines, and establishing specifications for the way in which our meat is slaughtered, ultimately packed and transported.

Within our agricultural system we have the concept of protection from gate to plate with the tracking system. As the minister mentioned tonight, he is prepared to work with others who do not have the tracking system but would like to have a tracking and tracing system in place. He is prepared to look at and work toward establishing that in other areas.

Clearly and without any question Canadians respect the system that is in place. Our consumers have actually increased their consumption of beef which I think is an absolute and complete endorsement of the way in which we are protecting food safety in this country.

• (2145)

[*Translation*]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, I have listened to the remarks of the hon. member and parliamentary secretary. I would like him to ask the Minister of Agriculture and Agri-Food, who seems to have travelled extensively in Canada, to visit Abitibi—Témiscamingue, which is not too far away, just to take stock of the catastrophic situation that has been caused these past few months.

The government has introduced five programs, none of which are working. Initially, the CAISP was supposed to be in place for a very short time, between six and twelve months perhaps, until the borders reopened. Unfortunately, it was not foreseen that the situation would continue, as it does to this day.

Ways must be found to adapt the programs to the regions, rather than adapt the regions to the programs. If the hon. parliamentary secretary could bring this matter to the minister and ask him to adapt the programs to the regions, and not the other way around, this would already go a very long way toward resolving the problem.

[*English*]

**Hon. Paul Harold Macklin:** Mr. Chair, the hon. member has a point that in fact we need to always be reviewing existing programs to ensure that they fit the needs of the people in the various regions.

It is very difficult to find programming that will be universal without having to make fine tuning adjustments. The minister has indicated that a review process is an ongoing process in terms of programming to see whether in fact there can be improvement.

Each and every one of us knows that when we look back at the programming, and in particular when we look back at CAISP although there is criticism of CAISP, it was a program that was developed after many months of consultations from coast to coast with group after group after group.

At the end of the day, yes, there are still areas that need to be re-examined and looked at to see if we can fine tune them to make them more responsive to the individual. It is always a challenge to get meaningful national programs.

**Mr. Andrew Scheer (Regina—Qu'Appelle, CPC):** Mr. Chair, like many of my colleagues, I am speaking for the first time in this great legislature. I would like to take a few seconds to very sincerely thank the voters in my riding of Regina—Qu'Appelle.

My riding does have a significant rural component and that seat had been held for almost 40 years by the NDP. Yet, this election they placed their trust in myself and in the Conservative Party to represent them. I know that my party, my colleagues and critics will not let the riding down. I will work my hardest over the next few months and years to ensure that I do not let them down either.

Like any good rookie member of Parliament, I have read my Marleau and Montpetit from cover to cover and I know that I am not supposed to point out the absence of members in the chamber, so I will not mention the complete lack of NDP members of Parliament in this debate; however, I think that their absence here has a direct correlation to their electoral results in the last election because they have ignored Saskatchewan.

• (2150)

**Hon. Wayne Easter:** Mr. Chair, on a point of order. If the hon. member opposite, as he indicated, had read Marleau and Montpetit from cover to cover, he would know that he cannot say who is or who is not in the House during debate, and he should be corrected for that and brought to order.

**The Deputy Chair:** You are absolutely right. He forgot about that page but he now remembers. The member for Regina—Qu'Appelle.

**Mr. Andrew Scheer:** Mr. Chair, I will point out that the NDP has completely ignored rural Saskatchewan and Saskatchewan in general federally, and of course provincially, we have seen similar things.

I do have one quick and simple question for the hon. member who just spoke. I was in Regina when the agriculture minister and the Minister of Finance came and presented this package with much fanfare. Both of them that day made several mentions of all the new money that they had provided for this relief program.

The minister mentioned today that some of it now is not in fact going to be new money. Why have they always lauded the fact that they are providing new money when advances on the CAISPs are not new money? An advance cannot be new dollars put into a program. It is money that is there anyway and people would just have access to it faster. Could the hon. member clarify that?

**Hon. Andy Mitchell:** Mr. Chair, I know the hon. member was there for the press conference so I am surprised that he may not have heard what was said. As I said before—

**The Deputy Chair:** Mr. Minister, the question or comment was made to the Parliamentary Secretary to the Minister of Justice and Attorney General, so if you do not mind, I would ask the parliamentary secretary to answer please.

**Hon. Paul Harold Macklin:** Mr. Chair, I know that we do not have the normal power as in other institutions where we would simply cede to another member to answer on one's behalf. We see this in the British house where in fact one can cede to another member.

However, let us go back to the issue at hand and that was whether or not, in that announcement, there was old money included in that

\$488 million. As I understand it, and the minister clarified this earlier this evening before the House, the \$488 million that was in that package was all new money.

[Translation]

**Mr. Roger Gaudet (Montcalm, BQ):** Mr. Speaker, I take this opportunity to thank warmly all the voters in the riding of Montcalm who, in the June 28 election, re-elected me with the largest majority in Quebec. My thanks also to all the volunteers who made it possible for 71.2% of voters to vote for me. Thanks again.

Let us come back to tonight's debate. Agriculture is getting a rough ride from Ottawa. Few countries have let their farming sector down as badly as Canada has while the Prime Minister was the finance minister. Today, farm producers have less support than ever, even though they are in the middle of a crisis caused by the slump in prices and the mad cow crisis.

When Ottawa steps in, it is to implement national measures that do not meet the needs of producers in Quebec. The farming sector in Quebec is different from the farming sector in Canada. They are not structured the same way and do not have the same needs.

Quebec was affected in two ways by this crisis that should not have affected it at all. The discovery of a case of mad cow disease in Alberta in May 2003 and the American embargo that followed have resulted in a deep slump for Quebec's cattle industry. If Quebec were sovereign and had control over its borders and health policies, it would not be subject to the American embargo.

The situation is particularly frustrating for Quebec producers who have long been subjected to stricter rules than the Canadian ones, in order to ensure herd safety and irrefragable product quality.

We have been hearing about nothing but asymmetry for the past month. Ottawa, which claims to be open to special agreements with Quebec, ought to waste no time holding discussions with the Quebec authorities in order to decentralize the entire food inspection system and divide Canada into several different health regions. Regionalization of health practices would allow Quebec producers to be spared such a crisis in future and will allow Quebec to showcase its excellent practices.

Here is one conclusive example of the superiority of Quebec's system: cattle tagging. Implanting cattle with tags for tracing purposes was implemented in Canada and in Quebec at the same time. Quebec producers had until June 2002 to tag their cattle. The main differences between Canada and Quebec are as follows. Quebec has a centralized data base. In Canada, the tag distributors keep a record of the numbers assigned to each producer and they submit this information to the data base of the Canada Food Inspection Agency's national cattle identification program.

In Quebec the information is gathered every time the animal makes a move: birth, death, attendance at an agricultural fair, sale to a breeder and so on. In Canada, only birth and death information are gathered, nothing in between.

We can continue. There is the example of the American chicken with Newcastle disease. The territorial approach is good for everyone but Quebec? And yet, Canada itself used this approach less than a year ago.

Newcastle disease is a contagious and deadly viral disease affecting all species of birds, but more specifically poultry flocks. It is probably one of the most infectious diseases affecting poultry in the world. It can decimate an unvaccinated flock. Various American states were affected.

What did the CFIA do? In April 2003, it imposed restrictions on import and entrance into the country, but only the three states affected: California, Nevada and Arizona.

There is as well the case of PEI potatoes of October 31, 2000. The US agriculture secretary banned all imports of potatoes from Prince Edward Island because of potato scab. PEI alone was affected by the crisis.

Ottawa must quickly initiate discussions with Quebec and the other provinces in order to decentralize the food inspection system. If a regional approach to health practices had been in place last year, Quebec producers would have been spared the crisis.

The mad cow problem should have been regionalized and not spread across Canada for no reason. When the problem appeared in France, for example, Italy did not panic. The Italians, however, are much closer geographically to the French than Albertans are to Quebecers.

Why make Quebec pay for a situation that, at first glance, does not concern it? When a single case of BSE was diagnosed in Canada, all the provinces were affected by the ban placed by our foreign partners. The American ban on all ruminants hit particularly hard, because the States is our only principal purchaser.

The Bloc Québécois notes that, had Quebec been sovereign and controlled its own borders and health policies, it would not have been hit by the American ban.

• (2155)

The president of the UPA, Laurent Pellerin, came to the same conclusion during a press conference held on May 21, 2003, when he said:

If we were separate provinces each with its own distinct inspection system and if we had a more regional approach to product marketing systems, only one province would have to deal with this problem.

The current situation is especially frustrating for Quebec producers who, for a long time, have had a series of restrictions for the very purpose of ensuring the health of their livestock and the quality of their products.

Quebec has not imported any product from countries considered at risk for BSE contamination for years now. Moreover, BSE detection procedures were implemented and there has been mandatory reporting of the disease since 1990. Since 1993, well before the 1997 federal ban, Quebec cattle producers have been prohibited from using animal meal to feed their livestock.

The main problems that have confronted the agricultural sector in recent years are: the income crisis; the globalization of markets; the reviewing of joint plans at the World Trade Organization; and increasingly more stringent environmental regulations on food safety, which adversely affect Quebec producers who must face foreign competition.

The mad cow disease crisis encompasses all these problems. It reflects the drop in income for farmers, the impact of a globalization movement that creates instability, the need for national rules that would promote the harmonious management of agricultural markets and, finally, the gap between the strict demands imposed on Quebec producers regarding traceability and the less stringent ones imposed on foreign competitors.

This crisis particularly affects all the producers in Quebec. What the cattle breeding and cull industry wants the most is the implementation of a minimum price. The assistance programs are not adapted to the reality in Quebec. The federal government implemented programs to help producers survive the crisis. Producers who raise cattle for meat are concentrated in Alberta and receive compensation for all the animals they slaughter. In Quebec, most cattle producers are dairy producers who slaughter cows that do not produce enough milk. Those cows are called cull. Every year, producers renew 25% of their herd. Unfortunately, the federal program compensates them for only 16% of their herd. While the price of their cows has dropped by 70%, they receive compensation for only two-thirds of the cows they sell. The federal government has to improve its program for cull as soon as possible.

This morning, producers from Saguenay and Lac-Saint-Jean handed over two cows to the SPCA. This week, six Abitibi producers handed over their keys to their financial institutions. A month ago, another producer from the Beauce region sold everything at half price.

In the Speech from the Throne, there is only wishful thinking. What is needed is a slaughterhouse in Quebec to respond to the needs of producers, because stocks will be huge on December 31, 2004. This is no longer a scientific problem, it is a political one. We must ensure the opening of the American and foreign markets, that is Japan and South Korea. At the same time, we must think about softwood lumber and get the American border opened.

The government needs to make a commitment toward agricultural sectors. Agriculture contributes undeniably to the vitality of rural regions, both in Quebec and in other Canadian provinces. Being able to rely on a domestic and independent food supply contributes to the sovereignty of our nations. This is evident now more than ever and we must pay particular attention to the problems that Quebec and Canadian agriculture is facing. The government must commit to ensuring the harmonious development of agriculture and guarantee that agricultural activity will provide a fair remuneration for the work of men and women who make their living at it.

As the critic for agriculture, I would like to do everything I can to defend the interests of Quebec producers and farmers. We must not forget that, when agriculture is well, all is well in the best of all worlds.

• (2200)

[English]

**Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.):** Mr. Chair, I listened closely to the remarks of the hon. member as I did with the last member from the Bloc Québécois. Let me be clear. One of the difficulties with members of the separatist party opposite is that they are almost starting to believe their own rhetoric. I just hope that the people in Quebec do not believe their rhetoric because they say that if Quebec were a separate nation, they would not be having this problem. That is not correct. The earlier speaker and the member opposite alluded to it as well.

We can talk about the dairy industry. The reason the dairy producers are able to survive in Quebec during this crisis is that we have a Canadian supply management system of which Quebec gets the major lion's share of the quota. That is one of the reasons people are able to survive in that province in the dairy industry. I am strongly supportive of that policy, because we have to operate together as Canadians to dig ourselves out of this crisis.

The hon. member made the point in terms of Alberta and if it is to get paid more than Quebec for getting cows off the market. I am glad that Alberta is able to do that. I am pleased that Alberta is able to do that with the assistance of the federal government as well. When we get some of those cattle off the market with the assistance of Alberta, all producers in Canada will benefit. Whether or not it is their cattle in their particular province that are being slaughtered, if we can bring supply and demand closer into balance, then the price in the marketplace should come up.

I want to ask the member directly, if the Canadian government and/or the Alberta government or other governments across the country start to bring the marketplace into balance and make it work the way it should work, does he not believe that his producers in the province of Quebec would benefit as well?

Let us be realistic here. Let us forget about the separatist rhetoric for a while and deal with the problem the Canadian beef producers are having in every province in Canada.

• (2205)

[Translation]

**Mr. Roger Gaudet:** Mr. Chair, the hon. member should have listened to what was said here tonight.

We have said that Quebec accounts for 50% of all milk production in Canada, which means that cull cattle can be found in our province, not in Alberta. I do not have anything against the programs implemented in Alberta, but I want Quebec to have its fair share. That is all we are asking for. Instead of 4%, we want 12%.

[English]

**Hon. Wayne Easter:** And you do, you have it.

[Translation]

**Mr. Roger Gaudet:** No, that is not true. Do not forget that, in agriculture, producers always have to reinvest in their businesses.

Let me provide some background information about the agricultural industry. Under the Liberal government, Canada has become the second industrialized country in terms of cuts to farm

assistance, after New Zealand. Liberals have been in office since 1993.

While the Prime Minister was finance minister, assistance to producers was cut by 36%—listen carefully here—, dropping from \$6.1 billion to \$3.9 billion. With inflation taken into account, assistance was cut by half. That includes assistance not only to Quebec producers, but also to producers in Alberta and throughout Canada. Assistance to milk producers, totalling \$120 million a year, was completely slashed by the government.

The Bloc Québécois is only asking the government to invest in agriculture with full respect for jurisdictions and Quebec programs up until prices for agricultural products are back to a level where producers can earn a decent living. All we want is for producers to be able to earn a decent living.

[English]

**Mr. Kevin Sorenson (Crowfoot, CPC):** Mr. Chair, I want to thank my colleague from the Bloc Québécois for his passionate discourse this evening on Quebec and on wanting a program that would work in that province. I would encourage him to speak to his provincial government. In Alberta we have a government that did respond to the need. We had a government that stepped up to the plate and took the initiative because we have a minister who understands the industry and the problem and responded. I would encourage the Quebec provincial government to step up to the plate as well.

I would like to ask my colleague a question. As I travelled through my riding this summer, a number of times I was reminded about the series of emergencies that we have had in this country. We had the outbreak of SARS. Two years ago my province of Alberta had the worst drought ever in 133 years. We came close to and were concerned about the foot and mouth disease, but we got hit with the BSE.

It seems the government has a knee-jerk reaction every time it tries to respond, but it has no comprehensive plan that would be ready to go quickly when a disaster strikes. With SARS it was scrambling. With the drought it did not know what to do. With the BSE there was the hope that the border would open soon. This was always the carrot that was being held in front of us: the border will open soon. There was no plan, no action and no assistance. That seems to be the general commentary on what the government does.

In this program the government talks about the need for extra slaughter capacity. Yet when we talk to the individuals who are working hard to try to put together plans and who in some cases come up with over 50% of the funding that is needed, what we hear is that they go to lending institutions and the lending institutions say the money the government is giving is just a pittance. It is a simply a loan loss reserve fund that really is not significant and basically gives very little assurances to the lending institutions.

Many of the banks are asking why they would risk lending to an industry that could go either way, an industry at risk. In many instances when the people putting forward the effort to build the plant come back to their investors, they have to be very careful. If they come back and say the banks are balking because the feds have not developed any tax incentives or anything that is going to really work, they are almost worse off than they were before.

My question to my colleague is whether he believes there should be some type of emergency contingency fund in place that the minister can access quickly so he is not always going to the executive level or to the cabinet, begging and begging. To be quite frank, I believe that any minister would want to be able to come up with more financing. I am sure the treasury is sometimes the biggest frustration the minister faces.

Does the hon. member believe there should be an emergency contingency fund to help producers? Also, what should the government do that would provide banks with more incentives to help capacity grow?

• (2210)

[Translation]

**Mr. Roger Gaudet (Montcalm, BQ):** Mr. Chair, I want to thank my colleague. He has indeed put the finger on the real reason.

Based on Liberal government's record for the past 11 years, farming has been sidelined. Granted, the government provided assistance during the SARS crisis, the drought, the fires in western Canada and the flood in Quebec. Have you noticed that agriculture is never an easy matter? That is the problem with the federal government: the Liberals do not believe in agriculture. It is plain and simple. They do not believe in it; that is why they have taken no concrete action since coming to power.

[English]

**Mr. Gary Goodyear (Cambridge, CPC):** Mr. Chair, on my first occasion to rise in this hon. House, I too would like to congratulate my colleagues on both sides of the House on winning the election. I would like to extend my thanks to the constituents in my riding of Cambridge and in North Dumfries for their confidence in my abilities to effectively represent them here in the House.

I would like to ask the hon. member a question. In February the Conservative Party made substantive proposals to nip this problem in the bud, proposals that would perhaps not have solved it but would have decreased the effect on Canadians. Of course they were not taken up by the government and the situation was allowed to worsen. Farmers began losing their farms, their homes and their livelihood.

I have met with some of the farmers in my riding and I am here to tell members that those in the North Dumfries area of my riding are telling me that the government has been negligent on acting in this crisis. Not only are these farmers losing their farms, but they have made a decision to sell generational farms that have been in their families for many generations.

The reason they are doing this is that they do not see any light at the end of the tunnel: nothing that the government has proposed, none of the announcements and none of the so-called plans. Despite the rhetoric from that side of the House, they have no confidence and they are giving up. These farms will never be returned to productivity.

I would like to ask my hon. friend if he feels that any Liberal government could be trusted with a contingency fund.

• (2215)

[Translation]

**Mr. Roger Gaudet:** Mr. Chair, I shall be brief. I have heard tonight—and you may have heard it today—that, in the throne speech, reference is made to cooperation. Cooperation ought not be sought after the program has been established, but rather beforehand. Producers and key stakeholders are brought together. That is how it is done.

The government, however, comes up with something no one approves. In my opinion—this has been repeated often enough today, you would think they would have got the message—cooperation comes before the fact.

[English]

**Mr. Brent St. Denis (Algoma—Manitoulin—Kapusksing, Lib.):** Mr. Chair, thank you for your very capable assistance tonight in making sure that this take note debate is as productive as all members in the House want it to be. It is very important that we take these opportunities to discuss matters of great importance to the country. The crisis facing our beef farmers is pre-eminent among those concerns.

I would like, as so many before me have done on this first occasion, to thank my electors, the electors of Algoma—Manitoulin—Kapusksing, for having honoured me again in my capacity as a federal member of Parliament so that I may continue serving the vast and beautiful area of northern Ontario. As I have committed to in the past, I continue to commit myself to work hard on their behalf. I would also like to acknowledge some friends and certainly some important family members who may be watching tonight. We certainly look forward to continuing discussions at home as well in support of our beef farmers, who are struggling at this very difficult time.

In addressing the House this evening on this most important matter, we recognize that it affects the lives of tens of thousands of farm families across the country and, directly or indirectly, the lives of each and every Canadian.

The beef and cattle industry is a major economic driver in this country. Exports were over \$4 billion in the year 2002 with the lion's share of that going south. That kind of activity cannot be shut down without a severe domino effect right through the economy.

The BSE situation and specifically the U.S. border closure to live cattle is having a serious impact on the beef and cattle industry in Canada, right from farm families through to all the industries that depend on the beef sector. It is also affecting other livestock sectors, including sheep and goats, but especially dairy producers, who have lost markets for their cull cattle and bred heifers.

One might think that in a northern Ontario riding there would not be a dairy or beef industry, but in fact the opposite is true. I am glad to help inform members of this chamber that on Manitoulin Island, in east Algoma, on the north shore of Lake Huron, and indeed in the highway 11 Hearst and Kapuskasing area, there are many dairy and beef producers who have been hit severely. I, in sympathizing with my own constituents, sympathize with beef producers right across this country, whether they are in the west or the east or in central Canada.

I have had occasion to meet with many farmers over the last year and a half, people like Brian, Stan, Beth, Ron, Cathy, Tom, Gail, Doug, Jim, Harold and so many others, either at meetings in Gore Bay or Echo Bay or Bruce Station or individually at so many other locations throughout my large riding. I know they are hurting. I know they want to see this situation resolved. I know the government has stepped up to the plate. I wish we had jurisdiction over the U.S. side of the border, but we do not. What is important for us is that we continue to deal with the science, with regulation and with those issues that will ultimately bring a solution to this problem.

The Government of Canada continues to respond to the situation as it unfolds. In the roughly 17 months since the first native-born case of BSE was discovered, the federal government, along with the provincial governments, has been extremely active in developing a collaborative response to this problem. Since that case of BSE was discovered, the federal and provincial governments have delivered at least \$2.5 billion to the beef and cattle industry, which serves to underscore how committed we as the federal government are, both to the industry and to working with our provincial counterparts.

This does not take into account the cattle industry repositioning strategy announced September 10 by the federal Minister of Agriculture and Agri-Food. At this time I would like to commend the efforts of both the present and the past agriculture ministers, who, faced with this very difficult problem, have worked diligently and tirelessly to find a solution. If it were entirely in their hands to find a solution, we would have long since had one.

● (2220)

Unfortunately, we are dealing with a sovereign nation to the south of us. It is a nation that we consider our neighbour and our friend, but nonetheless a nation that we call upon again here tonight in the spirit of non-partisanship to re-open that border to allow for the return of an industry. It is definitely a North American industry. It is an industry that is strong when it is seen from a continental point of view, but the fracturing of that trade by this very serious problem has not helped anyone.

As the minister has explained, the goal of the package is to put the Canadian beef sector on the road to profitability through developing solutions that are truly made in Canada. The various components of the package were developed based on intensive consultations with the provinces and industry.

One of the messages that came through loud and clear was the critical shortage of slaughter capacity in our processing sector. Compounding that is the need, especially on the part of small to medium size packers, for some sort of credit assistance for the new investments that any expansion requires.

As part of that package the minister announced on September 10, there is a federal only investment of more than \$66 million to facilitate increases in slaughter capacity of beef and dairy cattle. It is true that industry has already begun to build new capacity and has already invested substantially, but this new capacity will take time to come on stream. What the program will do is help accelerate this growth with a view to putting Canada in a strong position to be able to supply more value added exports while reducing our dependence on live animal exports.

One of the key measures announced is a loan loss reserve. This will go a long way to increasing the comfort level of lenders considering financing expansion proposals, particularly for smaller operations which are having some difficulties in securing the necessary financial support. The decision on whether or not to extend credit will remain with the commercial lender based on a sound business plan put forward by the applicant.

Additionally, the Canadian Food Inspection Agency will work to streamline and expedite reviews and approvals of new plans under the Meat Inspection Act in a manner that does not compromise health and safety. As we know, Canada has an excellent record of food safety. We have had this unfortunate isolated incident, but Canada's reputation worldwide is second to none. With the cooperation that continues among all levels of government and the CFIA, I am sure that we will not only build on that reputation but that we will do so not only for this generation but for generations to come. We will also make sure that the Canadian Food Inspection Agency has the resources it will need to handle the increased inspection activities.

Finally, federal and provincial governments will work together to identify areas where the regulations can be streamlined to allow expansion or construction to begin sooner.

This package sends a strong signal of the government's commitment to the beef and cattle industry and will provide much needed flexibility for the industry to process cattle in Canada.

We do not know when the border will open. In fact, we have no guarantees in this regard. It is important that we have a strategy, and we do have a strategy which will take into consideration all the contingencies.

Going forward, I call upon our U.S. neighbours, as we all do in the House, to consider our history of good cooperation. In terms of the beef industry, we are going through changes here that are necessary in light of what has happened. However, our friends to the south know that they can count on us to do what is needed to minimize the chance that this kind of incident will happen in the future.

I commend the minister and the government for the very proactive steps taken to resolve this issue. I look forward to talking to farmers in my constituency and those who buy groceries at the grocery store, who have no other involvement except as consumers. They, as do members of my family, share a deep concern that our farm families and the industry dependent on the beef sector return to full health soon.

● (2225)

**Mr. Dave Batters (Palliser, CPC):** Mr. Chair, as I rise for the first time in the House of Commons, I would like to thank the voters of Palliser for the faith they have bestowed in me. I would also like to congratulate all members on being elected to this great House. I also thank those candidates who were not successful for participating in that most important process.

It is my privilege to rise tonight to address the BSE crisis which has been devastating to many citizens of Palliser. The BSE crisis impacts my constituency of Palliser as much as any area in this great country. Palliser is home to XL Beef, a slaughter plant that employs 250 employees. Palliser has two of western Canada's largest order buying firms. We have large feedlots, major livestock trucking firms and hundreds of producers.

The beef industry is a huge economic driver in my riding and not just in the rural area. The spin-off is definitely felt in Moose Jaw and Regina. People have felt incredible stress since the border closed in 2003.

I know that the member opposite, the Minister of Agriculture and a number of members from whom we heard tonight are aware of some of the human costs of the crisis. Producers are really worried about how they are going to stay in business and pay their bills this fall and winter. I hope to hear something tonight that will enable me to go home for Thanksgiving with a message of hope and optimism for the producers in Palliser.

On September 10 the Minister of Agriculture was in Regina. My colleague from Regina—Qu'Appelle and I were present for that announcement. After the announcement I talked to a number of producers who were present. The basic refrain was that they were glad to see that the federal government was finally doing something on the issue, but the problem was that the devil is always in the details.

They wanted to make sure that Saskatchewan producers did not get the short end of the stick since the provincial NDP government has a habit of not living up to its commitments. Producers do not want a bunch of paperwork. They want cash. It was an odd press conference. The Minister of Agriculture and the representative from the provincial government did not seem to be singing from the same song sheet.

That brings us to today in the House. I talked to some of these same producers before rising this evening. Where are we today? Their refrain today is that livestock producers in western Canada are heading into the most crucial time of the year, the fall calf sales when producers sell their calves and hopefully receive a fair return for their efforts. The sales have started and so far no one knows what the rules are regarding the recent government announcement.

I have questions for the member opposite. When will producers be able to get the application forms for the available assistance? How can they access funds from the program in time to make wise sale decisions? Why has the government not moved to assure the industry as a whole that money will be available immediately? Only that assurance will strengthen prices and put them where they need to be.

Instead of committing funds to the agriculture policy framework, why was that money not provided to our cattle producers who are in such desperate need of immediate relief? My producers are asking for meat and potatoes and the government is serving up hors d'oeuvres.

**Mr. Brent St. Denis:** Mr. Chair, I commend the member for Palliser on his first intervention in the House. I would like to review for his benefit and the benefit of his constituents what the minister

announced on September 10. Keep in mind that the federal government works in cooperation with the provinces on agricultural matters. It is difficult, if not impossible, to move unilaterally. That announcement was made less than a month ago.

The member can sincerely believe that the government and the minister are working hard to make sure that all measures are put in place quickly to get dollars into the hands of the producers and the industry as soon as possible.

Let me review the highlights of that September 10 announcement. There was the creation of a loan loss reserve to facilitate the increase in domestic slaughter capacity for ruminants. This is to deal with the uncertainty about when the border will be opened and if the border will be opened.

The announcement also included measures to provide cash advances on the Canadian agricultural income stabilization program, CAIS, for certain breeding animals and other ruminants until domestic capacity targets are reached and very importantly, by introducing set aside programs for fed and feeder animals to manage Canada's current oversupply of cattle. We will contribute as a government to Canada's surveillance program and further our efforts to gain access to foreign markets.

Finally, among the highlights was establishing additional technical experts to focus on strengthening relationships with regulatory agencies in export markets. We have to diversify our markets. We have to deal with the reality as it faces us, but I can only underline the government's very good intentions and efforts to put in place the measures that have been announced. These reflect what the industry has been calling for.

That said, I appreciate the member's efforts on behalf of his constituents. While I may not have as many beef producers in my northern Ontario riding, I do have a lot. They too would entirely commiserate with the member's constituents. In the spirit of non-partisanship, I believe every member of the House wants to see this issue resolved. I can only say that everyone is trying their best.

● (2230)

**Mr. David Anderson (Cypress Hills—Grasslands, CPC):** Mr. Chair, I have had the opportunity to work on agricultural issues for the last four years in the House of Commons and it has been a great privilege. The Parliamentary Secretary to the Minister of Agriculture and I have debated the issues a number of times.

I want to mention tonight that in the last couple of BSE debates that we had with him he seemed to say, and fairly stridently, that we needed to play hardball with the Americans. He was speaking out strongly against them. The World Series is coming up and I was reminded of that comment tonight. On several occasions he talked about how we needed to deal with the Americans and make sure that we dealt harshly with them.

I do not know if he knew it at the time, but over the last year or so that has involved several different facets. As our leader mentioned earlier tonight, they are things such as slugging the American president on an in-flight news conference about his domestic policy, and calling Americans different names in various places and on different occasions. But probably the greatest failure of the government is that it has left the American Congress uninformed about the issue, so that when we do go down to Washington we are told by them that they actually thought that the border was open.

I am reminded of another comment and that is one which is used by Dr. Phil when he says, "How is that working for you?"

I would like the member to comment on the total failure of the course suggested by the parliamentary secretary and the resulting consequences it has had for Canadian agriculture.

**Mr. Brent St. Denis:** Mr. Chair, I do not use name calling as any kind of tactic and I am not aware that he does either. I prefer not to comment on the tactics of others. I can only manage my own behaviour.

My colleague stated that according to his own reports the U.S. congress was ill informed. Our ambassador in Washington has worked tirelessly on the other major problem of softwood lumber and has spoken for Canadians with our U.S. counterparts.

I would like to emphasize that I and my colleagues in the House consider our neighbours across the border our friends. While we do have these unfortunate differences from time to time, we have to use due process to resolve them. I hope that our neighbours to the south will obey the results of due process as much as we in this country like to do.

On the question of playing hard ball, what does that mean? If it means following the rule of law to the letter, we do that here. We would expect our trading partners whether they are Americans or countries elsewhere to do the same. We always do that fairly. Having pitched baseball in the past, I like to believe that as average a player as I might have been, I at least played it as best I could. It was hard ball but it was played by the rules. Playing hard ball does not mean one plays unfairly and I do not include name calling as part of playing hard ball. Playing hard ball is simply sticking to the rules, making one's points, and encouraging one's opponents to do the same.

I and all my colleagues here call upon our American friends to follow due process. We ask them to look carefully at what we are doing on this file and listen to the majority of beef producers in the US who agree with my colleague's constituents and mine in the beef industry that the border should be opened. We should return to what we have come to know as a normal cattle trading industry in North America.

• (2235)

**Mr. James Bezan (Selkirk—Interlake, CPC):** Mr. Chair, I rise to speak in the House for the first time and I too would like to thank the confidence bestowed upon me by the great people of Selkirk—Interlake.

I am a cattle producer. My riding is heavily dependent upon cattle production as well as the other ruminant industries. There are elk herds, bison operations, and even goats and sheep. Everyone has

been affected dramatically by the BSE closure. The livestock industry in my area has sent me here to be its voice and I plan to be a very strong voice.

My children will have a future in this industry. That is why I came here. It is to ensure that the next generation can really be excited about what is left for them in agriculture. We as a government have a responsibility to fix this problem, fix it quick, and ensure that everything is in place for the next generation and generations to come.

The ranch and farm families in Selkirk—Interlake and across this country have been devastated by what has happened. When the border first shut down, everyone was worried. That worry turned into anger and that anger turned into desperation. Now that desperation is turning into depression. It is the responsibility of the government to look at this whole issue and ensure that this desperation does not slide any deeper.

I have people in my riding who are talking about getting right out of the industry and doing some drastic things to their herds of animals and to themselves. I do not like listening to that. We must recognize the fact that this is a major issue. It seems that we are not getting a lot of attention from the media, but I am really concerned that it can be as dramatic as the dirty thirties were to the farming industry at that time.

This has escalated into hurting businesses in my riding. It used to be that farmers would walk in and buy boxes of bolts and nails. All they can afford to do now is buy a few bolts and nails to fix up their operations. We must ensure that we can flow the money into that economy through the farmers so that they can pay their bills and encourage the businesses that support them.

I am really concerned about our rural infrastructure. If we are not flowing monies into our communities to help out the farmers and to carry on those businesses, once those businesses end, no one is going to be there to pick up the pieces.

The municipalities in my riding are also greatly concerned. We have a situation where municipalities do not believe they are going to be able to collect the taxes this year from the farmers in order to carry on with their own infrastructure programs and the services that they provide for our communities.

One of the issues that we have in Manitoba is a lack of slaughter capacity. We have an organization called Rancher's Choice Beef Co-op. I have raised this before with the Minister of Agriculture and Agri-Food and with his parliamentary secretary. We must ensure that we can encourage the growth of the packing industry. Rancher's Choice Beef Co-op is trying to do that. It is under some tight deadlines in getting its project off the ground. It is trying to buy a plant in the United States and move into Manitoba. It has until the middle of the month to come through with the money. The Province of Manitoba has stepped up and provided some funding. It has gone first to the Farm Credit Canada capital venture fund to get funding. Unfortunately it was rejected because it was a new start-up.

It has the loan lost program, but there is no application or way for it to access those funds. It has been told that it could be the end of the month before it is available. That is too late.

One final issue that I want to bring forward deals with having a level playing field. We must ensure that all producers, wherever they are located in the provinces, have the same access to all the program funding that is available during these desperate times. If producers are in a have not province like Manitoba, where the province has not stepped up with all the funds yet, they are at a great disadvantage compared to the producers in other provinces like Alberta.

● (2240)

In conclusion, I am an optimist. I believe that out of all desperate situations and out of all adversity the resilience of our producers will provide opportunities. We must ensure that we provide the mechanisms so that the industry will recover.

**The Deputy Chair:** If I am to understand correctly, you were sharing your 10 minutes. You have had five minutes now. We will have five minutes of questions and comments.

**Hon. Andy Mitchell:** Mr. Chair, let me congratulate the hon. member on his first intervention in the House. I know that he is very knowledgeable in this industry and I know we will appreciate the knowledge that he will bring to this debate.

I have a specific question to this member from Manitoba. We have heard a number of perspectives here in terms of the feeder set-aside and the appropriate date. From a Manitoba perspective, could the member share any particular views he would have on what would be an appropriate date?

**Mr. James Bezan:** Mr. Chair, I have not yet heard exactly what the feeder set-aside program will look like for the Province of Manitoba. That is part of the problem. Every province may change the programs to some degree, and they pick and choose in what portions they want to participate. I have a concern that we must ensure that these programs are available to every producer across the country.

In the event that feeder set-aside did come into play in Manitoba, I have a concern that the way it is working right now on the slaughter cattle, it has pitted producer against producer. They are bidding against each other as to who can keep the cattle the longest and the cheapest. I think that is an unfortunate way to run a program. I would much prefer to see programs that would flow cash in a way that would help stabilize the industry for all producers.

I know that there will be much debate and discussion over the next coming days and months about the various programs. Until Manitoba steps up to the plate and we see what it will put into its plans, I will reserve some of those comments.

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Chair, I listened to the member for Selkirk—Interlake and I thought that here we have a brand new member of Parliament in the House of Commons who probably thought, like we had thought, that we would hear some real good things this week in the throne speech because it was mentioned in the last throne speech in February. Agriculture was actually addressed with a whole paragraph. This time it was addressed as such:

The Government will do its part to enable the success of important sectors, including automotive, aerospace and other manufacturing, as well as agriculture and other resource-based industries.

How important does the hon. member think agriculture is to the government?

● (2245)

**Mr. James Bezan:** Mr. Chair, I was disappointed with the Speech from the Throne. The mention of agriculture was relegated to three letters and one word. I believe that this issue is so important that we need to be debating it and it needs to be the foremost priority of the government.

I encourage the members across the way to urge their cabinet members to ensure that this issue becomes a first agenda item in every committee meeting and in every cabinet meeting so that we can ensure we are addressing the needs of this industry from coast to coast.

**Mr. Ted Menzies (MacLeod, CPC):** Mr. Chair, I have a question that I would like to address to a producer, and the hon. member has mentioned to us that he is an actual producer.

It is my understanding that we still have some barriers to livestock coming into Canada. Every time we approach the Americans to suggest that they should open their borders to our beef, we get this same old claim thrown back at us, that CFIA still will not allow breeding heifers to come from the United States into Canada because of the threat of blue tongue and anaplasmosis. In my discussions with the industry, it is more than willing, and has expressed this willingness to the federal minister, to run the risk of blue tongue and anaplasmosis just to get rid of the barrier, whether it is an actual barrier or a perceived barrier.

As a producer, could the hon. member enlighten us as to his feelings on that? I know he has travelled extensively promoting the beef industry. Could he share that with us?

**Mr. James Bezan:** Mr. Chair, yes, I believe we need to remove these barriers. It does not concern me as a producer. I believe most producers would say that they would like to see a good two-way trade. That will help cultivate the discussion to opening the border totally for live animal trade across the border.

**Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC):** Mr. Chair, I was told that I would be splitting my time tonight with the hon. member for Lethbridge, but I am at your disposal.

It is a great honour for me to have my first official get up in this great House that Macdonald built. Mr. Speaker, if you will indulge me, I would like to compare it to the Montreal Forum and my first game in the big leagues. I am on my first shift, I have a breakaway, I see an open net and I all I can hope for is that if I hit the boards, a Liberal will be there to cushion me. I throw in that sense of humour not to make light of the situation we are here to discuss, but to show the House that as a farmer I am fast losing my sense of humour.

I rise here tonight to address a very serious matter that is affecting not only my riding of Bruce—Grey—Owen Sound, but almost every rural riding in this great country, and that is the BSE crisis.

My riding is a very rural. It is the number one beef and lamb producing riding in Ontario. It also has a very large number of dairy farms as well as a number of elk, bison, deer, emu, hog, poultry and goat producers. We tend to focus our minds on beef farmers as being the only producers affected by this issue. That certainly is not the case, and it would have been remiss of me not to have pointed that out.

Another forgotten fact that should be pointed out to the government, especially after the curious but blatant absence of any mention of agriculture in Tuesday's throne speech, is what areas of Canada this crisis actually affects.

The government obviously needs a quick and valuable lesson in geography. Contrary to Liberal beliefs, there is life in rural Canada. There are hard-working Canadians who do live north of highway 401 in Ontario and outside the boundaries of our large cities. There is also a perception by the government that the BSE crisis is an Alberta or a western problem. It is time for the government to wake up and smell the beef. This fiasco is happening from coast to coast.

The minister's government is quickly filling up a library full of ineffective programs that have not helped in any way to solve this crisis, from the laughable program last summer that funnelled government money into packers pockets, which by the way the government could have saved a lot of administration costs if it had just asked the packers to pick their cheque up at the door, to the unworkable CAIS program that the minister admitted was not working. However, he also said that he would fix, but that is yet to happen. The government in essence has done nothing but stick its head in the proverbial sand, praying and hoping that the border will open or even that this problem will go away on its own.

While the minister stands idly by, producers in my riding are filing for bankruptcy. These people are not abstract numbers but fellow farmers and friends of mine, such as the Barfoots, the MacDonalds and the list goes on.

Just yesterday the national advisory committee established to set out the policies to get needed moneys to cash strapped farmers met in Calgary. This group consists of industry leaders and government staffers from Agriculture Canada. The group came away from that meeting yesterday totally disgusted in Agriculture Canada staff and with their lack of flexibility or willingness to come up with an agreement.

Will the minister take leadership and instruct his staff to come up with a suitable solution? Will he make the necessary changes to the CAIS program immediately so that it will do the job it should have been designed to do?

● (2250)

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Chair, let me first point out to that member and the member who spoke before him, there are three very specific commitments in Speech from the Throne

One is to ensure that we could strengthen the agriculture industry. I think that is a fairly strong commitment. Second is to deal with the border issues particularly related to BSE. Third, and most important, is the importance of ensuring that we have a strong and viable rural Canada. That is a very specific commitment in the Speech from the Throne as well.

I spent four years as the secretary of state for rural development. I travelled rural Canada from one end of this nation to the other trying to ensure that we had strong and viable communities and that our young people could have a future in those communities. That type of commitment is a demonstration of the government's ongoing

willingness to deal with the issues facing rural Canada, including agriculture.

In terms of the specific meeting that the member talked about, those individuals engaged in the meeting are primarily engaged in developing the parameters around the set aside programs, not in dealing with the CAIS program. The issue there, and the hon. member from Ontario would appreciate this, is to find a national platform for delivering a set aside program so the necessary number of animals are removed from the marketplace and the price can continue to do what the price has been doing in recent days, and that is recovering.

The initiative needs to reconcile the different perspectives by different parts of the industry and by different provinces, but we are determined to find that solution. We are determined to have that national program. We are determined to bring some rationality back into the marketplace so producers can make business decisions based on a market that is rational and operating in a way that it should. The men and women of good faith are engaged in that process. They worked through the day yesterday and through the day today. We will work with them to ensure that type of solution can be found. As the hon. member mentioned, it is critical and it is important. I have given my instructions to them to ensure that they work towards a solution that will result in a program that will benefit producers from coast to coast.

● (2255)

**Mr. Larry Miller:** Mr. Chair, on the comments from the hon. minister, he said earlier tonight that he wanted a made in Canada solution. He also said shortly after that that he was depending upon the industry leaders. I talked to Mr. Eby early this morning. When I asked him how it went, he said in five words, "Not very good at all". The other thing he said was that the flexibility by the minister's staff did not appear to be there whatsoever.

I still implore to the minister, that what I am hearing and what he is hearing are two different things. He needs to meet with his staff and see that they do try to come to an agreement. In his comment about depending on the industry leaders, let us not pretend. His staffers and all the politicians in this room do not have as much knowledge about the industry as the people who are actually in it and leading the different farm organizations.

**Hon. Andy Mitchell:** Mr. Chair, the hon. member makes a good point, and it is important to emphasize this here.

In the program that was announced on September 10 and the component parts to it, because there are many component parts, the flexibility is there and the different provinces will choose to use different parts of the program. That is essential. Different provinces have made different decisions on how they will participate. Ontario has made a different decision than Alberta, and again for Manitoba and Saskatchewan. I believe that flexibility is absolutely in place, and that is the appropriate way to go.

I think the hon. member realizes this, but we should emphasize it. The design of the program comes from the people in the industry itself. It spent a great amount of time consulting with its members. It spent a great amount of time travelling across the country to develop the component parts to this program.

The member is right. The industry leaders have the expertise. They live with this every day. They have an understanding of what the needs are, and that is why I felt it was imperative to build that program in a collaborative way, working with them and because they are also an important partner, working with the provinces. That is the process we followed. I was pleased we were able to come to an agreement on the parameters of the program. We are working to ensure that we have the details so we can begin the processes of setting aside animals, building new capacity, expanding our foreign markets, and continuing the process to urge the Americans to reopen the border.

**Mr. Larry Miller:** Mr. Chair, I appreciate the member's comments and the appearance of his wanting to work with them. That is good, but my point in this whole thing is that I do not think it is getting through to his staff. I think he still needs to have that. One thing he mentioned is the different provinces. I understand very clearly that is a complex issue and it throws some wrinkles into the whole thing.

The bottom line is that federal dollars have to get out to these cash-strapped farmers and I think the federal government will have to put them out there. I know there is the fear of the uneven playing field but I think we have to fix as many of these family farms and businesses as we can before they are all gone and sort out the uneven playing field at some other point. I think that maybe as we get into it we will find it probably will.

I urge the minister not to play games too long with how the different provinces react and to get on with our game of getting the dollars out there.

**Mr. David Smith (Pontiac, Lib.):** Mr. Chair, today is my second intervention but I would like to take this opportunity to thank the population of the beautiful riding of Pontiac, which includes Buckingham, Masson-Angers, MRC des Collines-de-l'Outaouais, la Vallée-de-la-Gatineau and MRC de Pontiac, for the confidence they placed in me on June 28 by electing me to represent them in the House. I consider this a great honour and I thank them.

• (2300)

[*Translation*]

Mr. Speaker, I would also like to take this opportunity to congratulate you on your appointment. I know that you will fulfill this task remarkably and with dignity.

That being said, the subject that we are discussing tonight is very important to me, because this debate deals with an issue that I care a great deal about. I was raised on a farm, not far from here, in Maniwaki. Thus, I am very concerned with the situation of cattle and the beef industry as a whole. This beef and cattle industry is part of our history. It has played a role in the settlement of the first colonies.

Several years ago, people celebrated this industry by gathering during events such as the Shawville fair, which attracts over 50,000 visitors every year, while the population is close to 35,000.

The beef and cattle industry is part of the present and the future. This industry also represents one the main components of Canada's foreign trade. Indeed, Canadian beef is internationally renowned for its high quality. Canada exported over \$4 billion in beef and cattle products in 2002, which allowed it to reach third place among world

beef exporters and to enjoy a trade surplus of over \$3.2 billion in beef products, or almost 6% of our total trade surplus.

Clearly, we are talking here about a key industry for all Canadians. This is an industry that has built an excellent reputation for itself at the international level. Considering the reaction of foreign countries following the discovery of a BSE case in May 2003, the industry has paid a very high price for developments over which it had no control.

This is why the Department of Agriculture and Agri-Food, in close cooperation with the provinces, the territories and the industry, announced last month a series of measures to the tune of \$448 million to reposition the Canadian cattle industry. Repositioning Canada as a world leader for exports of high quality beef is a key feature of the new strategy aimed at helping the industry.

Under this repositioning strategy, the current government is committing in excess of \$37.1 million in new money to intensify our efforts to settle the issues relating to access to international markets in the context of BSE. The reopening of the U.S. border to Canadian cattle and to Canadian beef products from animals that are over 30 months old remains the top priority.

We are also increasing our efforts in other regions of the world, particularly in Asia. Incidentally, this weekend the Minister of Agriculture and Agri-Food will leave for Korea, Japan, China and Hong Kong. Our approach is to focus on presenting arguments that are based on science at the technical and regulatory levels. The government is making abundant use of such arguments to support its cause.

The Prime Minister, the Minister of Agriculture and Agri-Food, the Minister of International Trade, the Minister of Foreign Affairs as well as deputy ministers and ambassadors have made standardizing access to foreign markets for Canadian beef products a priority.

Sustained efforts were made to foster the review, revision and implementation of the guidelines set out by the World Organization for Animal Health concerning BSE. The goal is to take into account the most recent data and the low level of risk linked to many of the products produced in Canada and other countries.

There is no scientific reason for other countries to continue to close their borders to Canadian cattle or Canadian beef products derived from cattle over 30 months old.

Unfortunately, as we know, international decisions are not based solely on science. We have to deal with political and economic pressure as well as the concerns of consumers. We are working very hard at it. Cattlemen's associations are also looking into this. They are working with their counterparts to try to put pressure on foreign countries from the inside.

The people of Canada are well aware that our beef is healthy. Because of all the measures in place to ensure the integrity of the production and inspection systems, beef consumption in Canada rose 5% when BSE was detected last year. The Canadian food inspection system in place in 2003 was sufficiently rigorous to detect the infected animal and remove it before it reached the human food chain.

Moreover, the government has taken many important steps in order to improve food safety, by strengthening its ability to detect BSE and by reducing the risk of a recurrence of the disease.

We have removed the specific risk factors from all food intended for human consumption. We have increased our surveillance and reinforced our animal identification methods. We have also undertaken to strengthen our prohibition on animal feed by removing the specific risk factors from all animal feed.

That will complete Canada's response to the recommendations made in June 2003 by a team of international experts who studied and praised Canada's skill and efforts in this matter.

The Minister of Agriculture and Agri-Food appointed a BSE consultant in Asia, who has already gone to Asia three times to direct technical discussions on the changes Canada has made to its BSE policy following the development of World Animal Organization for Health guidelines.

Canada and its cattle and beef industry would benefit from international measures established by the World Organization for Animal Health being broadened and more uniform in order to base market access decisions on science and not a series of other factors.

The Canadian Food Inspection Agency is currently creating new positions for geographical technical consultants who will focus their efforts on major foreign markets. These consultants will strengthen ties with their counterparts responsible for regulations in the target countries, who could provide a considerable value for beef, cattle and genetics.

Implementation of the new strategy marks the beginning of a Canadian solution.

• (2310)

[English]

**Mr. Rick Casson (Lethbridge, CPC):** Mr. Chair, the ongoing crisis in the cattle industry in Canada due to the BSE related border closure has threatened and continues to threaten the very existence of the historic backbone of our Canadian economy. The United States department of agriculture's proposed rule change process and subsequent court challenges by short-sighted groups in the U.S. who are fighting to keep the border closed could very well keep live Canadian cattle out of the U.S. for some time to come.

Softening of testing requirements by countries like Japan should have a positive effect on Canada's situation, but there are no guarantees. The uncertainty that is causing turmoil in this industry continues. In the short time I have, I would like to offer a few suggestions I have heard from producers on actions needed to preserve our cattle industry.

Number one is slaughter capacity. One action that is supported by all sectors of the industry is an increase in Canadian slaughter

capacity. Any beef leaving this country should be in a box, not on the hoof. Investors and development groups seeking to build packing plants have done a lot of legwork and research and some of them are ready to proceed to the groundbreaking stage.

These groups, along with their financial backers, need to know exactly what funds are available to them and how these funds can be accessed so construction can start. Without the immediate start of construction to increase capacity, the rest of the government program is meaningless. The set-aside program can only function properly if the animals set aside can go into an orderly marketplace when the set-aside period is over. Beginning construction will send a clear message to both the U.S. government and the U.S.-owned Canadian packers that competition is on the way.

Number two, we need a full court press in the United States. A lobbying effort in the U.S., targeting both elected officials and consumer groups, is absolutely critical and this government should be fully engaged in coordinating these efforts with the resources needed to do the job properly. We need to inform the U.S. consumer that the high prices they are paying for both beef products and dairy products and the loss of jobs due to the closing of slaughter facilities are a direct result of politics and have nothing to do with food safety. Levering and broadening the support for the Canadian industry that already exists in the U.S. is absolutely critical.

Third, NAFTA rules. This government needs to use all the tools at its disposal through our trade agreements to fight this unjust and purely political action. Producers have initiated a chapter 11 challenge on their own and a chapter 20 challenge should be under consideration by this government. Our trading partners use all the legal tools at their disposal and so should we.

Number four is a herd rationalization program. As time passes by and our Canadian herd continues to grow, compounding an already serious problem, rationalization of the size of the herd through a mature animal cull must be considered, albeit as a last resort. Animals over 30 months of age are a problem that we will have to solve separately from our younger animal issues. If we can find a use for some or all of the beef in these older animals, great, but if we cannot, other solutions need to be considered. Using this process to meet our OIE testing requirements is also a definite plus.

Number five is harmonization and recognizing health standards. We must eliminate the issues opponents to an open border are using to argue for restricted access to U.S. markets. Standardization of health protocols is an essential part of eliminating that opposition.

Number six is a rapid response trade dispute resolution mechanism. This is a proposal that our party has raised in the past, one that was included in the Speller report on the state of agriculture. It is a structured cross-border mechanism to look at and head off full-blown trade disputes, a trade arbitration process, so to speak, a process to bring parties together to resolve issues before they get out of hand, with the BSE crisis a case in point.

Number seven is research and risk management. This country should be a leader in the research on animal disease. We have a multi-billion dollar industry in this country and we should protect it with sound science and research. We should have the risk management tools, the information collected by the government, to provide to producers to make decisions.

In conclusion, I firmly believe that this industry, properly handled, can not only survive but can prosper and become stronger and more vigorous. I believe it is possible and necessary to create an atmosphere in agriculture in Canada that will attract our bright young people instead of chasing them away. I only have to think back to yesterday and meeting the wonderful youngsters from the Gem, Alberta 4-H club and their parents to realize there is a potential for a bright future in this industry. It is government's responsibility to secure that future for the next generation.

• (2315)

**Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.):** Mr. Chair, I want to congratulate the hon. member on his remarks because we are getting late into the evening and he is the first speaker from the opposition party who has actually had some concrete, clear-cut proposals. It was good to hear. I think there were some good suggestions.

I am especially pleased and did not realize until tonight that the opposition took some of their agriculture policy direction out of the Speller task force report on the future of farming. That is indeed good to know. Maybe we are not so far apart after all.

On the member's first point, that being the construction of slaughter capacity, I wonder if he could elaborate a little on how he sees the government being more involved. Certainly we have put out measures for small and medium-sized plant operations. I would agree with increasing Canada's capacity to slaughter. That is basically what we had to do in the hog industry when the Americans gave us a rough time. We built our own industry. Now we are recognized in hogs as the best around the world.

We have a tremendous beef industry, but we must have, as the minister so often has said, a more Canadian approach. Could the member expand on that point and also on the herd rationalization program he mentioned?

**Mr. Rick Casson:** Mr. Chair, of course the hon. member and the minister must realize that the set-aside programs that have been designed, both for calves and for fat cattle, will not work unless at some point in the process we have more capacity or the border opens.

With the way the situation exists on the border opening, with outfits like R-CALF in the United States that are going to challenge

legally any ruling that comes from the U.S. department of agriculture, I feel that this thing could drag on for years. So let us look at a made in Canada solution, as was mentioned earlier.

In order to send the message to the Americans that we are serious about creating an industry in this country that is strong and viable, we must have the capacity to run the animals through our slaughter facilities in Canada without using their slaughter facilities. Anything that leaves this country should go out on a hook or in a box, not on the hoof.

Both of the big plants in western Canada are outdated and aged. If we could show that we are actually starting construction of major, modern plants—and I would say one in the west and one in the east—we could show that we have the capacity to do the slaughtering and we could build this industry far better and stronger than it was in the past. Cement in the ground, with construction starting, is absolutely critical to the whole issue of moving forward.

There is the issue of rationalization of the herd. We can sell beef 30 months and younger. If it is slaughtered it will go, but 30 months and older is a whole different situation and we will have to deal with that in this country. Certainly there are markets for it. As a last solution there is herd reduction and herd rationalization. If a use cannot be found for some or all of the beef in those animals, then another option should be looked at. Those options, as I said, should be the last options we consider in this country, but they should not be options that we do not think about. As the size of the herd grows and those older animals keep getting put back into breeding stock, it just compounds the issue.

If I have time for one more comment, I want to mention the trucking industry in the country. Right now the fall calf run has started and it is going pretty well. Prices are fairly decent and producers are taking their animals to town.

There is a 40% reduction in the number of cattle liners that are capable of hauling these animals to market. They cannot get enough trucks to move the cattle they want to move right now and the fall run has not really hit full blown steam. Forty per cent of that industry has left. It has gone elsewhere and is not coming back. That is happening throughout the industry, whether it is trucking or the people who work in the plants, in the industry, in the auction markets or in the feedlots. That expertise is leaving the industry and it is not being replaced.

Once that happens, it is the beginning of a death spiral that we have to do something about. It is imperative that we act quickly and in a manner that restores the confidence in the industry so the whole industry starts to move and from cow-calf operator to consumer the chain is in full movement.

● (2320)

**Mr. David Anderson (Cypress Hills—Grasslands, CPC):** Mr. Chair, I thank the minister and the parliamentary secretary for staying for the debate. We have had late night debates before and we have not always had the attendance by them. Although, when I look across and I realize the amount of room they have, I think we might hear the duet *"It's Lonely Out Tonight"*.

I want to take a minute to thank my riding for my re-election and the opportunity to come back and represent the citizens of Cypress Hills—Grasslands on the issues that are important to them. Right now there is no issue more important than BSE.

As I was preparing for this speech, I was thinking about the times we have been here to discuss this. I think this is probably the third or fourth time we have been here late at night to discuss this. How many speeches have we given, I do not know. I cannot think back to the number of times I have spoken on this subject.

I was the question period coordinator last spring for our party and we asked enough questions on BSE and on agriculture. At times I think the agriculture critic was getting tired of being asked to ask questions. There has been a multitude of statements made on this, and the problem persists.

We all know what happened in the spring of 2003 and the problems that resulted from that. Actually, the minister admitted tonight, and I think it is the first time I have heard this, that there really was no long term planning right from the beginning.

There were some of us who immediately called for packing plants to be built immediately. I do not know why any of us were thinking at the time that this would be a short term problem. Momentum seemed to build that this would go away in a few minutes or a few months. That was never realistic right from the beginning. It was not possible for that to happen.

Think about the reaction other countries had to us and the reaction we had to other countries with the same problem. It was not going to be a short term responsibility. The government failed producers miserably when it pretended it was. It never acted in the long term interest.

Since then many things have happened. There have been at least two failed programs. The government was six to eight weeks late in getting money to the farmers and the ranchers. Both times the markets were beginning to stabilize and both times the money collapsed the market which collapsed the prices for producers.

Our plan last spring was one of which we were proud and it was a good one. It called for a billion dollars to be spent on this issue, with \$400 million going to top up programs, \$350 million towards the cull, \$75 million for packing plants and other money allocated for things such as trade and establishing testing regimes.

This September the government came out with its program. I have heard lots of discussion tonight about that. The member for Lethbridge has done an excellent job of talking about the problems in which we find ourselves. He has also talked about possible solutions.

Some producers in my riding, who are not beef producers, have also been affected. I want to talk a bit about them tonight. One family farms sheep and has stayed in touch with me over the last year. I will read a section of a letter that he wrote me in the last couple of days. He has been brought into this, inadvertently I guess, and has paid a price as big as most of the beef producers have. He says:

The impact that BSE has had on us has been very tough and financially challenging. Our lamb trade here in Saskatchewan, Alberta and Manitoba has been north-south with the USA. Just 100 kms to the south of us, feeder lambs that go into a feedlot to be fattened are currently selling for \$.95 to \$1.18 USD per pound. We are currently being offered \$.60-.65 CDN per pound. That's less than half of what American sheep producers receive.

Most of us are not familiar with why that happened. However, he goes on to say:

The problem is that because of the closed border, there is no American competition in the marketplace, only one packing plant for lambs in Western Canada and hundreds and hundreds of kms to get to a market in Ontario.

The main reason for low prices in the sheep business is lack of competition for buyers. With no American lamb buyers competing for our lambs the western packing plant...only has to bid the already low price western lambs receive at auction in Toronto...

That is one reason why the lamb producers are suffering.

Then there is a problem with packing. The minister asked for suggestions tonight, so I will read his suggestion. He states:

The first order of business should be to have CFIA lift the ban on USA imports so that we show to them how ridiculous their ban on Canadian lambs is.

We have heard tonight from the member for Macleod. He has said that there is a continuing problem with anaplasmosis and blue tongue in cattle coming from the United States to Canada. The lamb producers feel some of that same pressure on what they see as a ridiculous ban on lambs coming into Canada.

● (2325)

We need to get the border open. These folks have been brought into this through no fault of their own. I understand that the government is meeting with them tomorrow. However, we are 18 months into the problem. That border should be open to those folks. The government has not been aggressive enough in dealing with that problem and it needs to be solved.

**Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.):** Mr. Chair, I want to comment on the sheep industry. Our sheep industry is pretty small in my home province, but there are quite a number of industries and a number of other markets. Other members have mentioned it tonight and I think it has to be put on the record that the problems that BSE has caused go well beyond the beef industry.

There are a number of producers here tonight from the dairy industry watching the debate on BSE. The dairy industry is a supply management industry and usually a relatively profitable industry with not great margins but decent margins in terms of providing for their families and getting a fair return on their labour and investment.

It has to be stated on the record that the dairy industry too has suffered as a result of the BSE crisis. The United States is no longer one of the biggest markets for dairy heifers and we cannot ship live cattle to the U.S. As a result, the dairy industry is suffering as well and certainly the cull cow trade is not working well either.

I think it should be noted for the record that the dairy industry and any commodity that is into ruminants also find themselves in trouble as a result of BSE. Perhaps the member opposite would wish to comment on that.

**Mr. David Anderson:** Mr. Chair, that is an important thing to note because there are other industries. Elk and buffalo have been brought into this. It is not fair to those producers because the BSE problem has affected the beef but these other producers have been brought in as well.

I do not think the government has been aggressive in dealing with this issue with the United States. The discussion about the beef can go on and will go on, but there has not been much talk about what has happened to these other folks. There has not been much talk about taking care of them or doing something for them. They need to be remembered in the discussion about this issue as well.

**Mr. Bradley Trost (Saskatoon—Humboldt, CPC):** Mr. Chair, this is my first intervention in the House. I would like to thank the people of my riding of Saskatoon—Humboldt for electing me to represent them in the House.

It is a great honour and privilege to represent this riding, particularly in light of the history of some of the previous members from long ago who represented the riding. In particular, I think of the former Prime Minister, Mr. Diefenbaker, who represented most of the rural portion of my riding. Mr. Diefenbaker was a Prime Minister who stood for the farmers of Canada, and who unlike this government actually delivered for the farmers of Canada.

My question for the member for Cypress Hills—Grasslands is following on something said earlier by a colleague. One of the things we note is that most of these programs are provincially shared. In particular, looking at a document produced by the parliamentary library, it notes that the provincial share contributed by the Province of Saskatchewan as of September 26, 2004, was a mere \$12.5 million. For Saskatchewan's 3.5 million cattle it works out to \$3.50 per head.

Does the member think that the Calvert government has done an adequate job in providing only \$3.50 per head as of this date, September 26?

• (2330)

**Mr. David Anderson:** Mr. Chair, I thank my colleague from Saskatoon—Humboldt. As we know, he is one of several young MPs who have come into the House from Saskatchewan. We are proud to have him here.

Obviously, those of us who come from that province understand the deficiencies of the Saskatchewan government. We have unfortunately had to live with an NDP government for far too long. Basically, it has run the province into the ground and it shows up in the aid programs that it cannot provide for our farmers. We watch other provinces that provide a large amount of aid to their farmers.

Unfortunately, the Saskatchewan government does not seem ready to step up to the plate and do that.

In fact, when this program was announced, as the minister would know, the minister of agriculture in Saskatchewan embarrassed all of us by threatening first of all to sue the federal government over the program. He found out how ridiculous that was, backed off and now the provincial government is trying to provide a bit of aid to farmers. It has been inadequate. Since 2000 one of the problems we have had is dealing with the provincial government and getting it to fully fund the farm programs that are in place there.

**Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.):** Mr. Chair, I cannot help but refer to the last comment where the member opposite was criticizing the Saskatchewan government for threatening to sue us. My golly, that member over there has threatened worse to us from time to time.

I too want to congratulate all the members on all sides of the House for their election to this place. This is a very important take note debate. It is sad in a way that we need to have this take note debate as a result of the BSE issue but it is extremely important and I thank the House for agreeing to allow it to be held tonight.

There is no question that the closing of the U.S. border and it remaining closed to our industry as a result of one case of BSE over a year and a half ago has caused economic severity to producers, to rural Canadians and to many businesses in this country. Yes, as has been said here earlier tonight, it has caused, in many instances, a tremendous loss of hope. We have been trying as a government to correct that situation.

There is no question that, yes, producers continue to face extreme financial and emotional hardship. I talk to these producers on a daily basis as well. Many of them are my neighbours and many of them are my friends. Even after the amount of programming and effort that the federal government and other levels of government have put forward, the problem still remains.

However I will give the Leader of the Opposition credit for his remark tonight when said that the basic problem was the closing of the border with the United States. There is no scientific reason for that border to remain closed.

The opposition does not want to talk about this too much but a lot of effort has been made by the current government and the past government in trying to convince the United States to re-open the border, right from both prime ministers and various cabinet ministers to the regulatory bodies. I have been down as a cabinet minister to the U.S. a number of times. The current Minister of Agriculture has talked to the secretary of agriculture a number of times. Parliamentary delegations have tried.

Earlier tonight the member for Yellowhead talked about the former member from Essex, the chair of the Canada—U.S. parliamentary association, who led a delegation to the United States capital where we as members of all parties tried our best to convince American congressmen and senators to get the border opened, yet to no avail.

However I want to underline the fact that every effort has been made. For members opposite in their rhetoric to try to leave the impression for political reasons that every effort has not been made is just purely wrong. Every effort has been made and, as the minister said earlier, we will continue to make efforts in that regard.

Most of us in the House, as I have already said, have seen the impact of BSE on families and on communities in many ways, whether it is dealerships or families themselves, even the credit unions and some of the banking institutions. My province is very dependent on agriculture. Our number one commodity is agriculture and we are certainly feeling the effect of BSE in our province.

I have tried to listen as closely as possible to the debate tonight. It was my hope that the discussion tonight would lead to some better solutions. The minister has outlined many solutions from this side of the House. Until just half an hour ago we really had not heard any from the other side of the House.

• (2335)

Sometimes as politicians we do let political partisanship get somewhat in the way. It does not happen with myself very often but it does happen with members opposite and we have heard some of that tonight. But I think we can all agree that the basic problem is the closing of the border with the United States. Whether our United States colleagues want to admit it or not, up until the border closed, the North American beef industry, and it is a North American beef industry, was the most integrated industry of any between our two countries in our trading relationships, with the flow of cattle down, stockers, feeders, calves and slaughter cattle back up and Canadian beef cattle and dairy cattle going to slaughter houses in the United States.

We would have liked to have seen Canadian capacity in terms of slaughter and we would have liked to have seen that in the past, but the way the market built up was the way it was working. It was the most integrated North American industry of all between our two countries. However because of the Americans not wanting to abide by the science, we have seen how quickly that can change. I mentioned in earlier remarks the situation with the dairy industry.

Some people in the United States have let politics get in the way and are trying to keep the border closed. Following the border closure I want to put some facts on the table because members opposite, again with political rhetoric, seem awfully confused tonight on what the facts really are in terms of what the government and the previous government have done.

The fact of the matter is that following the border closure the Government of Canada did move quickly. We put in place feed controls, CFIA and food safety, and the BSE surveillance program. Members opposite seem to have forgotten about those. We have to thank Canadian consumers for their efforts to help the beef industry last year by buying their product because they know Canadian beef is the safest product in the world and we have the system to back it up.

As the member for Bruce—Grey—Owen Sound stated, this is indeed a serious matter and it does affect more than beef. Because it is such a serious matter I have to put some facts on the table.

Quite a number of payments were made and I will outline them. With regard to payments made since May 2003, there have been efforts made by some over there to say the money was not put out. The money was put out but it was not enough. It is rather interesting to note that when the Standing Committee on Agriculture met on this issue to figure out where \$500 million disappeared to and when we wanted to take on the packing industry, it was a member of the Conservative Party who denied the House the right to call those people in contempt and get a look at their books to see what had really happened and whether the packing industry had really bled off that \$500 million. Let us look at the numbers.

For BSE recovery the budget was \$520 million and to date \$465 million has been paid. For the cull animal program, \$120 million was budgeted and \$110 has gone out. The transition industry support program was budgeted at \$930 million and \$568 million has gone out. As the minister has said, the rest will be out before the end of October. There is the repositioning that the minister announced on September 10 of \$488 million, of which \$385 million will be in direct payments to producers and that will eventually be paid out.

We want to continue to pressure the United States, increase the slaughter capacity with a made in Canada solution, work to try and make the market work through the set aside program. We want to bring the market in balance so producers can get paid out of the marketplace which they want to do.

• (2340)

We want to work to find new markets. As has already been mentioned, the minister will be travelling with some members of the opposition to work toward finding those new markets next week.

It also should be pointed out that the efforts to move product to the United States have in some ways been successful. We are now exporting in terms of beef products to the United States 213,849 pounds up until September 25, which is nearly at prior to BSE levels. The efforts are paying some dividends in some regard.

The bottom line is that yes, we want to see the border opened, but until it is opened we will try to build the Canadian industry with a made in Canada approach. We will try to find new markets. A lot has been done out there. We will look at the take note debates, the points that come across tonight and try to improve the program as the minister already mentioned.

**Mr. Kevin Sorenson (Crowfoot, CPC):** Mr. Chair, I want to put on the record a letter that I received from one of my constituents and I will ask a question at the end. The letter states:

I am sure you are aware of the problems that the western farmers and ranchers are facing. Do you realize how serious this is?

We have been ranching for 36 years and never have we been in this financial trouble before. We have mortgaged our ranch to help our two sons purchase land, much to my protest. I did not want to see them go into debt and work hard and get nowhere, but they purchased land anyway.

Over the last four years we have fought drought, grasshoppers and now BSE. Our investments have been cashed in to pay bills, buy feed, et cetera. Now we are broke.

Our farm insurance was due so we shipped five two and three year old purebred Charolais bulls and two purebred Charolais dry cows hoping to receive enough to cover the insurance bill. Guess what? It wasn't enough. I could not believe it.

Enclosed you will find a copy of the sale. Ridiculous! The cost of our utilities, fuel, groceries, repairs, machinery, et cetera has increased drastically, but the beef and the grain we sell is worth less.

Something is wrong with this picture. Our income is selling some calves, cull cows and cull bulls in the fall. We sold some calves last fall, receiving half the price we were expecting. We chose to keep the cull cows and bulls, a mistake. In the spring we sell around \$40,000 worth of breeding bulls and heifers. This spring we sold \$6,000 worth. How are we to pay our bills and live? Our regular customers did not replace their bulls and older cows because of the poor market.

Our accountant advised us to join CAIS. We did and now received notification to deposit \$15,000 into a special account. How in the world do we do that when we have no money? The bank will lend it to us, but it only has to be paid back. I think that would be defeating the purpose.

I realize you cannot control these things but something has to be done. The western ranchers and farmers are in trouble and we need your help now.

The letter is signed by a farm wife from Endiang, Alberta.

This debate is a direct result of the government's failure to recognize and provide a timely response to this crisis. We have been going for 18 months and we still have no access to application forms for any of this. Farmers do not understand the program because the government has not got the information out.

The government announces programs, stands in front of cameras and makes the great announcements. It says it wants to increase capacity, but nothing in this program does anything to increase capacity. Those who want to start are saying they are being pushed back now by the banks. We have a set aside program that is contingent on extra capacity, but few now are stepping up to build packing plants.

The parliamentary secretary in his past has been involved in the agricultural sector, albeit we were never much in agreement with the guy. What hope can he give a farm wife who is watching a family farm disappear, a farm wife who is watching her children who want to get into a generational farm and is begging them not to and is being told that maybe they could enter into this program or that program?

Why has the government failed to plan for this crisis? Why do we fail to react? Why do we come here 18 months after the fact begging for a government to respond in a timely way? Why does the government not act?

• (2345)

**Hon. Wayne Easter:** Mr. Chair, again we see that the hon. member is substantially wrong in his facts. The debate is as a result of the border remaining closed because the Americans, for whatever reason, do not want to see the science in this issue. They are playing political games with the border. That is why the government has in fact responded and will continue to respond and build on the programs that are there.

Regarding the letter that he read, I certainly sympathize with that individual because there are hundreds of similar stories across the country. Do not think the Government of Canada or any members on this side of the House take pride in that situation because we do not. It has happened in a way that was to a great extent beyond our control.

I did have the offer and I will come to the figures in a moment because the member implied that we do not have money out there. Let me remind him again that for the BSE recovery program, \$465

million went out; for the cull animal program, \$110 million out; for the transitional industry support program, \$568 million went out, and the rest up to \$930 million will get out; for the repositioning program, \$488 million went out.

No matter what money we put out, I will admit it will not compensate for the market not working. That is why the minister, in meeting with the ministers and deputies, and I happened to be at the meeting in Brudenell, P.E.I., talked in ways of trying to be flexible to work with those ministers in the provinces, to find a better way of doing things and getting the money out there so that the programs work in the interests of primary producers. That is what we are all about: making the program work in the interests of primary producers.

The member mentioned the CAIS program. In fact coming out of the CAIS program, the deposit deadline now has been extended to March 31 and discussions are ongoing to see if there can be another approach taken. There is movement and the minister has showed that he is willing to move to try to do his best to make the program work for primary producers. That is what we will continue to try to do. I just wish for a moment the member would talk about what is out there and what we have done instead of trying to confuse the issue all the time like the member is trying to do.

• (2350)

**Mr. Gary Goodyear (Cambridge, CPC):** Mr. Chair, the hon. member wants to confuse Canadians with bloated and exaggerated claims of assistance, but the fact remains that the forms are not available, the CAIS program does not work, there is not enough money, and when it takes \$80 million to put a plant together, the government offers \$38 million.

Given that this is the most crucial issue facing Canadians today, I am asking a simple question. Given that it affects sectors from trucking to hardware stores, I would like to know on this crucial issue exactly how many times the Prime Minister has had a discussion with the President of the United States.

**Hon. Wayne Easter:** Mr. Chair, I cannot answer how many times because I did not ask him how many times. I know that discussions were held and I know that the Prime Minister was there to get the issue solved. This issue was talked about many times at the cabinet table when I was there and currently as well. I know that every effort has been made to get that border open, but the Americans just do not want to listen. For whatever reason they do not want to listen to the science. They should listen because we have science on our side.

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.):** Mr. Chair, I would like to ask a question related to exporting.

I do not have a lot of beef cattle in my riding, but I remember a very important time for me in Parliament. I was having a problem in a particular sector and the Atlantic caucus, the people from the Maritimes who had nothing to do with it, jumped up and supported my riding. I hope the young girls who have stayed so late tonight know there is a future in farming and that we appreciate their enthusiasm. I want the farmers to know that people across Canada understand what they are going through and are supportive of them even if it does not affect their region.

There has been some suggestion from those who are not too familiar with the efforts that nothing is being done to try to increase our exports and open the market with the United States. I would ask the parliamentary secretary to inform us of some of the things to refute the fact that nothing has been done and what we have tried to do to increase our exports around the world and to open the border to the United States.

**Hon. Wayne Easter:** Mr. Chair, that is a good question. I would not want to do anything wrong on the procedure at this hour because I do not know whether I am out of time for answering questions, but I will answer it anyway.

There have been many efforts made. The previous minister of agriculture did a tour of Japan, Korea, et cetera, to try to open markets there. The current minister will be doing a tour next week of Japan, Hong Kong, Korea and some other countries to talk about our beef industry, the kinds of products we have and the high quality food and safety measures that we have in order to open up markets.

I was in Moscow recently. There is a population of 16 million in the Moscow region. That is half of Canada's population. We need to be looking to those markets to try to lessen our dependence on the U. S. market because obviously the U.S. does not believe in free trade and rules based trade. That is the reality. We have to look at other markets around the world. We are making every effort in that regard.

As well, the Department of International Trade and our embassies abroad are also trying to open up markets for Canadian products, including beef products. We are in fact moving embryos to Russia right now. There are markets opening up for some of our cattle in those ways as well.

I want to point out that every effort is being made. The bottom line is we want to do the best for our producers because to a great extent they are this country's engine of economic growth.

• (2355)

**Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC):** Mr. Chair, it is a tremendous honour to stand in this place to speak for the first time since the good people of Stormont—Dundas—South Glengarry elected me as their representative. I am very pleased that my first speech is on a subject of great importance to the people of my riding and to the people of Canada.

The leader of the official opposition and our agricultural critic have raised serious concerns about the BSE compensation program announced by the minister last month. The opposition struck a working group to consult farmers from coast to coast on BSE in the hope of improving upon the Liberal aid package by making it responsive to the needs of those directly impacted by the crisis. Members from all parties were invited to take part in this process.

My role in this consultation process is to focus on the concerns of the dairy farmers.

I would like to thank the Dairy Farmers of Canada and all of the provincial dairy producer organizations for their excellent cooperation in this process. I would like to especially thank the individual dairy farmers who shared their experiences and insights with my office.

I am not being partisan when I say the feedback that I have received from dairy farmers about the Liberal BSE package has been very negative.

[*Translation*]

The comments from the dairy producers are somewhat along the lines of those from the beef producers. Most of them told us that they had not yet received any details on the compensation programs, how it operated, what its eligibility criteria were. In fact, a month after the program was announced, producers are still waiting for application forms.

[*English*]

An overwhelming majority of farmers we heard from said that they still had not received enough information about the package and those who had looked into it said that the package was too little and too late. Many dairy farmers have lost their entire profit margin as a result of the BSE crisis.

[*Translation*]

In other words, many dairy producers have lost a portion of their incomes. For the past year and one-half, they have been working for next to nothing. They are generating no income whatsoever to feed and clothe their families.

[*English*]

Given the plight of the farmers in my riding and across Canada, how can anyone explain to them the waste of billions of dollars on the gun registry, the funneling of taxpayer money to Liberal friends through ad scam or the extravagant entertainment costs of the head of Canada Post who just happens to be a former Liberal minister?

Dairy farmers in my riding and across Canada have very little faith that the government's BSE package will help them much, if at all. When I look at the government's track record on compensation to farmers, I cannot help sharing the farmers' pessimism.

Another thing I heard from many of the dairy farmers we consulted were the words "thank you". They were grateful that a politician was actually asking for their views. The government has ignored the people who are suffering the most as a result of the BSE crisis. No wonder the Liberals seem so paralyzed when it comes to addressing this issue.

I have heard more good, constructive suggestions for dealing with the BSE crisis from farmers in the last two weeks than I have heard from the Liberal government in the last two years.

[*Translation*]

The producers do not want a facile solution. They want to draw some lessons from their experience. They have already given some thought to the direction their industry should take, and they deserve to be heard.

Among the long-term solutions they have proposed are: development of a national processing capacity, diversification of international markets, adoption of stringent policies for inspections.

● (0000)

[*English*]

The BSE crisis proves that Canada's relationship with our main trading partner is falling apart. It certainly does not help that the Prime Minister accepts radical anti-American intolerance and childish name calling on the part of his caucus members.

In conclusion, I want to tell my hon. colleagues opposite that there is only one way out of the BSE crisis and that is by respecting Canadian farmers, respecting their needs and their ideas.

● (0000)

**Hon. Andy Mitchell:** Mr. Chair, I know you are about to bring this debate to a close but I want to thank all members from all sides

of the House for participating here tonight. I know it was very appreciated by me to hear the views and perspectives of all members on all sides.

● (0000)

[*Translation*]

**The Deputy Chair:** It being midnight, pursuant to the order adopted earlier today, it is my duty to adjourn the House and report.

● (0000)

[*English*]

**The Acting Speaker (Mr. Proulx):** The member for Crowfoot from the committee of the whole reports that they have considered Motion No. 2 under government business. Pursuant to order made earlier today, consideration of the motion will resume Tuesday, October 12 at 7 p.m.

It being 12:02 a.m. this House stands adjourned until 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 12:02 a.m.)

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