



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, April 12, 2005**  
**Part A**

—

**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Tuesday, April 12, 2005

The House met at 10 a.m.

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*Prayers*

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## ROUTINE PROCEEDINGS

•(1000)  
[*English*]

### GREEN MUNICIPAL FUNDS

**Hon. R. John Efford (Minister of Natural Resources, Lib.):** Mr. Speaker, pursuant to Standing Order 32(2), I am pleased to table, in both official languages, the Green Municipal Funds annual report of 2003-04.

\* \* \*

•(1005)  
[*Translation*]

### GOVERNMENT RESPONSE TO PETITIONS

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I have the honour pursuant to Standing Order 36(8) to table, in both official languages, the government's response to 49 petitions.

\* \* \*

[*English*]

### CRIMINAL CODE

**Mr. Peter Julian (Burnaby—New Westminster, NDP)** moved for leave to introduce Bill C-361, an act to amend the Criminal Code (criminal interest rate).

He said: Mr. Speaker, more than 1 million Canadians each year regularly use payday lenders and another 1.4 million use high interest rate lenders at a great cost to their families and to their standard of living. Once hidden charges are accounted for, the effective rates on those payday loans exceed 50% despite much lower interest rates in the mainstream financial sector.

Banks have abandoned the small loans business on the grounds that it is not profitable enough, so many of these individuals who take these loans have no alternative.

I am very pleased to table today this private member's bill with the objective to protect consumers and their families from abusive and

usurious lending practices by amending section 347 of the Criminal Code to reduce the definition of criminal interest rates in half from 60% to 35% above the official Bank of Canada rate.

The bill would also broaden the definition of interest to include the calculation of hidden charges paid by a person to obtain insurance coverage.

The bill addresses an important issue that affects families in many parts of Canada and I hope that it will receive broad support from the House.

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

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### CANADIAN FORCES SUPERANNUATION ACT

**Mr. Werner Schmidt (Kelowna—Lake Country, CPC):** moved for leave to introduce Bill C-362, an act to amend the Canadian Forces Superannuation Act (marriage after the age of sixty years).

He said: Mr. Speaker, on behalf of veterans, like Gordon Read of Kelowna and their families, I am pleased to table a bill to amend the Canadian Forces Superannuation Act.

The bill would remove section 31(1) which prevents spouses who marry veterans after the age of 60 from receiving the veterans pension upon their death. It is wrong to penalize veterans and their families simply because they choose to marry later in life. This policy is outdated and there is no rationalization for the disqualification.

2005 is the year of the veteran. Veterans have given our country so much. I hope my colleagues will support the bill, support veterans and their families and show veterans just how grateful we are.

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

\* \* \*

•(1010)

### PETITIONS

#### MARRIAGE

**Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC):** Mr. Speaker, the petition I present today is one of many that I have received on the subject of marriage.

*Routine Proceedings*

The petitioners draw to the attention of the House the fact that marriage is the best foundation for families and the raising of children, that the definition of marriage as being between a man and a woman is being challenged and therefore ask Parliament to pass legislation to recognize the institution of marriage in federal law as being the lifelong union of one man and one woman to the exclusion of all others.

I note, in conclusion, that this petition is entirely consistent with Conservative Party policy.

[*Translation*]

## MISSILE DEFENCE SHIELD

**Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ):** Mr. Speaker, I have three petitions to present today.

The first is a petition calling on the federal government not to join U.S. President George Bush's missile defence shield. This is evidently a very popular position in Quebec.

## CANADA'S AMBASSADOR TO UNESCO

**Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ):** Mr. Speaker, the second petition I want to present was circulated by the Canadian Coalition for Democracies and calls for the recall and dismissal of Yvon Charbonneau as Canadian Ambassador to UNESCO because of his various positions on international policy, in the Middle East in particular.

## ASSISTED SUICIDE

**Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ):** Mr. Speaker, the last petition I am presenting was launched by Benoît Dutrizac, a broadcaster from radio station 98.5 FM in Montreal, who filed an excellent report on *Télé-Québec* on assisted suicide and the right to die with dignity. The petition calls on this Parliament and this government to initiate a discussion on assisted suicide and the right to die with dignity so that those wanting this right can exercise it.

[*English*]

## IMMIGRATION

**Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.):** Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present a petition signed by 28 people from the greater Toronto area and sent to me by constituents in my riding of Etobicoke Centre.

The petitioners pray and request that Parliament increase the quotas for parental sponsorship admissions and reduce the processing times of sponsorship applications with respect to immigration.

## MARRIAGE

**Mr. Werner Schmidt (Kelowna—Lake Country, CPC):** Mr. Speaker, I would like to present a petition on behalf of my constituents who pray that Parliament pass legislation to recognize the institution of marriage in federal law as being a lifelong union of one man and one woman to the exclusion of all others.

It is a pleasure for me to assist these petitioners and support them in their petition.

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Mr. Speaker, it is a pleasure to stand today and present two petitions on behalf of my constituents from the Regina—Lumsden—Lake

Centre riding and members from Regina Beach, Buena Vista, Moose Jaw and Regina proper.

Both these petitions deal with the definition of marriage and, more specifically, the desire of the petitioners to let the decision on civil marriage be determined by members of Parliament and not unelected judges and that the members of Parliament choose to retain the current definition of marriage, that being the traditional definition of one man and one woman to the exclusion of all others.

## CHILD CARE

**Mr. Lee Richardson (Calgary Centre, CPC):** Mr. Speaker, I have the honour today to rise and present a petition on behalf of the constituents of Calgary Centre who believe that it is parents and not the government who is in the best position to determine which type of child care best suits their children and leaves more money in the pockets of parents to spend as they see fit rather than a government run day care system.

• (1015)

## MARRIAGE

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I am pleased to present three petitions to the House today.

The first petition is on the definition of marriage. It has been signed by a number of Canadians, including from my riding of Mississauga South.

The petitioners would simply like to draw to the House that marriage is defined as the lifelong union of one man and one woman and is the best foundation for families and raising children. They also point out that it is the exclusive jurisdiction of Parliament to define marriage.

They therefore call upon Parliament to define marriage in federal law as being the lifelong union of one man and one woman to the exclusion of all others.

## NATIONAL DEFENCE

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, the second petition is on the subject matter of veterans.

The petitioners would like to draw to the attention of the House that veterans and electoral residents from the province of New Brunswick want the House to be aware that the Canadian Forces has plans to remove the Maltese Cross from the hat badge of Canada's military chaplains because it now has one Muslim chaplain.

The petitioners therefore call upon Parliament to cause the armed forces to retain the badge of honour for its military chaplains and devise another method to recognize non-Christian chaplains when so employed.

## MARRIAGE

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, the final petition is on the issue of the notwithstanding clause under the charter.

The petitioners would like to draw to the attention of the House that the majority of Canadians believe that fundamental matters of social policy should be decided by elected members of Parliament and not by the unelected judiciary.

*Government Orders*

They therefore call upon Parliament to use all possible legislative and administrative measures, including the invocation of section 33 of the charter, commonly known as the notwithstanding clause, to preserve and protect the current definition of marriage which is the legal union of one man and one woman to the exclusion of all others.

## LABELLING OF ALCOHOLIC BEVERAGES

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I am pleased to present a petition on behalf of numerous constituents and other Canadians who are concerned with an issue dealt with of late in the House. It pertains to fetal alcohol syndrome. The petitioners believe it is important to put labels on all alcohol beverage containers indicating that drinking during pregnancy can cause birth defects. They are concerned that the government has failed to respond to the wishes of the Canadian population and parliamentarians and ask for immediate and urgent action.

\* \* \*

[Translation]

## 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 Deputy Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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**GOVERNMENT ORDERS**

[English]

**BUDGET IMPLEMENTATION ACT, 2005**

**Hon. Jim Peterson (for the Minister of Finance)** moved that Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be read the second time and referred to a committee.

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, thank you for the opportunity to introduce the 2005 budget implementation act at second reading. This is all about the government delivering on its commitments. That has been the theme of this year's budget and indeed it is the theme of the bill before us today.

Canadians expect the government to take major steps to deliver on our commitments and that is exactly what we have done. I hope over the next few minutes to demonstrate that this is exactly what we have done.

In the 2005 budget we have set out an ambitious agenda to promote national well-being, centring on five mutually reinforcing commitments: first, maintaining sound fiscal management; second, encouraging a productive and growing economy; third, securing our social foundations; fourth, promoting sustainable environment and communities; and fifth, strengthening Canada's role in the world. As I said, I hope that these five mutually reinforcing commitments will become obvious over the course of the next few minutes.

Proposals contained in the bill take major steps to deliver on these commitments, with action carefully paced over the next five years. I hope in the next few moments to illustrate how the measures contained in the bill reflect each one of these commitments. Before I do that, I think it is important to make a few comments about our economic situation, because this underlies each and every budget.

Canada is in an enviable position. Since balancing the federal budget in 1997, Canada has led the G-7 industrial nations with the best job creation record and the fastest growth in living standards.

Right now I can hear someone calling in their support, Mr. Speaker, so certainly there does seem to be someone who is agreeing with me on that very significant point.

Looking ahead, and based upon the average forecast by economists from the private sector, the real growth in 2005 is expected to be 2.9% of GDP, rising to 3.1% in the 2006. I would note in parenthesis, however, that since the budget has been proclaimed, private sector economists have actually rounded down the GDP growth for 2005 from 2.9% to 2.6%, so it gives us some sense that private sector economists are possibly not as robust as they were when the budget was being made. That of course is a concern to each and every one of us who considers a sound fiscal framework to be the cornerstone of our prosperity.

These forecasts are always subject to risk, including the evolving impact of the rapid rise in the value of our dollar. Canada is probably one of the most global trading nations, if not the most global, and because of that our risks are frequently risks that are outside of our control.

For instance, the principal risk is with the twin U.S. budget and account deficits. These could cause higher interest rates, slower U.S. growth and further depreciation of the American dollar, all leading to slower Canadian growth and some economic adjustment which could in many instances be quite painful for each one of us.

As I said, we do not have control over how the U.S. issues its budget or controls its current account deficit. These are principal risks to the forecasting which are completely outside of our control, similarly with the economy of China and with rising oil prices and things of that nature which are by and large outside the control of our economy.

● (1020)

It is the possibility of future risk that motivates the government's first commitment, and that is to sound financial management, with balanced budgets or better based on prudent fiscal planning. Even after dramatic investments in funding for provinces and territories and further new measures, budget 2005 projects a surplus for the current fiscal year ending March 31, a surplus for the eighth year in a row. That is the longest string of surpluses since 1867 and the founding of the nation.

*Government Orders*

The budget projects balanced budgets or better over the next five year period. The five year fiscal projection reflects the fact that the vast majority of the commitments it makes extend beyond the traditional two year planning horizon. This has further positioned Canada as a world leader and the only G-7 country to post total government surpluses in each of the past three years and the only nation that can expect to be in surplus in 2005 and in 2006.

Our strong performance has fueled a \$60 billion plus reduction in Canada's public debt and a saving of more than \$3 billion annually each and every year in debt servicing costs. This has led to Canada having a triple-A credit rating, producing lower interest rates for provinces, cities, businesses and families.

Again as a parenthesis, in my own community of Scarborough—Guildwood what we have noticed is a vacating of a lot of lower-end apartments while people get out and buy homes, because the interest rates are now such that the home which was heretofore unaffordable has become affordable. People are leaving the apartments and moving into their homes because their mortgage payments are the same as or less than their rental payments.

The combination of lower debt and lower interest rates has meant that the share of government revenue going to debt servicing or interest rates has been cut from almost 38¢ of each revenue \$1; that is, 38¢ or well over one-third of every \$1 was going to service debt. Now we are down to around 19¢. We have shaved it entirely in half. For the provinces, on average that has meant a significant reduction in their debt interest costs as well. Some provinces are down around an average of 12¢ of every revenue \$1, and again, these are savings that are passed on to any entity that borrows money.

To sustain these benefits and to position Canada to meet future pressures such as our aging population, the government aims to bring down the debt to 25% of GDP within 10 years.

Balancing budgets and bringing down debt do not happen by accident. They require prudent fiscal planning. For this reason, budget 2005 again sets aside \$3 billion in an annual contingency reserve. If not needed to keep our books in balance, these funds will go directly to reduce the debt.

We have also continued to build economic prudence into the budget plan, starting at \$1 billion. If not needed, it will be used to invest in other priorities of Canadians.

Fiscal discipline also demands a rigorous approach to delivering value for the taxpayer dollar. That is why the government established the expenditure review committee of cabinet to scrutinize each and every line of government spending.

The committee has identified \$11 billion in cumulative savings over the next five years. Almost 90% of that \$11 billion comes from greater efficiencies in procurement, property management, service delivery and program administration. These savings have been incorporated in budget 2005 and are being reinvested in core federal programs and services.

The government's second commitment to Canadians is to encourage a productive and growing economy. Canada's current economic progress shows that we are on the right path, but increased

prosperity and growth need constant improvements in productivity and our ability to compete in a fast-changing global environment.

● (1025)

Again in parenthesis, we have noticed in the last year some fall off in productivity, which is worrisome. I think it is largely reflected by the rapid appreciation in the Canadian dollar and that has made it very difficult for some businesses to adjust quickly. We can live with a higher Canadian dollar, but it is the haste at which that change occurs which makes it very difficult for businesses to adjust and build into their situation and productivity improvements that keep them competitive.

We face the challenge of a soon to retire baby boom generation followed by a much smaller generation of workers. This means we will no longer be able to automatically rely on labour force growth to boost the economy. It means that the workforce has to be as inclusive as possible, and we need the workforce to be as skilled and productive as possible to beat international competition.

Budget 2005 takes action to meet those challenges. This action starts with the understanding that quality child care and early learning is much more than just merely good social policy. It is also an investment in better productivity and economic success in the years ahead. I will reference this back to when I said that we needed an inclusive workforce. Clearly, men and women, as they raise children and work, need to have the most flexible arrangements possible for raising families.

Bill C-43 would provide for the creation of \$700 million trusts for provinces to invest in early learning and child care programs. This amount is the 2004-05, 2005-06 portion of the \$5 billion commitment by the federal government for five years to develop a shared early learning and child care initiative in collaboration with the provinces and territories.

We are also taking action to reduce taxes. A competitive tax system makes individuals more prosperous and firms more productive. That is why the federal government has cut taxes each and every year since the budget was first balanced in 1997, including the record five year \$100 billion tax cut introduced in the year 2000.

The budget builds on these reductions by committing to increase the basic personal amount of income that all Canadians can earn to \$10,000 by the year 2009. This will benefit all taxpayers, but in particular, it will remove 860,000 low income earners from the tax rolls, almost a quarter million of whom will be seniors.

*Government Orders*

Next, to help Canadians save for retirement, Budget 2005 boosts the overall contribution to the RRSPs and registered pension plans to \$22,000 by the year 2010. This especially will benefit those who are entrepreneurs, the self-employed and small businesses, people who have no large pension entity to support them. As well, to expand the investment opportunities for Canadians, the government will remove the 30% foreign property limits, such as shares on RRSPs and pension plans.

Bill C-43 also takes action to maintain a competitive corporate tax environment to stimulate growth and jobs. It proposes to eliminate corporate surtax in 2008. This will benefit businesses, both small and medium sized. By 2010, the government proposes to reduce a 21% general corporate income tax rate to 19%. Even in the face of corporate tax reductions in the U.S., these measures will still maintain a tax rate advantage for Canadian businesses.

Further, a productive and environmentally sustainable economy is only part of the Canadian well-being. Budget 2005 also delivers on the government's fourth commitment to make further investments to secure social foundations. These investments build upon a \$41 billion agreement for health care in Canada, which the Prime Minister entered into with the premiers last fall, and the new \$33 billion framework for provincial equalization and territorial financing.

●(1030)

For example, the Prime Minister and the territorial first ministers have agreed to work together to develop a comprehensive strategy for the north. The north is entering into a time of unprecedented promise and opportunity, particularly with respect to the economic opportunities relating to oil, gas and diamond development.

Bill C-43 proposes to create a \$120 million trust to help the territories meet the goals of the northern strategy, a joint initiative between the Government of Canada and territorial governments aimed at improving the quality of life for northerners.

Budget 2005 also recognizes our debts to seniors. Indeed, the budget makes significant investments across a wide range of policies that matter to seniors. An investment in health care, which was made in the fall, is of most benefit to those who are aging. People use up most of their health care allotment in the latter part of their lives. The health care investment is for us all, but is of particular significance to those who are seniors.

In Bill C-43 the increase in the guaranteed income supplement is a payment of \$2.7 billion over five years, with improvements in place in less than two years. This will benefit 1.6 million seniors, the majority of whom are women. The maximum GIS will go up by more than \$400 per year for a single senior and almost \$700 for a couple.

The third commitment on the government's agenda is in recognition of the fact that a smart economic policy and environmental policy can go hand in hand, improving the quality of life, the health of communities and opportunities for growth. Budget 2005 introduces a \$5 billion package of measures over five years to support sustainable environment. These include the new clean fund and a partnership fund to reduce greenhouse gas emissions.

Bill C-43 proposes to establish a new agency under Environment Canada to manage the \$1 billion climate fund which will provide incentives for reduction and removal of greenhouse gases. Moreover, the bill proposes to amend the Canadian Environmental Protection Act to facilitate the future addition of greenhouse gases to the list of substances under the act. This will allow the Minister of the Environment to regulate emissions and implement the proposed large final emitter regime and emissions trading system.

Bill C-43 also would provide \$300 million to the green municipal funds to support local environment projects. Of this amount, \$150 million would be used to help communities clean up and redevelop brownfields.

A key element of the environment for Canadians is our cities and communities. Budget 2005 builds on the new deal for communities launched last year by providing municipalities with a growing share of the federal excise tax on gasoline. Bill C-43 proposes to provide initial funding of \$600 million for this initiative, the equivalent of 1.5¢ per litre. This will grow to \$2 billion a year for additional revenues over five years, delivering again on this government's commitment.

Canada's meeting its domestic needs should not obscure the fact that events like tsunami disaster emphasized that we live in a global village. For example, when the tsunami struck southeast Asia last December, Canadians were deeply affected by this tragedy. Again in parenthesis, the Sri Lankan community, of which I have the honour to represent in my riding, is deeply affected by this tragedy. Canada responded very generously with an assistance package totalling \$425 million.

In true Canadian fashion Canadians responded generously with their personal donations of approximately \$200 million to charitable organizations and the government matched that.

●(1035)

Finally, the measures contained in Bill C-43 represent a comprehensive, integrated plan to enhance the well-being of Canadians. Over this period and over this budget, we have delivered on our commitments.

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, would the hon. member like to comment on the deductibility for investments?

*Government Orders*

The Canadian Real Estate Association has met with many members of Parliament and is particularly interested in whether we plan on doing anything with capital gains by not including it in the definition of the expected profitability for investors.

**Hon. John McKay:** Mr. Speaker, representatives of the real estate industry were on the Hill yesterday. Regrettably I did not have an opportunity to meet with them and hear their representations, although a meeting had been set up.

Their concern is with respect to deductibility of the costs of property where there is a question of gain. This arises out of a Supreme Court decision when the government took the position that where there was no real prospect of making money on a property and having a capital gain then the deductions would not be deductible.

An example may be a hobby farm where the expenses are being run through it, therefore reducing other income where there is no real prospect that it will make money. Maybe that is a poor example, but it is the only example I can think of off hand. That is the dilemma raised by the representatives of the real estate industry arising out of the case before the Supreme Court.

I look forward to the opportunity to talk further with them to see whether there is something that can be done on that issue. On the face of it, the government's position is that of the decision made by the Supreme Court of Canada.

● (1040)

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I found it very interesting to listen to the parliamentary secretary boast about the number of surpluses the government has run over the last number of years. Not once did he mention some of the critical situations facing students, the homeless and low income Canadians. He failed to address the absence in the budget of some initiatives in those areas.

The member talked about the government rolling in surpluses, but he said nothing about students drowning in debt. He failed to mention that there was nothing in the budget nor in the budget implementation act to deal with education, the one program that would give families hope that their children would be able to break through their economic circumstances and build a better future. The one program that would offer some hope of equalizing conditions in the country has been neglected and ignored by the government.

Since we are talking about elections a lot these days, in the last election less than a year ago the Prime Minister stood in Newfoundland and Labrador and said to the world that he was interested in putting \$8 billion into education. The world applauded because he was touching on one of the most critical issues facing Canadians today. What has happened in the space of one year? There has been no mention of education since that election campaign. This was another broken promise. The need for access to quality post-secondary education, one of the most critical issues facing this nation, was given no attention.

Why was there nothing in the budget and in the budget implementation act about education when the Prime Minister made such a grandiose promise and offered such hope less than a year ago? Why did the government spurn the remarks and contributions made by students' associations, professors' associations and education

associations during the prebudget consultations about the failure of programs like the learning bond, the registered education savings plan and the millennium scholarship fund to address the issue of universal education? Now we learn that cabinet has documents showing these programs have limited success and only provide limited access.

I would like to hear the full goods from the member. I would like to hear the true story about education and what the government plans to do and how fast it intends to act.

**Hon. John McKay:** Interestingly, Mr. Speaker, I just came from a meeting with the president of the University of Toronto. We had a really interesting and fascinating discussion about the variety of issues that the Government of Canada has taken with respect to research primarily, of which the University of Toronto is a very significant beneficiary. It certainly appreciated not only the contributions to the various foundations which it can access for funding but also the funding of research chairs and a whole variety of issues in the area of post-secondary education.

I do not frankly accept the premise of the hon. member's question with respect to our involvement in post-secondary education. It is profound. It has been significant and it has put the Canadian universities back in the research game. In fact, it has also reversed the brain drain. We now have a brain gain.

The question is twofold. The second question is with respect to student access. The member is right in the superficial analysis of the bill. The budget did not address access issues by students, but I direct her attention to the 2004 budget where we dealt with a number of issues: RESPs, learning bonds, millennium scholarships, and things of that nature that is being objected by the hon. member.

In the spirit of candour, I would say that in some respects those have had an uneven success rate. I know, for instance, my family uses RESPs. That is one of the major ways in which my children will access post-secondary education. I would expect that going forward those issues will be continually evaluated and addressed.

The final point is with respect to homelessness. The draw down on the funds that has been put aside over the last few years has not been as vigorous as we had hoped. I would also point out to the hon. member—

**Ms. Judy Wasylycia-Leis:** I wonder why.

**Hon. John McKay:** Well, in part because of provinces that cannot seem to get their acts together. I have had people in my office complaining that the money is sitting there and it is not being drawn down. When the money is drawn down, we will again review the situation. I would point out that affordable housing has become a lot more affordable under this government.

● (1045)

**Mr. James Bezan (Selkirk—Interlake, CPC):** Mr. Speaker, I want to return to some of the comments that the parliamentary secretary made when answering questions from the member for Blackstrap.



*Government Orders*

He was talking about eligible expenses and gave the example of hobby farming. I know the parliamentary secretary is aware of the difficulties facing the farm community. We have a situation where we are going to see a sustained loss in that industry. A lot of the farms are not going to be able to show they have the potential to profit under the current definitions.

We also know that these current definitions affect other industries like real estate investment and would take some time to start showing any profit and any opportunity to have a return on those investments. How is the parliamentary secretary going to ensure that the stringent rules and guidelines we have today are not going to affect our productivity in the future.

A recent article in the *Ottawa Citizen* said that one of the greatest hamstrings we have in this country are the rules and regulations that prohibit investment. This is one of the things that is going to make people think twice about investing and starting these small sideline businesses while they work, and what hopefully will become a successful business down the road.

**Hon. John McKay:** Mr. Speaker, the hon. member actually asks a good question. I know it is kind of a novelty here. The question revolves around REOP, reasonable expectation of profit. There are a lot of businesses that start up and, frankly, some are more successful than others. In fact, probably the vast majority are less successful than more successful. I do not remember what the statistics are on it, but my recollection is something in the order of 1 or 2 out of 10 are actually successful.

The government takes the view that there has to be a reasonable expectation of profit before one can deduct that against other income. If people set up businesses that have no expectation of profit, but they want to deduct their expenses against other income, whether it is pension income, other earned income or capital gains, then they will have troubles. I think that is the actual position to take.

As to encouraging small business to actually take off and go that way, there are a number of programs in place. The trouble with being in government is that one has to be able to walk and chew gum at the same time. One still has to have a reasonable expectation of profit and meet that definition. If one does not, I do not think anyone should expect to have deductions.

•(1050)

**Mr. Charlie Penson (Peace River, CPC):** Mr. Speaker, I am pleased to take part in the debate today on Bill C-43, an act to implement certain provisions of the budget which was tabled just a short six weeks ago on February 23.

Unfortunately, this budget implementation bill is reflective of the Liberal government's arrogance that has plagued this Parliament for over a decade, back in 1993 when it was first elected. However, in this minority Parliament, it is time for the Prime Minister to stop behaving as if he had a majority and start governing, and take into account the best interests of Canadians. Unfortunately, that does not appear to be happening.

We in the Conservative Party have made it very clear that we believe the legislation contained in Bill C-43 should be divided into three stand-alone parts: first, legislation enacting Kyoto provisions; second, measures that fulfill commitments made to the provinces

including the implementation of the Atlantic accord; and third, clauses traditionally found in budget implementation legislation.

Let me deal with the Kyoto measures first. We have a last minute decision by the government to include changes to the Canadian Environmental Protection Act and enabling legislation for a Canada emissions regulations agency. All it is, in this minority climate, is a crude bait and switch tactic that is not fooling anybody. I notice that the environmental community is not very happy about the government's tactic either, although the environment minister may have thought that he was going to have support there.

The Liberals knew the majority in the House however would not approve the Kyoto measures if they presented them in stand-alone legislation. That is why they attached it in a last minute amendment to Bill C-43. This move, at the very least, has delayed legitimate budget measures from implementation and may have even, depending on what happens in the next couple of months, put their very implementation at risk.

The government's cynical effort to divide and conquer has had the opposite effect. It does not matter what side people are on regarding the Kyoto debate. No one is prepared to swallow hasty, superficial and highly questionable Kyoto measures that are being presented in bad faith.

I would like to take a moment to talk about Kyoto and the whole business that was first developed in Rio back in the late 1980s. This is the government that sleepwalked its way to a very bad Kyoto agreement to begin with. Although it had left it for almost 10 years, it had to develop a position to take to Kyoto, Japan for the international conference that was taking place.

The Liberals hastily put a government position together. They went out and consulted with the provinces in about a week. They came back with a position the provinces could finally agree to, went to Kyoto, and doubled the amount of concessions that Canada was prepared to make, double what the provinces had just agreed to a week earlier. That is the kind of rocky start that they got off to, and quite frankly people are shaking their heads at the way that the government has handled this whole file.

From our point of view, these are not the same set of budget measures which the Conservative Party was presented with in the budget, and so we refused to defeat the government on the budget. Now we find this late amendment that has been brought in as a way to change things. It is a very strange approach.

Let me deal with the Atlantic accord. It is another problem we have with this budget implementation bill. I would say equally contemptuous is the Liberal tactic of holding the people of Newfoundland and Labrador and Nova Scotia hostage by linking the Atlantic accord provisions, which most members of the House support, with the obviously problematic Kyoto measures.

*Government Orders*

Members will remember the Atlantic accord. This was the promise that the Prime Minister made when he was slipping very badly in the last election, less than a year ago in June. He went to Newfoundland and Labrador to shore up his support and agreed that we had to make changes to the measures, especially on the offshore resource revenue. Then when the Premiers of Newfoundland and Labrador and Nova Scotia asked him to hold up his part of the bargain just a few months later, he was not prepared to do that. We all saw the negotiations that went on, including Danny Williams and his disgust at the way the Prime Minister had backed away from that agreement. Finally, under great pressure, the Prime Minister gave in.

We think the provisions of the Atlantic accord in Bill C-43 could be passed in one day in the House if the Liberals would table stand-alone legislation, but so far they have not agreed to do that very simple matter.

• (1055)

However, on April 6, just a short time ago, the leader of the Conservative Party rose in the House to seek unanimous consent for the following motion: "That, notwithstanding the Standing Orders or usual practices of the House, a minister of the Crown be permitted to table a bill without notice that implements the Atlantic accord; when such a bill is called for debate it be deemed read the second time and referred to a committee of the whole, deemed considered in committee of the whole, deemed reported without amendment, deemed concurred in at report stage, deemed read a third time and passed".

Therefore, it is clear that the intent was to move this through very quickly. The accord was finally reached between the Premiers of Newfoundland and Labrador and Nova Scotia and the Liberal government after a great deal of pressure. However, the Liberals have linked it to the Kyoto amendment and this is problematic.

The member for Toronto—Danforth, the leader of the NDP, seconded this motion. We may disagree on many issues, but the Conservatives and the NDP share a sense of fair play and apparently the Liberals do not as they would not give their consent. Nevertheless, we remain united on this point. The Atlantic accord should be passed with no further delay, finally giving the people of Newfoundland and Labrador and Nova Scotia what they were duly promised in the last election campaign, which is a fair deal they so justly deserve.

The bottom line is that the Conservative Party does not believe in playing games with the well-being of Canadians and Canadians of that particular region on this issue. It is high time that the Liberals stop trying to score points and follow the lead of the Conservative Party by acting in the best interests of the people of Newfoundland and Labrador and Nova Scotia. We request that this be split away from this bill and if the government refuses to do so, we will try to accomplish that in committee when it comes to us.

Traditional budget measures are normally contained in these budget implementation bills. In the last election the Liberals campaigned against many of the Conservative initiatives which they seem to very strangely now accept, such as tax reductions. Our last platform, which the Liberals criticized as being fiscally irresponsible just about 10 or 11 months ago, committed to \$58 billion in new spending and tax reductions over five years.

In budget 2005, the Liberals made \$55 billion in new commitments for the same time period. Eerily and remarkably, almost exactly the same numbers. We could not afford them in June during the election campaign. They were highly irresponsible. Then the budget came down February 23, and strangely, the are exactly the same numbers. So it was just a crass political ploy at election time to discredit the Conservative Party. Now we see that it was affordable all along.

Unfortunately, many of the tax cuts embraced by the Liberals in the budget do not go far enough or occur fast enough to have a substantial impact on the well-being of Canadians. In fact, some people are calling the last budget "budget 2008" because many of the measures do not take effect until late in the five year period.

The personal tax relief measures in the bill are insufficient and back-end loaded. They amount to a reduction of no more than \$16 next year. It is called the pizza of tax relief. One family could maybe buy a pizza with the tax relief it is going to get next year. So the Liberals back-end loaded many of these provisions and they are only going to be \$192 when fully implemented in 2009. Not nearly enough, but it is the right direction.

The productivity enhancing measures in budget 2005 however are insufficient. They serve only to illustrate that the government is not taking the warning signs that Canada's high priority programs could be in jeopardy if comprehensive steps are not taken to grow the economy before the demographic crunch happens. I have been on the finance committee for some time. We have heard this story about the looming demographic change. We have an aging population in Canada. We will have less people paying the bills down the road. We believe that we have to take measures now to get Canada's economy going. We know that we are trailing our major trading partner, the United States, very badly in terms of productivity.

People may ask what that is, it really means we have a lower standard of living. It is not good enough. We have fallen behind very badly in the last 25 years. It means in real terms that people can understand that the average family of four in Canada has a take home pay of about \$24,000 less than the average family in the United States.

• (1100)

What could people do with that? They could put some \$2,000 a month on their mortgage payments. That is really what it amounts to in real terms. They could pay down their mortgage considerably faster if we had the same kind of standard of living as they have in the United States.

Why would we think that we should not aspire to have as high a standard of living? We have had it in the past. It is only in the last 25 years that we have drifted very badly. Our productivity has fallen so we are only about 75% as productive as the United States.

*Government Orders*

I would suggest that it is not the fault of Canadians. It is the fault of policy makers who put us into a whole bunch of areas of government spending in which we do not need to be involved any more.

Let us take some steps now to correct that before the big demographic crunch happens. Canada's productivity slack not only curtails the Canadian standard of living now but it puts the future affordability of our social programs into serious jeopardy. The time to fix a leaky roof is when the sun is shining, not to wait for a downpour to flood the house.

Some of the measures in the bill do not reflect how they were presented in the budget document. While the budget noted that each of the territories would equally share \$120 million in trust, part 6 of Bill C-43 leaves the allocation up to the terms of the trust indenture. Maybe that is fine but maybe it is not. It does not spell it out.

Budget 2005 said that \$150 million for the green municipal fund would be applied to clean up brownfields. We heard about the need for that many times but no stipulations to that effect were made in part 8 of Bill C-43, which I think is also an oversight or an error.

With regard to the much talked about gas tax transfer to the municipalities that the parliamentary secretary talked about a little earlier, part 11 of Bill C-43 only authorizes payments to the provinces regarding the gas tax until 2005-06 even though the budget stated that the amount of the share of the gas tax would rise to \$2 billion annually by 2009-10.

I think some provisions still need to be cleared up.

Provisions to help low income seniors do not come out as beneficial as the Minister of Finance's budget speech would lead us to believe. For example, part 23 of Bill C-43 says that unless the provincial governments raise the comfort allowance amount, the total amount increased to the GIS, the guaranteed income supplement, would not be paid to seniors living in subsidized nursing homes but rather to the nursing home operator or the province.

There may also be provincial programs, such as GAINS in Ontario, which would claw back half of the GIS increase so that it may not be quite as rosy as the finance minister has suggested.

The area on which I am the most critical is the area of surplus projections. We just had the budget six weeks ago. The finance minister told us that the budget surplus for the year that just ended March 31, and he was only a few weeks away from it at the time, would be \$3 billion. That has been changed many times this last year but we have heard him say there would be \$3 billion.

Unfortunately, I suggest it is somewhat like the fiasco of last year when the finance minister stated that the budget surplus would be \$1.9 billion and it magically turned out, after the election I might point out, to be \$9.1 billion. A lot of people thought that maybe the finance minister was dyslexic or something when he got the numbers opposite but it turned out to be a huge advantage for the Liberal Party during the campaign. The Liberals said that they could not afford all the promises that were made by the Conservative Party but, alas, they could have afforded it all along because instead of a \$1.9 billion surplus it turned out to be a \$9.1 billion.

I am suggesting that the finance minister pull up his forecasting socks and stop hiding taxpayer dollars by lowballing surpluses.

Some people might want to know what is wrong with lowballing. What is wrong is that in the last seven years we have had seven consecutive budgets where the finance ministers have lowballed the surpluses and we actually had \$80 billion more than the government said we had over the last seven years.

Why is that important? It is important because Canadians are shut out of the debate of how that money should be spent and what their priorities are, or, conversely, maybe too much tax money has been collected from Canadians. Eighty billion dollars would have been a pretty nice hit in terms of having tax relief.

• (1105)

Old habits die hard and the Liberals are at it once again using false numbers and saying that there would be a \$3 billion surplus for 2004-05, the year just ending. We find those numbers strange because the fiscal forecasting group that the finance committee hired came up with a surplus of \$6.1 billion. In terms of 2005-06, the Minister of Finance was saying that his estimate of the surplus would be \$4 billion while the fiscal forecasters are saying \$8 billion and that it could be considerably higher.

We know it is not an exact science, a point the parliamentary secretary has made many times, but it seems to me that if the government is going to be out it would be high as often as it would be low. However that does not seem to be happening. It seems to be quite a different process it has and it seems very deliberate.

I want to talk about the minister's fiscal update last November and how inaccurate that also was, which ties into this. What I am saying is that Canadians already have a problem. I remember when the Prime Minister was the finance minister he was in Toronto lecturing the business community about corporate malfeasance, how important it was that Canadians could rely on the numbers of the corporations and that they should be accurate in their projections so that when people wanted to buy stocks and bonds they could feel confident that these companies were providing accurate information.

Would that not also apply here? In fact, should this not be the place that sets the high standard on how projections are done? To that end, the finance committee, on behalf of especially the opposition parties that made amendments to the government's throne speech, asked that we have more accurate fiscal forecasting and asked that we look at an independent budget office.

*Government Orders*

We are in the process of doing that at committee. We have independent economists looking at the last two quarters of 2004-05. They have been able to give us timely updates, which is very important to parliamentarians in order to tell Canadians that we are reflecting their priorities and giving them the most current information.

The Auditor General has criticized the government in the past. The Conservative Party is working on the finance committee to bring truth and transparency to fiscal forecasting by establishing the independent parliamentary budget forecasting office. We believe it is in the public interest to have a healthy debate on what to do with the surplus, if there is one, and not play a game of hide and seek as to how big the surplus really is.

The Conservative Party will continue to hold the Liberals to account for spending that is unfocused and wasteful. Over a decade of Liberal waste, mismanagement and scandal has shown that billions of dollars sent to Ottawa could have been more effectively managed by Canadians themselves if left in their pockets. Canadians were overtaxed by \$80 billion.

The Conservative Party has also said that it will strive to make this minority Parliament work so long as it is in the best interest of Canadians. Currently, the bill is not reflective of that principle. That said, we will try to turn the bill into pieces of legislation that are in the best interest of Canadians.

We can only hope the Liberals will keep those interests in mind and allow themselves to be guided by those same principles.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, for some time the House has had an interesting debate going on about surpluses. I can remember one of the reporters saying that it was a real good problem to have.

One of the things the member may want to comment on is the issue of the debt. We have paid down some \$60 billion worth of debt. The debt I believe is still as high as it was when the Conservatives left office. It is a little out but very close.

The amount of surpluses that have been accumulated since the Liberal government came into office in 1993 basically have kept us at the same level of national debt that we were in when we came. Therefore to suggest that it is an inappropriate or usurious amount would be perhaps premature to make that conclusion.

I would ask the member to make some comment on the level of the surplus and on the importance of paying down debt and saving some \$3 billion a year permanently that can be reinvested on behalf of Canadians. The member has been on the finance committee and he knows that the contingency and prudence factors, assuming that all things come in as budgeted, should generate surpluses. Could he comment on whether or not that is a responsible policy?

• (1110)

**Mr. Charlie Penson:** Mr. Speaker, the question from the member for Mississauga South is important and it is one that Canadians want us to debate in the House. In fact, I think they would make it a priority that we pay down debt. However I do not think they want a sort of accidental paydown; something that is left over when we cannot find enough programs on which to spend the money, which is essentially the way it has happened under the government.

I want to remind the member that when the Liberal government came to office in 1993, the debt was at some \$495 billion, a debt that was accumulated by two governments, including the Liberals' own. When the Liberals took office in 1993, I think they ran the debt up another \$88 billion before they started to make any changes to bring it down. The debt still stands today at over \$500 billion, which is not an acceptable level.

Canadians want us to pay down debt but they want it on a planned basis. In terms of the prudence and contingency reserves that are put in place in the budget, yes, we agree with those, but we think that should be enough to handle that category. The budget surpluses have been coming in two to three times higher than the combination of the contingency and prudence reserves set into the budget. That is showing that something is out of control here. If people in the private sector had that kind of forecasting and ran their businesses that way, I think the forecasters would be fired.

Quite frankly, this is irresponsible forecasting. That is one reason that the House, in the throne speech amendment, decided to look at an independent budget office. They have those in other countries, such as the United States and Great Britain. The idea is to act as a check and balance against the administration's numbers. That has worked very effectively in the United States.

When the member talks about the surpluses going to debt, yes, that is fine in the end, but it should be something that is discussed as a priority and where that ranks in priority. Maybe tax relief is also a priority they want to achieve.

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, one of the most interesting developments around this whole budget implementation act has been the support of the Conservatives for this Liberal budget, a budget that has been questioned by all sectors of our society for its failure to put forward an appropriate balance between paying down the debt and reinvesting in programs that will build this country. It is a budget that is seen as fundamentally flawed because of the amount of money that will be stashed away in trusts and hidden funds for which there will be no accountability to Parliament.

We have a sponsorship scandal in the making with the likes of the budget: millions of dollars stashed away in trust funds and no way for the public or for Parliament to maintain some sort of oversight.

How can the Conservatives justify supporting a budget that contains the seeds for a scandal as big, if not bigger, than the sponsorship scandal with us today?

**Mr. Charlie Penson:** Mr. Speaker, the member for Winnipeg North has a lot of bravado today about the budget vote that took place some time ago but my understanding was that if the Conservative Party had voted against the budget instead of abstaining, the NDP members would have been running for the hills so they would not have had to bring down the government.

There will be a time when the government will be brought down but we believe that Canadians are the ones who have to make that decision.

*Government Orders*

We were not happy with the budget either. It went some ways to satisfying Canadians about things like tax relief. That said, I have already pointed out in my speech today that they were not fast enough and they were not deep enough.

We are not in favour of Bill C-43, which would implement the budget itself, and I have just pointed out our reasons. We want three provisions separated out of the bill and then we will deal with those items separately.

• (1115)

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, I would appreciate a comment from the member about airport rents.

In Saskatoon, Saskatchewan the airport authority will be facing rent of up to \$700,000 beginning in January. This is a huge amount of money for the small city of Saskatoon. The airport was taken over by the Saskatoon Airport Authority because Transport Canada was losing money running the airport.

Would the member comment on the contradiction?

**Mr. Charlie Penson:** Mr. Speaker, that is an important question and not just for large airports. Toronto and other major airports are facing difficulties on the issue of the rents, but small airports are really in trouble on this issue. I was surprised that the government did not take measures in the budget to correct this situation. We know that some airlines are now saying that they will have to review their policy on flying into Pearson in Toronto because the airport rent is too high.

When the Government of Canada decided to ask the airport authorities, in effect the communities involved, to take over the airports, it did so under a certain set of criteria. No one expected the government to get into the sleazy landlord type of situation where it kept raising rents when it could not be justified. I think there has been a massive overcharge in rents. It is similar to a slum landlord.

It seems to me that this is going to kill a lot of small airports in the process. The airport in Grande Prairie is facing difficulties on the rent issue. Also, the airport authority has gone back to the city of Grande Prairie saying that there has to be firefighting ability there. It was one of the things that the government said 10 years ago that the airport would not have to have. There were major cost savings by having the firefighting ability just a quarter of a mile away where the city ends. Now the rules have changed. That is really hurting a lot of airports and airport authorities.

I agree with the member for Blackstrap that the government has to revisit this issue. I know that when the Conservatives become the government, which may be in the very near future, we will review that whole area.

[*Translation*]

**Mr. Guy Côté (Portneuf—Jacques-Cartier, BQ):** Mr. Speaker, on February 23, the Liberal government tabled a budget that was and still is unacceptable to Quebeckers because it fails to consider their priorities.

Naturally, we cannot oppose a budget and support the bill to implement it. So, it is clear that the Bloc Québécois has the duty, on behalf of Quebeckers, to oppose Bill C-43 to implement the February 23 budget.

However, the government could have and indeed should have used the opportunity presented by Bill C-43 to make major improvements consistent with Quebec's interests to the budget. However, the Liberal government, in addition to rejecting improvements to EI and the fiscal imbalance, even went so far as to add items that are totally unacceptable to Quebec, such as the special agreements on equalization with Newfoundland and Labrador and with Nova Scotia, and the polluter-paid principle under the Kyoto protocol.

Furthermore, the minority government should have made compromises. Instead, it has chosen arrogance and actions befitting a majority government. It has behaved like a government itching for a snap election. If this bill results in the dissolution of the House, the Prime Minister will have to tell Quebeckers why, and the government members will take the fall in a new election. For all these reasons, we cannot support this motion.

I said earlier that the Bloc Québécois, on behalf of Quebeckers, was opposed to the budget. We will oppose this bill too. Why? We have held a broad-based consultation in Quebec on the real needs and priorities of Quebeckers. We have reached a number of conclusions, namely that, in Quebec, the fiscal imbalance is a major issue that must be resolved.

What do Quebeckers want? In the long term, they are calling for the transfer of tax fields. In the short term, they are calling for increased transfer payments for education and social assistance. They want increased equalization payments along with changes consistent with the demands of the Quebec government, such as the use of the ten province standard instead of the five province standard.

What do we have in this budget as far as the fiscal imbalance is concerned? We have a Minister of Finance who announces no additional measures to loosen the financial stranglehold on Quebec, a problem the Liberal Party refuses to acknowledge. We have agreements on health and equalization payments that are clearly inadequate and in no way resolve the fiscal imbalance. God knows, with its enormous, virtually scandalously huge surplus, the federal government has the financial means, at this time, to resolve this issue.

All workers in Quebec, and naturally—I am tempted to say “unfortunately”—the unemployed, have one priority. That priority is employment insurance. The Bloc Québécois called for an independent EI fund and commission; improved coverage including reducing the eligibility criteria to 365 hours; more weeks of benefits; a new program to assist older workers.

*Government Orders*

Once again, there is precious little in the budget on this and almost nothing relating to employment insurance, despite the recommendations of the Standing Committee on Human Resources Development, Skills Development, Social Development and the Status of Persons with Disabilities, which called for a far more sweeping reform, and despite reports which had, I might point out, unanimous support in committee. Unanimity means that Liberal MPs voted in favour of those reports. Nevertheless, there are no improvements that could, for instance, apply immediately to seasonal workers.

As far as seasonal workers are concerned, there is of course one markedly inadequate measure involving some pilot projects. That may amount to \$300 million spread across Canada. In addition, the 2005 budget prevents any actual improvements to the EI program because the main objective in changing the fund is to eliminate the annual surplus.

• (1120)

Earlier, I mentioned Kyoto, and I am sure my colleague from Rosemont—La Petite-Patrie will speak much longer on it than I will.

I will however mention quickly that Quebec has called for substantial expansion of the wind energy support program,; tax deductions for public transit passes, the abolition of tax incentives for non renewable and nuclear energies and even the creation of tax credits for the purchase of hybrid vehicles. And what do we find? We find a budget that confirms the choice already expressed by the federal government of a voluntary approach to the Kyoto protocol, which will not lead to the achievement of the objectives for the reduction of greenhouse gases and will place the financial burden on the taxpayers rather than the major polluters.

There are absolutely no tax measures in the transport sector. This oversight will not help Quebec to improve its greenhouse gas reduction record. These measures are not appropriate to Quebec.

In recent years, Quebec has had a serious crisis in agriculture. The expectation was that the federal government would help farm producers struggling with the mad cow crisis, for example, in terms of the compensation needed to reach the floor price. There is the situation with cull cows in Quebec. Here again, the government's record is pretty poor in the context of the budget and Bill C-43. It is simple. There is nothing for agriculture. There is only the small sum of \$17 million for slaughter, which in fact is not new money. This government has completely ignored the situation of farmers across Canada and Quebec.

The government keeps telling us about all its funding for the military. As in health care, I think that prevention will always produce better results. We expected this government to take concrete action to achieve the UN goal of increasing international aid to 0.7% of GDP by 2015. What are we seeing? We are seeing an extremely timid commitment from the government, which will in no way allow us to reach that goal. As things stand, we will not achieve 0.7% of GDP in 2015 but rather in 30 years. We are far from the mark.

An extremely important issue for Quebec is respect for its areas of jurisdiction. With regard to the child care initiative, Quebec is asking for the right to withdraw from the federal program, unconditionally and with full compensation. With regard to parental leave, the transfer payments must be made as soon as possible to the Quebec

government so that it can finish implementing the initiative it had presented. The negotiations with the municipalities must be terminated. The gas tax revenues should not go directly to the municipalities but rather directly to Quebec, so that the latter can determine the terms and conditions and its allocation among the municipalities.

These are Quebec's traditional demands, and it is difficult sometimes to understand why the Liberal government will not listen to reason since it has been told the same thing for years. So what do we see in the budget? We see a final agreement on parental leave between the Government of Quebec and the federal government. It should not be forgotten, though, that this is Quebecers' money that the federal government is using to invest in one of Quebec's jurisdictions. So this agreement is only fitting. It does not prove that asymmetrical federalism works. Instead, it is the result of a struggle that the Bloc Québécois has waged in this House since 1997. It took eight years to finally reach an agreement on parental leave, despite all the historic announcements about this program every month, to the effect that this matter was about to be settled.

As far as child care is concerned, the Prime Minister agreed to give Quebec its share of the federal funding with no conditions attached. However, we should recall that the federal budget speaks about Canada-wide standards and reporting. The transfer of part of the gasoline tax to municipalities may well be carried out under conditions that are unacceptable for Quebec. There is talk of strategic objectives, Canadian results and bilateral agreements specifying how the municipalities will share the funds.

• (1125)

Well, these three areas are very clearly within the jurisdiction of the provinces and Quebec. Once again, Quebec's demands regarding Bill C-43 and the budget have been disregarded.

Social housing is another area where the government's management has been so sad that it makes you want to cry. The federal government was asked to ultimately devote the equivalent of 1% of its program spending to contribute to the development of new social and community housing. So what do we see? Nothing. There is nothing at all for social housing. If there is one sector that has just been forgotten in this budget, that is it.

As I say, it is enough to make you cry. Families are having difficulty finding adequate housing. Some families in Quebec spend about 60% of their income just on housing. Meanwhile, this government has the nerve to bring down a budget with nothing for social housing.

*Government Orders*

For the Bloc Québécois, it is also important that this budget not neglect our francophone friends in the rest of Canada. We felt that the federal government ought to follow up on the budget requests from francophone associations in the Canadian provinces and raise to \$42 million the budget allocated to them under the Canada-communities agreements. That budget, incidentally, is currently \$24.4 million. Once again, there are no provisions for the Canadian francophonie, which is most unfortunate.

Yet the government had the means to do far more. The federal Liberals had enough financial leeway to do far more. According to the Bloc Québécois forecast, that leeway will attain the \$50 billion mark, more or less, within three years, not the meagre \$15 billion figure the Minister of Finance has given for that same period.

The federal government therefore had all the leeway necessary, but not the political will. It is as simple as that. Once again, the Minister of Finance turned Prime Minister is up to the same old tricks, giving priority to paying off the debt—they are talking about \$15 billion over five years—at the expense of the people of Quebec.

That is the general situation. Now I will touch upon some of the more specific aspects of this bill which are of particular significance to me.

I will start with part V, which concerns the Federal-Provincial Fiscal Arrangements Act. This allows the transfer of up to \$700 million to a trust to help Quebec and the provinces develop their child care system in keeping with the following principles: quality, universal inclusiveness, accessibility and development.

The Bloc Québécois calls for an unconditional right to opt out, with full financial compensation, from implementation of the federal child care program. Adoption of part V of Bill C-43 just as it stands would mean that the money in trust available to Quebec and the provinces would suddenly be tied to the application of four national standards in an area over which Quebec and the provinces have exclusive jurisdiction. While all Liberal ministers involved promised that all this would respect everyone's areas of jurisdiction, in reality this budget includes an obligation to meet national standards.

Such legislation means Quebec would have to meet national standards set by the federal government in an area outside federal jurisdiction. This also means Quebec would have to be accountable to the federal government for the proper application of these national standards.

Quebec is being heavily penalized by this bill. Quebec parents are still waiting for additional funding, while the Government of Quebec is ready to receive this funding and use it for improving its own system.

• (1130)

I remind this House that the Bloc Québécois is in Ottawa to protect the interests of Quebeckers. The federal government's interference in Quebec's jurisdictions and its foot-dragging in signing a bilateral agreement with Quebec so as not to penalize it for having one of the best child care systems in the world, are not the best ways to achieve this.

I am talking about early childhood, but this government's handling of the Old Age Security Act is hardly any better. I am referring to

Part 23 of Bill C-43. The government is quick to remind everyone that it injected money into old age security, but the governing party forgets—I am being polite—to dig a little deeper to look at what this money represents.

First, the increase in funding will not begin before January 2006. The situation for seniors will not improve immediately. This will not begin until January 2006, or almost a year after the budget was tabled.

Second, there is also an increase of \$18 monthly for single pensioners. As if eighteen dollars a month really improves the life of seniors. I should rush out and dance in the street to show my delight. Eighteen dollars a month is a scandal. The federal government had the means to do a lot more for seniors.

In addition, this bill makes no reference to the money seniors have been deprived of over the past 11 years, because of the government's failure to provide the information they needed to receive the guaranteed income supplement. I believe seniors in Canada lost out on \$3 billion and those in Quebec on \$800 million for lack of information. This is really scandalous, in my opinion. The bill makes no provision for this aspect of an extremely serious situation.

I have spoken of young people and seniors. Let us talk about workers now, people in the labour force, who, often for distressing reasons or sometimes for economic reasons, need financial support from the government, in the form of employment insurance, for example.

Previous Liberal governments have turned the employment insurance fund into an employment tax, which has enabled them to pay down the debt and eliminate the deficit. This bill contains no provision on access to the plan. Imagine an insurance company where only 40% of those paying premiums manage to get benefits when they need them. This is what is happening with employment insurance. The few amendments in the bill have nothing to do with access to the plan. They have nothing to do either with extending EI benefits. Only slightly, through pilot projects, do they have anything to do with extending benefits for seasonal workers. This bill, overall, responds to none of Quebeckers' needs.

In conclusion, I point out that this budget, tabled on February 23, is totally unacceptable. It completely ignores the priorities of Quebeckers. The federal Liberals have behaved exactly like a government looking for a quick election. We voted against the budget. We have a duty on behalf of Quebeckers to vote against Bill C-43.

*Government Orders*

• (1135)

[English]

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, there is essentially nothing that the Government of Canada can do to make the Bloc Québécois happy, so I do not know why we would spend a lot of time trying to do that.

One of the notable omissions from the hon. member's speech had to do with the Nova Scotia and Newfoundland and Labrador accords. As we know, this was a very significant sum of money, \$2 billion, to Newfoundland and Labrador, and another \$830 million to Nova Scotia, moneys that were agreed to by the Prime Minister after a great deal of negotiation and which have led to some other difficulties.

Part of the rationale for the government doing this was the very difficult fiscal situation in which Newfoundland and Labrador and Nova Scotia find themselves, with debt to GDP up around 62% in the case of Newfoundland and Labrador and around 38% in the case of Nova Scotia, I think, as well as declining populations and economies that are simply not performing.

One of the reasons that Newfoundland and Labrador finds itself in such great difficulty is that the Churchill Falls accord is so disadvantageous that the province is in effect selling its hydroelectricity to Quebec at a scandalously low rate, which effectively creates a great deal of difficulty for Newfoundland and Labrador in raising revenues.

I would ask the hon. member two questions. First, would he would support a renegotiation of that agreement between Newfoundland and Labrador and Quebec so that the rates generated can actually reflect market rates? Second, would he support the passage of this accord which in effect in part makes up for the difficulties that disadvantageous agreement has created for Newfoundland and Labrador?

• (1140)

[Translation]

**Mr. Guy Côté:** Mr. Speaker, I would like to thank the parliamentary secretary for his question. I have two or three quick answers for the parliamentary secretary.

In regard to the impossibility of ever making the members of the Bloc Québécois happy, I would simply point, as I said in my speech, to the unanimous report of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities calling for in-depth reform of the employment insurance system. The report was unanimous. If the government had had the courage to implement these measures, the Bloc Québécois would have been happy and would have voted in favour of such a bill. That is the first thing.

Second, regarding the agreement between Quebec and Newfoundland and Labrador, we in the Bloc Québécois, in contrast to the Liberal Party, do not interfere in provincial affairs. We are on the federal level. This was a contract between two parties. If the parties want to renegotiate it, they should do so. However that may be, these are matters for Quebec and the provinces and we will not interfere in that.

Let us turn to the special agreements with Newfoundland and Labrador and Nova Scotia. As the parliamentary secretary knows very well, a subcommittee of the Standing Committee on Finance, namely the Subcommittee on Fiscal Imbalance, is currently on a cross-Canada tour that will end soon. Allow me to draw a somewhat hasty conclusion in light of the various witnesses who have appeared: the equalization system has been completely perverted by this government, among other ways through special agreements. Equalization is supposed to be a matter of equity to ensure that the provinces can provide comparable services. So as they get richer, their equalization goes down. That is only natural.

These equity principles are called into question, though, by the agreements with Newfoundland and Labrador and Nova Scotia. These are agreements that completely upset the equalization system, which was already in difficulty as a result of the policies of this government.

Furthermore, we are now witnessing attempts to reach more special agreements, in particular with Saskatchewan and Ontario. Rather than trying to solve the problem piecemeal by signing agreements that only accentuate the inequities, why does the federal government not undertake an in-depth reform of the equalization system and solve the problem of the fiscal imbalance? That is the question.

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I want to congratulate the hon. member for Portneuf—Jacques-Cartier for his very interesting speech. I want to ask him a question, along the same lines as the parliamentary secretary, regarding the fiscal imbalance and equalization.

Yesterday, the hon. member and I were in Quebec to hear witnesses talk about equalization. It was incredible. All the witnesses from all parties, whether the Liberal Party, the Parti Québécois or Action Démocratique, indicated that the equalization program was a disaster, that we were looking at a crisis in Canada and that we were in the process of losing a very important program for our country.

I have the following question for my colleague. What solutions did the witnesses offer yesterday in order to guarantee a future for the equalization program?

**Mr. Guy Côté:** Mr. Speaker, indeed, the Subcommittee on Fiscal Imbalance met in Quebec City yesterday.

The situation in Quebec is extremely clear, and numerous witnesses presented the same political analysis. What we have seen, particularly since 1995-96, is the government's withdrawal in terms of transfer payments to the provinces. This has had a ripple effect.

The federal government has cut transfer payments to the provinces. The provinces have a social mission to provide services in areas, such as health and education, that often consume between 60% and 70% of provincial budgets. As a result, they have had no choice but to make cuts in other areas.

A few years later, the federal government has a surplus. What does it do? It makes conditional reinvestments in areas that have been somewhat neglected, after cuts imposed by that same government, and it passes itself off as the saviour. Naturally, it often concerns pan-Canadian programs that do not meet the specific needs of any one province or Quebec.



*Government Orders*

For Quebec, the situation is relatively simple. The solution to the fiscal imbalance requires, first, a comprehensive reform of equalization. It means moving from the five province standard to the ten province standard. All revenues in all provinces must be included. It means better assessing the fiscal capacity with respect to taxes. That is the first thing; we must restore the role of equalization, which is to ensure tax fairness across Canada.

Second, the transfer payments are often conditional and subject to the government's will. One word comes to mind and, if we heard it once yesterday, we heard it 50 times. It is this government's "unilateralism". "Unilateral decisions" are constantly being made.

Quebec is proposing, in exchange for transfer payments in health and education, that it recover the taxation field occupied by the GST. At present, these amounts are approximately equal. Thus, we would no longer be subject to the unilateral actions of this government, and the provinces and Quebec, where my interest lies, would be in a better position to make better choices in these areas of jurisdiction.

• (1145)

[*English*]

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, this is a very interesting debate on the budget. It is interesting how things can change in just a couple of weeks. Normally, the budget implementation bill is a rather perfunctory process. It is a rubber stamp after the budget debate has occurred, the vote has taken place, and it is simply a matter of housekeeping. It is interesting how much can change in just a short period of time.

It was just two weeks ago that the Liberal government decided to put the finishing touches on Bill C-43 and added interestingly a new aspect that had not been part of the budget debate at all. That was of course the amendment to the Canadian environment protection legislation. It was all done, as we understand now, to force some interesting divisions around the issue of Kyoto and the environment, and presumably to create a fight that might lead to an election. It was leaving the options open to consolidate its forces around Kyoto, and to divide and conquer in this place and possibly go to the polls on that issue.

That was on the assumption that we would not have heard too much from the Gomery commission at that point. It was pretty tame two weeks ago with not a lot of interesting stuff coming out. The Liberals were trying to act before that would happen to pre-empt the inevitable and get on the hustings before the truth came out.

Here we are with a whole new set of developments. The lay of the land has changed completely. A bill that is normally quite anti-climatic has become a focal point for just what is wrong with this government, what is wrong with its budgetary approach, and how it is linked to the scandal of the sponsorship program as it unfolds around us.

I want to speak today on the budget implementation bill, but I do so with the realization that this has become far more than the customary debate about budget items alone. It is interesting what has just happened. Liberal infamy has drawn the world's eyes upon us today like never before. In the world of 21st century technology, the stench of corruption spreads almost instantaneously to all corners of the globe. It has riveted attention particularly on the way Liberals

handle all money transactions and economic matters, such as the budget.

The Liberal government's fiscal judgment is under the microscope and the world is watching. What does it see? I see the parliamentary secretary is anxious to know how the world perceives the Liberal government. Canada is seen as one of the wealthiest countries in the world and one of the most envied societies floundering on a rock of its own creation.

Canada is not an economic superpower like our neighbour to the south, but we are still looked to for leadership. We are still looked to for moral leadership, as a promoter of peace, development, greater social equality, and a builder in the best sense. The scandal swirling around the Liberal government has undermined that reputation. The Liberals' backroom agenda has become front page news, and that news is worrisome both to Canadians and to those beyond our borders.

• (1150)

People want to know if they can trust the Liberal Government of Canada. They are looking to this bill, the budget implementation act, for some answers. They are looking for answers on whether Liberals can be trusted to keep their promises to Canadians, answers about whether Liberals can be trusted to put Canadians' priorities before their corporate buddies, and answers on whether the Liberals can be trusted to keep their international promises and honour our Kyoto commitments.

**Hon. John McKay:** Done.

**Ms. Judy Wasylycia-Leis:** The parliamentary secretary says "done". Well I guess he is living in a little bowl with his rose-coloured glasses on because in fact the rest of the people in this country do not have such optimism. They do not see such faith maintained by the Liberals in terms of the promises made.

They want answers on the government's commitment to women's equality. I hope the parliamentary secretary does not say "done" because we are a long way from achieving our objectives around a fully equal society. They want answers about the government's commitment to international development, and the list goes on and on. Suffice it to say there are many unanswered questions on the part of Canadians.

The Liberal Party may be doing fine financially and certainly Liberal friends are millions of dollars richer, but the vast majority of Canadians are not so lucky. They are stressed out. They are struggling to hold their ground. They are fighting to keep pace. Many are working at more than one job, either in the paid workforce or unpaid family-related jobs, trying to pick up the slack from public services that have not survived previous Liberal budget cutbacks and downloads. These are the Canadians who have heard the Liberal speeches. They have endured the Liberal smugness and they now expect the Liberal government, through this budget, to deliver.

How does this budget bill measure up and what does it say in real terms about how the Liberals measure up in meeting the basic needs of Canadians: housing, education, child care, infrastructure, reducing poverty, and of course our share of the planet and environment.

*Government Orders*

To start, let us just take \$4.6 billion right off the top, money that the Liberals have given away, no strings attached, the way only Liberals can, to their corporate pals in new tax cuts despite, interestingly, having promised not to bring in any new cuts until social program needs had been met. Then, let us carve off another \$4 billion with no discussion and no debate in Parliament for accelerated debt reduction.

Let us look at what is left. Who better to ask about the impact of Liberal budget priorities than the people who work day in and day out on these issues, the people who are knowledgeable about what was needed and can best judge just what was given. Here is what a few of them had to say.

On the Liberal broken promise on post-secondary education, which as I have said many times is the foundation of our future workforce and continuing prosperity, university graduates are dragging an average debt load of nearly \$25,000 with them when they leave school. Tuition fees have more than doubled under Liberal rule, an area completely ignored by the Liberals in this budget.

• (1155)

What are folks saying?

The Canadian Association of University Teachers said, "There is nothing in the budget that provides any relief to students and their families struggling with record high tuition fees" and record high debt. Of the Prime Minister's election vow to restore core funding, the Canadian Federation of Students said simply, "He broke that promise".

On the Liberal broken promise on affordable housing, another vital area for Canadians, all ignored in this budget, the child poverty advocates of Campaign 2000 said:

We are extremely disappointed that the Liberal Government did not follow through on their election promise to invest \$1.5 billion in housing.

The National Aboriginal Housing Association said:

Once again, the federal government has ignored the housing crisis facing non-reserve Aboriginal communities.

The Canadian Real Estate Association, with us in the halls of the House of Commons today, expressed disappointment and said:

The government should have taken this budget opportunity to specify its commitment to a new affordable housing strategy.

On the Liberal broken promise to take into account the budget impact on women, last promised by the Liberals in February, the Coalition for Women's Equality said:

This budget has once again let women down.

La Fédération des femmes du Québec said:

For the 2.4 million women currently living in poverty have very little to celebrate today. The government has not followed through on its housing promises nor has it made substantive changes in the EI program. These programs matter a lot for women.

The YWCA said:

Promise after promise, budget after budget, the federal government is ignoring women's needs and rightful place in Canadian society.

On the Liberal broken promise to make aboriginal issues a priority despite the long overdue round table process, the Assembly of First Nations said:

This budget will condemn our people to last place for a lot longer.

The National Association of Friendship Centres said:

The lack of attention to urban aboriginal issues, despite the Prime Minister's commitment...is disheartening.

Even in the areas where the government is slowly inching forward on its long time commitments, the municipal gas tax funding, the 12 year overdue promise on a national child care program, the response has been cautious as the projects are so far from complete.

As the Canadian Labour Congress said:

What we have are short-term half-measures that still don't deliver the goods for the majority of Canadians...nothing on a range of issues important to working people.

Let us not forget the environment, where again the Liberals just could not control their natural impulse to arrogance and deception by trying to sneak in changes to disguise the real inadequacy of the environmental proposals in the budget bill. I do not think the Liberals take the environment seriously. Twelve years after taking over an urgent environment file and promising to attack pollution, they still have not got their act together to take on the Kyoto challenge.

Climate change is a worldwide issue already bringing catastrophic results in ecologically vulnerable regions. People's lives, indeed the life of the planet as we know it, are at stake and the government, these Liberals, continue to dither around with half measures that question their commitment.

Many nations are wrestling with the same Kyoto adjustment pains that we are. They are watching closely to see how Canada resolves the contentious environmental issues and moves forward. It would appear that they have been waiting in vain. Instead of commitments and strategies, the Liberals offer only game playing, machismo, and measures not supported by the environmental community.

The budget has paraded a string of Liberal broken promises before the world that seriously challenges the government's credibility.

The Liberal broken promise that has the world community most concerned is Canada's lagging commitment to the millennium development goals, the 35-year-old broken promise to contribute .7% of our GDP toward developmental assistance. Two years ago under the Liberals, Canada's contribution had sunk to only .24% of GDP. This is incredible. It is an embarrassment.

*Government Orders*

•(1200)

I have just returned from the 112th Assembly of the Inter-Parliamentary Union. The topic of the day was international commitments to the millennium goals. Once again, Canada was hard-pressed to explain how, given our wealth and our economic stability, the government was contributing so little and had not even set a target date for meeting its promised funding obligations.

Some countries are already delivering their .7%. Others, including France, Britain, Spain, Finland, Belgium and Ireland, are on track to raising funding to this level by 2015. That is a reasonable target. That is a target we in the New Democratic Party have been calling on the government to adopt.

However, the Liberals seem as enthusiastic to address the world poverty issues as they are to lower poverty right here at home in Canada. They have failed to set targets to lower poverty here just as they have failed to meet their targets internationally.

Interestingly, the results speak for themselves. The gap between the rich and the poor keeps growing. Even with repeated promises to relieve child poverty, 15% of Canadian children still live below the poverty line. Broken promises led UNICEF to openly criticize Canada's record last month.

Whether we are in Winnipeg or Halifax, Kampala or Geneva, the conclusion from the budget is clearly that we cannot trust the Liberals.

Just as the Liberals will not own up to their responsibility for the sponsorship scandal, neither will they admit to their failures and broken promises. Instead, they preach to the world about what others should do. The Prime Minister, while still in waiting, having devastated public services to Canadians, issued a report to the United Nations extolling developing nations to base their economic future on the private sector instead of the government intervention route that helped forge the Canadian economy over the years.

Perhaps the most insipid and, as it turns out, ironic example of Liberal arrogance was Jean Chrétien's farewell tour. His farewell tour stopped in Abuja, Nigeria in December 2003, where he had the nerve to lecture those attending from southern nations about the need to clean up corruption as the most important step to attracting investment and strengthening their economies. He chided their record and cited Canada as exemplary in this respect.

The hypocrisy. Words escape me. I just cannot understand the Liberal government, those who came before and those who are now in the seat of power. Denial and then more denial.

A number of us were on the public accounts committee last year before the last election. We were examining in great detail the sponsorship scandal. We suspected the treachery now being recounted daily at the Gomery commission. What happened when we tried to ask those questions and raise those concerns? We were dismissed by Liberals as not knowing anything. We were dismissed arrogantly by the Liberals at the time.

We wanted to hear from key witnesses before the last election. Who stopped us? Who denied us the opportunity? The Liberal majority on the public accounts committee.

Well, the jig is up. There will be no more Liberals stuffing their friends' pockets while Canadians are wanting. Canadians will no longer abide it. The NDP certainly will not vote for it.

The budget is another chapter in the Liberals' long budget legacy of opportunities squandered to improve the lives of Canadians, and huge corporate tax cuts given, serving Liberal friends first.

The world sees the gap growing between the rich and the poor. Child poverty is beginning to increase again. The number of food banks is rising. And the Liberals do not understand it. Neither do Canadians. Under Liberal majority and minority governments, the wealthy continue to recycle wealth among themselves. There is nothing in the budget to keep investment in Canada instead of offshore tax havens.

•(1205)

There is ongoing chopping of programs to Canadians but nothing to recover millions in lost corporate taxes and loans. There is however an increase in the amount people making more than \$100,000 can put into RRSPs where it is not taxed.

Maybe the Liberals when cornered can just steam off to their home ports in Barbados or other tax havens, but the rest of us are stuck here to face the world with their mess and their reputation. Today as we examine the Liberal budget bill, the story that is exposed to the world is one of a Liberal government that, in the midst of great riches, has greatly impoverished Canadians.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I always enjoy listening to the member.

The member raised a very important issue tangentially to the budget implementation bill, that being the issue of poverty and what we have been doing. I would like to simply remind the member of a couple of points.

It is easy to say that the gap between the rich and the poor is widening, but what really matters is the condition of the least of our society. The member would know that human resources and other departments have been doing work on what is called the market basket measure. They determine what amounts are necessary for food, shelter and clothing, but also for those expenditures that are necessary so that someone can integrate and live in a community without being noticed. It is an interesting angle to look at.

The member probably would agree that if we are talking about poverty and about the poor, we are also talking about the homeless. Let me remind her of who the homeless in Toronto are. Based on the Anne Golden report, 35% suffered from mental illness; 28% were youth who were alienated from their families; 17% were aboriginals off reserve; 10% were transient women and abused women; and the balance was for a variety of other reasons.

*Government Orders*

It really is not an economic problem with the homeless. It is primarily a social problem which requires social solutions. We have to put a little more balance between talking about what we can do economically to drive a social condition. There has to be some balance in that regard.

In terms of child poverty which is family poverty, 15% of all families are lone parent families and they account for 55% of all children living in poverty. What would the member suggest with regard to addressing the most serious cause of poverty in Canada which is the breakdown of the Canadian family?

●(1210)

**Ms. Judy Wasylycia-Leis:** Mr. Speaker, first, the member has it all wrong. If he cannot understand the simple fact that the economics of one's situation determine the way in which one deals with family issues and problems that come along, then there is no hope for us in ever convincing the government to come to its senses and start to bring in balanced budgets that reflect the needs of Canadians.

If we want to talk about transient single parent women, aboriginals coming off reserves, people with mental health issues, families with children living in poverty, kids going to school hungry, the member should first look at what kind of economic circumstances are at play such as where are they living, how much money do they have, how are they surviving.

The facts are that under the government the number of people who have been driven into poverty, who are living on the edge, who are eking out an existence, who are struggling with health issues, who are stressed trying to juggle work and family responsibilities has increased dramatically because the government has pulled the rug out from under them.

The cuts that happened in 1995, in the infamous budget, have trickled down and affected every aspect of our lives. They cannot be dealt with by a Liberal approach of band-aid solutions and boutique projects. We cannot keep cutting the heck out of programs, off-loading the responsibility on to provinces, on to municipalities and then on to families, and then bring in some new little side projects that require the provinces and municipalities and/or families to cost share. That is ludicrous thinking and it is wrong-headed public policy.

I want to remind the member just how bad the situation has become under the government. I refer to a report that just came out a few weeks ago, on March 14, by Statistics Canada. It has shown the amount of money that has been moved offshore under the government. Between 1990 and 2003, almost completely under Liberal rule, the amount of Canadian money stashed overseas skyrocketed eightfold from \$11 billion to \$88 billion. That amounts to one-fifth of all Canadian direct foreign investment; twice as much as in 1990.

Let me also refer the member to another statistic which became apparent once an analysis of the present budget was done by economists and academics. The finding of these individuals has been most revealing in terms of the government's tendencies and directions over the last decade. Liberals have consistently put corporate interests ahead of the public interest. Billions of dollars in losses through corporate tax cuts, tax havens and uncollected corporate bills are waved through on the fast track while child

poverty, job training, student debt and the environment are left waiting on the side. It has taken them over a decade to even begin delivering on their child care promise.

According to the Canadian Centre for Policy Alternatives, over the next five years revenue coming from corporate income taxes will drop as percentage of total revenue from 15% to 11% while the personal income tax portion will rise from 45% to 65%. Relative to GDP, corporate income tax drops from 2.3%, personal income tax goes up and the pressure builds on families, on working people, on low and middle income Canadians while the wealthy and the corporate interests in our society continue to accumulate and continue to benefit from tax breaks.

There is little from the government to deal with the day to day pressures facing Canadians, little to help them climb out of poverty and little to help single parent women struggling to make a difference, to make a living for their kids. There is little hope for aboriginal people, either living on reserve in third world conditions or off reserve, where not a penny in terms of housing and other needs has been allocated in the budget today.

●(1215)

How can anyone stand here and accept the notion that these are problems caused by families, that there is a breakdown of the family and that is at the root of these issues. How narrow-minded, how frivolous, how supercilious can we get?

If the member cannot understand that economic circumstances determine one's outlook and one's ability to shape the circumstances around us to enable us to break through the difficulties which many families feel and give hope, then I do not know what we can do or say to get through to the government.

Has the Liberals' time in office led to such arrogance and to being so out of touch with Canadians that they cannot even make the link between economic and social equality? Can they assume that social equality is like a train that runs on a track on its own without any connection to the economic circumstances, to the very essence of eking out a living and surviving in society today?

How can the member and the Liberals be so out of touch with the reality of Canadians that they can take a time when we have this huge surplus and blow it? At a moment in the life of our nation when we have this opportunity to make a difference in the lives of Canadians, how can they ignore it? How can they spend it so frivolously on corporate tax breaks and on debt reduction to the point where there is no balance left?

When will the government understand that in order to build a society, we have to invest in Canadians and in Canadian institutions that will help create families, communities and a country and, indeed, a civil society.

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I am delighted to participate in the debate on the budget implementation bill.

*Government Orders*

I have spoken a number of times on budget-related matters. After some 11 years of being involved in the process on the finance committee and looking at estimates in government operations committee, et cetera, I have come to realize how complicated governing and the budgeting process are. It is an enormous challenge with tremendous competing interests.

I recall one of the very first finance committee meetings I attended. The then finance minister, currently the Prime Minister, made a statement which I thought was very telling about what I would learn as a member of Parliament. In his address to the finance committee on the state of the financial affairs of the country, he made the overarching statement that good social policy made good fiscal policy and good fiscal policy made good social policy. There is clearly an integration. When we are addressing the social needs of Canadians, it is important to note that we are creating an environment in which economic growth and prosperity can occur and that economic growth and prosperity leads to dividends for Canadians.

We had a terrific discussion in 1996 about how we would dispose of the surplus when we finally slew the deficit and had a surplus. Should it be put toward paying down the debt? Should it be used for tax cuts? Should it be used for program spending or enhancing existing spending?

Having a surplus is a good problem to have. It is better than the alternative. When the government came into office in 1993, there was a \$42 billion deficit in Canada. As a country, we were spending \$42 billion more than what was coming in as revenues. That was an enormous amount of money relative to all things.

No government would be able to simply cut \$42 billion in one year in spending. It would take a concerted effort and rationalization of expenses across a broad range. In fact, everyone in Canada was asked to do their share.

I can recall how people were very concerned about the size of the cuts. I remember the finance minister saying to me at that time that we had to make those cuts to save 80% of what we had. If we did not make those cuts, we would lose it all. Tough decisions have to be made in government. It comes down to that.

One thing I learned about the budget process was that the budget could not be looked at in isolation. It is important to look at a series of budgets. We had to find out where we were and how to move things forward. With the diversity of priorities that Canada has, both social and fiscal, it is difficult to address each and every one of them in every budget and move them forward in a substantive way so they would have the necessary impact to take advantage of the opportunities or the circumstances in terms of global impact.

We have to be strategic when doing budgets. Budget 2005 and the implementation act that we are now debating is another step in the process of securing the fiscal health as well as the social health of Canada.

I want to make a few comments about the budget in particular. Key commitments were made in the following areas. The first was maintaining sound financial management, which we have done since 1997. We have had balanced budgets ever since. People have been

complaining that the surpluses, not only balances, are a problem. I will address the importance of debt repayment a little later.

• (1220)

The next area is securing our social foundations. Health care comes to mind. In achieving a productive and growing economy, that mix, what are we doing to make sure that we have an environment that continues to promote a productive and growing economy? It is good fiscally. It is good socially.

The fourth area is moving toward a green economy and sustainable communities. Canadians should link up to the initiatives with regard to our Kyoto commitment to reduce greenhouse gases. They should also look to our commitment to communities in a number of ways to ensure that our communities can provide sustainable activities with regard to infrastructure and other areas of assistance to them so that they can also do their share in promoting a good fiscal environment in which the economy can grow and prosper.

Finally, there is the commitment with regard to our global responsibilities. Canada is respected around the world. The reason for that respect is that it is something Canadians have earned.

They have earned that respect because of the tolerance, generosity and peacefulness of Canada and because of the good governance that it has experienced and the wise counsel that Canadians have been able to give in the global community over so many generations. That is a very important asset for Canada, because we are a global player. We are a global trading partner with many countries. That earned respect has come by making wise decisions, both fiscally and socially, and has continued to grow the reputation of Canada all around the world.

With regard to the economic outlook, we are looking now at growth of 2.9% in 2005 and about 3.1% in 2006. These rates are at the upper end of the G-7 projected growth rates, so again the outlook is very good.

However, our economy does face some challenges because of the high American dollar. I know that a number of members have expressed concern about our competitiveness with the differential against the U.S. dollar, not the high American dollar but in fact the high Canadian dollar relative to the U.S. dollar. It has moderated somewhat, but it still remains a significant influence in terms of the economic trade between our two countries. Seventy per cent of our exports go to the United States.

We do not live in a vacuum. We are not an island. We also have some concerns about the growing deficit in the U.S. It is extremely large. It affects our largest trading partner in ways that will also provide potential difficulties for our Canadian economic activities.

Since balancing the budget in 1997, we have had seven consecutive surplus budgets. I must admit that I am surprised at the amount of discussion that has been going on about how terrible this is. Most of the discussion has been around looking at the forecasting or estimates of what the budget surplus is going to be.

*Government Orders*

When we talk about the magnitude of things that the government has to deal with and the factors which influence the economic activity in Canada and are beyond our control, I am not sure what level of accuracy anyone could produce in a budget for a forthcoming year, and indeed for the next two to five years in many of the budgets based on economic scenarios given the input of some of the largest economic forecasters in the country.

I am not sure whether it is a useful discussion to say that somehow we are not being forthright in terms of the surplus. One thing I know is that once there was a balanced budget, Canadians said categorically, "We do not want Canada to be operating in a deficit scenario ever again". Deficits are a non-starter.

Thus, immediately, to respond to Canadians' wish to keep balanced budgets, the budgeting process started to incorporate what are called contingency and prudence factors, which were to be included where there were unseen factors which would negatively affect the economic performance of Canada. There were contingency funds put in for those serious unforeseen items which would have a major impact.

● (1225)

There were also what are called prudence provisions, so that if the economic forecasters were saying that the growth rate was going to be 2.5%, the budget would assume that it was going to be about .25% less. There also were prudent assumptions with regard to short term and long term interest rates.

If everything in the budget came in exactly as planned, there would be a surplus. Since 1997 the government has in fact planned a surplus in its budgets, not just a balance but a surplus.

Earlier I had a conversation with a member of the Conservative Party. I had been talking about debt reduction. As background, let me give members an idea of where we have been in the last decade. When this government took office back in 1993, the national debt, the cumulative deficits of previous years, was \$562 billion a year. It was gobbling up an enormous percentage of every disposable dollar that we were taking in. Debt servicing was extremely high. Today the national debt is \$498 billion. This means that cumulatively since 1993 \$64 billion of debt has been paid down.

We are not much farther ahead right now than we were when we started in government in terms of the scenario on the debt. The surpluses simply have been used; it is automatic. Once the year is over and once the accounts are audited, there is a determination of the final surplus and that final surplus is totally applied against the debt. It is not a choice. That is the way it happens.

I raise this because the member of the Conservative Party said to me that maybe sometimes tax cuts are a greater priority than debt reduction. I had to think about that for a little while. If debt reduction is a consequence of a surplus, but the member wants to argue that tax cuts may be a greater priority than debt repayment, he, therefore must be saying that tax cuts are okay even if we are creating a deficit. We cannot have it both ways. If we are not going to have debt repayment as a priority, we must therefore contemplate that there should be deficits.

There is another aspect the member did not understand. It really concerns me that after all these years the member still does not

understand that there is a fundamental difference between tax cuts and spending. Spending can be a one time item as opposed to a new program, whereas a tax cut is a recurring annual charge or a reduction in the revenue of the country.

It is not enough to say that since there was a \$4 billion surplus we should have a tax cut. The surplus was a one year occurrence. A tax cut would be each and every year. If we were to give a tax cut that effectively eliminated that \$4 billion surplus, we might have a balanced budget in that particular year, but every year thereafter we would have a \$4 billion deficit simply because tax cuts are ongoing.

I am a little concerned and a little nervous about the lack of understanding of some of the members, who somehow seem to suggest that a surplus is something that one must spend right away. There has not been an extraordinary paydown on the national debt, but from what we have had we have brought it down. Now we are below the levels we were at a decade ago. It is saving Canada approximately \$3 billion a year in interest costs. It has reduced our costs from some 43% of every Canadian tax dollar to about 22¢ on the dollar. That is very significant. Most important, that \$3 billion saving is an annual saving. It is available year after year to be able to sustain items, whether it be tax cuts, new programs or enhancement of existing programs.

That is the true fiscal dividend to Canadians in terms of getting one's fiscal house in order. It is getting the debt servicing paid down and it is the savings on interest that are available to Canadians, either to return to Canadians in terms of tax cuts or indeed to enhance programs and important priorities of Canadians, such as health care.

● (1230)

Having said that, let me move on to another aspect. Certainly health care is one in securing our social foundations. In our recent commitment in the health accord, there is \$75 billion in support of a 10 year plan to strengthen health care and the new framework for equalization and territorial formula financing.

This has been extremely important, particularly for Newfoundland and Labrador and Nova Scotia in these new arrangements. From time to time there are important needs of regions of our country that we have to address. I am glad that the Prime Minister and the premiers were able to address them, but we have a matter consequential to that, which is a province like Ontario looking at its own situation in isolation and saying, "How about us too?"

That is a problem. I am going to try to address very briefly at the end of my speech some of the elements of the so-called gap between how much money a province contributes to the federal coffers and how much money goes back into that province. It is a very interesting argument.

*Government Orders*

In terms of health care, the budget provides \$805 million over five years in direct federal health investments, including: \$300 million over five years for healthy living and prevention of chronic diseases; \$200 million in support of health human resources and improved wait times; and \$170 million over five years to implement measures to enhance the safety and effectiveness of drugs and other therapeutic products, which is very important to Canadians.

As members will know, there is also the \$5 billion for the early learning and child care initiative. I believe that is a start, but I also personally believe that in a subsequent budget we have to look at the needs of those families who choose to provide care in the home to their own children. It is an important job. It is unpaid work, but it is important work. It deserves to be recognized. I hope we will see some movement on that in a coming budget.

There is the increase in the guaranteed income supplement. There is also new funding of \$735 million for aboriginal communities and \$398 for immigration settlement services and client services.

These are very important elements of the budget. I know that we have had an excellent debate on it. I know that members would like to see some of our other priorities take a higher line in this budget, but I have to repeat that each and every budget cannot address each and every item, each and every year. It just cannot happen and have budgets still have a meaningful impact, respond to the opportunities or defend ourselves against the threats of the current day. Budgets have to be responsible for the realities of the day.

I would like to look at moving toward a green economy and sustainable communities. Having been the vice-chair of the environment committee, I spent a fair bit of time with my colleagues across the way working on a number of initiatives. I am pleased to see that moneys have been set aside in the budget to look at renewables such as wind power. There is money for that in there. I also am very encouraged that we are moving forward on our Kyoto commitment with \$1 billion to make sure that Canada does its share in that regard.

It was a very difficult one, but a very significant arrangement deal has just been made with the auto sector, as members know, whereby it has voluntarily come up with a plan to reduce greenhouse gas emissions by 5.3 megatonnes by 2010, I believe. This is a very significant accord that has been reached with one of the sectors that is one of the largest areas in which we can reduce greenhouse gas emissions. There is no question that we have more work to do on that file. Some of the large emitters, particularly those involved in hydro generation or other heavy manufacturing, are areas that have work to be done. We are going to need some progress, but I know that the House is committed to doing that.

With regard to cities and dealing with sustainable communities, I am pleased that we have been able to respond in terms of the \$5 billion in federal gas tax revenues, the \$600 million they will receive in 2005-06, the \$300 million for green municipal funds and the infrastructure money as well. These are not federal jurisdictions per se, these moneys going to municipalities, but it shows some leadership on behalf of the government when it says that strong communities right down to the municipal level are to the benefit of all Canadians.

I am pleased to have participated in this debate. I welcome the members' questions.

• (1235)

[*Translation*]

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, I have listened to my colleague's speech with interest, and one particular point caught my attention. He was selling the notion that it was an extraordinary accomplishment to have been able to pay off such a large portion of the debt .

What he did not say, however, was that during that same period, that is between 1993 and the present, they must have amassed a surplus of some \$48 billion in the employment insurance fund. This was money they took from the pockets of workers and employers, and even from the unemployed, who have had to endure two very severe reforms aimed at cutting back the number of weeks of benefits, as well as the amount received, in addition to increasing the number of weeks required to qualify for benefits, to such an extent that many people have ended up no longer eligible. For example, young workers had to accumulate 910 hours in order to qualify for EI.

As a result of all these changes, over 10 years a surplus of \$48 billion was built up. If we look closely at the way the debt was reduced, a significant portion came from this source. The money deducted in EI contributions from workers' earnings is not a kind of payroll tax, but is intended to provide employment insurance.

How would the hon. member describe what the federal government is doing, which is to take the money paid into the employment insurance fund and use it for its standard expenditures, including servicing the debt? Is this theft? Is it embezzlement? What label can we put on it? I do not know, but I would like to hear what the member has to say about it.

I, for my part, see people in my riding, in Quebec and across Canada making a real effort to fight the deficit. They have had no return on their investment. For 12 years, they contributed to a plan thinking that, in the end, they might help reduce the debt, balance Canada's budget, knowing that the money belonged to the most disadvantaged. People contribute to EI up to a salary level of \$39,000. Those who earned more or were not covered by it did not contribute. They did not pay their share.

What does the government say to men and women who have made the effort and who, today, see no improvement in their situation? It might be expected that the budget and subsequently the bill to implement the budget would contain something in this regard. The government has continued to leave them out.

*Government Orders*

Is this not one of the reasons the Liberal Party of Canada no longer elects MPs in a number of regions in Quebec and Canada? It promises, election after election, that it will change the EI system, but the day after, it leaves things as they are. Should there not have been clear measures in the budget to improve the employment insurance plan so as to meet the needs of the people, given the surplus that exists? Would it not have been reasonable to pay these people back?

• (1240)

[English]

**Mr. Paul Szabo:** Mr. Speaker, this is an issue that has come up many times in the House. Maybe it is important that we look at where we came from.

During the Mulroney years back in the eighties, cash for the unemployment insurance fund, which is what it was called at the time, was put into a separate pot. The premiums went in there and the benefits were paid out to people under the unemployment insurance program.

At the time the government was running large deficits. The Auditor General made its problem even worse by saying that the government was operating at about a \$15 billion deficit in the unemployment insurance fund at the time. It was off balance sheet financing, if the member knows what that is. The Auditor General said that the government had to cover the losses in the unemployment fund and that henceforth it had to put all of the unemployment insurance premiums into the general funds of the government and pay the benefits out of the general funds and then there would be no more off balance sheets.

Then we came up with a thing called a notional account. The member is quite right. If we kept a record on the side since that time on a net basis, there is about \$48 billion of surplus. We have taken in over all years \$48 billion more than we have paid out in benefits for programs, et cetera.

What has happened in the last 10 years? We have not had a recession. The economy of Canada has been so strong that we have built up a surplus. The Auditor General will tell us that if we hit a deep recession, in one year we could wipe out \$15 billion. Under the laws governing the treatment of the employment insurance fund, it says that we should keep about two years worth of reserve in the event that there is a severe downturn, a severe depression, but there is still more than two years and probably about three years' worth at the worst.

The legislation also says that if there is a surplus beyond that, we must reduce premiums to lower the future year's surplus so that it will ease down, or introduce new programs. Both of those have actually happened. Every year since we took office the EI premiums have been going down.

Indeed, the member is well aware that extending parental year to a full year under the EI is another part of the element of the program which has also responded in terms of the legislation guiding the EI surplus.

Everything that should happen has been happening. Unfortunately, and maybe it is a good problem, there is still a surplus,

probably about a year's worth of benefits that may have to be paid out in extraordinary circumstances.

The member has also made the argument about all the people who pay into the fund and who do not qualify for benefits. I did my daughter's tax return. She attends university but works during the summer. She had EI deducted just like everybody else but she did not make enough money to pay it and she got it back as a refund.

The member has not taken into account that people who do not make enough money, even though they have made some, once they get down below a certain level there is no EI premiums payable and they get them refunded on their tax return.

I think the member's numbers are somewhat inflated on this. However I will concede to him that we have a situation that has been caused by good things and the good things are that Canada has had a strong, resilient economy so that we have not had to pay out EI benefits at the historic levels that we did. We have not had a recession in some 10 years. This result cannot be a surprise to anybody but the member should be encouraged that at least premiums continue to be reduced and that programs continue to be enhanced.

• (1245)

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):**

Mr. Speaker, I would like to make a comment and ask a question of my colleague across the floor.

In his presentation he spoke about surpluses and seemed to suggest that perhaps opposition parties were paying a little too much attention to surpluses and how difficult it was to accurately forecast surpluses when there was a range of economic forecasts on the issues.

However I hearken back to the last election in 2004 when the Conservative Party came up with its platform. On the financial aspect of it, we had suggested that there would be a series of personal income tax cuts primarily to middle and lower income tax earners over a five year period. Plus we had a program spending platform totalling about \$58 billion. We had calculated that to be realistic based on our projections in the previous year's budget, the 2004-05 budget. Using the government's own figures we conservatively projected a surplus of around \$7 billion to \$8 billion. As we all know, it turned to be about \$9 billion.

My point is that at the time the Liberal Party accused the Conservatives in our platform of being fiscally irresponsible and yet in the 2005 budget, lo and behold, the Liberals have come up with a spending program totalling about \$55 billion, plus tax cuts graduated over five years. In other words, this is very similar to what we had proposed a short year ago. At that time, we were branded by the Liberals as being fiscally irresponsible and now they are calling themselves fiscally prudent.

I would just like to know why the double standard.

**Mr. Paul Szabo:** Mr. Speaker, it is not my style to engage in partisan rhetoric. I heard the member and I understand. I think each party has a fiscal and economic plan that it would like to put forward and say that it can do it.



*Government Orders*

However the member must concede that even though it is a balanced budget, if the contingency and the prudence factors are not necessary, if everything came in as planned, there would have been a \$5 billion surplus in the year. It came out at \$9 billion. We also know that the fourth quarter economic performance was way beyond anybody's realistic assumptions and contributed probably another \$2.5 million to \$3 billion, bringing that up to about \$8 billion. He is saying that it turned out to be \$9 billion. I do not think that the gap is that wide.

The important thing is that every commitment that was made to Canadians with regard to keeping the important programs and priorities for Canadians were met and the consequence was a healthier economy than anybody could have unless there was a larger surplus. I think that is a reflection of the hard work of all Canadians and Canadians will benefit from today forward from the success that they have achieved. I do not see that there is a problem.

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Mr. Speaker, I want to limit my remarks to mainly one section of the budget bill. I will refer to at least one other section to which I will refer briefly as part 19.

We are talking about, in case people are wondering, 24 different and separate pieces of legislation, all of which have been lumped together in what we refer to as the budget implementation act, 2005.

Part 19 is very relevant, particularly today. Everyone in Canada is aware of the department of public works and some of the contracts the department would have let in the past. However, part 19 of this bill gives the department of public works even more leeway, complete control of all procurements, the issuing of contracts, more or less *carte blanche*. It is an invitation to more of the same. We are very concerned to have that section there.

Mr. Speaker, I would also like to inform you that I will be splitting my time with the member for South Shore—St. Margaret's.

Having said that about part 19, I want to return to part 12. This is the section that deals with the revenues that should be flowing right now as we speak to the provinces of Newfoundland and Labrador and Nova Scotia.

I will give a little bit of history. During this time last year actually, we were gearing up for a campaign. Leading up to the election, two parties in this House, the Conservatives and the New Democratic Party, committed to the provinces of Newfoundland and Labrador and Nova Scotia that if elected, they would give these provinces 100% of their share of the royalties flowing from the offshore developments.

The Liberal Party made no such commitment. In fact, it was during the campaign, after written commitments had been made by the other parties, that the Government of Newfoundland and Labrador first, because of the intense pressures put on the Prime Minister by his own members down there and members of the Liberal Party and various associations, put the squeeze on. On one of his visits, perhaps they told him he would not be allowed out of the province, after an all night session under tremendous pressure, he called the premier of our province at seven o'clock in the morning to say, "I will accept your proposal".

The Prime Minister did not put it in writing and, unfortunately, he was not asked for it. When a Prime Minister makes an open commitment that is carried by the press, one would think that we can keep a Prime Minister to his word.

The universe unfolded, the Liberals won the election, and then the question came from Nova Scotia, which by the way had also received that promise the day before the election in a last minute attempt to secure some seats. The provinces waited and waited. Our party kept asking the question, "When will the Liberals deliver their promise?"

We had a number of things happen. I know on this side of the House we raised the issue 35 times in question period alone, mostly as lead questions. This never happened before in history that a province had so much attention paid to it because of the importance of the issue to the province involved. We also had statements. We had a major debate in this House on that very issue. All of this was putting pressure on the government which was not moving at all on the issue.

• (1250)

Premier Williams, at an equalization meeting in Winnipeg, walked out to protest the lack of attention by the government on the issue.

I am glad to see we are joined by the Parliament Secretary to the Minister of Finance because he has been supportive of us on this issue. I am glad he is here to listen to my speech and verify what I am going to say.

We eventually went through the fall and there was still no movement. Just before Christmas, the Premier of Newfoundland and Labrador ordered that Canadian flags be removed from all provincial buildings. That drew a tremendous amount of attention across the country, but not all positive. However, people began to ask what was going on? When they realized what was going on and the shafting the provinces had been getting, then they also started to put pressure on the Prime Minister.

Finally, on Valentine's Day, a day for love, we received the agreement. The agreement was signed giving Newfoundland and Labrador and Nova Scotia control of their own share of the revenues from the offshore developments.

We would think, if we watched what went on that day, that this was it. It was all over because people were kissing the hem of the Prime Minister's garment and even on Valentine's Day almost kissing each other. If the players had not been the specific players they were, they might have kissed each other. It was a rough thing to think about kissing the Minister of Natural Resources, I am sure.

In any event, the agreement was signed and both provinces said they had it. As time went by more questions were asked about the legislation. We were told that it was complicated and we agreed with that. Then suddenly we found out that the provinces had reached an agreement with the federal government on the legislation. They were okay. There was nothing wrong with the specific piece of legislation. Bring it in, get it passed.

*Government Orders*

We knew that the government would support it. Even though people like the parliamentary secretary did not want to, it is government legislation so he would have to support it. We also know that the Bloc members would probably not support it, even though they should because it is giving provinces some control over their own resources which they always ask for. We knew our party, the NDP, and most of the people in the governing party would support it and the legislation would be passed quickly and money would flow to the provinces.

As this time goes by the Province of Newfoundland and Labrador is losing around \$3 million a week. If we factor in all the spin-offs that this could create, it is getting closer to \$1 million a day. That is a tremendous amount of money.

What did the government do? Did it bring in clean-cut legislation that could be passed quickly? No. It lumped that legislation in with 23 other pieces of legislation. Some of them are very complicated and controversial. Some are attractive pieces of legislation that can go through very quickly.

I go back to part 19 giving public works, of all departments, free rein in procurement, the issuing of contracts, and doing favours for its friends or whatever it wants to do. We also have legislation talking about child care funding and moneys for cities. There are no plans. Of course there are the infamous Kyoto clauses. I understand these will come out.

If they can be taken out of the bill, maybe in committee, the government will see that it is much more beneficial to it or particularly to the provinces of Newfoundland and Labrador and Nova Scotia if it would also take out the part dealing with revenues and there could be a vote.

I know my 10 minutes are up, but I am sure my colleague will continue in the same vein.

• (1255)

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Mr. Speaker, I have one question for my colleague that deals with equalization but from a different perspective only inasmuch as Saskatchewan also had been looking for the same or similar deal as the Atlantic accord. We in Saskatchewan recognized the untold benefits we could receive were we able to retain 100% of our non-renewable natural resource revenue. By today's oil and gas prices alone I think it could easily total \$1.5 billion a year, which could certainly make a huge difference and a huge positive financial impact on the province of Saskatchewan, something we have not seen in Saskatchewan's history.

I would like my hon. colleague to comment on that and whether he thinks, on the issue of fairness and equity across the board, that all provinces should be in the position to receive the same deal as Newfoundland and Labrador and Nova Scotia with respect to retention of 100% of the non-renewable natural resources.

• (1300)

**Mr. Loyola Hearn:** Mr. Speaker, I would like to thank the members from Saskatchewan, the western provinces and most of the country for solidly supporting my province when it had to fight so hard to get the control of and benefits from these resources.

In relation to his general question, I am sure he is not asking if Saskatchewan should benefit from its offshore resources. He is asking about the fundamental issue addressed by our party generally when we committed to give Newfoundland and Labrador and Nova Scotia 100% of their share of revenues from offshore development. The fundamental commitment was to take non-renewable resources out of the equalization formula, which would ensure that Saskatchewan and other provinces that had non-renewable resources would benefit from the development of these resources.

I agree totally with what the member has been fighting for. I say to him that our support for his province will be just as strong as the Saskatchewan support for us throughout this process. Hopefully, in the very near future there will be a government in power that will be able to deliver on that commitment. It is not a wild promise. It is not throwing away money. What it is doing is leaving money from non-renewable resources. There is a finite time. Sooner or later they are gone.

Alberta benefited from the original development. For 8 or 10 years Alberta received all the revenues from the development of its resources. That is why we should get it also because it gives poorer provinces the chance to get the infrastructure and start moving so that we in turn can be a contributing partner in Confederation.

We do not want to be taking from the rest of the country, such as Alberta and Ontario. We can be givers. We have the resources. All we need is to get our share of the development, so we can also be a contributing partner.

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, the essential part of the hon. member's statement has to do with the issue of taking non-renewable resources out of the equalization equation in order for it to get 100% of that benefit. That is the position that the government has acceded to, but it raises in turn a whole bunch of other very complicated questions.

The first question, where a province does not have non-renewable resources, is why should a manufacturing sector, for instance, in Ontario be penalized effectively for including in its fiscal capacity things such as manufacturing and a variety of other ways in which people generate fiscal capacity? It begs the essential question of what the basic intellectual argument is to remove renewables or non-renewables or property tax revenues or any one of the 33 elements in the fiscal measuring capacity out of the formula so that one particular jurisdiction is preferred over another jurisdiction. Either it is all in or it is all out.

I would ask the hon. member his basis for why people in Ontario should be penalized for having manufacturing included in the measurement of fiscal capacity?

**Mr. Loyola Hearn:** Mr. Speaker, the member has an argument, but he has to remember that what we are talking about here is Confederation. We are talking about developing strong provinces by using their resources, whatever those resources might be, so that they can be contributing partners.

*Government Orders*

How can Ontario justify the fact that all the fall-out from the establishment of the federal government here in this province, the amount of money that flows into Ontario, is because the federal government is based here? All the federal departments are based here, and all the people who work here pay taxes. This benefit is not spread to the other provinces. We all have our strengths. If those strengths are developed, the funding from those developments, regardless of whether they are used properly, could make the provinces strong. Strong provinces make a strong country, and therein lies our argument.

● (1305)

**Mr. Gerald Keddy (South Shore—St. Margaret's, CPC):** Mr. Speaker, it is certainly an honour to speak to the budget implementation bill.

My colleague from St. John's South—Mount Pearl has already given a very good background history and chronology of the Atlantic accord. I am certainly going to speak to the Atlantic accord, but I also want to speak to some of the comments that have been made in the House. I hope to set the record straight on a number of issues.

I could not help but listen with amazement to the Liberal member for Mississauga South. He quite often has his own version of reality in this House, but to go back to 1993 and somehow blame the state of the country's affairs on a previous government which was in power 12 years ago is a stretch of the imagination even for the member for Mississauga South. He talked about a \$42 billion deficit that the government inherited in 1993. I am not trying to deny that; that is a fact.

What the Liberals never seem to bring up is that the Conservative government of the day governed for 10 years and it had inherited \$38 billion of that deficit from the Trudeau era government. The Conservatives operated for 10 years at 19% interest rates and only increased the deficit by \$4 billion. They did not cut services to the provinces. They did not cut the transfer dollars. They did not cut health care.

The Conservatives signed, which is still the largest and most important environmental accord ever signed in North America, that being the acid rain treaty signed with the United States. They brought in free trade. They brought in the GST. They governed and they did that in difficult times.

The Conservatives laid the framework for the Liberal government to come into power and reap the benefits without a plan, without any course of action, without any road map for the country. The Liberals simply govern, reap the benefits of somebody else's planting, harvest the benefits of somebody else's crop and drive this country into the worst of times during the best of times. It is absolutely incredible that any member of the government would try to blame the situation it is in on a Conservative government that was in power 12 years ago.

When we listen to this fabrication of events that somehow, as my colleague from Newfoundland has said, we cannot cut the Atlantic accord out of this budget, that is absolutely ridiculous. We passed the health accord in this House in 11 days. We did not talk about it for four, five or six months. We were able to separate that out of the budget. We were able to put that through the House as stand-alone legislation. We passed it in 11 days.

My hon. colleague from St. John's South—Mount Pearl mentioned that this issue was brought to the House 35 times, including by our leader. Thirty-five times we questioned the government on the Atlantic accord before the Liberals finally succumbed and said that they were going to have to do something. On the eve of the last election and not before, when they saw that they were losing seats in Atlantic Canada, then they became supporters of the Atlantic accord.

The Liberals have an absolutely abysmal record and to somehow rewrite history and reconfigure the facts of what actually happened is not acceptable in any way, shape or form. We brought the issue up in question period 35 times, but what my colleague missed was that there were another 13 times we spoke about the issue in statements pursuant to Standing Order 31 prior to question period. The members from Atlantic Canada raised the issue 45 times, not counting the times our leader raised it.

● (1310)

We are at an interesting time in Canadian politics. There is a lot of discussion going on about the budget. There is a lot of discussion of how we cannot separate out the Atlantic accord, that it has to stay in. The Liberals managed to separate out Kyoto because it was wrong-headed and had no business being included in the budgetary items.

There are 24 items in the budget, one of them being the Atlantic accord. The challenge to the government is to separate out the Atlantic accord, pass it forthwith, send it to the Senate and make sure that the province of Newfoundland and Labrador and the province of Nova Scotia get their funds from the Atlantic accord that they very rightly deserve.

The other thing we never hear the government bring up is the fact that last year's budget is still in the Senate. It is not as if it has been passed and has been implemented. Budget implementation takes time, but those guys are dragging their feet. It is still in the Senate.

Let us consider a couple of points on the budget implementation process. Last year's budget is still in the Senate. The previous budget implementation bill, Bill C-30, was introduced on March 31, 2004 and passed in the House of Commons on May 5, 2004. It took 35 days. These bills do not have to take time. The government is dragging its feet because it is caught up in the middle of the biggest scandal ever to hit Canadian politics since the railroad scandal during John A. Macdonald's time in 1872.

This is not about the Atlantic accord. This is about a Liberal government grasping with its fingernails trying to hold on to power. It is all about power. It is not about doing what is right for Canadians and doing what is right for Atlantic Canada.

Let us go back a little further in history. The last budget took 67 days to pass the House. The one previous to that one took 35 days. The one previous to that one took four months because the government was expecting to go into an election and it wanted to tell Canadians what a great job it was going to do for them. If the health accord went through the House in 11 days, in contrast the Atlantic accord could go through the House in 11 days. The average time that it took the last four budget implementation bills is 51 days.

*Government Orders*

Are we supposed to wait 51 days before Newfoundland and Labrador gets its just and fair share of its offshore resources, before the province of Nova Scotia gets its just and fair share of its offshore resources, or are we going to separate this out from the budget? We have challenged the government to do that. Our leader has challenged the government on many occasions to separate it out, send it to a committee of the whole, and pass it in the House in one day. The opposition parties are in agreement.

The government needs to show some leadership, but we have not seen leadership. The country is absolutely dying for leadership.

We have a budget here that is supposed to address the difficulties that Canadians are facing, difficulties that seniors are facing, difficulties that low income Canadians are facing, difficulties with delivery of health care services, difficulties of equalizing the transfer payment system. Unfortunately, the government would rather try to cling to power than deal with the issues of Atlantic Canada, of Newfoundland and Labrador and of Nova Scotia.

We have a unique history in this place. What we say in the House is on the record. I challenge Canadians and I challenge those watching this debate today to look at the Liberals' record. Listen to what they have been saying. I challenge them to take a look at the Atlantic accord and ask themselves why it cannot be a stand-alone piece of legislation. There is no reason it cannot be.

• (1315)

Canadians should take a look at the record, the deliberate shading of the facts, the obfuscation of the facts, that the Liberals have embarked upon. They should ask themselves why they would not simply set out the Atlantic accord in a separate, stand-alone piece of legislation and pass it forthwith. I think they will all come up with the same answer.

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, I listened with great interest to the speech from the member opposite, particularly when he referred to the ad scam scandal as being the biggest one since the railway scandal. I imagine he was talking about the previous century.

However, as I am sure he is aware, the biggest scandal that we have had until ad scam, which I agree is a deplorable abuse of taxpayer money, was in the 1980s with the Mulroney government. I would ask the hon. member to re-read *On the Take* by Stevie Cameron about the continual misuse of public funds in the way to further private fundraising for party coffers. In the same way the Liberals did with ad scam, we saw that with the PC Canada fund, which became very notorious in the 1980s. In a sense, what we have seen is both parties, same old same old, acting the same way, the Liberals taking their example from the Mulroney Conservatives. We see today the result.

The other comment I would like to make is in regard the record deficits that we saw in the 1980s. We have seen, under the Prime Minister, the fiscal projections being the worst among countries studied. In other words, the government misses the mark by the greatest amount of western countries studied. In the 1980s, under the Mulroney Conservatives again, we saw record deficits that were unprecedented, before or since.

Given the track record of his own party, the Mulroney Conservatives and their deplorable scandals, which were just as bad as the Liberal scandals, and the deplorable lack of financial management, the same as the Liberals missing the mark on fiscal projections, how can he say that his party is any better?

**Mr. Gerald Keddy:** Mr. Speaker, that was quite a tirade for a new member of Parliament who has not yet got his feet wet in this place.

I would have very quickly said that the biggest scandal prior to this scandal was the NDP provincial government in British Columbia, on several occasions. Then I would have gone to the absolutely total incompetence of the NDP government in Ontario, which was booted out. If the member wants to compare apples to apples instead of apples to oranges, I am happy to do that on any given day.

I think what the hon. member really wanted to talk about was the government's budgetary projections, which I agree have been abysmal. This year the Liberals projected they would have a budgetary surplus of \$1.8 billion. Last week we learned from our parliamentary advisers on the budget that it would be \$6.8 billion or \$6.1 billion, a total of \$5 billion more in the coffers than we thought there would be at the beginning of the budgetary process.

**Hon. Bryon Wilfert (Parliamentary Secretary to the Minister of the Environment, Lib.):** Mr. Speaker, we heard from the member across the way the word "scandal". Talking about the budget, is it a scandal that we have had eight balanced budgets or better? Is it a scandal that we are the only G-7 state paying off the national debt? Is it a scandal that the government reached a significant health care agreement of \$41.5 billion, with every premier signing on for 10 years, the accountability factors? Is it a scandal that we reached an agreement with Nova Scotia and Newfoundland and Labrador on the Atlantic accord? Is it a scandal that we have invested in cities, unprecedented in the history of the country?

We are talking about budget. We are talking about something that many Canadians country want to see. They want to see the budget go through because it is important to families and to communities across Canada.

I am disappointed in the hon. member because I have a high degree of respect for him. I would like him to respond to that. I would like him to tell me why his party is toying with the idea of an election when these commitments are needed by Canadians?

• (1320)

**Mr. Gerald Keddy:** Mr. Speaker, I do not recall in any part of my speech where I said anything about an election. Again, that is a fabrication of the hon. member. What I did say very consistently was that his government could have and should have done more when it was governing in the best of times. At low interest rates, it reaped the benefits from the GST and from a North American free trade agreement, with the greatest amount of north-south trade we had ever seen on this continent.

In the best of times the Liberals managed to do what? Find \$162 million to send to their Liberal friends? I do not think that is a record of which any government needs to be proud.

*Government Orders*

With regard to the budget implementation bill, I challenge the government to separate the Atlantic accord from it, pass it forthwith and move on with the business of governing the country, if it can.

**Hon. Bryon Wilfert (Parliamentary Secretary to the Minister of the Environment, Lib.):** Mr. Speaker, first, this budget builds on the successive budgets of the government in terms of a balanced approach. We have balanced the books again. We have reduced the national debt. Canada is the only G-7 country that has paid off its national debt. We have gone from 71.5% to below 40% and are on target for 25%.

That is a pretty enviable position given the record of other countries and given the \$42.5 billion deficit the government inherited in 1993. Given the fact that the *New York Times* in 1994-95 suggested that Canada was an economic basket case, we have done not too bad given the fact that we have had eight balanced budgets.

Some members of the House have suggested incorrectly that we have not made our targets. The previous Conservative government did not make its targets either. Unfortunately, that is how we wound up with a \$42.5 billion deficit, which we inherited in 1993.

This government ensured that the deficit was eliminated. It started to invest in key social programs. It has ensured that the debt of future generations has been reduced and reduced significantly, by \$60 billion in the last five years. That is very important to the average Canadian.

Some members of the opposition would like to pick and choose. I was parliamentary secretary to the finance minister for two years so I have some idea of how this works. We cannot carve out what we like. We like the Atlantic accord so we are prepared to deal with that. The government House leader suggested that if the opposition really wanted the Atlantic accord, then it should pass the budget bill and pass everything at once. After all, this is a budget for Canadians, for families and for cities. It is also a green budget, which is what I really want to talk about.

I also want to point out the fact that the members of the Conservative Party, the Alliance, paid no attention to cities for 10 years. When the Federation of Canadian Municipalities proposed a national infrastructure program in 1983, the Conservatives, when they came into office in 1984, did nothing, and they did nothing for 10 years. I happen to know that, having spent 12 years in municipal politics and as a former president of the FCM. I would not hang my hat on anything those people say because clearly they did nothing for 10 years. What did we do? We came into power, and we have had successive infrastructure programs and they have worked very well for cities.

I listened to the hon. member across the way. Some of those members would rather hoot and holler than listen. They have no respect unfortunately, but that is the way it is. They would rather try to shout down people than listen. If they have questions, they can ask the questions.

**Mr. Randy White:** Sounds like an election speech.

**Hon. Bryon Wilfert:** A member across the way said it sounds like an election speech. We are not interested in an election. We are interested in the facts. It would be nice if that party for a change lived

up to its own commitments. If members want to hear the facts, then let the process work.

The budget was called the greenest budget in Canadian history. Why was it called that?

I hear the NDP chirping in the corner. Those members are supposedly the champions of a green budget. They supposedly wanted climate change dealt with. Action is better than words. That party voted against the budget. I have no sympathy for those members. They have no credibility at all because they clearly do not support a green budget.

From the beginning, we said that we wanted a sustainable and competitive economy and a green budget. I am very proud to say that the Minister of the Environment indicated from the very beginning that economic competitiveness and the environment were not mutually exclusive.

We delivered a green budget. We delivered a budget with new direction, transforming the economy in terms of a model of sustainability. Tomorrow we will unveil an enhanced climate change plan for the nation. I would suggest that all members in the House take a careful look at what is in that plan before they react.

• (1325)

I want members to know that we now have the fiscal instruments to do what I think all Canadians want and that is to address the serious issue of climate change in this country and indeed in the world. I am very proud that this government signed and ratified the Kyoto protocol. We will be hosting the United Nations framework conference on climate change, COP 11, at the end of the year. This will be an opportunity not only to look at Kyoto, but beyond Kyoto. It is an opportunity to look at the issues of the environment and sustainability worldwide beyond 2008-2012.

I have said that this budget strikes a balance for short term investments. For example, the environment is everyone's concern. Obviously anything that helps in terms of dealing with health related issues, whether it is asthma or anything to do with protecting species at risk, it is very important. We want to see transformative change in public behaviour and obviously in business practice. I must say that we have done a tremendous amount of consultation as we move forward to tomorrow's announcement.

The government cannot do these kinds of investments unless it has a solid economic framework. Clearly, successive governments, both under this Prime Minister and the previous prime minister, delivered that. That is why we were able to pay down the debt and invest in health care, in post-secondary education and in the environment.

Federal investments in the environment will stimulate partnerships. We are interested in partnerships. We are interested in ensuring the advancement of green technologies, not only wind power, solar power and hydrogen power and others, but also the export of these technologies. Canadians are a leader in areas such as air quality and water quality. This gives us an opportunity to work abroad, particularly in places like Asia which I am particularly familiar with. I can say that there are tremendous opportunities in places, even such as Japan, in dealing with contaminated sites as an example.

*Government Orders*

We are on the cusp of a new era in dealing with the environment and ensuring that it produces new jobs and new opportunities for Canadian entrepreneurs in this country.

A healthy ecosystem provides tangible economic benefits to Canadians. This budget includes immediate investments for the protection of Canada's oceans, other important ecosystems, such as the Great Lakes, and a network of our national parks. Again, reinvesting in our national parks is also part of this budget. This is another important milestone to ensure that we not only have the best parks in the world but also to make sure that we have the most up to date facilities for people. We need to invest in our laboratories in Environment Canada. We must be able to provide the kind of tools needed to ensure that they are the best in the world.

In this budget we have market based mechanisms. We have research programs and infrastructure investments. I talked earlier about the cities. The fact is that we are providing \$5 billion and at least half of that is looking at the area of a green economy, dealing with public transit as an example, along with improved water and sewage systems. These are things that municipal governments have been asking for in terms of the gas tax. I have already said that under the previous government the national infrastructure program lay dormant.

Although there are some in this House who claim that they are big fans of supporting cities, the mayors and councils know who their friends are. They know who was there at the beginning to support them. They know who has consistently been there. We eliminated the GST costs for goods and services for municipal governments which will save them \$7 billion over a 10 year period.

Eighty percent of Canadians live in cities and therefore the agenda for cities has been very important. It has been one of the most important on the Prime Minister's agenda. I can say, as a former FCM president, how proud I am to serve in a government where not only cities are being dealt with but all communities. This budget deals with the issue of communities from coast to coast to coast.

• (1330)

We are dealing with issues that will improve the health of Canadians with the quality of our ecosystem, which is unprecedented. We will be hosting the world at the end of the year on COP 11 because we will be able to not only demonstrate the ingenuity and commitment of Canadians but we will also be able to clearly demonstrate that we are moving ahead as a country and as a government.

Environment Canada, in conjunction with Natural Resources Canada, Transport Canada, Industry Canada and others, is working effectively to ensure that all aspects of the government are green. The issue of moving forward is demonstrated with the hybrid vehicles and our very strong agreement with the auto sector. We have had 14 voluntary agreements with the auto sector, which will result in a reduction of 5.3 megatonnes of greenhouse gas emissions.

Some aspects of the budget are rather significant, such as the climate fund which was originally referred to as the clean air fund. It will create permanent, market based institutions as one of the primary tools for Canada's approach to climate change. We will be

tapping the potential of the market which I think will be very exciting.

By tapping into this market we will stimulate innovation and allow Canadians across the country to take action. We will continue to encourage energy efficiency, deliver cost effective reductions and sequestration and drive the adoption of best available technologies which is one of the most important things.

We are committed to doing this. The funds purpose, which I think is rather unique, is to secure domestic emission reductions and qualifying international credits that will assist Canada in complying with its Kyoto commitments. We are not buying any Russian hot air. We are only buying credits that can be Kyoto confirmed.

Over the coming months the Government of Canada will consult with Canadians on how best the fund may achieve this particular mandate. We know that Canadians trust this government in terms of dealing with the environment agenda. Some of the members on that side do not even believe the ice age occurred. I would suggest that when it comes to the environment this government is dealing with it effectively.

The funds' primary mandate is to promote domestic greenhouse gas emission reductions, which is extremely important, and that will be elaborated on with the unveiling tomorrow. It will position Canada to compete in the 21st century. Some of the members on the other side do not even know that we have passed the 20th century. Some of their thinking on the environment is really quite appalling.

I want to point out that this clean development mechanism will be important in greening the economy. We believe that a competitive economy can be a green economy and can provide the necessary jobs, which is what the budget is all about and why the budget implementation bill is so important.

If people are really committed, actions speak louder than words. If they really support some of these key initiatives they will vote for this and make sure it goes through.

The climate change fund agency will also be an agent of the government, which means that it will carry out activities on behalf of the Government of Canada. It also will be accountable to Parliament. I point out that people have asked for a clear plan. We now have the economic instruments to do so. It is the greenest budget in Canadian history and it has provided us with tremendous opportunities.

I am pleased by this budget and the fact that the climate fund will be established through legislation. Aspects of this fund are going to be important to benefit investment, international emission reductions and give an opportunity for Canadians to see real and demonstrative change in the country.

Another aspect of the budget that I would encourage my hon. colleagues in the House to take note of is the greenhouse gas technology investment fund. It is an innovative funding arrangement that will recognize qualifying investment to research and development, as well as meeting mandatory greenhouse gas emission requirements which is very important.

*Government Orders*

•(1335)

The budget deals with the real issues of Canadians and one of the issues that continues to be at the top of people's consciousness is the environment.

The government will be very clear tomorrow in its plan in terms of its emission reductions, what it is doing and how it will be working with different sectors, both in the large final emitters sectors and others in the country. I think it is important that they will be able to contribute to the greenhouse gas technology investment fund in exchange for special emission credits. They will be investing and, in turn, that will provide jobs for people.

Having a green economy and no jobs would benefit no one. Having no green economy will not help future generations. We have made a balance and have demonstrated that. What we are doing, in terms of bringing everyone into the tent on this particular issue, has been well received by the minister over the last nine months.

The revenue that will be generated from these investments by large final emitters will be used to make strategic investments into new innovative technologies. Innovative technologies is important as opposed to simply relying on old ways.

One of the things that some members of the opposition have suggested, particularly in the official opposition, is that somehow this is a carbon tax. There is no carbon, climate or green tax. There is no tax at all. In fact, if we were to have a tax we would have to bring in new legislation. As the parliamentary secretary I want to point out to all hon. members in the House that they can put that rumour aside.

NRCan and Natural Resources will be the ones best placed to manage the greenhouse gas technology investment fund as part of ongoing operations. They have been dealing with the whole energy technology development file. This will give opportunities, in dealing with expertise gained over the years, to ensure these investments of the fund are allocated to projects that will yield the optimal emission reductions for large final emitters on a sector by sector basis.

This is a tremendous opportunity not only for the environment but in terms of the investments for Canadians, whether they be young people or seniors. The environment is the area which I think is particularly important in terms of moving the budget implementation bill forward.

The budget is not a smorgasbord where we come along and take something because we like it but not take something else because we do not like it. We are not here to carve up a roast. We are here to pass a budget so that Canadians will be able to prosper and we will be able to move forward in a number of these areas. We want our cities to be assured of the funding that so many mayors and councillors across Canada have supported, that environmental groups are assured of funding in terms of the environment and that assistance is provided to Canadians generally.

It is good to see that we have the bill before the House but we have a long road to go in terms of ensuring that it gets passed. I would caution my colleagues on the other side that having this budget implementation bill go through will in fact deliver not only on what we ran on in the last federal election but what Canadians have clearly said, other priorities in terms of the economy.

We have had eight balanced budgets or better, which is unheard of in Canadian history. I think that alone demonstrates the economic leadership of the Prime Minister and the Minister of Finance.

•(1340)

**Mr. Randy White (Abbotsford, CPC):** Mr. Speaker, was that not a nice speech about how great this budget is? For the people out there who cannot see what is going on in here, let me point out that the Liberals are giving themselves some applause.

Let us talk a bit about how this affected the people in Abbotsford, British Columbia. We have a pretty serious drug problem in Abbotsford as well as in lower mainland British Columbia and throughout this country. The government spent \$8.1 million giving heroin to addicts; now there is a great program. I wonder if the budget reflects that. There is no money at all in the budget for rehabilitation. There is no money for the rehabilitation of individuals who are addicted to drugs. There is no money for advertising. Yet, rather than get addicts off drugs, the government spent millions on an injection site to make sure that those who are addicted can go to a place to inject their drugs.

In Abbotsford, British Columbia we are still fighting for fairness in the avian flu situation. The government in its wisdom decided that it had a schedule to reimburse farmers. For instance, on the schedule pigeons were worth \$30, but anybody who knows much about specialized pigeons knows that some of them are worth \$2,000 each. In its wisdom, the government did not do anything about that in the budget.

Tomorrow's announcement is an interesting thing. We have a lot of pretty bad air quality emissions in the Fraser Valley. There is nothing in the budget about that.

Here is the real question. The member opposite talked about revenue that has been generated. It would be interesting to know how much more money we would have available for the projects that I have just mentioned if it had not been ripped out of the pockets of the taxpayers and given to the Liberal Party. People in my area think that is pretty disgusting.

There is another bit of revenue the member opposite did not mention. Bill C-17 here in the House of Commons is for the decriminalization of marijuana, which the government is going to be made effective for anybody over the age of 11. What the government is saying is that anybody over the age of 11 will be given a fine for carrying as much as 60 joints. That is for grades six, seven, eight and nine in our country, for over two million students. What the government really does not understand about that little generator of revenue, according to the Department of Justice, is that we cannot fine anybody between the ages of 11 to 16, so the police will not be issuing fines on the spot to anyone who is 12, 13, 14 or 15, and reasonably so. This convoluted idea of a government trying to raise money because children in grades six or seven carry joints is a bit stupid, to say the least.

*Government Orders*

Budgets are more than just standing up and making some sort of philosophical statement on Kyoto or some other thing. They are about how Canada is working. I can tell the government and the hon. member across the way right now that the budget covered nothing about drugs that was motivating, to say the least. It covered nothing about the ethics and morality of stealing money from taxpayers. It covered nothing about some of the issues that are important to my area in terms of the avian flu and our emissions problem.

Maybe the member could stand up and tell us about what other little things I missed out on that did not affect my area at all.

• (1345)

**Hon. Bryon Wilfert:** Again, Mr. Speaker, these people seem to be more concerned about elections than the actual delivery of programs to Canadians.

The hon. member has the audacity to stand in the House and suggest that the Liberal Party ripped off people. Maybe he has already read Mr. Gomery's report, which is not due until the end of the year. We know that allegations are allegations. I am sure the member, who has been around the House long enough, knows better. He should stand outside and make those kinds of statements.

The hon. member should know that Transparency International, one of the most respected—

**Mr. Randy White:** Let's go.

**Hon. Bryon Wilfert:** If you go outside I will be more than happy to deal with it, more than happy.

I am sorry, Mr. Speaker, I should not speak to the member.

**Hon. Bryon Wilfert:** Mr. Speaker, the fact is that Transparency International, one of the most respected organizations that deals with the issue of looking at corruption around the world, looks at 144 countries every year. Canada consistently is in the top 10, one to ten being very minimal in terms of the difference, very minuscule in the difference.

The fact is that when we talk about corruption, and I do not know whether members on the other side can spell the word, I find it offensive that people would use the word "corruption". First of all, they should read the facts before they make those kinds of outlandish statements in this place. They have a duty to Canadians to do that. They also have a responsibility.

The government cancelled the sponsorship program as its first act. The government in fact named the Gomery commission, because these people said, "We have to get to the bottom of it". We have no problem getting to the bottom of it. We have a process in place. These people seem to forget that. They seem to forget rather conveniently in terms of due process that we will have to get all the facts on the table. In fact, we have already seen contradictory testimony this week. We have an inquiry in place.

The member asks what the budget does. Obviously I guess the member has no ecosystems in his riding. I guess the member has no issues dealing with climate change in his riding. I guess the member has no municipal governments in his riding. I guess the member has no issues dealing with health care. Clearly one budget does not do everything, but it clearly has done a lot and it continues to deliver,

and I think that is what Canadians want to see. I think they are a little tired of hearing some of these terms bandied about.

Clearly what we are seeing from Canadians is that they want to see the process work. They also want to see that this budget goes through so they can have delivered what in fact this government has stood for and continues to stand for, which is honesty and integrity. I challenge anybody on the other side to say otherwise and no doubt they will.

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, the hon. member mentioned that he thought this budget was balanced, so I have a series of questions for him.

How can he say the budget is balanced when we have increasing homelessness across this country?

How can he say this budget is balanced when poverty is growing, particularly child poverty, which we were supposed to eliminate by 2000? There are now 1.1 million children across this country living in poverty and those numbers are growing.

How can he call this budget balanced when it does nothing to address the crisis in post-secondary education that is afflicting students and youth across this country? The average debt load now is over \$20,000 because tuition fees have doubled over these past few years during the Liberal reign.

How can he say that this budget is balanced when people with disabilities are living harder and harder lives because there is no support from the government? In fact, the government has cut one of the major employment programs that addressed the issue of integrating people with disabilities back into employment.

How can he say the budget is balanced when we have a crisis in rural Canada? The government has done nothing to address the border issues that are hurting our rural communities across the country.

How can he say the budget is balanced when seniors are living tougher lives and their quality of life is eroding? This budget offered nothing but a buck a day to help seniors when they have seen their real incomes eroding because pensions are actually eroding due to real cuts.

How can he say this budget is balanced when average Canadians are earning 60¢ an hour less in real terms than they were a decade ago when this government came to power? We are seeing fewer and fewer jobs with pension benefits, fewer and fewer jobs that actually carry benefits, more and more temporary jobs and more and more part time jobs, and the average Canadian family has seen a real erosion in their quality of life.

Given all these facts, how can the member opposite possibly say this budget is balanced?

• (1350)

**Hon. Bryon Wilfert:** Mr. Speaker, I know the member is new. I have great respect for the member. I know he probably just forgot that the government led a national campaign in terms of the issue of homelessness and invested over \$640 million in conjunction with the provinces and municipal governments and NGOs.



*Government Orders*

Maybe the member forgot that 800,000 people, of which about 400,000 are seniors, came off the tax rolls because of this budget.

Maybe the member forgot that in fact the issue of rising tuitions is a provincial issue, not a federal one, but this government has done more to deal with the issue of student debt load.

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I know that I will have only eight minutes for this speech before question period. I would like, therefore, to use this opportunity to begin my criticism of the budget brought down recently by the Minister of Finance.

First, we must condemn the fact that the Minister of Finance said that, for the first time, a Canadian finance minister would meet the critics of the official opposition and the other opposition parties to discuss the budget. I spent more than an hour with the minister explaining our party's priorities for serving the citizens. Now, we have a budget that fails to respond in any way to the priorities expressed to the Minister of Finance. I was extremely frustrated, as were all my colleagues, with this phony consultation by a minister who says he is open to new ideas for serving the community better, but failed to include in this budget any of the priorities that were expressed.

One of my party's priorities took precedence over all the others. This was the fiscal imbalance. I know that the Prime Minister has never acknowledged either the concept or the problem of the fiscal imbalance. He spoke about fiscal pressures. I do not know why this Prime Minister has an aversion to such a fine concept. However, I know very well, as chair of the House's Subcommittee on Fiscal Imbalance and having gone on a tour that took us from Halifax to Victoria by way of Toronto, Quebec City and other stops, and is still continuing, that people everywhere agree on the problem of the fiscal imbalance. People also agree on all its effects on the provincial governments and their responsibilities for health, education and assisting the most disadvantaged families.

There is agreement as well on the fact that Ottawa has too much money in relation to its responsibilities. The provinces, on the other hand, do not have enough to be the direct, front-line responders to the citizens. I thought that we would see a start in this budget on correcting the fiscal imbalance and that it would be recognized. It should be said in passing that this imbalance was mentioned in the Speech from the Throne thanks to the Bloc Québécois and the Conservative Party. We expected, therefore, that there would be an initial response in the budget. However, there was not even a hint of a response to this problem.

The Prime Minister and his Minister of Finance are saying that because of the health agreement and equalization there is no room to manoeuvre for the coming years. That is not true. There is more money than they know what to do with. Even with the commitments made in the September 2004 health agreement, even with the \$10 billion in equalization indexed at 3.5% a year, even with the agreement reached with Nova Scotia and Newfoundland and Labrador to exclude oil revenues from the equalization calculation, over the next six years there will still be a surplus of some \$100 billion in the federal government's coffers. That is a lot of money.

This is not the first time we have been in a situation like this. In 1956, the Tremblay Commission recommended looking at the Constitution, the provincial jurisdictions, and the federal government's jurisdictions and ensuring that the fiscal capacity of both levels of government was consistent with this level of responsibility. It favoured transferring these fiscal responsibilities from one level to the other, in other words, from the federal government to the provinces. The Constitution is in fact very clear on this: education, health, and helping out families in need are not the responsibilities of the federal government, but of Quebec and the provinces.

Since these are basic services we must provide in order to meet the public's demands, is it possible that we are back where we were in 1956, at the time of the Tremblay report, when we needed to look at the balance and review the allocation of taxing power between the two levels of government?

• (1355)

The report of the Tremblay commission led to the initial first ministers' conference in Quebec City. At that time, the first ministers were Mr. Pearson for the federal government and Mr. Lesage for Quebec.

The taxation powers of both levels of government were redefined at that conference. Why? Because, at that time, the federal government wanted to implement a pan-Canadian education system, with a loans and bursaries program, a pension fund, etc. The Quebec government refused to conform and asked for the right to withdraw with full compensation.

In 1964, it became possible to withdraw with full compensation. This compensation was then offered in the form of tax points to all the provinces, but only Quebec accepted. The tax points from 1964 and others from later years, particularly 1977 and 1978, are now worth \$18 billion and the revenues go directly to the Quebec government.

Why deny the evidence? Why not admit that the current situation is identical to those in the 1950s and 1960s, and that the balance needs to be restored? There is no hint of a solution, or even any recognition of the fiscal imbalance in the budget, even though it is in the throne speech. There is nothing about it.

Year after year, the provinces record major shortfalls. For just this year in Quebec alone, we are talking about \$2.5 billion that should have gone to the Quebec government but which has gone to Ottawa, due to the fiscal imbalance. If Quebec had that \$2.5 billion, clearly, the underfunding of education over the past 15 years and the shortfall in the health care system would be history.

*S. O. 31*

But first, the Prime Minister and the Minister of Finance would have to understand, which apparently is not the case at present. Our first major disappointment with the budget is this whole issue of the fiscal imbalance, which this government continues to deny. Perhaps we need to shove this question down its throat more forcefully in the next election campaign. I will come back to this after oral question period. As the saying goes, "The best is yet to come".

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## STATEMENTS BY MEMBERS

•(1400)

[*English*]

### VOLUNTEERISM

**Hon. Brenda Chamberlain (Guelph, Lib.):** Mr. Speaker, next week is National Volunteer Week when we recognize so many who donate their time to fellow Canadians.

I thank the thousands of volunteers in Guelph who do so much to better our community. Their generosity was overwhelming in response to the tsunami in South and Southeast Asia.

The Rotary Club and Valentini Hair Design hosted a cut-a-thon. Harcourt Memorial United Church staged a benefit show where many, including Robert Munsch, performed. The Guelph Storm Hockey Club and the Guelph Fire Department collected donations. Youth undertook action in their schools to help raise money. The local Red Cross alone received over \$770,000 from thousands of individuals and businesses.

These fundraising efforts could not have occurred without so many generous volunteers. I congratulate them and thank them for all of their hard work.

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### VETERANS AFFAIRS

**Mr. Gerald Keddy (South Shore—St. Margaret's, CPC):** Mr. Speaker, many Canadian veterans were subjected to chemical warfare testing while serving their country. Because of this the government brought forward the chemical warfare agent testing recognition program with the aim of compensating these veterans. Unfortunately, this program has become underfunded and overburdened. The government must correct this injustice to ensure our veterans are treated with the respect and dignity they deserve.

Some residents of my constituency of South Shore—St. Margaret's who are eligible for this program have made enquiries on the status of their applications. They have been told that the line is so long they cannot even know when their application will even be looked at.

This is a shameful way to treat our veterans. This is a serious situation which needs to be addressed immediately as time is running out.

The government has proclaimed this to be the Year of the Veteran. It is paramount that we recognize their great sacrifice and ensure the best possible care for our veterans.

### POPE JOHN PAUL II

**Hon. Judy Sgro (York West, Lib.):** Mr. Speaker, I rise today to pay tribute to the remarkable life of His Holiness Pope John Paul II.

As we mourn his death, we also celebrate his life, his incredible courage and the comfort that his faith brought to people all around the world. His Holiness was a remarkable leader, an inspiration of extraordinary faith, strength and courage to us all. He was especially graced with a very special power to bring people around the world together.

Canada was honoured when he visited our country three times. I had an audience with him some years ago in Italy and was left in awe of his radiance and the aura that surrounded him.

We were blessed to welcome the Pope to Toronto for World Youth Day in July 2002 when I had the great privilege of celebrating mass with His Holiness.

I want to express my deepest condolences to members of our religious communities, his brothers and sisters, and to all Canadians as we honour the exceptional life of Pope John Paul II.

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[*Translation*]

### AGRICULTURE

**Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ):** Mr. Speaker, having taken part in the parliamentary conference on the WTO, organized jointly by the Inter-Parliamentary Union and the European Parliament, I am convinced that Canada needs to double its educational efforts in order to show the rest of the world that the agricultural supply management system is one of the ways to put a human face on globalization.

Agriculture was, of course, at the heart of those debates, but the focus was far more on market access than on the producers' quality of life. The position I defended was that we ought to focus on greater market fairness for all and, at the same time, respect the status of those involved in agriculture, that is the producers and farm workers.

The WTO is slated to table the outcome of the process in Hong-Kong this December, and this ought to result in some considerable progress in the negotiations.

I invite all members of this House to take ownership of this debate, since it is the responsibility of us all as elected representatives to ensure that the new rules for the global market are democratic ones.

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[*English*]

### COAST GUARD

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Mr. Speaker, recently in my riding of Dartmouth—Cole Harbour my colleague, the Minister of Fisheries and Oceans, announced that the Canadian Coast Guard would become a special operating agency, the largest SOA in Canada, which recognizes its unique and important role to Canadians.

This special designation allows the Coast Guard to focus its resources on providing excellent marine services while enhancing its responsibilities in the areas of national security, environmental response and the facilitation of maritime commerce. The Canadian Coast Guard will continue to play an integral role in scientific research, conservation and protection of our fisheries.

The Coast Guard is an important agency. It is important to the people of Dartmouth. While more operating dollars are critically needed, this new status along with over \$400 million invested in this year's budget for new vessels will ensure that this proud organization will continue to be a world leader in providing marine services to Canadians.

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• (1405)

#### MEN'S WORLD CURLING CHAMPIONSHIP

**Mr. Ken Epp (Edmonton—Sherwood Park, CPC):** Mr. Speaker, there is great joy in Edmonton—Sherwood Park these days. We are all excited about Randy Ferbey's fabulous victory in the Ford Men's World Curling Championship in Victoria this past weekend.

Randy and his teammates, David Nedohin, Scott Pfeifer and Marcel Rocque, kept Canadians on the edge of their seats during most of the games in this tournament. We all heaved a collective sigh of relief when they won their last game, beating Scotland 11 to 4.

These curlers from my riding are absolutely fabulous. They have won 30 of their last 35 games, coming out victorious in the provincials and the Canadian Brier. Now they are the world champions for the third time.

We congratulate them and wish them success as they move toward representing Canada in the 2006 Winter Olympics. They truly are world champions.

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#### IMMIGRATION

**Mr. Russ Powers (Ancaster—Dundas—Flamborough—Westdale, Lib.):** Mr. Speaker, I rise in the House today to reflect on last month's observation of Anti-Discrimination Day and to honour the men and women of the Settlement and Immigration Services Organization of Hamilton, our outstanding community based centre dedicated to the well-being of new Canadians who choose to settle in the greater Hamilton area.

Hamiltonians are very proud of the diversity of immigrant services offered by this organization. Highlighting its work are the programs directed at the promotion of social justice, equality and equity. It is family sensitive and well networked. All federal and provincial stakeholders mandated to spearhead the integration of almost 4,000 new immigrants who arrive in Hamilton annually participate.

The professionals at SISO break down barriers that immigrants and refugees inevitably face as they seek to become Canadians. As a member, I along with others salute those committed to this wonderful program in Hamilton and to those beyond, from coast to coast to coast in our great Canadian home.

[Translation]

#### PLACE AUX JEUNES

**Ms. France Bonsant (Compton—Stanstead, BQ):** Mr. Speaker, on March 20, I had the pleasure of attending the final day of the activities of the 2005 edition of Place aux jeunes in the Haut-Saint-François region.

The purpose of this familiarization program is to stem the exodus of our young people. It encourages social commitment, facilitates job entry and stimulates the creation of businesses in the outlying regions, while raising the awareness of young people and local stakeholders of the impacts of relocation.

These familiarization visits, organized by the Carrefour jeunesse du Haut-Saint-François and spread over three weekends, give more than a dozen young people a chance to explore the region. In past years, they have resulted in several dozen young people deciding to relocate to the Haut-Saint-François regional municipality.

We congratulate Christian Gauthier, the director of the East Angus Carrefour jeunesse-emploi, and Nadia Latulippe, Eastern Townships migration officer, for their commitment to this cause and for helping entice young people back to our fine region.

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[English]

#### TERRY FOX

**Hon. Maria Minna (Beaches—East York, Lib.):** Mr. Speaker, on April 12, 1980, 25 years ago today, Terry Fox began his Marathon of Hope to raise funds for cancer research.

As a young athlete who had lost his leg to cancer, Terry crossed 3,339 miles over 143 days on his incredible journey. Many said that the idea was ridiculous, but Terry proved them wrong.

When he arrived in Toronto, Terry Fox was greeted as a national champion by some 10,000 people gathered in Nathan Phillips Square.

On the morning of September 1 the Marathon of Hope came to a tragic end when Terry collapsed outside of Thunder Bay. Cancer had spread to Terry's lungs. Nine months later, one of Canada's greatest heroes passed away.

Terry's philosophy was simple: research money equals hope. I encourage all Canadians to reflect on the remarkable life of this young man and give generously until a cure is found.

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#### CAPITAL HILL EXPERIENCE

**Mr. David Tilson (Dufferin—Caledon, CPC):** Mr. Speaker, I have the pleasure of introducing several guests from my riding of Dufferin—Caledon who are in the House today. For the past three days, students Pavan Sapra, Michael Lucci, Marissa Hunter, Angela Davenport, Bartosz Junik, Rebecca Snelgrove and Nathan Wynes, as well as chaperones Nicole Robins and Real Gagnon, have been touring our nation's capital and learning about our Canadian government and Parliament on the Capital Hill Experience.

*S. O. 31*

Not only have these students had an opportunity to tour Parliament Hill, but they have visited the Supreme Court of Canada, the Canadian Museum of Civilization, the CBC studios, the New RO, and attended a lecture at the British High Commission.

This experience has been made possible through funding by the rotary clubs of Shelburne, Orangeville, Caledon West and Bolton. These rotary clubs have worked with my office to select students and provide a capital hill experience these students are sure to remember.

Mr. Speaker, please join me in welcoming these students to Ottawa.

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● (1410)

#### ETOBICOKE BUSINESS EXCELLENCE AWARDS

**Hon. Jean Augustine (Etobicoke—Lakeshore, Lib.):** Mr. Speaker, on behalf of the residents of Etobicoke—Lakeshore, I would like to congratulate those who were honoured last night at the eighth annual Etobicoke Business Excellence Awards gala.

The black tie event was co-hosted by the Etobicoke Chamber of Commerce and the *Etobicoke Guardian* to recognize businesses and business persons for their exemplary accomplishments in the Etobicoke community.

I wish to congratulate Gino Piscelli, Don Gain, Greg Flagler, Ron Crosby, Naresh Bangia, John Lyon, Ignacio Musalem, Gerry Vandergrift and Paul Floyd. Through their hard work, diligence and integrity, they have achieved excellence.

They and their employees and employers may all take great pride in their accomplishments. Congratulations to all of the Etobicoke Business Excellence Awards recipients.

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#### LANDMINES

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, I am proud to rise in the House today to congratulate the Royal Canadian Legion Mount Pleasant Branch 177 in my riding of Vancouver East. The branch marked its 60th anniversary in a remarkable way by an important landmine clearance project.

Its contribution will support demining operations for a 12 week period in Afghanistan, one of the most heavily mined countries in the world. As part of the Adopt-A-Minefield global campaign, this project will fund the work of a 30 person team from the Afghan Technical Consultants.

The Mount Pleasant Legion has a long history of contributing to the community. This latest initiative is another fine example of its service and commitment to human security and peace. The global landmine crisis has killed or maimed tens of thousands of people worldwide. The eradication of anti-personnel mines is a vital task facing the international community and action needs to be taken.

I applaud the Mount Pleasant Legion's initiative. This is an excellent project taken up by this branch and it most definitely lives up to its motto, "We joined to serve; we're serving still".

#### TERRY FOX

**Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC):** Mr. Speaker, 25 years ago today, Port Coquitlam's Terry Fox began his inspirational journey to fight cancer. On April 12, 1980 Terry dipped his artificial leg in the Atlantic Ocean and began his Marathon of Hope.

He ran 26 miles a day, seven days a week, through the Atlantic provinces, Quebec and Ontario. It was a journey Canadians will never forget.

On September 1, 1980, after 143 days and 5,373 kilometres, Terry was forced to stop running outside of Thunder Bay because cancer appeared in his lungs. An entire nation was stunned and saddened. Terry passed away on June 28, 1981. He was only 22.

Cancer research and treatment has come a long way since 1981, in part because of the courage of Terry Fox. Some \$360 million has been raised worldwide in Terry's name to fight cancer, and he inspired millions.

When he died, Terry Fox said, "Even if I don't finish, we need others to continue. It's got to keep going without me". That is our challenge. Let us never give up doing all we can to fight cancer. It is the only way to truly honour Terry's legend, courage and memory.

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[*Translation*]

#### RAIL TRANSPORTATION

**Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ):** Mr. Speaker, two organizations, Dignité rurale and Vision Percé-Gaspé, recently presented me with a petition signed by more than 2,200 people concerned about the future of rail transportation in the Gaspé Peninsula.

For 15 years we have been living with a threat over our heads about the future of Via Rail's Chaleur route. The once daily service has been cut to three trips a week.

In 2004, the federal government asked Via Rail to reduce its operating costs and it has been confirmed that various scenarios were considered, including eliminating its service to the southern Gaspé Peninsula.

In the Gaspé Peninsula there is a close connection between passenger trains and freight trains, which rely on well-maintained tracks. Without adequate funding to maintain the Gaspé network, both services are threatened.

It is time to put an end to this suspense and for the federal Minister of Transport to tell us clearly and precisely his plans for the future of rail in the Gaspé Peninsula.

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[*English*]

#### ELMVALE MAPLE SYRUP FESTIVAL

**Ms. Helena Guergis (Simcoe—Grey, CPC):** Mr. Speaker, Saturday, April 23 marks the 39th annual Elmvale Maple Syrup Festival in my riding of Simcoe—Grey.

Each year the Town of Elmvale explodes in a celebration of nature's rites of spring. Close to 30,000 visitors line the streets to enjoy sugar bush tours, fresh maple syrup, shopping, the all day pancake breakfast and the midway, of course.

I would like to thank the organizers, Tony Hope, Dave Stewart, Ted Hore, Peter Cowcola and Heather Sewell for their hard work and dedication in making the festival such a success.

Through the efforts of hundreds of volunteers, \$20,000 is raised each year for local organizations: the library, minor baseball, Girl Guides, Community Living, the Dare program, the Legion, the fall fair youth program and the Elmvale co-op nursery.

On Saturday I will have the opportunity to challenge Mayor John Brown in a log sawing contest. I invite all members to join me in what promises to be a fun filled weekend for the entire family.

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• (1415)

#### ROYAL CANADIAN MOUNTED POLICE

**Mrs. Susan Kadis (Thornhill, Lib.):** Mr. Speaker, Canada has one of the most respected national police forces in the world. The RCMP is renowned across the globe as a historical symbol of law and order in this country.

Yesterday the deputy leader of the official opposition called into question the integrity of the RCMP, claiming it is not competent. Being the son of a former solicitor general, the comments were even more surprising.

Clearly the Conservatives are willing to attack anyone or anything in the name of political expediency. They have already dragged the charter through the mud, condemned the role of the Supreme Court, and do not support the Canada Health Act, official bilingualism and the federal government's proper place in the Canadian federation.

How many other symbols that are integral to the hearts and minds of Canadians will the Conservatives tear apart in the name of political opportunism?

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#### ABORIGINAL AFFAIRS

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, at the beginning of the sponsorship scandal the Liberals claimed the problem was just a couple of isolated bureaucrats. The political stench coming out of the Gomery inquiry has shown just how misleading this claim was. Still, they want us to believe the same thing about one of their other scandals, Health Canada's dealings with the Virginia Fontaine Addictions Foundation: tens of millions of public dollars misdirected at the highest levels of the department.

Just as they tried with the sponsorships, the Liberals have stonewalled and played down this scandal. They say, "One bureaucrat convicted with a minimal sentence. End of story". That is not good enough. That is not accountability. Lots of questions remain. Who else knew? Why did they not act? How does this fit with the pattern of Liberal corruption and scandals?

#### Oral Questions

Canadians deserve to know. The NDP has repeatedly called for a public inquiry. If the Liberals have nothing to hide, why will they not help us get to the truth and call an inquiry?

### ORAL QUESTION PERIOD

[English]

#### FEDERAL-PROVINCIAL RELATIONS

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, Dalton McGuinty is quoted today as saying the Prime Minister will not meet with him. Mr. McGuinty is a Liberal, and I know the Prime Minister now wants to be careful with which Liberals he associates, but I am sure the Premier of Ontario is not looking for sponsorship money.

Will the Prime Minister meet with Premier McGuinty at the first opportunity?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, obviously I will meet with Mr. McGuinty. I am prepared to meet with any premier. In fact, it is either this afternoon or tomorrow that I will be meeting with Premier Lord. I have met with Premier Williams. I have met with Premier Calvert. It is part of my job. I would be more than happy to discuss the affairs of state with a provincial premier.

**Hon. Stephen Harper:** Mr. Speaker, I am sure when that meeting eventually happens, the Premier of Ontario, like the Liberal Premier of Quebec, will want to discuss the fiscal imbalance which the Prime Minister should start to take seriously.

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#### AIR-INDIA

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, this past weekend Senator Terry Mercer, a Liberal senator, suggested that racism is the real reason for the government's refusal to call an inquiry into the Air-India tragedy. He said:

If there were 350 white people on that plane, would we be waiting for an inquiry?

Will the Prime Minister change his position and vote with the Conservative Party on a motion today that calls for an Air-India inquiry?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, any notions of racism are odious and any accusations of such are simply not acceptable.

I would simply point out to the hon. member that today the Deputy Prime Minister is in the process of meeting with the families. She has said that she will take action. She is seeking the best way to do so. She is seeking the questions that the families want to have answered. Unequivocally, the government will take action in an appropriate way.

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#### SPONSORSHIP PROGRAM

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, judging from the families' comments after that meeting, they were not terribly impressed.

*Oral Questions*

Yesterday the Prime Minister wrongly suggested that the Liberals were not responsible for shutting down the public accounts committee looking into Liberal corruption prior to the election. For the record, I checked. The then Liberal majority voted to produce a premature report before hearing all the witnesses on May 11. On May 13 it voted against hearing further committee witnesses.

I have a simple question. Did the Liberal members act on their own, or did they act on the Prime Minister's instructions?

• (1420)

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the Leader of the Opposition is acting in total disregard of the facts.

Let me point out that on April 6, 2004 Liberal members of the public accounts committee proposed a schedule of witnesses of which Jean Brault and Groupaction were the first on the list of the advertising agencies to be heard. On May 11 the Liberal members had a motion to have an interim report. The opposition voted against it. Then the opposition began a lengthy filibuster and the chairman of the committee went to Mexico.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, once again the Prime Minister omits the fact that the Liberal Party voted against hearing further witnesses.

Yesterday the government misled the House on another matter. It claimed full audits were done on the Liberal Party's books to find dirty sponsorship money. That is not true. PricewaterhouseCoopers even stated emphatically that what it did did not constitute an audit.

Will the Prime Minister admit that an audit was never done, only reviews?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, PricewaterhouseCoopers and Deloitte were engaged proactively by the party to get to the bottom of the issue. The reports were provided to Justice Gomery. We are cooperating fully with Justice Gomery.

It is also notable that the reports did say that all contributions were handled and receipted properly. If there were profiteers who were operating below the radar screen of the party, we want to ensure that those individuals are punished.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, the Prime Minister declined to answer this question and he should, because after all, he has told the country he is "the moral authority".

So let me ask the moral authority this. PricewaterhouseCoopers says that what it is doing here does not constitute an audit. Deloitte says its services were engaged to perform a forensic accounting review, no audits. Will the Prime Minister admit that, contrary to what the government has told Canadians, they never performed an audit?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, a forensic accounting review is a very thorough review of all accounting. That is exactly what Deloitte did and that is exactly what PricewaterhouseCoopers did. I would urge the hon. member to stick to politics and not try business if he does not understand anything more about accounting than that.

[*Translation*]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, after he was pushed enough by the opposition parties, the media and public opinion, the Prime Minister finally took some action in connection with the sponsorship scandal. Yesterday, in the House, the Prime Minister indicated that it was he, in response to the sponsorship scandal, who recalled Canada's ambassador to Denmark and dismissed three heads of crown corporations.

Since the Prime Minister is establishing a link between Alfonso Gagliano, Jean Pelletier, André Ouellet, Marc LeFrançois and the sponsorship scandal, can he tell us whether these individuals were members of the parallel group?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the leader of the Bloc is quite right in saying that I acted from the outset. The very day the report of the Auditor General was tabled in the House, I created the commission of inquiry and I appointed Justice Gomery as commissioner. We, the government, have supported the Gomery commission so that it will come up with answers. We want answers and we will act in consequence.

• (1425)

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, I will ask the question, since he is boasting of dismissing Alfonso Gagliano and three heads of crown corporations. He certainly did not cause heads to roll just because of allegations. He had facts that justified the dismissal of Gagliano, Pelletier, Ouellet and LeFrançois for their involvement in the sponsorship scandal. This is what he has just said.

Were these people part of the parallel group? On what grounds did he dismiss them?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, in each case, we gave the reasons for our action. For example, in the case of Mr. Pelletier, it was because of the statement made by Ms. Bédard. In the case of Mr. Gagliano, it was because the Minister of Foreign Affairs said it was hurting Quebec's image.

In each instance, we provided explanations. I guess the leader of the Bloc was not here. Whatever the case, it was done here in the House.

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, in his haste to distance himself from the sponsorship scandal, the Prime Minister fired some of those associated with it, such as André Ouellet, Alfonso Gagliano and Jean Pelletier.

What we would like to know from the Prime Minister is the reason for his decision to dismiss these people. Was it based on allegations, or was he certain that they were part of the little parallel group directing the operations of the sponsorship scandal?

*Oral Questions**[English]*

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, it is positive to finally see the opposition giving credit to the Prime Minister for some of the actions he took in response to the sponsorship program. In fact, he ended the sponsorship program. He fired some of these individuals.

Furthermore, he established Justice Gomery and supports Justice Gomery, which is a far cry from what the opposition members do. They would rather get to the polls. Canadians want to get to the truth and that is why they depend on Justice Gomery: to do exactly that.

*[Translation]*

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, how can the Prime Minister explain that he decided to get rid of Pelletier, Gagliano and Ouellet before the end of the Gomery inquiry yet refuses to do something else—put the dirty money in trust—with the excuse that the inquiry is not over?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the party has made it clear. If it has received any inappropriate funds, it will reimburse the taxpayers.

*[English]*

It is very clear that the opposition members do not want to hear the truth, because otherwise they would listen to Justice Gomery. They would listen to the government and wait for his report. That report will give Canadians the truth and Canadians can make a reasoned decision based on that truth.

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, my question is for the Prime Minister.

The fact is that this Liberal corruption is putting a corrupt face on federalism in Quebec and it is smearing Quebec's name all across Canada, yet we know that in Nova Scotia Liberal friendly ad firms were getting sponsorship contracts for projects like the Pan-Am Games.

Given what we know from testimony about how sponsorship fees end up getting funnelled back into the Liberal Party, will the Prime Minister refer that testimony and the Pan-Am contract to the RCMP?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, once again I would urge the leader of the NDP to listen to his own caucus member, the member for Sackville—Eastern Shore, who said on CBC radio:

To be completely honest with you, what's going on in the House of Commons is nothing short of really quite sad. Everyone is just talking about the Gomery issue and nothing else. We are not talking about seniors or veterans or children or families or the environment or anything else. We're just...trying to score cheap political points on the Gomery trial and I think Canadians in general have had enough of this and we should focus on the issues that matter to Canadians and let Gomery do his work.

The member is right and his leader should listen.

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, we would not have to be dealing with any of this if it had not been for the corrupt behaviour of the Liberals in the first place.

Speaking about quotations, what about the letter the Prime Minister sent out to Liberals across the country last night? He said that corruption “is not the way we do politics in the Liberal Party”.

This is amazing. We are told we are supposed to wait for the results of the Gomery inquiry, yet the Prime Minister has already decided that the Liberal Party is exonerated and completely innocent. If he can say the Liberal Party is innocent, why can he not just say he is sorry to the Canadian people?

● (1430)

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I have said from the very beginning that I regret this event very, very much and I find it profoundly troubling.

That is why, right from the very beginning, we put in place the Gomery commission. We did it because we want to find out the facts. We want to find out the facts so that we can punish those people who engaged in inappropriate activities. There may be members of the Liberal Party, but that is not the Liberal Party. The Liberal Party is made up of thousands of hard-working and dedicated Canadians from coast to coast to coast who want only one thing, and that is the betterment of their country.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, the government now seems to be at least admitting it did not do audits, but the question is, did it do thorough reviews? Not only were these not full audits, the Liberal Party refused to provide the accountants with all the necessary documentation. According to Deloitte & Touche, it was forced to rely on the Liberal Party for the accuracy of the information it received.

I ask the Prime Minister again: will he admit that no audit was done, that it was simply a review and that the source of the information for the review was the Liberal Party of Canada?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, allow me to quote directly from the Deloitte report, “We made sure to obtain detailed supporting documents for every amount deposited in the Liberal Party accounts during the period covered by this mandate”.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, I would ask the Prime Minister and minister to read the rest of those statements, because what it says, according to the accountants, is that the Liberals set the rules for what transactions they actually looked at. That did not include any money to riding associations, which is where all the sponsorship money was funnelled.

Will they admit that the information for this review came from the Liberal Party and did not include dirty money to riding associations?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** First of all, Mr. Speaker, a forensic accounting review is a very thorough one. The Liberal Party in fact established proactively these reviews, working with Deloitte, working with PwC, and in fact shared all this information with the Gomery commission in December. We continue and the party auditors continue to work with Justice Gomery's auditors as we review this information.

*Oral Questions*

It is very clear that the Liberal Party is being completely cooperative with Justice Gomery and that the Conservative leader wants to kneecap Justice Gomery before he provides Canadians with his report.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, yesterday the Liberals suddenly promised to give Judge Gomery party records. Before then, they were claiming that two outside audits proved no wrongdoing. It turns out they knew full well those were not really audits at all. PricewaterhouseCoopers specifically stated their work was not an audit and complained about lack of documentation provided by the Liberals.

The Prime Minister again tried to sneak one by Canadians. Why is he caught time and again trying to mislead Canadians?

**The Speaker:** I have grave concerns about the question that is asked because it appears to be dealing with Liberal Party audits. I am not seeing the tie any longer in that question to any ministerial responsibility, and accordingly, in my view the question is out of order. The evidence before the inquiry that a party is giving is one thing. What the government is giving is another. The hon. member for Calgary—Nose Hill has I think crossed the line in this case.

**Mrs. Diane Ablonczy:** Mr. Speaker, both audit firms complained about lack of proper documentation. Deloitte emphasized that only four bank accounts were reviewed. Nothing that went to Liberal ridings or candidates was reviewed, yet the Prime Minister, a former finance minister, had the nerve to pretend this was a real audit.

Now we learn of money laundering, extortion, kickbacks, bribes, envelopes of money. No wonder the Prime Minister was frantically waving around his whitewash audit. Why has his word—

• (1435)

**The Speaker:** I could not hear the end of the question, but everything before it appeared to be following the same pattern so I will have to conclude that the question is out of order in the circumstances.

The hon. member for Roberval—Lac-Saint-Jean.

[*Translation*]

**Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ):** Mr. Speaker, we have asked the Prime Minister numerous times already whether he did all the necessary checks to ensure that none of his ministers, past or present, was connected in any way to the sponsorship scandal.

Today, I am asking the Prime Minister, who claims to have the moral authority to lead this government, whether he asked his ministers about this and whether he received all the necessary assurances that none of his ministers had any involvement with any agency in the sponsorship scandal?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the hon. member knows full well that when a minister or a parliamentary secretary is appointed, there is a security check, a background check. All the ministers have gone through this check.

**Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ):** Mr. Speaker, we know that all the ministers are investigated by the RCMP, but we have already seen cases where the results left something to be desired.

What I am asking the Prime Minister is not whether the RCMP conducted an investigation. Did the person who claims to have the moral authority to lead the government question his ministers himself, clearly and specifically, and did he receive assurances from them that they had nothing to do with the sponsorship scandal and the firms involved? That is my question.

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I repeat, checks were conducted, not only by the RCMP but also by the transition team, whose duty it was to do so, in accordance with the standards.

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, during Alain Renaud's testimony, Justice Gomery reminded him that by acting as a lobbyist without being registered, he broke the law. In addition to being convicted of this, he could be fined \$25,000.

When he appointed the Minister of Transport, did the Prime Minister ask his lieutenant if he had acted as a lobbyist for, among others, Onex, Imperial Tobacco, Loblaw's, the Reichmann brothers of Olympia and York in connection with developing the Bickerdike pier, and for the Canadian Generic Pharmaceutical Association?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, when the minister was appointed, a check was done of his assets and his background, as is the case for all ministers. I can assure the hon. member that the Minister of Transport, and the other ministers, passed the test with flying colours.

**Mr. Benoît Sauvageau (Repentigny, BQ):** Can the Prime Minister confirm, from his seat, that the Minister of Transport never approached his ministers or opposition members to arrange meetings for his clients, which clearly constitutes lobbying?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I can assure the House that the Minister of Transport has always acted appropriately and with the utmost integrity.

[*English*]

**Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC):** Mr. Speaker, the Prime Minister claimed in sworn testimony that he had no relationship with sponsorship kingpin Claude Boulay, that he barely knew him, that he had no contact beyond a casual hello. Yet we learned yesterday that the Prime Minister discussed contracts with Boulay over lunch at a Liberal convention.

Will the Prime Minister now admit that he met with Claude Boulay to discuss contracts?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the hon. member is commenting on yesterday's testimony. If he wanted to be truly transparent about this, he would also say that yesterday's testimony actually contradicted some of Mr. Brault's testimony of last week.

The folly of commenting on daily testimony is that one runs the risk of making grievous errors on an ongoing basis, and that is what they are doing. That is irresponsible when we are dealing with an issue of this importance. That is why we should be trusting Justice Gomery to go through all the testimony and in a reasonable way develop his report and provide it to Canadians. That is what Canadians deserve.



*Oral Questions*

•(1440)

**Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC):** Mr. Speaker, it is the Prime Minister who has said that he has the moral responsibility to clean up this mess, yet he has that minister answering questions. This scandal is worse than Watergate and the Prime Minister has an obligation to answer these questions.

[Translation]

Perhaps I will get an answer if I ask in French.

Will the Prime Minister admit that he dined with Claude Boulay and that they discussed contracts? Will he admit that?

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the Prime Minister is putting country above party. The Prime Minister is putting principle above strategy. That is exactly the opposite of what the Conservatives, the Bloc and the NDP are doing with this issue.

**Mr. Vic Toews (Provencher, CPC):** Mr. Speaker, last week the Minister of Justice was indignant at the opposition for suggesting what every Canadian believes, that the Liberal Party has some explaining to do.

Now Canadians have learned as a result of sworn evidence that a former member of the minister's own staff, his special counsel, has been identified as pocketing thousands of dollars in taxpayer money for favours for the Liberal Party.

When were these facts about his special counsel brought to the minister's attention?

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I read about those allegations at the same time the member opposite read about them in the newspapers.

**Mr. Vic Toews (Provencher, CPC):** Mr. Speaker, as the highest law officer in the country, the minister has an obligation to advise the Canadian people fully about this matter. Canadians have heard that his special counsel was picking up envelopes of sponsorship money.

When he heard about this, what steps did he take when this matter came to his attention?

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I am stunned that a former crown attorney does not understand what the rule of law is all about, does not understand what the integrity of the administration is all about, does not understand what a judicial process is all about and comes here, goes ahead and pronounces conclusions without any evidence and without any attribution to any judicial authority. It is a scandal.

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**IMMIGRATION**

**Mr. Mark Holland (Ajax—Pickering, Lib.):** Mr. Speaker, amid allegations of \$50,000 cheques for bonds being taken through the offices of a Conservative member of Parliament, many members of the House are deeply concerned.

What is the Minister of Citizenship and Immigration doing to look into this matter and how is he going to ensure the integrity of our immigration services are not put up for sale?

**Hon. Joseph Volpe (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, the hon. member is not talking about allegations, but about admissions by the member for Newton—North Delta. It is a very serious misrepresentation of the immigration system, where a member of Parliament asks a constituent to sign a bond of \$50,000 to \$100,000 made out to his name or to his party in return for writing me a letter.

I have asked the conflicts commissioner to take a look at this. I further will ask him to see who gets that money when the conditions go into default and whether the leader of the—

**The Speaker:** The hon. member for Timmins—James Bay.

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**HUMAN RESOURCES AND SKILLS DEVELOPMENT**

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, disturbing questions have arisen as to whether HRSD training dollars are being siphoned out of volunteer organizations and into the hands of Liberal friendly organizations. Each of these contracts are worth a half a million dollars. Further, we have had a steady stream of witnesses coming forward with tales of harassment and intimidation by HRSD bureaucrats if they speak out.

Will the minister explain why front-line volunteer organizations across Canada have learned that it is not the merit of the work they do, it is “who you know in the PMO”?

•(1445)

[Translation]

**Hon. Lucienne Robillard (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister of Human Resources and Skills Development, Lib.):** Mr. Speaker, the allegation the hon. member is making in this House is a very serious one. What is going on at the present time needs to be closely scrutinized.

The request for proposals procedure is there to award contracts in a very transparent way to organizations, the majority of which are community organizations delivering services to our fellow citizens. A kind of invitation to tender is issued and the organization with the best proposal is selected.

This is the context we work in with the volunteer sector in order to improve the system as a whole.

[English]

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Transparency, Mr. Speaker? Tell this to the volunteer groups that are being shut out. We have documented a culture of fear, fear of losing contracts, fear of losing out to Liberal friendly organizations. These organizations are working with the poor, the immigrants and the homeless. My God, it is like a cross between Gomery and a Charles Dickens tale.

Will the minister explain why the Liberal government has taken to shaking down widows and orphans in order to do damage control for HRSD policy?

*Oral Questions*

**Hon. Lucienne Robillard (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister of Human Resources and Skills Development, Lib.):** Mr. Speaker, the request for proposal process is a very transparent process to ensure that we receive value for money each time we sign a contract with any organization, including a community organization in the volunteer sector.

We have heard about some difficulties they are having with the new process. We are working very closely with the volunteer sector to improve the system. I think no one is against the principle to be very transparent and to have good contracts with those organizations.

I can assure the members of the House that we will work very closely with the volunteer sector to have a better organization.

\* \* \*

**SPONSORSHIP PROGRAM**

**Mr. Jason Kenney (Calgary Southeast, CPC):** Mr. Speaker, Claude Boulay is one of the ad scam kingpins, the head of Groupe Everest. The Prime Minister claimed last year in the House and this year at the Gomery commission that he barely knew the man, sort of a passing acquaintance, might say hello every now and then.

Now we have learned that the Prime Minister actually lunched with Mr. Boulay while discussing contracts for Attractions Canada, a major recipient of dirty Liberal ad scam money.

The public works minister does not know. He cannot answer this question. Only the Prime Minister can.

Is this true? Did he indeed lunch with Claude Boulay to discuss contracts, yes or no?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the entire history of my relationship, which was very short, he is a political acquaintance, is well set out in the testimony that I provided to the Gomery commission. It is there for anybody who wants to read it. It was examined and cross-examined by counsel. I would simply ask the hon. member to read it.

**Mr. Jason Kenney (Calgary Southeast, CPC):** Mr. Speaker, watch the prevaricating, listen to the wiggling, not an unequivocal answer. Here is an unequivocal question. Did the Prime Minister have a lunch meeting with Claude Boulay of Groupe Everest to discuss contracts? I do not want prevarication. He says that he has moral authority. Then exercise some moral responsibility to tell the truth. Did he have that meeting, yes or no?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, this is nonsense, as is the allegation. All the hon. member has to do is go and see the Gomery testimony. It is very clear, and one thing comes out. Witnesses before the commission have testified unequivocally that I have never interfered in any contract, and I never did.

**The Speaker:** There seems to be a slight breakdown in order in the chamber at the moment. I would remind hon. members that these conversations can be carried out elsewhere. We are in a question period and I believe the hon. member for Central Nova is now going to ask a question.

• (1450)

**BORDER SECURITY**

**Mr. Peter MacKay (Central Nova, CPC):** Mr. Speaker, the record will show the Prime Minister did not answer the question or who picked up the tab.

U.S. Congressman Mark Souder, a senior member of the homeland security committee, says that Canada risks becoming a junior rather than a joint partner in North American border security. One of his chief concerns is the same as voiced by Canadian border authorities: inadequate and incomplete watch lists and no computers available to provide accurate and updated information.

At least 62 border crossings do not have 24/7 real time live access to CBSA computers. Instead officials have to sift through reams of paper to determine if the person crossing the border is a terrorist. When are these glaring gaps at the border—

**The Speaker:** The hon. Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, we are not going to get involved in the context of the comments from customs officers in the middle of labour negotiations. However, all the customs offices at our borders have all the information at their disposal. In fact, the department and the Canada Border Services Agency is investing \$433 million over the next five years to enhance our capacity. A good part of that will be devoted to information technology and to improve the links between our border operations and the head office database.

**Mr. Peter MacKay (Central Nova, CPC):** Mr. Speaker, it was a U.S. congressman who said this.

In addition to having little information about terrorists or dangerous offenders, our unarmed border officials have to contend with inadequate backup from police. Over 50 border crossings, many with a single agent, are at least 25 kilometres from a police station. Internal RCMP documents show that on some weekends at Quebec crossings there is little or no police coverage. What is the government's response? Close more detachments and leave the border agents to fend for themselves.

Again, when will the government beef up border security and expand RCMP support for these entry points?

*Oral Questions*

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, last year alone more than 71 million people crossed at Canada's borders at the land points of entry. The government has invested in the Canada Border Services Agency \$433 million over the next five years. We are building capacity. Since 9/11, the government has invested more than \$9 billion to enhance the public security environment in Canada. We will continue to do that. Our smart borders is a number one priority for the government and we are working very closely with the U.S. to implement that.

\* \* \*

[Translation]

**SPONSORSHIP PROGRAM**

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, yesterday, in connection with one of our questions on his riding assistant's presence on the finance committee of the Liberal Party with Jacques Corriveau and Alain Renaud, the Prime Minister tried to minimize his assistant's role, describing it as simply selling tickets.

I ask the Prime Minister once again to explain how he can tell us today that he knew nothing of what was going on, when his own assistant was sitting in the middle of the finance committee where it was all happening?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, everything I knew, my assistant knew. She was selling tickets. The job had to be done. It was a fundraising dinner. I imagine that even the Bloc sells tickets to cocktail parties or dinners to raise money. That is what she was doing.

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, is the Prime Minister trying to have us believe that the only role of the Liberal Party of Canada's finance committee, on which sat the top leaders of the Liberal Party of Canada, is simply to sell tickets to fundraising dinners? This is what the Prime Minister—

**The Speaker:** As the hon. member knows, that question is unacceptable. It has nothing to do with the administration of the Government of Canada.

The hon. member for Edmonton—Leduc.

\* \* \*

[English]

**INFRASTRUCTURE**

**Mr. James Rajotte (Edmonton—Leduc, CPC):** Mr. Speaker, we learned this weekend of a cozy relationship between the Mont Tremblant ski facility owned by Intrawest and the health of Liberal Party coffers. It seems that when donations to the Liberal Party by Intrawest began to rise, the amount of taxpayer money funnelled into the ski resort also increased.

One begins to wonder whether this kickback culture is not just exclusive to the Liberal advertising program.

Can the Minister of Industry explain the relationship between the increase in Liberal Party donations by Intrawest and the increased taxpayer money going to Mont Tremblant?

[Translation]

**Hon. Jacques Saada (Minister of the Economic Development Agency of Canada for the Regions of Quebec and Minister responsible for the Francophonie, Lib.):** Mr. Speaker, a large part of the federal public money given Mont Tremblant must be reimbursed. The remainder comes from the infrastructure program, under which the Government of Canada simply acts on the priorities of the Government of Quebec.

● (1455)

[English]

**Mr. James Rajotte (Edmonton—Leduc, CPC):** Mr. Speaker, here are the facts. The Liberal government has given \$100 million in grants and interest-free loans over the last decade to Mont Tremblant, a ski resort owned by Intrawest Corporation. At the same time, and there is an interesting relationship along the way, Intrawest has donated more than \$100,000 to the Liberal Party. That is a relationship that the government has to explain.

Is this simply not another kickback program instituted by the government?

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, we have just been working very hard to make the northern part of Quebec an economically prosperous area. Because of our investments, it is the city of Mont Tremblant, the region of Mont Tremblant, that is going to benefit from the public infrastructure, such as roadways, waterworks and sewer systems. That is what we are investing in, the region of Mont Tremblant.

\* \* \*

**HEALTH**

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, today is the 25th anniversary of Terry Fox's Marathon of Hope. Given that cancer is still the cause of too many deaths in this country, and as a Canadian who ran with Terry Fox at that time, I want to ask the Minister of Health on this historic day what he is willing to give as hope to Canadians who are still suffering from this terrible disease.

**Hon. Ujjal Dosanjh (Minister of Health, Lib.):** Mr. Speaker, we have made cancer control a priority.

In terms of the five areas where we need to reduce wait times, cancer is one of the priorities for wait time reduction. Also, we provided in the last budget \$300 million for an integrated strategy on healthy living and chronic disease control to face this important challenge. This year we have given \$10 million to the Terry Fox Foundation in recognition of its work and in order for it to pursue research on this very important issue.

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**NATURAL RESOURCES**

**Mr. Norman Doyle (St. John's East, CPC):** Mr. Speaker, in the media today there are headlines stating that the fate of the government and its programs may well depend on the outcome of the Gomery inquiry. There is one initiative, however, that need not wait for Judge Gomery's report. That is the Atlantic accord legislation.

*Privilege*

Will the government reconsider its position today and remove the accord legislation from the omnibus budget bill and immediately put it before the House as a stand-alone bill?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, the Leader of the Opposition has said that the budget measures generally are a step in the right direction. He has said that there is nothing in the budget that should defeat the government. He has also indicated his support for the Atlantic accords.

It seems that all those things have come together in one very happy package, and the answer is to pass the budget.

\* \* \*

**CANADIAN FORCES**

**Mr. David Chatters (Westlock—St. Paul, CPC):** Mr. Speaker, the Minister of National Defence promised the members of the Canadian Forces that they would be getting a 6% pay raise on March 1. They did not get the pay raise on March 1. They did not get the pay raise on April 1. They still have not got the pay raise, despite an \$11 billion surplus.

When is the government going to live up to its promises, obligations and commitments and provide the raises to our members of the Canadian armed forces?

**Hon. Bill Graham (Minister of National Defence, Lib.):** Mr. Speaker, I do not know what the hon. member is basing his information on, but I have to tell him that I was recently in Esquimalt speaking to members of our Canadian navy and they are thrilled with the pay raise. I have spoken with members of the army and they are very pleased with the pay raise, as are members of the air force.

The hon. member may not like it, but the fact of the matter is that members of our armed forces are very grateful for it and it is improving their quality of life. I am thrilled with the fact that we can show how the government appreciates the tremendous service of our armed forces.

\* \* \*

[*Translation*]

**SPONSORSHIP PROGRAM**

**Ms. Nicole Demers (Laval, BQ):** Mr. Speaker, the PMO sets up the sponsorship program; the finance minister allocates money to it; the Treasury Board President closes her eyes; the PMO selects the projects; the friends of the Liberal Party pocket the money; the organizers take their cut; and the Liberal Party gets rich.

Does that not sum up the whole Liberal Party of Canada food chain?

• (1500)

[*English*]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, once again the hon. member is quoting from testimony as if it is fact. She is quoting allegations as if they are facts. She should realize that her provincial cousin, Mr. Landry, has in fact said that Mr. Brault, one of the witnesses, has no credibility and is in fact wrong in some of his testimony before the Gomery inquiry.

I would urge her in this case to listen to her provincial cousin, Mr. Landry, who tells her and her party that she ought not judge this testimony as truth. In fact, what she ought to do is wait for Justice Gomery to submit his report. That way she can have the truth, and all Canadians can.

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**THE BUDGET**

**Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.):** Mr. Speaker, debate started today in the House on implementing the measures announced in the budget last month, a budget for which the Leader of the Opposition could not wait to state his support in the foyer of the House of Commons, a budget about which the Leader of the Opposition stated “there is nothing in this budget that would justify an election”, a budget that the same leader is now flip-flopping on as he contemplates triggering a quarter billion dollar election.

Could the Minister of Finance please remind the members of the opposition why a few short weeks ago they thought this budget was “a step in the right direction”?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, maybe it was the \$5 billion for cities and communities, or the \$5 billion for children and early learning, or the \$2.7 billion for senior citizens, or the \$3 billion for Newfoundland and Labrador and Nova Scotia, or the \$5 billion for the environment, or the greenest budget in Canadian history, or the \$3.4 billion in foreign aid, or the \$13 billion for the Canadian armed forces, or the \$12 billion in tax relief. Maybe it is just that we have the best fiscal performance since 1867 and the best fiscal performance in all the G-7 countries.

\* \* \*

**PRESENCE IN GALLERY**

**The Speaker:** I would like to draw to the attention of hon. members the presence in the gallery of His Excellency Tan Sri Dato'Seri Dr. Abdul Hamid Pawanteh, President of the Senate of Malaysia.

**Some hon. members:** Hear, hear!

**The Speaker:** Order. The Chair has notice of a number of questions of privilege and points of order. We will start with those now. We will begin with the hon. member for Red Deer.

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**PRIVILEGE**

APPOINTMENT TO NATIONAL ROUND TABLE ON THE ENVIRONMENT AND THE ECONOMY

**Mr. Bob Mills (Red Deer, CPC):** Mr. Speaker, my question of privilege will charge the Prime Minister with contempt for his total disregard for the motion adopted on Wednesday, April 6, 2005 regarding the appointment of Glen Murray to the National Round Table on the Environment and the Economy.

Page 67 of Marleau and Montpetit states that the House can claim the right to punish for certain affronts against the dignity and authority of Parliament.

At what point does Parliament take a stand against a Prime Minister who continually thumbs his nose at Parliament?

In this Parliament the Prime Minister reneged on his very first obligation to the House with respect to the amendment to the throne speech to allow members an opportunity to consider all public information pertaining to the missile defence agreement and to vote prior to a government decision.

My House leader raised a complaint in the House with respect to the defeat of Bills C-31 and C-32. In the case of Bills C-31 and C-32, the trade minister shrugged off the defeat of two bills that would create a new international trade department separate from the Department of Foreign Affairs, saying that the two branches of government will continue to operate independently without Parliament's blessing.

Now we are faced with a situation where a committee has rejected an appointment made by the government. That vote was nine to two. It reported that rejection to the House. The House has concurred in that rejection on a vote of 143 to 108. The Prime Minister has continued to ignore it. We brought this about because the person was not qualified for the position of the appointment.

The excessive power that lies in the Prime Minister's office prompted the Prime Minister in his address to the law students at Osgoode Hall in the fall of 2002 when he was trolling for support for his leadership bid, to state that the essence of power in Ottawa was who you know in the PMO. We thought he was complaining about it. We thought he was promising to clean that up, but if one wants a government appointment in his government, it is not Parliament that matters, it is who you know in the PMO.

In the future why would any member question an appointment and bring it before committee? The Prime Minister does not listen. Why would we debate it in the House with our three hours? The Prime Minister does not listen.

Mr. Speaker, I feel that my privilege has been taken away because of what the Prime Minister has done. I would ask you to look at that.

• (1505)

**The Speaker:** I will take the question of privilege the hon. member for Red Deer has raised under advisement and get back to the House in due course.

The second notice is from the hon. member for Renfrew—Nipissing—Pembroke.

COMMENTS BY THE PRIME MINISTER'S DIRECTOR OF COMMUNICATIONS

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC):** Mr. Speaker, I rise today on a question of privilege resulting from the comments made by the Prime Minister's director of communications, Scott Reid, on national television, CBC *Newsworld*, on Thursday, March 17, 2005, slandering my reputation as a member of Parliament which, in effect, slanders the reputation of all members of the House.

The remarks were only recently brought to my attention and this represents the first opportunity to bring this question of privilege before the House.

It has become an unfortunate, unsavoury practice in Canadian politics to malign the reputations of individuals who have been elected to serve the people of Canada. There is an expectation that members of the Prime Minister's staff, as they represent the Prime

### Privilege

Minister, would demonstrate restraint and some degree of professionalism in the exercise of their duties. Many Canadians judge the words they are speaking as though they were coming from the Prime Minister's mouth himself.

It is ironic that when a senior member of the Prime Minister's staff maligns the reputation of a member of Parliament, they, in effect, malign the reputation of their boss, the Prime Minister, as surely as they are attacking all of our reputations and the reputation of the House.

In the case of Mr. Reid, as the Prime Minister's director of communications, his comments were tasteless and over the top. I am tabling a copy of those comments, Mr. Speaker, for your review and determination on this question of privilege.

On March 22, 1983, on page 24027 of *Hansard*, the Speaker ruled:

A reflection upon the reputation of an Hon. Member is a matter of great concern to all Members of the House. It places the entire institution under a cloud, as it suggests that among the Members of the House there are some who are unworthy to sit here.

Rightfulness, fair play and the people I represent in the riding of Renfrew—Nipissing—Pembroke, along with a great many fair-minded Canadians who are quite frankly shocked at the comments of the Prime Minister's representative, demand that I challenge the comments made by that individual. Justice cannot be served if this slanderous comment against me is left unchallenged and unresolved.

On page 214 of Joseph Maingot's *Parliamentary Privilege in Canada* there is a reference to reflections on members. It states:

The House of Commons is prepared to find contempt in respect of utterances within the category of libel and slander and also in respect of utterances which do not meet that standard.

As put by Bourinot, "any scandalous and libellous reflections on the proceedings of the House are a breach of the privileges of Parliament and libels upon members individually".

I would also refer you, Mr. Speaker, to a Speaker's ruling from October 29, 1980 at page 4213 of *Hansard*. The Speaker said:

—in the context of contempt, it seems to me that to amount to contempt, representations or statements about our proceedings or of the participation of members should not only be erroneous or incorrect, but, rather, should be purposely untrue and improper and import a rung of deceit.

The comments made by the Prime Minister's employee were not only incorrect but I charge Scott Reid with deliberately and maliciously making a statement that was politically motivated and was a deliberate attempt to tarnish my reputation.

With the daily unfolding spectacle of the sponsorship scandal, many accusations will be made and many reputations attacked, including, in all likelihood, the reputations of members of the House.

A strong message regarding what is acceptable and what is not acceptable to members of the House, particularly comments coming from someone in the position of personal spokesperson of the Prime Minister, will send the right message in the days and weeks ahead as the House seeks the truth regarding the missing millions in the sponsorship inquiry.

*Points of Order*

An MP's staff should not be allowed to get away with what the MP himself would be held account to. If you find this to be a prima facie question of privilege, I am prepared to move the appropriate motion.

● (1510)

[Translation]

**Hon. Mauril Bélanger (Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages, Minister responsible for Democratic Reform and Associate Minister of National Defence, Lib.):** Mr. Speaker, after hearing the comments of the hon. member opposite, I think you will agree that the question of privilege does not apply in this case. First, these comments were made by someone who is not an MP and, second, these comments were not made in this House.

Allow me to make the following comment: in both cases, it would be quite easy to determine rather quickly that this matter is certainly not a question of privilege.

[English]

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I rise on the same question of privilege to add to what the deputy government House leader said.

If every time a member of the House was unhappy about comments made by a spokesperson for another party or another member outside the House, Mr. Speaker, you would be hearing a lot of questions of privilege.

Mr. Speaker, I hope you would suggest to the member that her recourse, if she feels that she has recourse, lies outside the House. She has a number of civil remedies available to her if she feels so aggrieved. This certainly is not a question of privilege.

**The Speaker:** I have listened to the hon. member for Renfrew—Nipissing—Pembroke on this point. She did not read out the offending comments but she did say that she would make them available to the Chair and I will look at those comments.

However I must say that I have concerns about which privilege it is she is alleging has been breached in this case. It is entirely possible that she may have a grievance but that is something that is not normally dealt with by the House.

Statements made outside this place, and the rulings she quoted were all ones with which I quite agree, but I am sure they dealt with words that were used in the House by one member in relation to another member, which would be the subject of a question of privilege if the privileges of the member were breached by the comments that were made. That sometimes happens in the House. Members do get up and say that unparliamentary terms were used about them and get the Chair to order the withdrawal of the word if in fact it was unparliamentary, or to get an apology from the member who said the words. Speakers can do that.

However, Speakers do not have authority over those who are not members of the House and who make statements, even if they are employees of members of the House in making them. If those persons came before a committee and made statements there, perhaps the member would find that her privileges as a member were in some way breached. However statements made outside the House

by others, whoever they may be, I do not believe are the subject of claims for privilege in the House.

While I am prepared to look at the sheet that she said she would table and if necessary come back to the House, my guess is on everything I have heard today that there is no question of privilege here.

I have a point of order from the hon. member for Newton—North Delta.

\* \* \*

● (1515)

**POINTS OF ORDER**

## ORAL QUESTION PERIOD

**Mr. Gurmant Grewal (Newton—North Delta, CPC):** Mr. Speaker, during question period today a Liberal member and the Minister of Citizenship and Immigration made statements tarnishing my character, integrity and honesty.

The minister accused me of having my constituents post bonds payable to me. That is absolutely false. Neither I nor my staff have ever done so. This issue was raised in the media and has been corrected in the media. The minister should do the honourable thing and stand up and apologize to me and my constituents.

I reserve the right to raise a question of privilege down the road after I review the blues from question period.

**Hon. Joseph Volpe (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, I guess members of the opposition are learning the damage that is caused by allegation, innuendo and slander. However I am not into that game.

All I did was simply read the transcripts from a committee hearing wherein the member for Newton—North Delta actually admitted to all of those things that he now alleges have been fabricated by those on this side of the House. Not only is that type of feeble defence absolutely abhorrent, it is doubly so because the activity to which the member admitted compromises the integrity not only of the immigration system but in fact of the concept of government and service by members of Parliament to their constituents.

If there is anything for which to apologize, I think that the Leader of the Opposition, who is so smug in his concern that others abide by his standard, might stand up in the House and dissociate himself from that practice or admit that he has actually been directing it.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, I certainly will take a look at the blues on that kind of allegation. I think the member knows full well that was a news story that was not correct. He would have us believe that the member of Parliament for Newton—North Delta got up in committee and admitted to some kind of inappropriate or criminal behaviour. Seriously, nobody believes that.

There was a story in the newspaper that was erroneous. I believe the newspaper has even corrected the record on that. We will certainly look at what the hon. member said.

*Points of Order*

However I must say, with this minister, that I read with some interest his comments about the Sikh community in Toronto. I now see him slandering a Sikh member of Parliament. I think this kind of behaviour toward Sikh Canadians on behalf of the minister of immigration is unacceptable.

**The Speaker:** It seems to me that we are getting into a debate. If the hon. Minister of Citizenship and Immigration has something new to submit to the Chair on this I will hear it, but I do not want to have a continuation of the kind of debate we are getting into here.

**Hon. Joseph Volpe:** Mr. Speaker, I thank you for giving me the opportunity to at least address a point of order that must be raised. I never suggested that there was criminality. I am surprised that the Leader of the Opposition accuses his own members of same. I would remind him as well that all the constituents who approached his member of Parliament are from that same Sikh community that they have so desperately maligned. Perhaps it is time that he came out of the closet and stopped being the spineless chameleon that he is known to be.

● (1520)

**The Speaker:** We will hear one more submission on this from the hon. member for Newton—North Delta but I do not think we need to hear more than that.

**Mr. Gurmant Grewal:** Mr. Speaker, the minister has restated false information and has misled the House with respect to the citizenship and immigration committee meeting.

I clearly stated in the committee that I had not taken money from anyone. Why—

**Hon. Joseph Volpe:** There is a transcript. Read the transcript.

**Mr. Scott Reid:** You're a bigot, Joe.

**Hon. Joseph Volpe:** Who gets the money?

**The Speaker:** Order, please. I would urge hon. members to come to order in this case. I have heard enough argument on this matter. My suspicion is that this is a dispute as to facts. However, in the circumstances I am going to review the transcript of the committee that was mentioned. I will also review the remarks made today by hon. members and get back to the House in due course.

I have another point of order from the hon. member for Saskatoon—Wanuskewin.

## CIVIL MARRIAGE ACT

**Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC):** Mr. Speaker, I would like to ask your judgment, your ruling and your response to what I believe is a problem with Bill C-38 in clause 3. With the consent of our justice critic, I will read part of that clause. It states:

It is recognized that officials of religious groups are free to refuse to perform marriages that are not in accordance with their religious beliefs.

The authorization to solemnize marriage is really a matter of provincial jurisdiction but the clause implies that somehow it is a federal responsibility. I am asking whether this clause should be in the bill. I would like to receive a response from the Chair whether in fact it has been indicated that it is ultra vires and it is unconstitutional and therefore should not be in the bill. I would like your ruling in respect of that so that this clause could be removed from the bill.

**The Speaker:** I am sure the hon. member for Saskatoon—Wanuskewin knows that the Speaker does not make rulings on matters of law; on parliamentary law perhaps, but not on the law of the Constitution or on other laws that affect us. The question of the interpretation of the section of the bill is one that would be determined by a court if the bill in fact becomes law. At the moment, it is a bill before Parliament and Speakers in the past have not ruled on the constitutionality or otherwise of clauses in a bill.

What they may decide is whether the terms of a bill are in compliance with a prior resolution of this House, a ways and means motion, for example, or a royal recommendation in respect of a money bill, but beyond that, Speakers do not intervene in respect of the constitutionality or otherwise of provisions in the bills introduced in this House.

Rulings of courts may chuck out some of the clauses that are adopted by this House in a bill, but that happens after the House has passed it and the Senate has passed it and it has received royal assent, because even the courts have no jurisdiction in the matter before.

The usual ground for ruling an issue unconstitutional is either that it is in breach of the Charter of Rights and Freedoms or that it contravenes the provisions of our Constitution with respect to the division of powers. Those are the normal grounds. It is not for the Speaker to make rulings on those grounds.

I hate to disappoint the hon. member, but I am powerless in the circumstances to assist him. He will have to wait and, if the clause passes, deal with the matter in a court somewhere else.

The hon. opposition House leader is rising on a point of order.

## ORAL QUESTION PERIOD

**Mr. Jay Hill (Prince George—Peace River, CPC):** Mr. Speaker, you have already indicated to the House that you intend to review the blues of what transpired not only during question period but during the dispute that arose between my colleague from Newton—North Delta and the Minister of Citizenship and Immigration.

I would ask that you review this very carefully in regard to some of what I believe was inappropriate and unparliamentary language used by the Minister of Citizenship and Immigration. If you do find that indeed those comments were unparliamentary, he had the honourable option to withdraw and apologize to my colleague and to the House but he did not choose to do that. Therefore, I would ask that if you find that is the case, you raise it at a future time and ask him to withdraw those comments.

● (1525)

**The Speaker:** I thank the hon. opposition House leader for his vigilance in this regard. There was a lot of unparliamentary language used by more than one hon. member in the course of the exchange, which is partly why I was putting an end to it. While I appreciate the hon. member's comments, if I reviewed it too carefully and found a whole lot, we might spend a long afternoon on apologies after that particular episode. I am not sure that it would be worthwhile to have the House spend its time doing that, but of course I will bear his comments in mind as I do the review, as I always do.

*Government Orders*

The hon. member for Calgary—Nose Hill is rising on a point of order.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Yes, Mr. Speaker. We have obviously decided that your life has been too boring and want to give you some interest.

I rise with respect to a point of order on questions I asked in question period. They were with respect to a review of some financial matters of the Liberal Party of Canada. You questioned that and in fact you ruled that those questions were not properly in order.

I would like to point out to the Chair, Mr. Speaker, that it was the government itself that raised these audits in the House, not the opposition. I would also like to point out that the so-called audits dealt with money which came from the taxpayer through contracts awarded by the Government of Canada.

I would also like to point out that we have a responsibility to ensure that public funds are properly dealt with, no matter what their final destination is. We have a difficult situation where we have a government whose members are all members of the Liberal Party, of course, and I believe that on behalf of taxpayers we are entitled to get to the bottom of this situation. Particularly when the government raises defences like a so-called audit or a review of financial matters in the House, we in the House should be entitled in reply to question the matters that are raised by the government.

Mr. Speaker, I respectfully ask that you review this matter and advise me as to the points I have raised.

**The Speaker:** I thank the hon. member for Calgary—Nose Hill for her intervention.

Yes, I ruled the questions out of order and I did so on the basis that they dealt with internal party matters. If the audit had been one that was paid for by the government at the request of the government because of problems and had been ordered by the ministry specifically, I might have had more sympathy, but that does not appear to be the case.

I do not know all the facts. I will review the situation, but it looked to me as though this was a standard review that had been done by someone and the report was made. Whether it was at the request of the commission or some other person, I do not know, but normally party finances are not the administrative responsibility of the government even where there is a case of government moneys having been paid to the party for some reason or another. That is why I disallowed the question.

We have had a lot of questions on whether government funds were properly expended, but that was not the question the hon. member asked. It was about the internal affairs of the party and for that reason I ruled the question out of order. She was not the only one who had that misfortune today.

I will review the matter and get to the back to the House should I feel that my ruling was incorrect. I will let her know accordingly.

**Mr. Jay Hill:** Mr. Speaker, I rise on the same point. I draw to your attention that you yourself just used the term “normally”. I would suggest to you that we are in uncharted territory here, because the government itself, as my hon. colleague just indicated, was using these forensic reviews, not even audits but forensic reviews, of their

party books as a shield to try to deflect the attention being paid to those funds as allegedly coming from the public through expenditures under a government program.

Therefore, I would contend that it should be admissible to probe further in this regard, because these are not normal times.

• (1530)

**The Speaker:** Even if the forensic audit was being used as a shield for the purpose intended, questions about the internal party financing are out of order. I do not understand why one necessarily would make the other follow, but as I have indicated to the hon. member for Calgary—Nose Hill, I will review her arguments and questions on the point and come back to the House, if need be, to make appropriate adjustments.

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## GOVERNMENT ORDERS

[*Translation*]

### BUDGET IMPLEMENTATION ACT, 2005

The House resumed consideration of the motion that Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be read a second time and referred to a committee.

**The Speaker:** Prior to oral question period, the hon. member for Saint-Hyacinthe—Bagot had 12 minutes remaining to complete his remarks. He may now resume his speech, to be followed by 10 minutes for questions and comments.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, when we left off, before statements by members and oral question period, I had started to list the reasons we oppose the budget recently tabled by the Minister of Finance.

The first reason is the bogus consultation by the Minister of Finance of the opposition parties' critics. He claimed he was open to including the various priorities of the opposition parties in the budget. During our over 60-minute meeting with him, he seemed quite sensitive to each of our proposals. However, here we are, several weeks later, with a budget that makes absolutely no mention of the priorities we had identified to him. Among those priorities is the whole issue of resolving the fiscal imbalance.

I had the opportunity, in my seven-minute presentation, to explain the negative impact of this imbalance and what we expected to see in the budget to at least begin to fix the fiscal imbalance.

I want to repeat that the government has ample means to resolve this issue. Even given the health accord of last September, the equalization agreement and even the special agreements with Newfoundland and Labrador and with Nova Scotia, we know that, over the next six years and under the current federal tax system, the government will have over \$100 billion in surplus funds. And that is a conservative estimate.



*Government Orders*

While the federal government pockets the excess taxes paid by Canadian and Quebec taxpayers, the governments of the provinces and Quebec are having a hard time and are barely achieving their objectives and fulfilling their responsibilities, such as providing front-line services to people.

There was the health agreement. It is obvious that the governments of the provinces and Quebec cheered the amounts that were freed up last year. They have been bled dry, in any case, since 1997 by the former finance minister, who is now the Prime Minister, and they lack funds. So any additional \$100 million to meet the needs of an aging population is very welcome. But it is clearly not enough.

I will use the example of Quebec because it is the one I know best. The agreement last September which provided more than \$500 million for health will only produce enough funding to run the Quebec health system for nine days. This amount seems enormous, but the needs are very great as well. As I was saying, when the Prime Minister was finance minister, he cut the Canada social transfer, the transfers for health, education and assistance for the most disadvantaged families. So we find ourselves in a situation in which there is a lack of funds for the governments of the provinces and Quebec.

First, there is not even a hint of recognition of the fiscal imbalance, and second, there is no sign of any attempt to resolve it.

We also thought that the federal government would be better disposed toward the equalization issue. As we know, the bogus agreement reached last October between the provinces and the federal government only takes the amounts that the federal government paid in 2001-02 for equalization, caps them at \$10 billion, which was the amount of the transfer for the recipient provinces at the time, and indexes this amount at 3.5% a year.

Such an agreement makes a travesty of the basic, prime objective of equalization. As for the two other agreements with Newfoundland and Labrador and Nova Scotia, we will return to them in a moment.

Equalization is there to even out the fiscal capacity of all the provinces so that they can provide a variety of services of equal or nearly equal quality from east to west across Canada.

In order to achieve this, the true fiscal capacity, in other words, the capacity of the governments or a province to collect taxes from their taxpayers, needs to be determined. This is no longer done. The federal government simply takes the amount paid in 2001-02 and adjusts it for inflation without taking into account any change in the provinces' wealth.

• (1535)

In a given year, a province might receive an equalization payment because of a major setback. For example, if the price of oil dropped considerably, some provinces would perhaps experience some difficulties and might be entitled to equalization. Others could see an increase in cash flow another year, in which case they would not be entitled to equalization.

Taking the \$10 billion amount from three years ago and simply indexing it without taking into account the change in the situation, is

nonsense. This is a travesty of the equalization formula devised in 1947 by the Rowell-Sirois Commission.

The agreement reached with Newfoundland and Labrador and Nova Scotia is an example of this, but worse. We have nothing against Newfoundland and Labrador and Nova Scotia. On the contrary, we have friends throughout Canada, in the Maritimes and in the west, in particular. I realized this during the work of the Subcommittee on Fiscal Imbalance. We have friends from east to west in Canada, from coast to coast.

However, to properly measure a province's fiscal potential, none of its sources of revenue can be eliminated. Nova Scotia's and Newfoundland and Labrador's offshore oil revenues, for example, cannot be excluded from the calculation of these provinces' ability to earn revenues from natural resources, property taxes, personal taxes, goods and services taxes. There cannot be a different treatment in another province that cannot have a special agreement like that. Nothing gets measured if a source of revenue is excluded. But this is what is happening with Newfoundland and Labrador and Nova Scotia, which benefited from a \$2.8 billion agreement over 10 years, with the first \$2 billion paid already from the surplus of the last fiscal year.

Let us consider the amount allocated to Newfoundland and Labrador and Nova Scotia per capita under the agreement with Ottawa. If the agreement were applied to the residents of Quebec, the province would get a lump sum payment of \$38 billion tomorrow morning. That is a lot of money. Mr. McGuinty and Mr. Sorbara of the Ontario government, whom I had the honour to meet three weeks ago in subcommittee proceedings, were disconcerted by this agreement. It means that the per capita fiscal potential of Newfoundland and Labrador and Nova Scotia exceeds not only that of Quebec, but also that of Ontario. This is how they skewed the system.

Equalization is the only program in the Constitution, the aim of which, as I was saying, is to try to standardize provincial tax capacities so that Canadians are served well across the country. However, this objective has been totally ignored. Equalization would no longer exist but would simply be called a \$10 billion subsidy indexed to inflation and it would change absolutely nothing.

There is one other problem, employment insurance. When I met with the minister, he was all ears and all heart when he spoke of the 60% of unemployed people who are excluded from the EI program. He said this was unfortunate, and was full of compassion at our meeting. Yet there is nothing in the budget to ensure better access and better coverage. There are just a bunch of very limited pilot projects for areas of high unemployment.

*Government Orders*

What kind of government do we have? Not only is its morality open to question now, it has already been questioned because of past actions. It has slashed EI, treated the unemployed as fraud artists, and excluded people who had paid 100% of the contributions to the EI fund when they were working. Yet now 60% of them, or 6 out of 10 workers, cannot benefit from EI. Is that moral? Is this not immorality?

Since this government has been in power, that is since 1993, it has done a number of immoral things. When I use that word, I am not referring to the sponsorship scandal, which is just one more thing to add to the dubious immorality of the present Liberal government. There is nothing for the unemployed.

I have met with agricultural producers and I am sure my western and Quebec colleagues do as well, every day in their respective ridings. These people are the victims of a disaster caused by one sick cow in Alberta and a ban imposed by the Americans. As a result, there is a total disaster as far as our farmers are concerned.

• (1540)

In addition, farmers in Quebec and across the rest of Canada have had negative net incomes for three straight years. Do members know what that means? It means that these producers work 365 days a year or close to it—they do not take vacations because the animals cannot wait—and have nothing to show for it. They do not have one red cent to put in their pockets, even if they have dozens of animals and tonnes of grain to sell. They have been going through this for three straight years.

How does the federal government respond to the mad cow crisis, for example, or the grain crisis caused by an increase in American subsidies for wheat in particular? It responds by providing \$1 billion, which it was very pleased to announce last week. Farmers have been going through an unprecedented catastrophe for 25 or 30 years now. What does this figure mean for a beef producer? It amounts to \$20 a head. For two years, these people have been losing \$800, \$900 or \$1,000 a head, and now they are offered \$20, while the government claims that it has done all it can, that it tried to persuade the Americans and develop a coherent policy. Well, these people are all starving.

So this is the federal government's response, despite its ability to collect a \$100 billion surplus out of our pockets over the next six years. It could have done more to help farmers escape the catastrophe that they are currently going through.

In my riding of Saint-Hyacinthe—Bagot and in the rural ridings of most of my colleagues in Quebec and elsewhere in Canada, farmers are expressing their dismay, even after the fabulous announcement last week.

Nothing is provided for social housing, even though people have been waiting for a long time. All that the government has done since 1991 is invest in maintaining the existing social housing, while nothing is provided for new construction. Many families currently spend more than 50% of their incomes on rent. It is said that when people spend more than 25%, they are living in poverty. When they spend twice that, they are living doubly in poverty. But there is no answer to this in the budget.

I will leave it to my colleagues who will follow, including the member for Rosemont—La Petite-Patrie, to speak about the environmental question.

In conclusion, those are the reasons why we oppose this budget.

[English]

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, I thank the House for the opportunity to speak in support of the 2005 budget implementation act. The theme of the bill before us today is “delivering on commitments” and that is exactly what this year's budget will achieve.

These commitments have been designed not only to face the challenges within our nation's borders but to meet global pressures and support the ever increasing ambition of our nation and our people.

As the only G-7 country to post total government surpluses in each of the past three years and the only nation expected to continue to be in surplus again in 2005 and 2006, the government's sound fiscal management model offers the rock solid basis upon which these and future commitments can be delivered.

• (1545)

[Translation]

Canadians expect nothing less, and we have decided to respond to such high expectations with an ambitious program promoting a marked increase in our overall quality of life and based on five mutually reinforcing commitments: healthy fiscal management, promoting a productive and growing economy, reinforcing Canada's social foundations, enhancing the sustainability of the environment and our communities, and reinforcing Canada's role abroad.

[English]

The proposals contained in this bill take major steps to deliver on all these commitments. What my opposition colleagues miss however is that this budget is an inter-related road map for sustained improvements to Canadians' quality of life, not some à la carte menu with no relationship between one item and another.

The days when the fiscal, social and foreign challenges facing Canada could be addressed by our government in isolation are over. The approach underlining this budget reflects this new reality. Unfortunately, our friends across from us, as they have been on so many occasions, are clearly stuck in the past.

[Translation]

I want to give an example taken from my own sector of responsibility, as Minister of State for Infrastructure and Communities.

During the election last summer, barely nine months ago, this government committed to implementing the new deal for Canada's cities and communities. Canadians elected us so we could fulfill that promise, among others.

*Government Orders*

[English]

In particular, mayors and municipal councillors across this country held forth the hope that the government would be capable of providing them with two equally important benefits that no other government had been capable of finding a way to provide to them before: first, long term, stable and predictable financing; second, development of new working relationships between federal, provincial and municipal levels of government with a view to developing better long term strategies for improving the economic, environmental, social and cultural sustainability of the places Canadians live.

How do I know this? When the Prime Minister first created the infrastructure and communities portfolio, what were we hearing from our municipal friends across the country? We were hearing that there was an infrastructure gap rapidly reaching an unsustainable level, that our cities, the face of Canada to the world, did not have enough institutional fora to express their views to the federal government, that fresh thinking was needed on how best to ensure our rural communities could remain viable and strong, and that new partnerships were needed between all three levels of government to begin to think about how best to move forward together.

Of course, while no one order of government can be responsible for meeting these challenges alone, what has the government been able to deliver as a response in less than 18 months?

In budget 2004, a GST rebate went to every municipality in this country. It was worth a total of \$7 billion over 10 years. This source of funding will grow with the economy and can be used by municipalities for any priority they wish, namely, stable, long term, predictable financing.

Budget 2005 was the fulfillment of our pledge made during the last election to provide 5¢ of gas tax revenues over five years with \$600 million coming as part of this bill, rising to a running rate of \$2 billion a year in year five and every year thereafter, targeted at environmentally sustainable municipal infrastructure such as public transit, water and waste water treatment, and community energy systems.

We also committed to renewing existing infrastructure programs as necessary, programs which have combined to flow over \$12 billion to municipalities over the past 12 years and have leveraged over \$30 billion in total investment by all partners. Moreover, we more than doubled our contribution to the green municipal funds administered by the Federation of Canadian Municipalities to a total of \$300 million for projects designed to deliver cleaner air, water, soil and climate protection.

All this means that the government has crafted a strategy for helping municipalities gain stable, predictable and long term funding to the tune of \$22 billion over 10 years.

● (1550)

[Translation]

However, it is not just about money. The funding must be accompanied by new partnerships and a long-term vision enabling the transformation of these financial resources into a concrete reality that Canadians want and need. It is a matter of respect.

[English]

That is why the Prime Minister met with mayors from some of Canada's largest cities at 24 Sussex last fall and gave them a literal seat at the national table. That is why the finance minister and I met with another group of mayors from across Canada in formal prebudget consultations. That is why I met with each of my provincial and territorial ministerial counterparts in November. That is why I have and will continue to meet with elected and other municipal stakeholders from communities across Canada large and small as their advocate at the cabinet table. All this of course being entirely respectful of provincial jurisdiction.

If some politically motivated marriage of convenience between opposition parties would choose to prevent the fulfillment of these commitments by seeking to modify or defeat this bill, let me remind them of some of the reactions shortly after the budget was delivered, which they would surely pay the price for rescinding.

The president of the FCM said, "We have been waiting for this. The new deal is now a real deal. It is a good deal for our communities and for Canadians and also a commitment to a long term partnership". The mayor of Toronto said, "Groundbreaking: the federal government has delivered respect". The mayor of London, Ontario said, "Fantastic for municipalities".

[Translation]

The mayor of Saguenay considers it a real godsend.

[English]

However, perhaps the denial of stable, long-term funding, and certainly intellectual focus, should not be too surprising coming from our Conservative colleagues. After all, that is the party that ran in the last election on a platform that was almost the opposite of what municipal leaders and Canadians in every province and territory were crying out for.

Their commitments were as follows: shut down Infrastructure Canada, the focal point for thinking on municipal issues in government and the open door municipalities need for getting their voices heard in Ottawa; cancel all infrastructure programs but one, programs designed to meet the specific needs of both large and small municipalities; and flow less gas tax without any thought given to the longer term partnerships needed between all three levels of government for making it truly work.

Perhaps the Conservatives could be forgiven for not having really thought through at that time, what with the focus of the election going in other places. However, the fact that at the inaugural Conservative convention members of that party decided to vote against sharing any gas tax with municipalities is surely not a good sign. They voted against it in their policy convention.

*Government Orders*

In fact, who knows where they could come out next, whether it is a further commitment to reducing the fiscal tools and productive relationships our municipalities need or a flip-flop, but the reality is that a lot of mayors are counting on the gas tax and infrastructure programs that are crucial for enhancing the places Canadians live, and the government has been resolute in its commitment to get the job done.

[*Translation*]

Finally, by adopting Bill C-43, we will be saying yes, not only to a complete and integrated strategy by which to implement this new deal, but also to achieving our social, economic and international objectives.

I encourage all forward-thinking MPs in the House to support this bill and to support the mayors, councillors and places where Canadians live.

● (1555)

[*English*]

**Ms. Bev Oda (Durham, CPC):** Mr. Speaker, on behalf of Canadians and particularly those in my riding of Durham, I am pleased to have this opportunity to speak to the budget implementation act, Bill C-43. I will be sharing my time with the member for Calgary Centre-North.

It is imperative that all Canadians have a clear picture of the budget and how the government plans to implement its promises or not. A government's budget requires legislation to enable it to implement the promises made in the budget, promises made to the people of Canada on how their tax dollars will be collected, how they will be spent and, most important, when those promises will be acted upon.

To address the when, most of the budget promises will not be realized until later in this decade, if that. Only 7% of the total budget announced will be expended in the budget year 2005-06. Of the \$42 billion announced, only \$3 billion will go into programs and initiatives to serve Canadians this year. This is in spite of the fact that over \$10 billion was collected in surpluses last year and some \$6.1 billion is being forecasted as this year's surplus. These forecasts are almost double those forecasted by the government only six weeks ago in the budget.

What is the need to back end load so many budget promises with these kinds of surpluses? This type of deception or lack of clarity is the government's way of governing and it has Canadians losing their faith in government. The residents in my riding of Durham are tired of struggling to make ends meet when they see continuous waste and mismanagement of their hard earned dollars.

In part 1 of Bill C-43, income tax cut benefits are actually delayed for four years. The real benefit for this year is only \$16 per average taxpayer. With the rising costs of hydro, gas, provincial and municipal taxes, government fees, for example passports, taxpayers ask, "Where is the benefit?" My constituents want a deeper cut this year, not in the year 2009.

Over the past 15 years the government's income has soared by 40%, while the real take home pay of Canadians has increased by

only 3.6%. On top of that, we have seen a 77% increase in the cost of government bureaucracy since 1996-97.

In the last election, the Liberal Party criticized our party of committing to \$58 billion in new spending and tax reductions over five years. This budget has made \$55 billion of commitments in new programs with very little tax cuts.

Canadians are no longer satisfied with the government's idea of sound fiscal management. Sound fiscal management is more than sound bytes or quotes for the media. Canadians deserve better.

The government announced its budget in February. Today we are debating the budget implementation act, but Bill C-43 reveals that not everything announced is exactly as it was portrayed in February.

Two examples of this kind of shenanigans are, first, the budget stated that the amount of the share of the gas tax would rise to \$2 billion annually until 2009-10. Bill C-43 authorizes payments for one year only. That really shows this government's commitment to long-term funding for municipalities that the hon. member was just speaking about.

Second, for seniors in subsidized nursing homes, the total amount of the increase in one's guaranteed income supplement, GIS, will not be paid to the seniors, but to the nursing home operator or to the province. In Ontario any increase in the GIS will be clawed back to a half. The largest increase in GIS that a senior in my riding will be eligible for is less than \$18 per month. For many of these seniors, their fixed income is a decreasing income.

● (1600)

These seniors, as do all taxpayers in my riding, expect their government to be working on their behalf to assure them of a quality of life and a standard of living for which they are willing to work hard. They are not satisfied with so much arrogance and such deception that they can no longer trust anything being put forward to them by the government.

When they see how the government has manipulated the budget process by introducing other controversial elements into Bill C-43, they are appalled, controversial elements the government does not have the confidence to introduce under separate legislation to be debated and voted upon in the House on their own. This reflects the continuous manipulation by the government of the Canadian people, the lack of integrity in its dealings with the people in Newfoundland and Labrador and Nova Scotia and its real inability to bring forth bills that it is confident will serve Canadians well.

*Government Orders*

By including parts 13, 14 and 15 in Bill C-43 to deal with environmental issues and parts 12 and 24 to deal with the commitments to the two Atlantic provinces, demonstrates the games the Liberals are playing and have played on the people of Canada for over a decade. By linking Atlantic accord provisions into the implementation act, is the government again telling the people of Atlantic Canada that the Prime Minister's word cannot be trusted?

The budget does not reflect serious concern for the overall economy of Canada. Compared with the Americans, Canadian productivity accounts for an income gap of \$6,078 per person. Compared with the Americans, that means a family of four living in my riding of Durham has some \$24,000 a year less income to spend than the same family in the U.S.A. Canada must increase its productivity with measures that will be effective and redress this productivity gap.

I am compelled to point out that to promise only \$130 million in the February budget for the entire agricultural community and the crisis that it faces is inexcusable, only to see the government once again play its games and make a \$1 billion announcement shortly after the budget speech. Is this bad planning, disregard for the needs of the agricultural community or an "Oops, we forgot to put it into the budget?" The people of Canada will not and cannot continually be manipulated in this way.

The budget should go forward on its own for debate and follow the necessary procedural process to ensure that the programs announced can move forward. As part of the official opposition in the House, along with my colleagues I will continue to work in committee to strengthen the bill so that those in Durham and across Canada can once again regain their faith in government. In committee we will be ensuring that the dollars to be spent are spent responsibly with transparency and accountability.

The people of Durham are all proud to be Canadians. They recognize that we live in a great country and a province which has some of the best that Canada has to offer. They are willing to do their share. However, they are increasingly challenged to meet their own daily responsibilities financially. They will contribute to Canada's well-being, but are not willing to stand by and watch their tax dollars being wasted and mismanaged. Most of all, they want a government that does not play games and that can be held to the highest level of accountability and integrity. They want to be able to once again trust those elected to represent them and their interests and believe they are doing so, not only in the interests of one segment or one party.

On their behalf, I want to conclude by saying that the official opposition will continue to work in the best interests of all Canadians.

• (1605)

**Mr. Jim Prentice (Calgary Centre-North, CPC):** Mr. Speaker, I speak today on behalf of the citizens of Calgary Centre-North, my constituents.

In addressing this budget implementation act, I wish to address the House with respect to the necessity of personal income relief and personal income tax cuts in particular.

My constituents believe that the personal income tax measures contained in the budget are insufficient. They are back-end loaded,

certainly, but moreover, they are insufficient and they are inadequate. Frankly, I would say that they are disrespectful to the many everyday Canadians who essentially carry the Government of Canada on their backs in a financial sense.

What we need to do in this country is fashion a Canadian fiscal vision. Part of that needs to be a vision that speaks to everyday Canadians in terms of tax relief.

A Conservative government would be very clear. We would provide immediate and long term broad based income tax relief. We would reduce personal income taxes. We would substantially raise both the basic personal exemption and the spousal exemption.

We would reduce personal income taxes and increase the take home pay and raise the standard of everyday Canadians and do it in a way which earns the trust and respect of everyday Canadians in terms of the handling of the public finances of Canada. We would treat their money with respect, something we do not see from this Liberal administration.

Within eight years Canada will have achieved some progress in the gradual reduction of its debt, perhaps not the progress that we wish, but we hope that within eight years Canada would be somewhere near a 25% debt to gross domestic product ratio. Yet at the same time that productivity is stalled, tax cuts are stalled and Canadian real disposable income has slipped, overall tax levels are increasing.

We need lower personal income taxes in this country. One measure of how we have slipped as a nation is the measurement which I believe the Fraser Institute calls tax freedom day in Canada. Tax freedom day in Canada has actually worsened under this Liberal administration, from a date of June 10 to a date of approximately July 1.

Each year, tax freedom day in Canada under this Liberal government now occurs on July 1. How do we compare to other industrial democracies? By comparison, in the United States of America, tax freedom day is on April 11, this week, a significant departure from Canada. In the United Kingdom, tax freedom day is May 30, again significantly better than the situation in our country.

In contrast, the Liberals have put forward a budget which proposes no meaningful tax reduction whatsoever. There is an immediate consequence of the budget, and I refer to it often as the pizza budget or the burger budget, because the consequence for a regular Canadian family is \$16 for the next year, which is just about the same amount of money that one would need to take one's children out to a burger place or to a local pizza joint.

Sixteen dollars is an insult and an affront to Canadians. It is an affront to the constituents of Calgary Centre-North. On their behalf, I call the government on this today and say it is unacceptable.

Even the full implementation of this budget through to 2009 contemplates income tax relief of \$192 for regular Canadians. That is paltry and unacceptable.

What we require in this country of ours is smart fiscal policy. This is our key to prosperity and our key to our future together.

*Government Orders*

My comments today are offered within a framework of that objective. Our objective as Canadians should be to achieve a high, sustainable rate of economic growth, economic growth for this reason: so as to finance a high quality of life in terms of both private income and public goods.

•(1610)

The public goods of which I speak are things like public health care, public education and the quality of our environment, which is indeed also a public good. Stated simply, that takes money. It takes a prosperous economy to generate a high quality of life.

I would observe in passing that this government has lost its way on the key characteristics of other successful economies. The so-called tiger economies provide a useful example. They come to mind. These are economies that share some of the characteristics of Canada: small population, proximity and access to affluent export markets, a skilled and educated labour force, good infrastructure for communications and transportation, and finally and most important, smart fiscal policy.

Canada has the potential to be a leader in these respects. Canada has the potential to meet all of the requirements to have a burgeoning economy based on this approach.

The key to smart fiscal policy is lower taxes. Taxes must be kept determinedly low to encourage expansion. Regrettably that is not the case in this tax and spend Liberal budget, which does not share that objective.

In regard to our country, there is still a discrepancy between personal income tax rates Canadians pay and the personal income tax rates taxpayers in the United States pay. In contrast, marginal tax rates in our country remain high. For example, in Alberta they are at their lowest at 39%. Ontario's are at 46.4% and Quebec's at a whopping 48.2%. The Canadian average is 44%.

A number of economic circumstances in Canada are positive. We have low inflation. Our economy is growing. There is positive economic growth. Employment is rising.

Yet the take home pay of middle class everyday Canadians in ridings like Calgary Centre-North is not increasing. Take home pay has stagnated under the Liberal government and has been stagnating for the past 15 years.

Economic output in our country has increased 25% in the time between 1990 and 2004, yet the after tax income of everyday Canadians has increased by only 9.3%. This is the consequence of shameless tax and spend Liberalism.

I would like to draw to the attention of the House the consequences of the last election and the Liberals' election promises. In that election, the Liberals promised that if they were elected they would spend \$28.3 billion over five years: \$8 billion on health care, \$5 billion on child care, \$4 billion on gas taxes to the provinces and \$3 billion on peace and nation building initiatives. That is a total of \$28.3 billion. Yet in this budget, less than a year after the government was elected on those very promises, it has put forward a budget which totals \$75.7 billion in expenditures over five years, compared to the \$28 billion the Liberals promised Canadian taxpayers.

I would remind the House that in the context of that election the Conservative campaign commitments were only \$57.8 billion. Subsequent events have proven that those commitments were affordable and were well within the budget targets and the economic performance of the government.

Liberalism is out of control with this budget. The 2003 expenditures, for example, mark the largest expenditures in modern times. Frankly, since 2003 the rate of increase in government expenditures has been mammoth. There has been a marked increase of expenditures in the budget. If we had simply constrained government spending in this country since 2000 by a rate of inflation adjustment, let us say 3%, we could justify or substantiate enormously significant tax cuts in the country. If we had done that, the expenditures of the government would be some \$30 billion less than they are today. This would more than permit us to have very significant tax relief for everyday Canadians.

•(1615)

That is what I hear from my constituents. That is what I hear in Calgary Centre-North. People want tax relief. They want the level of their taxes reduced through exactly the sorts of measures which a Conservative government would propose.

\* \* \*

**BUSINESS OF THE HOUSE**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I apologize to my colleagues for briefly interrupting the debate.

Discussions have taken place among all parties, Mr. Speaker, and I think if you were to ask for unanimous consent for the following motion you would receive it. I move:

That during today's debate on Government Business No. 10, pursuant to Standing Order 53.1, no quorum calls, dilatory motions or requests for unanimous consent shall be entertained by the Chair.

**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.

(Motion agreed to)

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**BUDGET IMPLEMENTATION ACT, 2005**

The House resumed consideration of the motion that Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be read the second time and referred to a committee.

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, while I profoundly disagree with some of the conclusions in the member's speech, I do appreciate his focus on economic issues as they relate to the budget, because this is, after all, a budget debate.

I had trouble following the hon. member's logic. We are in a low interest environment. Interest rates are at historic lows and, I would argue, as a direct consequence of appropriate fiscal management by this government over the last number of years.

*Government Orders*

We are at historically low inflation rates. We have a band of 1% to 3% and we stay within that band.

The government has run eight surplus budgets in a row. We have paid down well over \$60 billion in national debt.

The member makes the comparison that personal income tax rates in the United States are lower than they are in Canada, but I will put this to him. Does he want the triple-whammy deficits that the United States has?

Our government has run eight surplus budgets in a row. The last time there was a surplus budget in the United States was some three or four years ago under the previous administration. It is looking at \$500 billion plus in terms of its budgetary deficit.

The United States continues to run a current account deficit which is just enormous. It is to the point where all finance ministers anywhere are seriously concerned about the ability of the United States to remain a viable economy.

The United States has a pension system that is no longer viable, whereas our pension system is viable and fiscally sound through to the year 2075.

We have a debt to GDP that has gone from somewhere in the order of 62% down to 38% and is on its way to 25%. Our expenditures are within a band of a little less than 12% of GDP. Our revenues have come down from 17% to a little under 15% of GDP.

I put it to the hon. member that this is a very well run fiscal economy.

**Mr. Jim Prentice:** Mr. Speaker, I would be delighted to debate the American budget with the hon. member on some other occasion, but I am here today to debate this Liberal budget, which I call a tax and spend Liberal budget.

I do not disagree that a 25% debt to GDP ratio is something that we should work toward in this country. Where I disagree with my friend is the fact that credit for the progress we have made in this nation toward reducing debt and to having some fiscal flexibility cannot go to the government. Credit for that goes to the everyday Canadians, the middle class Canadians who have been paying their income tax and living by the rules.

Those people have earned Canada's fiscal flexibility. It is not the Liberal government that has achieved this. It is everyday Canadians who pay their taxes who have achieved it. What I find reprehensible about this budget is the fact that if it goes through we as a nation will be turning our backs on those citizens.

It is time for tax relief. They have been paying their taxes. Over the past 20 years this generation of Canadians has been the most heavily taxed and least serviced generation of Canadians. We have the flexibility for meaningful tax relief. It is something we should be pursuing right now and this budget does not do it.

I will give the House the example of seniors. I have many seniors in my riding of Calgary Centre-North. This budget offers no meaningful tax relief for senior citizens. There is a small benefit in the budget, again equivalent to the cost of a pizza, in terms of the supplement if one qualifies for the supplement, but for regular senior citizens the budget does nothing in terms of their quality of life or

accessing health care or letting them live in their homes longer. There is no meaningful tax relief for seniors. I think that is reprehensible. It is something that a Conservative government would address.

• (1620)

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.):** Mr. Speaker, I would like to take this opportunity during the budget debate to put in context the most productive year of a Prime Minister in Canadian history.

I went through this to some degree earlier when the budget first came out many weeks ago. I want to reiterate the tremendous accomplishments of this Prime Minister and this government in its first year. It is unparalleled in history. I put a challenge out previously to the national press and the opposition to come up with a comparable record.

I want to start out with the largest problem facing Canadians at the time when this Prime Minister came into government. Seldom does a Prime Minister in his first year have the confidence of Parliament and the provinces, which is always a great negotiating discussion and feat, to deal with the largest problem on the minds of people in the provinces and that was health care. The Prime Minister came up with a record \$41.3 billion to deal with health care over 10 years.

This is particularly appropriate for my area and the north. The budget has a tremendous number of programs and assistance dollars for the north, particularly in relation to health care. Over and above the largest increase in health care in history, the other increase for the people of the north, understanding the special circumstances under which they work, is the additional money for aboriginal people who have their own challenges.

After this tremendous achievement, which in itself would put the Prime Minister and the government as a leading government in its first year, there was a second great accomplishment shortly thereafter related to what is the essence of Canada as a nation separate from other nations, and that is related to equalization.

Our country, being a generous federal state, helps other regions on the understanding and the compassion for regions of the country that are experiencing a time of being less fortunate. The whole equalization regime needed repair and updating. The Prime Minister convened the 13 jurisdictions in the country and, remarkably, through difficult negotiations and the balancing of funds he came up with an historic deal of \$33 billion and a whole new way of looking at modernizing equalization so that it would work to preserve the intrinsic values that make us Canadian.

After the budget deliberations and in the budget implementation act are special provisions for a part of the country and that is the need to boost the revenues for Nova Scotia and Newfoundland and Labrador with special extra revenues.

I think the genius of this whole approach and these successes, which prime ministers in the past could only have dreamed of, was the fact that individual provinces, as they were when they came into Confederation, were treated individually according to their needs. I believe this is the essence in the federalism of a caring state.

*Government Orders*

The present Prime Minister and our caucus also wanted to engage and reinforce the great Canadian vision and our place in the world. Canadians believe ourselves to be fortunate and that we can play a major role in helping those in the world who are less fortunate. We have done that in a number of ways over the year. Over Christmas, Canada was lauded around the world for the \$42 million in emergency relief and in our efforts with the United Nations to eradicate polio in the world.

We have created the Canada Corps which will help extend Canada's values around the world. Canadians are very proud of the values and the visions that they have of their nation and they like to use that to help other nations. What is better than doing that with our youth and the Canada Corps?

Another urgent situation was in Darfur where many Canadians, myself included, and many Canadians in my riding, Bill Klassen being one, were very upset about the situation there. Canada has played a leading role. We started with an initial contribution of, I think, \$20 million, with military advisers and support. I think just recently there was an announcement for another \$90 million.

• (1625)

We also contributed \$100 million toward purchasing the drugs necessary for the treatment of AIDS. There is an increase of \$70 million to the global fund to deal with diseases in the poorest parts of the world, such as AIDS, tuberculosis and malaria.

I am sure everyone is aware of our efforts in Haiti and of the efforts of the wonderful people in our armed forces who are in Haiti; of our efforts in Afghanistan where I visited our troops who are doing a tremendous job; of our efforts in Africa; of our leading support for the tsunami victims; and of the funds we are providing to Iraq.

The Prime Minister has come up with something unique again in international world contributions and that is the whole concept of having the responsibility to protect. This idea protects nations that are unstable or not completely in control of situations and are unable or unwilling to risk their citizens' lives. It will be the responsibility of those in the world who can protect them. This is a whole new concept. For a Prime Minister in his first year to be able to get support for such a concept on the world stage is remarkable.

Of course, even before he was Prime Minister he made great progress in the essence of the G-20 and other international groups based on function, not on process. Any international group, whether it is the United Nations, NATO or the G-20, that can get a job done in today's modern, complex world, the Prime Minister has made great strides in leadership in the world on that.

Let us now look to students. Originally we will remember that the government chose not to put bricks and mortar as our millennium contribution. We decided to invest in people, particularly young people and students. We put into place the largest scholarship program in Canadian history, the Canadian millennium fund. Many students in my riding, which I am sure is the same for all members of Parliament, are very thankful for that help with their post-secondary education. Things have constantly been added to improve the financing, such as the new learning bond for low income students and ceilings have been increased for student loans.

What I found particularly gratifying, which I lobbied for but did not have to, was that the vision the Prime Minister enunciated when he first came to the leadership was carried through into the election platform, which was then carried through with credibility and integrity into the throne speech. A throne speech is nice but if it is not funded it does not go anywhere. It would take the highest integrity to carry that from the throne speech into the budget and that is exactly what has been done for all the major items that were in the election platform.

One of the huge initiatives that was talked about and has been building over recent years through the desire of Canadians is a national child care and early learning system. That was in the throne speech and the budget of \$5 billion was carried through. As Parliament knows, there have been remarkable meetings with the provinces and the minister. They have come together on the quad principles that the whole system will operate under.

There are of course a number of programs and initiatives for seniors. Throughout my life I have taken a special interest in seniors because there are times in our lives, that being one, where we have less ability to help ourselves.

• (1630)

I was delighted to see that the government brought back the new horizons program funding. It was very popular in my area. It has been increased in this budget for coming years.

Increasing the old age income supplement is a very important concept in our nation. It speaks to what we are as a nation: one that is defined not by the tax treatment we give to those of us who can afford it and the things we give to those who can care for themselves, but to those of us who are most in need. Those seniors who are most in need are the ones who require the old age income supplement. I am delighted they are the first people we have helped and the first we have paid attention to. I hope we will continue to do that in the future.

We are talking about huge areas in the first year of the mandate, huge accomplishments in the whole spectrum of areas that are of concern to Canadians, one being the environment. One of the big items in the throne speech and carried on into the budget was the quadrupling of our efforts toward wind energy per riding, which is renewable energy that will reduce the greenhouse gases in Canada that have had such a dramatic effect on my riding of Yukon. We are always seeing dramatic effects on the economy when the roads, which people need to get places, become icy and then melt. There is also a tremendous negative impact on biology and on various species.



*Government Orders*

That is not the only environmental money that is being put in. We continue to support ethanol. We continue to support natural gas over other hydrocarbons that would produce higher levels of greenhouse gases. We continue our support for the modernization of solar energy and for increasing the technology so it will become competitive. We are continuing our long history in supporting atomic energy and the huge reductions in greenhouse gases that it provides, especially in China, where we have a CANDU reactor, which is using coal that is producing many greenhouse gases that affects us so much in North America.

Another list is the many major accomplishments in the first year that were achieved by the fiscal constraints put in place by the Prime Minister when he was finance minister to get rid of the deficit so we could invest in all these areas: health care, seniors, renewable energy and the environment.

The next area of great accomplishment, and an area in which people wanted to invest but could not until the dividends of this careful, fiscal management came through, was to increase the funds for the military. The House will remember that the previous budget increased funds for equipment and a number of new equipment purchases are under way. Under this budget, National Defence will see an increase of 5,000 more troops and 3,000 more reserves.

It is hard to imagine all these things and it is still the first year of a new Prime Minister and a new government mandate, but it redefines the whole relationship in a nation between orders of government. As people know, there are four orders of government in Canada. To redefine the relationship between the federal government and two of those other four orders is a tremendous accomplishment in the operations of this country.

The two orders of government are the first nations, the aboriginal peoples, and the municipalities.

The first one I will talk about are the municipalities. This is a whole new relationship in an evolving country where people are migrating in large numbers to the urban areas. Municipal governments have been maturing in their capabilities and in their needs in Confederation. Since 1994 the federal government has put the amazing amount of \$12 billion into infrastructure.

•(1635)

In my area that money has gone into every single community. It has also gone to the smallest areas and right across the nation, and has had a major effect on the quality of life in Canada.

There was the \$7 billion in GST rebates to municipalities. I am sure all members of Parliament have received the thanks for that rebate to the communities in their ridings.

Over and above all the old infrastructure funds that were so successful, the new rural municipal infrastructure fund was exceedingly exciting for me because all my communities are rural. In this particular budget not only was the new rural fund there but the paying out of the money was accelerated. It was originally announced over a 10 year period and now we have accelerated it over five years, so that our communities can spend that money twice as quickly for sustainable projects, clean water, clean sewage, reducing greenhouse gases, and the infrastructure that is needed for the high quality of life.

The huge announcement in the budget was the gas tax rebate to the municipal governments for renewable projects to improve the quality of life in cities, towns, villages and aboriginal communities.

Over and above these huge amounts of funds to build the quality of life, which was provided because of the earlier fiscal restraints and getting the finances of the nation in order, is the new relationship with that order of government. When we have orders of government working together, it is the type of recipe we need to make the nation work as the best nation in the world to live in.

I have already talked about the major investment in the environment. It came after the previous budget that had the largest environmental program in the history of any government in Canada of \$3.5 billion for the cleanup of federal environmental sites. The good thing for me was that 60% of those funds would go to the north.

Over and above that the 2005 budget had a number of items for reducing greenhouse gases and climate change which is so front and centre on the minds of Canadians, especially in the north where it is already having such dramatic changes that we have to adapt to. There has been \$3.7 billion since 1997. There is \$100 million to increase emission efficiencies in the auto industry. As the House knows there has recently been a history making voluntary agreement with the auto companies to reduce emissions and there is \$1 billion for new technologies to reduce greenhouse gases. There is a renewable energy program to support other types of renewable energy.

I am obviously not going to get through everything that I wanted to say, so I will briefly list the points I would have talked about if I had time: the relationship with aboriginal people, the new land claim self-government agreements, the national historic aboriginal round table, and over \$1 billion for agriculture, including what we have just announced.

The whole democratic reform, with this side of the House having more free votes than ever in history, has transformed the House. There is the whole northern strategy and northern sovereignty for my area. There are the largest tax cuts in history of \$100 billion. There is \$10 billion a year for children in poverty.

*Government Orders*

There are a number of initiatives I would have talked about that we have put forward for people with disabilities. This economy of hope and these unparalleled accomplishments of the Prime Minister are some of the things of which I am very proud. They affect all aspects of Canadian life: health care, the economy, social programs to help the disabled, the poor and those most in need. For that I am very proud, and I will be happy to stand and fight for that any day.

• (1640)

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, clearly it is not a budget of hope; it is a budget of despair and it creates an economy of despair. When we look across the country, we see homelessness numbers growing day by day. We see increasing child poverty which is shameful after 12 years of Liberal government. There are 1.1 million children in the country who live in poverty. That is 40% of aboriginal children and 30% who are children with disabilities.

We are seeing across the country increasing despair, poverty, homelessness, and longer and longer food bank lines. Rather than addressing any of the issues such as housing and the increasing despair on the main streets across the country, the budget injects nearly \$5 billion in corporate tax gifts to Bay Street.

We have so much poverty, homelessness and despair across the country. There is a fall in real wages, fewer full time jobs, and more families having to make do with part time or temporary work. Why does the member feel it is appropriate to give billions of dollars to Bay Street when our main streets are suffering?

**Hon. Larry Bagnell:** Mr. Speaker, as the member confirmed, the items he was talking about are items that are very important to the government as evidenced by the programs that it has put forward. I am delighted with the chance to talk about some of the progress.

There is no one in the House who would not like to eliminate child poverty. As long as there is one child in poverty we are all going to work toward removing that and we have different solutions. There has been some progress. It was at 16.7% in 1996. It was reduced to 11.4% in 2001.

How did some of the improvements and reduction in child poverty occur? It was the national child benefit, which was the most important social program in history since medicare. Based on its successes so far in reducing child poverty, the government added another \$965 million so that by 2007 it will be a \$10 billion program. It keeps over 50,000 children a year out of poverty.

Since 1999 there has been \$753 million put toward homelessness and in 2003 another \$405 million was put in over three years. There was \$1 billion in total for affordable housing. It started out at \$680 million and in 2003 there was another \$320 million added. We are moving on some exciting projects in my riding on that.

We also put money into renovations, a program for low income people and seniors. That is very popular in my riding and very helpful for those most in need for housing. It will be between \$1 billion to \$1.5 billion over the next five years. Once again, it is another program that helps the poorest of the poor, especially in the housing area. Child care will help single mothers go to work and help reduce child poverty.

In total, there is \$11 billion a year that goes toward children. We must continue to increase that as our resources become available through our prudent fiscal management and move in the direction that I am sure that everyone in the House would like us to move.

• (1645)

**Mr. Peter Julian (Burnaby—New Westminster, NDP):** Mr. Speaker, I wish to inform you that I will be sharing my time with the member for Windsor West and I appreciate the opportunity to speak to Bill C-43, the budget implementation bill.

I would like to start by flagging what is obvious to all of us. The games that were being played around this budget implementation bill have certainly changed in the few weeks since it was introduced. A few weeks ago we were being told that this bill had to be voted on and adopted by Parliament. If not, Liberals threatened to bring us into an election campaign.

We have seen with Gomery that things have changed quite markedly and that threat from Liberal members to bring down the House or to call an election has changed quite a bit now that we have seen the revelations of the continued misuse of public funds by the Liberal Party. As a result of that, it is very clear that the Liberals are approaching this whole question of the budget implementation bill a lot differently now than they were a few weeks ago.

I would like to talk a bit about the situation in Canada. The budget and budget implementation bill do not address the major issues that are out there on main streets across this country.

I would like to talk about 12 years of Liberal government and what that has meant to poverty and homelessness in this country. We have seen in the lower mainland of British Columbia, the area I am from, that homelessness has tripled over the past three years under policies of the federal Liberal Party and also policies of the B.C. Liberal party.

In my constituency of Burnaby—New Westminster we have seen more than 1,000 people a week having to rely on food banks. Food bank lineups are growing across the country as the crisis of poverty and homelessness increases.

We also know that 40% of aboriginal children live in poverty, 30% of children with disabilities now live in poverty, and that there are over 1.1 million poor children in this country. Fifteen years ago the member for Ottawa Centre actually brought forward a motion that was adopted by the House to eliminate child poverty by the year 2000. Here we are in 2005 and over 1.1 million poor children attest to the fact that this government has done absolutely nothing to address child poverty.

*Government Orders*

We also have a crisis in credit card health care. We have seen, with the increasing privatization of health care, Canadians increasingly pay out of pocket for health care. That should be a right that the CCF and the NDP pushed forward as fundamental to building Canadian society. We have seen that nothing has been done about that as well.

In terms of post-secondary education, we know that average young adults going into post-secondary education receive a \$20,000 debt, a mortgage on their future, when they come out of post-secondary studies. That does not count the thousands of young Canadians who decide that they will not go into post-secondary studies because they simply cannot afford the cost. From the campaign last June, having knocked on over 6,000 doors in Burnaby and New Westminster, there were literally dozens of young people who told me that they could not afford to go to school. Their family could not afford it; they could not afford it. Their dreams and their future were cut off because of a lack of action by the government in the post-secondary sector.

There is also the environment. We had a plan 12 years ago to cut greenhouse gas emissions. We now find, even though the plan called for a cut of 20% in greenhouse gas emissions, in 2005 that we have actually seen an increase in greenhouse gas emissions. The budget does very little to address that.

We have seen the number of people with disabilities living in poverty growing. Many people with disabilities have no access to employment programs in order to further enrich their lives.

We talked this week about the situation in Canada and also talked about our fiscal projections. The IMF mentioned just a few weeks ago in its study that we were the least accurate of any of the major countries in the western world. The IMF study showed that Canadian fiscal projections were so far off under the Liberal government that they were the least accurate of any of the western countries studied.

•(1650)

We also have this week a crisis in rural Canada. We have communities struggling across the country due to the lack of support by the government to the agricultural sector and the lack of action by the government in reducing or trying to address some of the crises we face in getting our cattle or our softwood lumber across the border.

Rather than taking a strong line with the Americans to try to address, in tough negotiations, those issues, we have taken a very soft line that has led absolutely nowhere and has led to the loss of tens of thousands of jobs as a result of the lack of access of our cattle industry. In British Columbia where I come from, 20,000 jobs in the softwood lumber industry have been lost because of this inaction.

We also see a crisis in our cities. We have seen more boil water alerts. We have seen the underfunding of cities that has led to the lack of renewal of our infrastructure that is so important to the future of our country. We see increasing difficulties for our senior citizens.

We have seen cutbacks to home care in many provinces. For example, in British Columbia home care has been severely slashed and many senior citizens who would love to live independent lives with some support are forced to go into nursing homes, which costs more for the taxpayer and leaves them with a lower quality of life. If

we had a home care program and that were effective, those seniors could continue to live independent, quality lives at home.

We also have seen increasing concerns about big box child care. We have had repeated promises over 12 years for a national child care system. What we have seen so far from the government is absolutely no response to the concern and fear about big box companies. Rather than have the money go to quality child care in our neighbourhoods, it will go to profits for big box foreign operators coming into the country.

With jobs, we have also seen a 60¢ loss in real wages per hour for the average Canadian worker over the last 10 years and fewer jobs with benefits and pensions. It used to be most jobs had pensions. The Statistics Canada study that came out in January showed less than 40%.

The government has encouraged more and more outsourcing. I recall getting off the plane in Washington to lobby members of Congress to support quality Canadian products. I was given a T-shirt by the government made in Mexico and a Canadian flag pin made in the People's Republic of China. I was supposed to take these to the members of Congress to say that we did good quality work. Outsourcing has been encouraged by the government and nothing in the budget addresses that.

What we have is a lower and lower quality of life for 90% of Canadians. That is the reality this week, when we look at the budget.

What did we get? The Leader of the Opposition certainly got what he wanted. He said that the major priorities in the budget implementation bill were Conservative priorities. We know the Leader of the Opposition got what he wanted in the budget, despite the fact that the Liberals campaigned saying that NDP values were close to Liberal values. The Liberal budget is a Conservative budget. What that means is the fat cats in the corporate sector got almost \$5 billion in corporate tax gifts, a corporate sector that is at its most profitable level in its history.

We see that the wealthy got additional tax cuts of half a billion dollars.

There is nothing in the budget that addresses poverty, homelessness, post-secondary education and the crisis for seniors except for a buck a day that is given to address eroding pensions. There is nothing in it to deal substantially with the environment. The budget does nothing to address the substantive issues that people are having to deal with across the country.

This budget is billions for Bay Street and pennies for Main Streets across the country. For that reason and for so many others, we will vote against it.

*Government Orders*

●(1655)

**BUSINESS OF THE HOUSE**

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, discussions have taken place between all chief whips and there is an agreement, pursuant to Standing Order 45(7), that the recorded divisions scheduled for Wednesday, April 13 on Bill C-236, Bill C-263 and Bill S-3 take place at 3 p.m. rather than at the beginning of private members' business.

**The Deputy Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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**BUDGET IMPLEMENTATION ACT, 2005**

The House resumed consideration of the motion that Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be read the second time and referred to a committee.

**Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development, Lib.):** Mr. Speaker, I was a bit shocked to hear my colleague proudly say that he would vote against the budget bill.

I understand that in some sort of an ideal world we would be able to do everything for everybody every year, but that simply is not the case. If ever there were a budget that did its best to reach out to people, this budget is it. Some of the media have said that this is the greenest budget there has ever been, yet he will vote against the environment.

The child care measure alone is a first step. It is a huge amount of money. We are moving forward and that is the sort of thing a federal government should be doing.

The member also mentioned seniors. I know seniors deserve more, but improvements have been included in the budget for the seniors' secretariat and seniors programs like New Horizons, et cetera.

The Nova Scotia and Newfoundland and Labrador accord are also in the budget. The member will be voting against that.

The budget also includes a new deal for cities and small communities like mine, Asphodel-Norwood and the village of Lakefield. They will benefit from the gas tax rate.

The northern strategy, which my neighbour from Yukon mentioned earlier, is also included in the budget.

The NDP will be voting against all these things.

I would like to ask my colleague some questions with respect to his remarks about post-secondary education. We know this is a provincial jurisdiction. The province with the lowest tuition in the country, all to its credit, is the province of Quebec. In recent years the province of Quebec has moved to not only having the lowest university tuition in Canada, but to providing two free years of college. That is an extraordinary thing. That is something which is within the provincial mandate.

My colleague mentioned high tuition costs in the rest of the country, and they are truly shocking. However, this is not a result of the actions of the federal government. This federal government, and I say this unequivocally, has put more into post-secondary education than any federal government since Confederation. If the federal contributions to higher education were to be added up, we would find them approaching the sum of all provincial contributions.

I am really pleased with the budget. We are starting to move away from the emphasis on the student loan program toward grants. The student loan program is very good, but it does have its limitations. Grants are available in every year of undergraduate studies for disabled students. Grants are available for first year studies for low income students. The millennium scholarships were grants. This surely is a step forward.

The Canada learning bond is deliberately meant for low income children and for families to build up equity in the education of their children. They receive \$500 at birth and \$100 every year until the child is 15 years old. All the accumulated interest on that money is put into an RESP account. If the family were to put in, for example, \$100, the federal government would match that by \$40. This also is a grant.

Does my colleague have any suggestions for controlling what the provinces do with the money that the federal government transfers to them for post-secondary education instead of them just taking the money and raising tuition?

●(1700)

**Mr. Peter Julian:** Mr. Speaker, the hon. member talked about an ideal world. It is very clear that the ideal world is an ivory tower right now within the Liberal caucus.

We are talking about \$5 billion that was given out to the corporate sector to reduce even further the corporation tax rates, and they are already much lower than in the United States. That was the priority, to shovel money out the door to the corporate sector rather than address these key issues.

There is no plan on child care. There is no plan on Kyoto. We are still waiting. Every week or so we hear, "Yes, tomorrow", "it was yesterday", "it was last week". We keep hearing that eventually there will be some plan brought forward. We know that the last time the Liberal government brought forward a plan, the plan called for a reduction of 20%. It missed the mark by increasing greenhouse emissions by 20%.

The problem is the contradiction in the Liberal world between the rhetoric and the reality. It is certainly not by saying that eventually there will be a plan put forward, that eventually there will be some investment, while it shovels money out to the corporate sector, that we will address these problems. These are serious issues.

Longer food bank lineups is a serious issue. More and more homelessness is a serious issue. More and more child poverty is a serious issue. The serious issues are not being addressed by the budget nor by the government.

*Government Orders*

I would like to come back to post-secondary education because the hon. member mentioned that as well. The two provinces that are working the hardest at addressing issues of making post-secondary education affordable are Saskatchewan and Manitoba. Very clearly, NDP provinces have a very clear addressing of the issue of post-secondary education and the lack of accessibility.

The government has to show some leadership. The government has to step forward. Rather than spending billions of dollars for Bay Street, the government has to invest in communities across the country. This is not happening and it is a shame.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, it is a pleasure to rise today on Bill C-43, the Budget Implementation Act, 2005.

If I may start with the previous discussion on post-secondary education, I will be pleased to forward today's *Hansard* to my provincial member of Parliament who has said that the federal government has shirked its responsibility and needs to do more for the province of Ontario. We have some of the most crippling student debt and costs related to post-secondary education.

The federal government's Liberal cousins seem to feel it is the federal Liberals who have shortchanged them. It is the federal Liberals, their cousins, who have created a funding gap. The responsibility has been shirked onto them unfairly by the federal government.

I will make sure that the debate is forwarded to them. That provincial member was at a meeting that we had locally at St. Clair College and said that Premier Dalton McGuinty actually supported post-secondary education, but the federal government which has a surplus is where the real problem is. The federal government is the one that has the recipe to solve the problems.

I am going to focus my comments regarding Bill C-43 on a couple of topics. This is a very wide-ranging bill. Bill C-43 disappoints me because it does not lead to the prosperity that is needed for the long term in economic policy.

We in the New Democratic Party will not be supporting the budget because it is a betrayal of Canadian voters who wanted progressive change. The country has to move past the malaise that has dominated this decade of Liberal rule. The NDP is fighting for a responsible rebuilding of the nation that made a difference in the world as a leader, not a follower, and offered a strong social identity to develop and foster economic prosperity that will raise the standard of living for all Canadians, not just a select few.

Although this Liberal minority budget is an improvement over the past majority budgets, it fails the test of breaking the troubling pattern of Liberal budgets that leave mainstream Canadians behind for the benefit of a few. The most glaring example of this injustice is the fanatical drive to continue to empty the public purse through corporate tax cuts which do nothing to ensure employment wages and standards, or job security.

Indeed, the Prime Minister's election ploy to vote Liberal to keep the Conservatives at bay because the Liberals have values similar to the NDP is fraudulent and insulting at best.

At a time when ordinary Canadians are struggling more than ever to feed their families, to send their children to college or university, and to pay off their debts, the Liberals are prepared to hand over more of the taxpayers' money to Bay Street. Canadian corporations earned record operating profits last year of \$204.5 billion, which is up nearly 19%. At a time when corporations have reached record operating profits and after a decade of billions of dollars in tax cuts, at a time when we have massive infrastructure deficits, when Canadians are struggling the most and corporations are benefiting the most, the government has decided to shovel more money to the corporations, nearly \$5 billion.

While mainstream Canadians are being asked to put personal goals and financial security aside, the government is emptying the coffers, at a time when we need to seize the industrial opportunities that will protect the environment, raise living standards and position our labour market in the world.

This glaring example demonstrates the gap of rhetoric of Liberal promises and final capitulation to Conservative policy goals. At the end of the day, they do not represent Canadian values and thus the budget fails to deserve the support of the NDP.

Despite all the rhetoric, it fails to address a national auto strategy, an aerospace strategy, shipbuilding or agricultural realities. Indeed, the budget does very little for those who build Canadian cars, airplanes or feed our country and the world.

Ask those Canadians if their insurance companies which realized record profits from increased premiums and reduced coverage deserve another tax break. They are getting it. In 2002 the insurance industry brought in \$350 million in profits. In 2003 it brought in \$2.6 billion in profits. In 2004 it has now brought in \$4.2 billion in profits, yet the Liberals are giving them another break.

It is not right. I know that in my constituency young people struggle to pay premiums on their cars. In fact, some pay more for auto insurance than they do for leasing the vehicles.

● (1705)

It is not acceptable. It hinders our economy. It hinders the success of our young people. Those companies certainly do not deserve a reward.

Ask Canadians who watch the banks rake in record profits, close branch locations, raise fees, play fast and loose with our personal privacy and charge predatory interest rates on credit cards if the banks deserve a break.

Do Canadian values reside in this budgetary accomplishment? Apparently Liberals think so. If they cannot give the public money to their friends or back to the Liberal Party as the Gomery testimony indicates, they will reward the corporate sector at the expense of ordinary Canadians. They did not even have the decency to at least isolate areas where we might stop that from happening, areas that do not deserve money back and do not deserve the public trust with their dollars. They should be paying their responsible share.

*Government Orders*

The argument that policies of free trade, deregulation, privatization and tax cuts would trickle down to create investment has not borne fruit. Recent economic data demonstrates that this strategy has not resulted in new quality jobs. Rather, this failed government policy has required an ad hoc intervention policy in sectors like auto, air, textiles and agriculture to protect the status quo.

Overall Canadian productivity has stalled since 2002, coupled with a significant decline in capital investment as a percentage of the GDP. Why would we continue to reinforce this economic model that will not generate more investment, prosperity and quality jobs for Canadians? In fact, many corporations and businesses no longer profess the tax cut as a tonic for their survival or growth.

Take the auto industry, for example. It would rather see infrastructure items like the Windsor-Detroit corridor as budgetary priorities to ship and receive their goods and services along the U.S.-Canada border. This tax cut will not provide the infrastructure required, nor the staffing and security measures being demanded by the U.S. The duplicity of promise and action is best represented in this particular example.

In his budget speech, the Minister of Finance said:

Part of the productivity solution is also investing in public infrastructure, including in our cities and at crucial border crossings such as Windsor-Detroit—probably the most valuable transborder shipping point in the world—

Yet there is no funding for this infrastructure, despite the Prime Minister's call that he would provide cold hard cash.

In fact, industry, chambers of commerce, citizens and the labour movement have all called for the government to provide the proper infrastructure in the Windsor-Detroit corridor, the right costing for staffing and resources, the right oversight, the investment necessary to move the goods and services through an area that has approximately \$1 billion a day in trade. The government has yet to act on unanimous support of a city council and county council report to improve the conditions of that corridor.

More important, a signal was sent to the United States that we are going to address our most damaging infrastructure deficiency which is stagnating and has created lost opportunities of investment in Ontario and other areas. We have lost that opportunity. The signal that was sent in this budget was that we have no plan, that we have no commitment.

We have a Liberal promise that the government might renew a project for border infrastructure funds later on, but we know what the public thinks about Liberal promises. We know what the record is on Liberal promises. At the end of the day the promises do not provide the confidence nor the commitment that will subsequently come from those who want to invest and have to move goods and services through that corridor. As opposed to Liberal promises, what is needed is a commitment of resources and the application of those resources to make sure the investment, prosperity and jobs that will result will be managed as a priority.

•(1710)

**Mr. Randy White (Abbotsford, CPC):** Mr. Speaker, it is no surprise to anyone in Canada that budget promises are seldom met by governments, and particularly this one since 1993.

This would be about the 12th budget that I have gone through. There is virtual disappointment from the region which I represent which is Abbotsford in British Columbia.

I was just wondering how my colleague would reconcile how a government would set priorities. He talked about the Detroit-Windsor corridor upgrading which I do not doubt for a minute needs it, but I will talk for a moment about Highway 1 on the lower mainland of British Columbia which is nothing short of a cow path in comparison to most highways these days. We have a gridlock in the lower mainland of British Columbia. We are trying to get funds as well.

I wonder how my colleague would reconcile who would get the money first, who would make the decisions, how it would be prioritized. Is the Windsor corridor more of a cow path than the one that I drive on from Abbotsford to Vancouver? How do we get those people to rationalize and make better choices than the choices they make?

**Mr. Brian Masse:** Mr. Speaker, I am not sure of the volume of traffic in Abbotsford, but I know in the Windsor-Detroit corridor there are 14,000 trucks per day. It is the single most busiest border in North America and probably the world, and it is very deficient.

I do not think we should have to make choices. The member brings forward a valid point in terms of the congestion that Abbotsford might be facing right now.

We have watched the government delay and dither, despite the warning signs and resolutions from local councils. I was on city council and I have been here since 2002. It is not just about people in the local area who are impacted by the pollution, degradation and unsafe conditions that they have to face, because trucks are backed up basically in people's yards and in front of their businesses. It is also about the economic barrier we face as goods and services for other communities cannot get across the border in a timely fashion. Decisions on expansion of plants and services are not being followed through on because of the backups are a problem.

I would argue quite frankly that the corporate tax cut is an obscene element of the budget. That money should be going into infrastructure. I am a strong proponent of infrastructure. It creates jobs. It creates lasting facilities which create economic prosperity for all of us. It is also what the private sector is clamouring for, not only in Ontario but right across the country.

•(1715)

**Mr. Randy White:** Might I suggest, Mr. Speaker, there is another way to make priorities. If we could convince the government to take the revenues it has and spend them in the right places and not feed political parties for a change, that might be a good way to do it. I would like to ask my colleague whether he thinks maybe the government's priorities are just a little bit wrong.

*Government Orders*

**Mr. Brian Masse:** Mr. Speaker, that is probably the easiest question I have received since being here.

It creates a heightened awareness of why the public is upset right now with what is going on with the sponsorship inquiry. Quite frankly what we have right now is taxpayers are funding Liberal lawyers to ask other people who contributed to Liberals or were part of the Liberal system about what happened to their money. They are insulted about that because they see the lack of resources at the federal level in their community.

The budget has been trumpeted as an environmental budget. When people this summer are choking on smog again, they are going to realize that just putting money in foundations away from the view of Parliament is not the way to run a government. The absolute waste and lack of accountability is what is irking people today.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, I am pleased to rise for this debate. I will be supporting the 2005 budget implementation act because it implements another great and fine budget by our finance minister and this government. I am very pleased to support this bill.

First, I think we need to highlight the fact that with this budget the government has delivered seven consecutive budget surpluses. There has been much moaning and whining on the other side of the House about the fact that we are having these surpluses and they should have been predicted.

The reality is that a 1% change in revenues or a 1% change in expenditures can change the surplus situation very significantly. I would certainly rather be on a surplus side than a deficit side. This government continues to produce surpluses. In fact, budget 2005 commits the government to another three or four years of budgetary surpluses.

The economy continues to grow at around 3% a year, a solid 3% year in and year out. In 2004 the economy in this country generated 255,000 new full time jobs. Our unemployment right now is below 7%, which is almost the lowest it has been for many years. There has been some commentary that the recent job numbers are indicating more part time jobs than full time jobs, but we have to look at this over a full cycle. This government's record in terms of creating the right economic circumstances to create sound economic growth and job creation is second to none in the industrialized world.

We also have been paying down our debt. With the payments on the debt and the growth in the economy, we are now at about 38.8% debt to GDP. In other words, the size of the national debt in comparison to the size of the economy is 38.8%. In 1995-96, that figure was 68.4%. We certainly have come a long way. Our government is committed to moving that number down to 25% in a very short period of time.

What does that mean for the average Canadian? It means a number of things. It means that if we have a sound economic policy, if we have sound economic performance and we have low interest rates, which we have in this country and have had for some time, and if we have a very good monetary policy to go with our very sound fiscal policy, that means jobs are being created. It means that people are able to buy a home for the first time.

We see that all the time when we are talking to our constituents. People who were renting are now saying that interest rates are so low they should really buy a home. We are seeing a lot of new home construction. What does that mean? That means more economic activity and more strength in our economy. It just leads to a combination of factors that is beneficial to all Canadians and to the creation of jobs.

This budget will follow up on our commitment to invest in health care. In fact, the budget continues the process of our commitment to \$75 billion over 10 years, but we have also said that we cannot just keep throwing money at health care.

We must have more accountability. We must have benchmarks. We need to be able to compare how the health care system is operating in the Yukon versus how it is operating in Prince Edward Island or in Ontario. Citizens have the right to know. Are their tax dollars in health care going as far as they should go? How are we doing in terms of waiting times? How are we doing in terms of maximizing the health care infrastructure?

Do we have a lot of seniors occupying acute care beds, seniors who have no place to go because there is no home care and there is no intermediate care? That does not make any sense. Unfortunately, if we go to hospitals today in Canada, and in my riding as well, we are going to find that there are a lot of seniors in acute care beds in acute care hospitals, which is costing us as taxpayers much more than it should because an acute care hospital is the most expensive form of care.

• (1720)

The reason they are there is that there is no home care, no intermediate care and no long term care. The provinces need to build that capacity. In terms of patient care it is a much more desirable outcome as well. Many seniors do not want to be in an acute care hospital. They want to be at home or they want to be in an intermediate care facility. That is why we are saying we have to invest in health care but we must have performance standards. We must have accountability. We must have transparency on how these funds are being expended.

This budget also has a very large component of investments in our environment. It delivers on our commitment to implement the Kyoto accord. I think the issue that arose with respect to the definition of toxic items and greenhouse gases has been cleared up and I think it is a good debate that we should have under the Canadian Environmental Protection Act. This budget delivers on our Kyoto commitments and it provides the kinds of signals and tax incentives that are going to be required if we are serious about meeting these targets.

One of the big components that I am very pleased to see is a \$1 billion clean air fund. This will allow the market to in some sense distill and sort out what the biggest paybacks are in terms of projects that could be launched to reduce our greenhouse gases. Those that have the highest benefit costs will be supported by this fund. There will be some competition of ideas on how we can best launch a number of initiatives.

*Government Orders*

As members of Parliament, we often have competing ideas presented to us. We should create a level playing field for transit passes as that relates to parking for employees. We were presented with another proposal about investing in our infrastructure and public transit. Which is the better investment? This clean fund will provide some competition of ideas on the soundest investments to make to meet our Kyoto commitments and accelerate that process.

There is also a retrofit incentive program of \$225 million, which will allow homeowners and other stakeholders to make very important investments in housing and in buildings to get maximum energy efficiency. In my riding I have a couple of companies that make sunroofs. They have asked me what is going to be in the budget to deal with energy efficiency. They believe their product is more energy efficient than standard heating. If we can take the benefit of sunlight, convert it into energy and put it into homes that are more energy efficient, then all of us then would have an opportunity to contribute to our fight to make sure that we clean up greenhouses gases.

We can see the effect of greenhouse gases. We can see the effect of climate change. Those who still do not believe that we need to deal with this have not been paying attention, I think, because we are seeing it. We are seeing it in the north. We had a meeting the other day with our Nordic partners, the ambassadors from Iceland, Norway, Sweden, Denmark, and we compared notes. We have seen the effect of climate change in the north. We have to start dealing with that.

We have seen the effect of climate change in terms of weather patterns. Is it just a coincidence that we have all these hurricanes, floods and earthquakes? I think that a lot of this is tied to the fact that we have changed our environment significantly. We need to start dealing with that.

• (1725)

This budget commits \$5 billion over five years for children in terms of their learning and their care. This is a very important initiative and I know the minister responsible is working with the various provinces and territories to come up with a national program. A lot of women in my riding say we really need better day care in Ontario. That is one component of it. This investment of \$5 billion will allow that to come to fruition.

The budget also implements the new deal for communities. In 2005-06, \$600 million will be funnelled to municipalities through a portion of the gas tax so municipalities can better deal with the many challenges they are facing. That figure will rise to \$2 billion annually by 2009-10.

In my province we have seen the Ontario government, under the previous regime especially, devolving a lot of responsibilities but not moving the cash. The provincial government is saying that municipalities have to take on these responsibilities, but it has not been quite so good at flowing the resources to go with that. This allows us to transfer a significant amount of funding directly to municipalities so they can deal better with crime, with public transit and with the many issues facing municipalities.

We started that process a year ago when we gave municipalities relief from the GST. That alone is saving taxpayers in the city of

Toronto some \$55 million each and every year as well. That will go to good use in the city of Toronto and to investments in public transit.

I have been following the debate in the newspapers about the Ontario government. Premier Dalton McGuinty and his finance minister, Greg Sorbara, are saying that Ontario has a fiscal imbalance. First of all, "fiscal imbalance" is a phrase conjured up by the separatists. It really does not mean much. I am absolutely shocked that the premier of Ontario would use that kind of language.

Notwithstanding that, I am not very happy with the process. The Ontario government historically has a reputation for having some of the elder statesmen in Canada. As for the premier of Ontario politicizing this the way he has done instead of coming to Ottawa to discuss some of the challenges Ontario has, we know what some of the challenges are in Ontario. We know that Mike Harris and Ernie Eves gutted the revenue stream of the province of Ontario. They cut taxes because it sounded good and because it made some sense, but they went way too far. The result is that the revenue base in Ontario has been significantly eroded.

We understand that this is a problem for Premier McGuinty and finance Minister Sorbara, but I would like to see the province of Ontario deal with the problems before it and have some resolve. When we came into power we inherited a \$42 billion budgetary deficit. This bill will make sure that we implement all the measures that are needed to assist the provinces and territories in ways that are important.

\* \* \*

• (1730)

**CIVIL MARRIAGE ACT**

The House resumed from April 6 consideration of the motion that Bill C-38, an act respecting certain aspects of legal capacity for marriage for civil purposes, be read the second time and referred to a committee, and of the amendment.

**The Deputy Speaker:** It being 5:30 p.m., the House will now proceed to the taking of the deferred recorded division on the amendment of the Leader of the Opposition to the motion at second reading stage of Bill C-38.

Call in the members.

• (1805)

[*Translation*]

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

(*Division No. 56*)

**YEAS**

Members

Abbott  
Allison  
Anders  
Asselin  
Benoit  
Bonin  
Breitkreuz  
Byrne  
Cardin

Ablonczy  
Ambrose  
Anderson (Cypress Hills—Grasslands)  
Batters  
Bezan  
Boshcoff  
Brown (Leeds—Grenville)  
Cannis  
Carr



*Government Orders*

Carrie  
 Casson  
 Chatters  
 Cullen (Etobicoke North)  
 Cuzner  
 Devolin  
 Duncan  
 Finley  
 Fletcher  
 Gallant  
 Gaudet  
 Goodyear  
 Grewal (Newton—North Delta)  
 Guergis  
 Harper  
 Harrison  
 Hiebert  
 Hinton  
 Jaffer  
 Johnston  
 Karygiannis  
 Khan  
 Komarnicki  
 Lastewka  
 Lee  
 Lukiwski  
 Lunney  
 MacKay (Central Nova)  
 Malhi  
 Mark  
 McKay (Scarborough—Guildwood)  
 Menzies  
 Miller  
 Moore (Fundy Royal)  
 O'Brien  
 Obhrai  
 Pacetti  
 Penson  
 Preston  
 Reid  
 Richardson  
 Savoy  
 Scheer  
 Schmidt (Kelowna—Lake Country)  
 Simms  
 Smith (Kildonan—St. Paul)  
 Sorenson  
 Stinson  
 Szabo  
 Thompson (Wild Rose)  
 Toews  
 Trost  
 Ur  
 Vellacott  
 Warawa  
 White  
 Williams

Casey  
 Chamberlain  
 Chong  
 Cummins  
 Day  
 Doyle  
 Epp  
 Fitzpatrick  
 Forseth  
 Gallaway  
 Goldring  
 Gouk  
 Grewal (Fleetwood—Port Kells)  
 Hanger  
 Harris  
 Hearn  
 Hill  
 Hubbard  
 Jean  
 Kamp (Pitt Meadows—Maple Ridge—Mission)  
 Kenney (Calgary Southeast)  
 Kilgour  
 Kramp (Prince Edward—Hastings)  
 Lauzon  
 Longfield  
 Lunn  
 MacAulay  
 MacKenzie  
 Maloney  
 Matthews  
 McTeague  
 Merrifield  
 Mills  
 Nicholson  
 O'Connor  
 Oda  
 Pallister  
 Poilievre  
 Rajotte  
 Reynolds  
 Ritz  
 Scarpaleggia  
 Schellenberger  
 Simard (Saint Boniface)  
 Skelton  
 Solberg  
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 Frulla  
 Gagnon (Québec)  
 Gagnon (Jonquière—Alma)  
 Godbout  
 Godin  
 Graham  
 Guay  
 Holland  
 Jennings  
 Kadis  
 Keddy (South Shore—St. Margaret's)  
 Laframboise  
 Lapierre (Lévis—Bellechasse)  
 Layton  
 Lemay  
 Lévesque  
 Macklin  
 Marleau  
 Martin (Winnipeg Centre)  
 Martin (Sault Ste. Marie)  
 McCallum  
 McGuinty  
 McLellan  
 Ménard (Marc-Aurèle-Fortin)  
 Mitchell  
 Murphy  
 Neville  
 Paquette  
 Patry  
 Pettigrew  
 Picard (Drummond)  
 Plamondon  
 Powers  
 Ratansi  
 Regan  
 Rodriguez  
 Roy  
 Sauvageau  
 Scott  
 Siksay  
 Simard (Beauport—Limoulou)  
 St-Hilaire  
 St. Denis  
 Stronach  
 Temelkovski  
 Basques)  
 Thibault (West Nova)  
 Valeri  
 Vincent  
 Wasylycia-Leis

Cotler  
 Crowder  
 D'Amours  
 Demers  
 DeVillers  
 Dion  
 Drouin  
 Duceppe  
 Efford  
 Eyking  
 Fontana  
 Fry  
 Gagnon (Saint-Maurice—Champlain)  
 Gauthier  
 Godfrey  
 Goodale  
 Guarnieri  
 Guimond  
 Ianno  
 Julian  
 Karetak-Lindell  
 Kotto  
 Lapierre (Outremont)  
 Lavallée  
 LeBlanc  
 Lessard  
 Loubier  
 Marceau  
 Martin (Esquimalt—Juan de Fuca)  
 Martin (LaSalle—Émard)  
 Masse  
 McDonough  
 McGuire  
 Ménard (Hochelaga)  
 Minna  
 Moore (Port Moody—Westwood—Port Coquitlam)  
 Myers  
 Owen  
 Paradis  
 Peterson  
 Phinney  
 Pickard (Chatham-Kent—Essex)  
 Poirier-Rivard  
 Prentice  
 Redman  
 Robillard  
 Rota  
 Saada  
 Savage  
 Sgro  
 Silva  
 Smith (Pontiac)  
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 Anderson (Victoria)  
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 Bachand  
 Bains  
 Barnes  
 Bélangier  
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 Blais  
 Boire  
 Bonsant  
 Boulianne  
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 Cleary  
 Comartin

Alcock  
 André  
 Augustine  
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 Beaumier  
 Bell  
 Bennett  
 Bevilacqua  
 Blaikie  
 Blondin-Andrew  
 Boivin  
 Boudria  
 Bourgeois  
 Brison  
 Brown (Oakville)  
 Bulte  
 Carroll  
 Chan  
 Clavet  
 Coderre  
 Comuzzi

**PAIRED**

Members

Lalonde

Zed— 2

**The Speaker:** I declare the amendment lost.

\* \* \*

[English]

**PARLIAMENT OF CANADA ACT**

The House resumed from April 6 consideration of the motion that Bill C-30, an act to amend the Parliament of Canada Act and the Salaries Act and to make consequential amendments to other Acts, be read the third time and passed.

*Government Orders*

**The Speaker:** The House will now proceed to the taking of the deferred recorded division on the motion at the third reading stage of Bill C-30.

• (1820)

[*Translation*]

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

(*Division No. 57*)

## YEAS

## Members

Abbott	Ablonczy
Adams	Alcock
Allison	Ambrose
Anders	Anderson (Victoria)
Anderson (Cypress Hills—Grasslands)	Angus
Augustine	Bagnell
Bains	Bakopanos
Barnes	Batters
Beaumier	Bélangier
Bell	Bennett
Benoit	Bevilacqua
Bezan	Blaikie
Blondin-Andrew	Boivin
Boshcoff	Boudria
Bradshaw	Breitkreuz
Brisson	Broadbent
Brown (Leeds—Grenville)	Bulte
Byrne	Carr
Carrie	Carroll
Casey	Casson
Catterall	Chamberlain
Chan	Chatters
Chong	Christopherson
Coderre	Comartin
Comuzzi	Cotler
Crowder	Cullen (Skeena—Bulkley Valley)
Cullen (Etobicoke North)	Cummins
Cuzner	D'Amours
Davies	Day
Desjarlais	DeVillers
Devolin	Dhalla
Dion	Dosanjh
Doyle	Drouin
Dryden	Duncan
Easter	Efford
Emerson	Epp
Eyking	Finley
Fitzpatrick	Fletcher
Fontana	Forseth
Frulla	Fry
Gallant	Godbout
Godfrey	Godin
Goldring	Goodale
Goodyear	Gouk
Graham	Grewal (Newton—North Delta)
Grewal (Fleetwood—Port Kells)	Guarnieri
Guergis	Hanger
Harper	Harris
Harrison	Hearn
Hiebert	Hill
Hinton	Holland
Ianno	Jaffer
Jean	Johnston
Julian	Kadis
Kamp (Pitt Meadows—Maple Ridge—Mission)	Karygiannis
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Khan	Kilgour
Komarnicki	Kramp (Prince Edward—Hastings)
Lapierre (Outremont)	Lastewka
Lauzon	Layton
LeBlanc	Lee
Longfield	Lukiwski
Lunn	Lunnay
MacAulay	MacKay (Central Nova)
MacKenzie	Macklin

Malhi
Mark
Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)
Masse
McCallum
McGuinty
McKay (Scarborough—Guildwood)
McTeague
Merrifield
Mills
Mitchell
Moore (Fundy Royal)
Myers
Nicholson
Obhrai
Owen
Pallister
Patry
Peterson
Poilievre
Prentice
Proulx
Ratansi
Regan
Reynolds
Ritz
Rodriguez
Saada
Scarpaleggia
Schellenberger
Scott
Siksay
Simard (Saint Boniface)
Skelton
Smith (Kildonan—St. Paul)
Sorenson
St. Denis
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Martin (Winnipeg Centre)
Martin (Sault Ste. Marie)
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McDonough
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McLellan
Menzies
Miller
Minna
Moore (Port Moody—Westwood—Port Coquitlam)
Murphy
Neville
O'Connor
Oda
Pacetti
Paradis
Penson
Pettigrew
Powers
Preston
Rajotte
Redman
Reid
Richardson
Robillard
Rota
Savage
Scheer
Schmidt (Kelowna—Lake Country)
Sgro
Silva
Simms
Smith (Pontiac)
Solberg
St. Amand
Stinson
Stronach
Thibault (West Nova)
Thompson (Wild Rose)
Toews
Torsney
Tweed
Valley
Vellacott
Warawa
Watson
Wilfert
Wrzesniewski

## NAYS

## Members

André
Bachand
Bergeron
Blais
Bonin
Boulianne
Brown (Oakville)
Cannis
Carrier
Cleary
Crête
Deschamps
Faille
Gagnon (Saint-Maurice—Champlain)
Gaudet
Guay
Hubbard
Karetak-Lindell
Laframboise
Lavallée
Lessard
Loubier
Ménard (Hochelaga)
O'Brien
Perron
Picard (Drummond)
Plamondon
Roy
Asselin
Bellavance
Bigras
Boire
Bonsant
Bourgeois
Brunelle
Cardin
Clavet
Côté
Demers
Duceppe
Gagnon (Québec)
Gagnon (Jonquière—Alma)
Gauthier
Guimond
Jennings
Kotto
Lapierre (Lévis—Bellechasse)
Lemay
Lévesque
Marceau
Ménard (Marc-Aurèle-Fortin)
Paquette
Phinney
Pickard (Chatham-Kent—Essex)
Poirier-Rivard
Sauvageau

Simard (Beauport—Limoilou)  
Steckle  
Telegdi  
Basques  
Ur  
Wappel — 65

St-Hilaire  
Szabo  
Thibault (Rimouski-Neigette—Témiscouata—Les  
Vincent

**PAIRED**

Members

Lalonde

Zed — 2

**The Speaker:** I declare the motion carried.

(Bill read the third time and passed)

\* \* \*

[English]

**SUPPLY**

OPPOSITION MOTION—AIR-INDIA

The House resumed from April 7 consideration of the motion.

**The Speaker:** Pursuant to order made on Wednesday, April 6 the House will now proceed to the taking of the deferred recorded on the motion of the member for Newton—North Delta, regarding the business of supply.

• (1830)

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

(Division No. 58)

**YEAS**

Members

Abbott  
Allison  
Anders  
André  
Asselin  
Batters  
Bellavance  
Bergeron  
Bigras  
Blais  
Bonsant  
Bourgeois  
Broadbent  
Brunelle  
Carrie  
Casey  
Chatters  
Christopherson  
Cleary  
Côté  
Crowder  
Cummins  
Day  
Deschamps  
Devolin  
Duceppe  
Epp  
Finley  
Fletcher  
Gagnon (Québec)  
Gagnon (Jonquière—Alma)  
Gaudet  
Godin  
Goodyear  
Grewal (Newton—North Delta)  
Guay  
Guimond  
Harper  
Harrison  
Hiebert

Ablonczy  
Ambrose  
Anderson (Cypress Hills—Grasslands)  
Angus  
Bachand  
Bell  
Benoit  
Bezan  
Blaikie  
Boire  
Boulianne  
Breitkreuz  
Brown (Leeds—Grenville)  
Cardin  
Carrier  
Casson  
Chong  
Clavet  
Comartin  
Crête  
Cullen (Skeena—Bulkley Valley)  
Davies  
Demers  
Desjarlais  
Doyle  
Duncan  
Faille  
Fitzpatrick  
Forseth  
Gagnon (Saint-Maurice—Champlain)  
Gallant  
Gauthier  
Goldring  
Gouk  
Grewal (Fleetwood—Port Kells)  
Guergis  
Hanger  
Harris  
Hearn  
Hill

Hinton  
Jean  
Julian  
Keddy (South Shore—St. Margaret's)  
Kilgour  
Kotto  
Laframboise  
Lauzon  
Layton  
Lessard  
Loubier  
Lunn  
MacKay (Central Nova)  
Marceau  
Martin (Winnipeg Centre)  
Masse  
Ménard (Hochelega)  
Menzies  
Miller  
Moore (Port Moody—Westwood—Port Coquitlam)  
Moore (Fundy Royal)  
Nicholson  
Obhrai  
Pallister  
Penson  
Picard (Drummond)  
Poilievre  
Prentice  
Rajotte  
Reynolds  
Ritz  
Sauvageau  
Schellenberger  
Siksay  
Skelton  
Solberg  
St-Hilaire  
Stoffer  
Telegdi  
Basques)  
Thompson (New Brunswick Southwest)  
Tilson  
Trost  
Van Loan  
Vincent  
Wasylycia-Leis  
White  
Wrzesnewskyj

*Supply*

Jaffer  
Johnston  
Kamp (Pitt Meadows—Maple Ridge—Mission)  
Kenney (Calgary Southeast)  
Komarnicki  
Kramp (Prince Edward—Hastings)  
Lapierre (Lévis—Bellechasse)  
Lavallée  
Lemay  
Lévesque  
Lukiwski  
Lunney  
MacKenzie  
Mark  
Martin (Sault Ste. Marie)  
McDonough  
Ménard (Marc-Aurèle-Fortin)  
Merrifield  
Mills  
O'Connor  
Oda  
Paquette  
Perron  
Plamondon  
Poirier-Rivard  
Preston  
Reid  
Richardson  
Roy  
Scheer  
Schmidt (Kelowna—Lake Country)  
Simard (Beauport—Limoilou)  
Smith (Kildonan—St. Paul)  
Sorenson  
Stinson  
Stronach  
Thibault (Rimouski-Neigette—Témiscouata—Les  
Thompson (Wild Rose)  
Toews  
Tweed  
Vellacott  
Warawa  
Watson  
Williams  
Yelich — 172

**NAYS**

Members

Adams  
Anderson (Victoria)  
Bagnell  
Bakopanos  
Bélanger  
Bevilacqua  
Boivin  
Boshcoff  
Bradshaw  
Brown (Oakville)  
Byrne  
Carr  
Catterall  
Chan  
Comuzzi  
Cullen (Etobicoke North)  
D'Amours  
Dhalla  
Dosanjh  
Dryden  
Efford  
Eyking  
Frulla  
Galloway  
Godfrey  
Graham  
Holland  
Ianno  
Kadis  
Khan  
Lastewka  
Alcock  
Augustine  
Bains  
Barnes  
Bennett  
Blondin-Andrew  
Bonin  
Boudria  
Brisson  
Bulte  
Cannis  
Carroll  
Chamberlain  
Coderre  
Cotler  
Cuzner  
DeVillers  
Dion  
Drouin  
Easter  
Emerson  
Fontana  
Fry  
Godbout  
Goodale  
Guarnieri  
Hubbard  
Jennings  
Karygiannis  
Lapierre (Outremont)  
LeBlanc

*Routine Proceedings*

Lee	Longfield
MacAulay	Macklin
Malhi	Maloney
Marleau	Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)	Matthews
McCallum	McGuinty
McGuire	McKay (Scarborough—Guildwood)
McLellan	McTeague
Minna	Mitchell
Murphy	Myers
Neville	O'Brien
Owen	Pacetti
Paradis	Patry
Peterson	Pettigrew
Phinney	Pickard (Chatham-Kent—Essex)
Powers	Proulx
Ratansi	Redman
Regan	Robillard
Rodriguez	Rota
Saada	Savage
Savoy	Scarpaleggia
Scott	Sgro
Silva	Simard (Saint Boniface)
Simms	Smith (Pontiac)
St. Amand	St. Denis
Steckle	Szabo
Temelkovski	Thibault (West Nova)
Tonks	Torsney
Ur	Valeri
Valley	Volpe
Wappel	Wilfert — 124

## PAIRED

Members

Lalonde

Zed — 2

**The Speaker:** I declare the motion carried.

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**ROUTINE PROCEEDINGS**
*[English]***COMMITTEES OF THE HOUSE**

## ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

The House resumed from April 11 consideration of the motion, and of the amendment.

**The Speaker:** The House will now proceed to the taking of the deferred recorded division on the amendment of the hon. member for Glengarry—Prescott—Russell to the motion for concurrence in the fourth report of the Standing Committee on Aboriginal Affairs and Northern Development in the name of the hon. member for Calgary Centre-North.

The question is on the amendment.

**Hon. Karen Redman:** Mr. Speaker, I believe that if you were to seek it, you would find unanimous consent to have the whips voting for their parties. I would ask that you register all Liberals in attendance as voting in support of this motion.

**The Speaker:** Is there unanimous consent to proceed in this fashion?

**Some hon. members:** Agreed.

**Hon. Rob Nicholson:** Mr. Speaker, members of the Conservative Party will be voting no on this amendment.

*[Translation]*

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

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

• (1835)

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

*(Division No. 59)***YEAS**

## Members

Adams	Alcock
Anderson (Victoria)	Angus
Augustine	Bagnell
Bains	Bakopanos
Barnes	Bélanger
Bell	Bennett
Bevilacqua	Blaikie
Blondin-Andrew	Boivin
Bonin	Boshcoff
Boudria	Bradshaw
Brison	Broadbent
Brown (Oakville)	Bulte
Byrne	Cannis
Carr	Carroll
Catterall	Chamberlain
Chan	Christopherson
Coderre	Comartin
Comuzzi	Cotler
Crowder	Cullen (Skeena—Bulkley Valley)
Cullen (Etobicoke North)	Cuzner
D'Amours	Davies
Desjarlais	DeVillers
Dhalla	Dion
Dosanjh	Drouin
Dryden	Easter
Efford	Emerson
Eyking	Fontana
Frulla	Fry
Galloway	Godbout
Godfrey	Godin
Goodale	Graham
Guarnieri	Holland
Hubbard	Ianno
Jennings	Julian
Kadis	Karygiannis
Khan	Kilgour
Lapierre (Outremont)	Lastewka
Layton	LeBlanc
Lee	Longfield
MacAulay	Macklin
Malhi	Maloney
Marleau	Martin (Esquimalt—Juan de Fuca)
Martin (Winnipeg Centre)	Martin (LaSalle—Émard)
Martin (Sault Ste. Marie)	Masse
Matthews	McCallum
McDonough	McGuinty
McGuire	McKay (Scarborough—Guildwood)
McLellan	McTeague
Minna	Mitchell
Murphy	Myers
Neville	O'Brien
Owen	Pacetti
Paradis	Patry
Peterson	Pettigrew
Phinney	Pickard (Chatham-Kent—Essex)
Powers	Proulx
Ratansi	Redman
Regan	Robillard
Rodriguez	Rota
Saada	Savage
Savoy	Scarpaleggia
Scott	Sgro
Siksay	Silva
Simard (Saint Boniface)	Simms

Smith (Pontiac)  
St. Denis  
Stoffer  
Telegdi  
Thibault (West Nova)  
Torsney  
Valeri  
Völpe  
Wasylcyia-Leis  
Wrzesnewskyj- — 147

St. Amand  
Steckle  
Szabo  
Temelkovski  
Tonks  
Ur  
Valley  
Wappel  
Wilfert

Thibault (Rimouski-Neigette—Témiscouata—Les Basques)  
Thompson (New Brunswick Southwest)  
Thompson (Wild Rose)  
Toews  
Tweed  
Vellacott  
Warawa  
White  
Yelich- — 149

Tilson  
Trost  
Van Loan  
Vincent  
Watson  
Williams

### Routine Proceedings

### NAYS

#### Members

Abbott  
Allison  
Anders  
André  
Bachand  
Bellavance  
Bergeron  
Bigras  
Boire  
Boulianne  
Breitkreuz  
Brunelle  
Carrie  
Casey  
Chatters  
Clavet  
Côté  
Cummins  
Demers  
Devolin  
Duceppe  
Epp  
Finley  
Fletcher  
Gagnon (Québec)  
Gagnon (Jonquière—Alma)  
Gaudet  
Goldring  
Gouk  
Grewal (Fleetwood—Port Kells)  
Guergis  
Hanger  
Harris  
Hearn  
Hill  
Jaffer  
Johnston  
Keddy (South Shore—St. Margaret's)  
Komarnicki  
Kramp (Prince Edward—Hastings)  
Lapierre (Lévis—Bellechasse)  
Lavallée  
Lessard  
Loubier  
Lunn  
MacKay (Central Nova)  
Marceau  
Ménard (Hochelega)  
Menzies  
Miller  
Moore (Port Moody—Westwood—Port Coquitlam)  
Moore (Fundy Royal)  
Nicholson  
Obhrai  
Pallister  
Penson  
Picard (Drummond)  
Poilievre  
Prentice  
Rajotte  
Reynolds  
Ritz  
Sauvageau  
Schellenberger  
Simard (Beauport—Limoilou)  
Smith (Kildonan—St. Paul)  
Sorenson  
Stinson

Ablonczy  
Ambrose  
Anderson (Cypress Hills—Grasslands)  
Asselin  
Batters  
Benoit  
Bezan  
Blais  
Bonsant  
Bourgeois  
Brown (Leeds—Grenville)  
Cardin  
Carrier  
Casson  
Chong  
Cleary  
Crête  
Day  
Deschamps  
Doyle  
Duncan  
Faille  
Fitzpatrick  
Forseth  
Gagnon (Saint-Maurice—Champlain)  
Gallant  
Gauthier  
Goodyear  
Grewal (Newton—North Delta)  
Guay  
Guimond  
Harper  
Harrison  
Hiebert  
Hinton  
Jean  
Kamp (Pitt Meadows—Maple Ridge—Mission)  
Kenney (Calgary Southeast)  
Kotto  
Laframboise  
Lauzon  
Lemay  
Lévesque  
Lukiwski  
Lunney  
MacKenzie  
Mark  
Ménard (Marc-Aurèle-Fortin)  
Merrifield  
Mills  
O'Connor  
Oda  
Paquette  
Perron  
Plamondon  
Poirier-Rivard  
Preston  
Reid  
Richardson  
Roy  
Scheer  
Schmidt (Kelowna—Lake Country)  
Skelton  
Solberg  
St-Hilaire  
Stronach

### PAIRED

#### Members

Lalonde

Zed- — 2

**The Speaker:** I declare the amendment lost.

[*English*]

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

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Speaker:** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Speaker:** In my opinion the nays have it.

**Hon. Karen Redman:** Mr. Speaker, I believe that if you were to seek it, you would find unanimous consent to apply the vote just taken with Liberal members voting no.

**The Speaker:** Is there unanimous consent to proceed in this way?

**Some hon. members:** Agreed.

**Hon. Rob Nicholson:** Mr. Speaker, members of the Conservative Party are proud to vote yes.

[*Translation*]

**Mr. Michel Guimond:** Mr. Speaker, the Bloc Québécois members will support this motion.

[*English*]

**Mr. Yvon Godin:** Mr. Speaker, members of the NDP are voting no to this motion.

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

(*Division No. 60*)

### YEAS

#### Members

Abbott  
Allison  
Anders  
André  
Bachand  
Bellavance  
Bergeron  
Bigras  
Boire  
Boulianne  
Breitkreuz  
Brunelle

Ablonczy  
Ambrose  
Anderson (Cypress Hills—Grasslands)  
Asselin  
Batters  
Benoit  
Bezan  
Blais  
Bonsant  
Bourgeois  
Brown (Leeds—Grenville)  
Cardin

*Routine Proceedings*

Carrie	Carrier	Catterall	Chamberlain
Casey	Casson	Chan	Christopherson
Chatters	Chong	Coderre	Comartin
Clavet	Cleary	Comuzzi	Cotler
Côté	Crête	Crowder	Cullen (Skeena—Bulkley Valley)
Cummins	Day	Cullen (Etobicoke North)	Cuzner
Demers	Deschamps	D'Amours	Davies
Devolin	Doyle	Desjarlais	DeVillers
Duceppe	Duncan	Dhalla	Dion
Epp	Faille	Dosanjh	Drouin
Finley	Fitzpatrick	Dryden	Easter
Fletcher	Forseth	Efford	Emerson
Gagnon (Québec)	Gagnon (Saint-Maurice—Champlain)	Eyking	Fontana
Gagnon (Jonquière—Alma)	Gallant	Frulla	Fry
Gaudet	Gauthier	Galloway	Godbout
Goldring	Goodyear	Godfrey	Godin
Gouk	Grewal (Newton—North Delta)	Goodale	Graham
Grewal (Fleetwood—Port Kells)	Guay	Guarnieri	Holland
Guergis	Guimond	Hubbard	Ianno
Hanger	Harper	Jennings	Julian
Harris	Harrison	Kadis	Karygiannis
Hearn	Hiebert	Khan	Kilgour
Hill	Hinton	Lapierre (Outremont)	Lastewka
Jaffer	Jean	Layton	LeBlanc
Johnston	Kamp (Pitt Meadows—Maple Ridge—Mission)	Lee	Longfield
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)	MacAulay	Macklin
Komarnicki	Kotto	Malhi	Maloney
Kramp (Prince Edward—Hastings)	Laframboise	Marleau	Martin (Esquimalt—Juan de Fuca)
Lapierre (Lévis—Bellechasse)	Lauzon	Martin (Winnipeg Centre)	Martin (LaSalle—Émard)
Lavallée	Lemay	Martin (Sault Ste. Marie)	Masse
Lessard	Lévesque	Matthews	McCallum
Loubier	Lukiwski	McDonough	McGuinity
Lunn	Lunney	McGuire	McKay (Scarborough—Guildwood)
MacKay (Central Nova)	MacKenzie	McLellan	McTeague
Marceau	Mark	Minna	Mitchell
Ménard (Hochelaga)	Ménard (Marc-Aurèle-Fortin)	Murphy	Myers
Menzies	Merrifield	Neville	O'Brien
Miller	Mills	Owen	Pacetti
Moore (Port Moody—Westwood—Port Coquitlam)	O'Connor	Paradis	Patry
Moore (Fundy Royal)	Oda	Peterson	Pettigrew
Nicholson	Paquette	Phinney	Pickard (Chatham-Kent—Essex)
Obhrai	Perron	Powers	Proulx
Pallister	Plamondon	Ratansi	Redman
Penson	Poirier-Rivard	Regan	Robillard
Picard (Drummond)	Preston	Rodriguez	Rota
Poilievre	Reid	Saada	Savage
Prentice	Richardson	Savoy	Scarpaleggia
Rajotte	Roy	Scott	Sgro
Reynolds	Scheer	Siksay	Silva
Ritz	Schmidt (Kelowna—Lake Country)	Simard (Saint Boniface)	Simms
Sauvageau	Skelton	Smith (Pontiac)	St. Amand
Schellenberger	Solberg	St. Denis	Steckle
Simard (Beauport—Limoilou)	St-Hilaire	Stoffer	Szabo
Smith (Kildonan—St. Paul)	Stronach	Telegdi	Temelkovski
Sorenson	Stinson	Thibault (West Nova)	Tonks
Stinson	Thibault (Rimouski-Neigette—Témiscouata—Les Basques)	Torsney	Ur
Thibault (Rimouski-Neigette—Témiscouata—Les Basques)	Thompson (New Brunswick Southwest)	Valeri	Valley
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)	Volpe	Wappel
Thompson (Wild Rose)	Toews	Wasylycia-Leis	Wilfert
Toews	Tweed	Wrzesnewskyj — 147	
Vellacott	Vincent		
Warawa	Watson		
White	Williams		
Yelich — 149			

**NAYS**

## Members

Adams	Alcock
Anderson (Victoria)	Angus
Augustine	Bagnell
Bains	Bakopanos
Barnes	Bélangier
Bell	Bennett
Bevilacqua	Blaikie
Blondin-Andrew	Boivin
Bonin	Boshcoff
Boudria	Bradshaw
Brisson	Broadbent
Brown (Oakville)	Bulte
Byrne	Cannis
Carr	Carroll

**PAIRED**

## Members

Lalonde Zed — 2

**The Speaker:** I declare the motion carried.

It being 6:38 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

*Private Members' Business***PRIVATE MEMBERS' BUSINESS**

[English]

**EMPLOYMENT INSURANCE ACT**

The House resumed from February 8 consideration of the motion that Bill C-280, an act to amend the Employment Insurance Act (Employment Insurance Account and premium rate setting) and another act in consequence, be read the second time and referred to a committee.

**Mr. Mark Warawa (Langley, CPC):** Mr. Speaker, I am pleased to speak to Bill C-280. The purpose of the bill is to address the EI surplus that has been accumulating over the last six years since the Liberals set aside the rate setting process.

Bill C-280 contains two key elements: first, to establish a separate account to ensure that access to funds raised through premiums do not go to general revenue; and second, to ensure that the government cannot set aside the rate setting process without House approval.

The bill also proposes to increase the size of the Employment Insurance Commission to 17 members from the present 4. The proposal to increase the size of the commission is, I believe, an unreasonable request. It is both unwieldy and costly. I will not be able to support that part of the bill but I would strongly support it if an amendment were made not to increase the size of the commission.

The Conservative Party believes that the government needs to be held accountable for a cumulative balance in the EI insurance account, which continues to grow year after year despite repeated objections from the Auditor General that it violates the Employment Insurance Act.

Through the continued suspension of a fair and transparent rate setting process, the government continues to allow the surplus to accumulate. The Conservative Party believes that this surplus is the property of those who contributed to employment insurance, that being the workers and employers.

The \$46 billion accumulated national surplus from the employment insurance system reflects a deliberate program of overtaxing workers and their employers to divert those moneys to fund other government priorities. This practice is misleading, dishonest and violates the law. It has attracted the criticism of the Auditor General and is an unfair and regressive tax. Yes, it is an actual tax.

Instead of funding government spending increases out of a more progressive income tax, the use of the EI surplus for that purpose takes proportionately more from the working poor and small businesses. As such, it taxes those who can least afford it and shifts the burden from those with the means to do so.

The EI program has a problem and that problem is the fact that it has a \$46 billion surplus.

Another part of the EI program, which is called compassionate care, is another example of sloppy government legislation and mismanagement. The compassionate care program, which was announced two years ago in the budget speech and became effective on January 1, 2004, was established to ensure that dying Canadians could receive compassionate care in the last days of their lives. The unfortunate part of the program is that the sloppy legislation did not

appropriately define who could take care of that dying person. The people who qualify as caregivers are the children and the spouses or the common law spouses. Sisters and brothers do not qualify.

The compassionate care program was funded last year for \$190 million but only \$11 million of that was actually used. A large number of people who applied for compassionate care were denied it.

• (1840)

I have a story involving a constituent named Sue who came to my office and told me her story about applying for compassionate care. Sue, who is 43 years old, was diagnosed with terminal cancer. Sue was taking care of her 73 year old mother. Her sister came down from the Okanagan to take care of Sue. She got released from her employer and went down to Human Resources Canada to apply for compassionate care. However she was told by human resources that although they felt sorry for what was happening to her sister, she did not qualify for compassionate care because a sister was not considered part of the family.

That sounded absurd, so we checked it out. We found out absolutely that human resources does not consider a sister to be part of the family.

I immediately brought this to the attention the Minister of Human Resources and was told that the program was under review. I asked the minister to use discretion and to keep Sue and her sister together. I was informed that there was a category called "other". What is "other"? I found out that the EI program never defined "other". It was announced, as I said, two years ago and started in 2004. One can apply online right now for compassionate care and, sure enough, the word "other" is one of the categories. However if one clicks on the "other" button the application goes through but pretty soon the answer comes back that since there is no definition for "other" the application is denied. It became very frustrating.

I started receiving emails from other Canadians. I received an email from Olga in Ontario. Olga, who had a sister in a similar situation, went out to Richmond, British Columbia to take care of her sister. She also applied for compassionate but was denied because the minister defines a sister as not part of the family under this program.

Olga appealed the decision and went before the Board of Referees, which is the appeal board for the compassionate care under the EI program. The appeal board did the right thing and said that a sister was absolutely a part of the family. It told Olga that she should be able to take care of her sister in her dying days.

However the unimaginable happened. The government appealed the appeal board decision. It is saying that Olga cannot take care of her sister because, why? Because it has a program where it has not defined "other"?

It is wrong, it is confusing and it leaves Canadians who are in the last days of their life not being taken care of. The government is keeping families apart.

*Private Members' Business*

It was very frustrating to find out that \$190 million was budgeted for this program last year and the review process that is going on with this EI compassionate care, and the government is denying families to stay together. Sisters cannot take care of sisters and brothers cannot take care of brothers. Do members know what the government has done? The government has reduced the \$190 million down to \$11 million. This is how it reviews this program. This is how it is dealing with families who are pleading for compassionate care.

We must remember that the EI fund has a \$46 billion surplus and the government is not accountable. It allows \$190 million for a compassionate care EI program and the way it is reviewing this is by saying that instead of the program having \$190 million, it will only be \$11 million this year.

When I asked to be part of that review process I was told that I could not because the minister's staff was dealing with it. I want to be part of that. Canadians need to be part of that.

The solution to this is to keep it simple. People who are dying should be able to decide who takes care of them in the last days of their life. This may be a sister or it may be a mother or father, but I believe people who are dying have the right under the Constitution of Canada and under the Charter of Rights and Freedoms to say who they want taking care of them.

The review we can look at is whether six weeks long enough. The compassionate and easy thing to do, which I believe the minister has the discretion to permit, is to allow the people who are dying to decide who they want taking care of them. Of course the care provider has to qualify for EI benefits, which is reasonable, but not permitting family to take care of family because that has not been defined is beyond comprehension

● (1845)

This program is just another example of a government creating sloppy legislation. It knows the right things to do but it does not carry them out. It is broken promises. It promised to take care of Canadians but it does not follow through. We hear a lot of rhetoric and excuses while Canadians are dying.

I support the accountability that the bill presents.

● (1850)

**Ms. Beth Phinney (Hamilton Mountain, Lib.):** Mr. Speaker, I am pleased to have the opportunity to speak to Bill C-280, which seeks to make changes in Canada's Employment Insurance Act and the Department of Human Resources Development Act.

The bill raises two key issues with respect to our employment insurance system. One is the proposed creation of an independent 17 member tripartite commission that would replace the current 4 member commission. The proposed commission is designed to be at arm's length from the government.

The other change is the treatment of the employment insurance account within the general accounts of the Government of Canada. The bill proposes to keep the account separate and under the control of the new commission.

These are important points. In fact, they are similar to issues that have already been raised by the Standing Committee on Human

Resources and Skills Development which has made its own recommendations on these matters.

The government welcomes and takes seriously the standing committee's unanimous recommendations and is considering them very carefully. We pledge to report back to Parliament within the prescribed 150 days.

It is important to note that the government has already moved to address issues raised in the bill. In December 2004, the Government of Canada decreased EI premium rates for 2005. As a result, employee premiums are now down to \$1.95 per \$100 of earnings and the employer rates are down to \$2.73 per \$100 of insurable earnings.

This latest decrease represents the 11th consecutive reduction in EI premiums since 1993. This means employers and employees will pay some \$10.5 billion less in premiums this year than they would have paid under the 1994 rates and, at the individual level, it means employees who make maximum contributions are paying \$485 less this year in annual premiums than if the 1994 rates were still in place. This is good news.

The government has also committed to put in place a new rate setting mechanism for EI premiums. Our recent federal budget has done exactly that. Following public consultations, the government pledged to develop a new permanent rate setting mechanism based on five key principles: first, premium rates should be set transparently; second, changes should be based on independent expert advice; third, expected revenues from premiums should correspond to expected program costs; fourth, rate setting should mitigate the impact on the business cycle; and fifth, premium rates should be relatively stable over time.

The proposed new rate setting mechanism is built on the experience that has already led to steady reductions in EI premium rates and it takes into account the views of stakeholders and the standing committee of the House of Commons.

Under the proposed new mechanism, the EI chief actuary would estimate the break-even rate for the coming year. He would then provide a report of this calculation to the EI Commission. The commission would then make this report public as soon as possible. Stakeholders would be consulted, after which a rate would be set by the commission for the coming year. Fifteen cents would be the extent to which an employee premium rate could change from year to year. Our goal would be to ensure premium rate stability and limit any negative impact on the business cycle. The last thing we would want is to see a spike in premium rates during an economic downturn.

In addition, the legislation sets out that the rates for 2006-07 will not exceed \$1.95. This is intended to provide additional premium rate stability through the transition to a new rate setting mechanism.

Finally, the Government of Canada would have the authority to override the rates set by the commission, if it were in the public interest to do so, through an order in council.



Let us look now at the proposal in Bill C-280 to separate the employment insurance account from the general accounts of Canada.

●(1855)

In the 1980s the government of the day, a government of a different political stripe than today, acting on the advice of the then auditor general, moved to consolidate the EI account with the government's general account. This was more than a bookkeeping move. It was based on sound public policy principles.

Consolidating the accounts, means the government bears the full responsibility for the obligations of the program.

It is important to remember that some years ago serious concerns were being raised that the old unemployment insurance account was not sustainable because it was operating at deficit. At that time, Canadians were concerned that the program's obligations were greater than its revenues, but were comforted by knowing that the payments were supported by the Government of Canada.

Today the EI account is on a much more sustainable footing and the principle of the government responsibility for paying benefits under the program remains.

Moving the EI account out of the government's general account and to an independent agency requires careful analysis of its effects on the accountability and the government's obligation to pay benefits.

I would also remind the House that from an accounting perspective, today's Auditor General, like her predecessors, also believes the EI account should be consolidated with the government's general account.

In testimony to the public accounts committee on November 2004, for example, the Auditor General said:

—this is the correct method of accounting and it complies with accounting standards for government as promulgated by the Canadian Institute of Chartered Accountants.

She also said:

—I have trouble imagining that the employment insurance program could be excluded from the government's summary financial statements, which include all government activities.

Separating the EI account from the government's overall accounts, as Bill C-280 proposes, may not be consistent with the opinions of the Auditor General.

Finally, there is the issue of structure of the EI commission that Bill C-280 proposes. The bill would replace the current four person commission that administers the EI account by creating a new 17 member commission. I am not sure how the number 17 was arrived at, but I wonder about the implications of this proposal. For example, would a commission more than four times as big cost more than four times as much to operate? If it did, would these funds not be better used to provide benefits to Canadians?

There would also be the issue of achieving consensus on decisions among such a large number of individuals. The current commission is composed of two senior public officials, along with one person representing employers and one representing employees. It is important to note that only one of the two senior public officials

### *Private Members' Business*

gets a vote, which reinforces the parity issue among the three partners. Having a much larger group requires careful examination in terms of cost and effectiveness.

The government is committed to monitoring and assessing the EI program to ensure that it remains responsive to the Canadian people. The Speech from the Throne reiterated this commitment and the February budget as well as the EI program enhancements announced following the budget acted on it.

Clearly, the government has demonstrated its willingness, indeed its desire, to assist workers to adapt to today's labour market, while keeping EI flexible and responsive to the needs of Canadians.

It is for the reasons I have outlined that I am unable to support the legislation changes proposed in Bill C-280.

\* \* \*

### **BUSINESS OF THE HOUSE**

**Mr. Jay Hill (Prince George—Peace River, CPC):** Mr. Speaker, I apologize for interrupting the proceedings. I think if you were to seek it, you would find unanimous consent, following consultations among all the parties, that during tonight's debate on Government Business No. 10, the take note debate on the RCMP, any member who wishes to split his or her time may do so.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

\* \* \*

[*Translation*]

### **EMPLOYMENT INSURANCE ACT**

The House resumed consideration of the motion that Bill C-280, an act to amend the Employment Insurance Act (Employment Insurance Account and premium rate setting) and another Act in consequence, be now read the second time and referred to a committee.

**Mr. Yves Lessard (Chambly—Borduas, BQ):** Mr. Speaker, it is an honour for me to be able to speak on this bill. First, I would like to congratulate and thank my hon. colleague from Manicouagan for introducing this bill and defending it both vigorously and rigorously, as he always does when it comes to standing up for the people of his riding. He does so aptly, as he does here, in the House of Commons.

This bill is necessary under the circumstances. It has every reason to be passed, except with respect to what my colleague opposite just mentioned.

I find rather tragic, however, that anyone would argue today that it is mainly about premiums, when those contributing never asked that the premiums be lowered.

It is not about how much money there is in the fund either, since surpluses have been and continue to be accumulated. My Conservative colleague alluded to that earlier: as of March 31, 2004, there was an accumulated surplus in excess of \$46 billion, which was used for purposes other than what the fund was designed for, namely employment insurance.

*Private Members' Business*

These surpluses were built on the backs of workers who had the misfortune of losing their jobs and for whom this Liberal government has restricted accessibility and eligibility.

Why are things that way? Because the Liberal government can draw as it likes on this fund and do what it wants with it. This fund is administered by a small group chosen by the government, as my colleague opposite pointed out. She was wondering whether having 17 administrators instead of four was not something that could compromise the fund. If I have ever heard anything nonsensical in this House, that is it.

How can one claim that 17 people are going to administer a \$17 billion a year fund and represent some 17 or 18 million working people who contribute to the fund at one time or another and for whom rules must be established to enable them to access employment insurance? It was just claimed today that it is unthinkable to have 17 people administering this fund. Actually, the opposite is true because having four people to administer this fund eliminates a lot of transparency from its administration and excludes the two groups that contribute, namely employers and employees, from its administration. This is nonsense and gives rise to the abuses that we see in other government sectors. We have seen the abuses when there is a lack of transparency. It is the same for the employment insurance fund.

It is entirely appropriate that this fund should be independent again. Does this mean that the government would not have supervisory powers? The Auditor General has told us how this should work: by being accountable, of course, with a government presence in the persons of its deputy ministers and a representative, the chair, appointed by the governor in council. This means that of the 17 people involved in the administration of this fund, there would be seven employee representatives and seven employer representatives. Why this number? A number had to be chosen at a given time in comparison with the administration of a similar fund, to name just one, that of injured workers in Quebec. There is a roughly similar number and the fund is very well managed.

Workers and employers are not irresponsible people but actually take primary responsibility for the money they administer on behalf of the people they represent. Before it is insinuated that such a fund would be better administered by four people appointed by the government, even if employer and employee representatives are present, recent experience shows that this is not the case. It is used for other purposes.

●(1900)

The bill introduced by my colleague from Manicouagan remedies that situation so that the rate set for contributions will be determined yearly in keeping with a recommendation by the commission itself and with a view to improving or maintaining the program depending on the needs of contributors. The EI account would also be established on the basis of each year's requirements. It would be part of the funds on Canada's books, but would not be part of the Consolidated Revenue Fund, so that it could not be used for other purposes. One thing is totally unacceptable: the money being treated as a supplementary tax on workers and employers and used for other purposes.

The commission would be administered as I have already said, that is, by a majority representing employers and employees, who would report to Parliament. As is the case everywhere else, there would be arbitration if there were any problem in deciding what level the fund should be kept at. Representatives selected by both groups concerned and appointed by the governor in council would be capable of administering the fund because they would be chosen in keeping with the criteria of each group.

The Bloc Québécois has always disagreed with the way the government has handled the EI fund. I will remind you that during the 36th Parliament in 1999, seven of the 137 bills tabled in the House were introduced by the Bloc and concerned employment insurance.

The EI situation leads us to reflect on the duties of government. A government's first duty is to respect the laws it has itself enacted. The second is not to appropriate things that do not belong to it. In the matter of concern here, the government of the current Prime Minister has violated those two fundamental rules by helping itself to the surplus in the EI fund.

This program was designed as a type of insurance. When people need to make use of that insurance, after paying into it all their working lives, they find that their contributions have been used for something else. Two things would happen to any insurance company in a situation like this. First, it would be seen as crooked, and second, of course, it would soon be out of business.

This is what we should be considering and what we must decide as a group, with respect to the bill we have before us.

Earlier, my colleague opposite also cited the report of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities. On December 13, 2004, this committee prepared a unanimous report recommending precisely what we are putting on the table, that is, an independent fund administered by a majority of people who contribute to it—equal representation of employers and employees—with its own management.

The time has come for the government to implement this recommendation. I am pleased to see that our Conservative colleagues agree that the situation needs to be remedied.

●(1905)

Unfortunately, the examples they are giving are not suitable in this case. The bill addressed the issue of compassionate leave, and the Conservatives voted against it. In this case, I invite them, and all my other colleagues in this House, to vote in favour of Bill C-280, in order finally to correct this injustice toward workers, so that they can administer their own fund in their best interest.

●(1910)

[English]

**Mr. David Christopherson (Hamilton Centre, NDP):** Mr. Speaker, I appreciate the opportunity to join in the debate. Let me also congratulate my Bloc colleague, the member for Manicouagan, who sponsored Bill C-280.

What we are dealing with in terms of what the government has done is one of the most disgraceful acts of abuse of power that one could imagine. Let us understand the scenario.

The government, by virtue of changing the regulations and the qualifying factors for EI, has pushed virtually every worker out of the lineup for EI, whether the worker is deserving or not, because he or she no longer technically qualifies. Roughly one in four workers will qualify for EI.

At the same time, the government has taken all this extra money it has now acquired because it is not paying it out to as many workers because it has denied them access, and has used it to build up a surplus. That is a complete abuse of the consolidated revenue fund, the general accounts of the Government of Canada.

Personally I am not opposed to the notion of a consolidated revenue fund for the simple reason that government needs an opportunity to put money where it is needed. I suspect a lot of my NDP colleagues feel the same way. Crises do come up and priorities change. There are a whole host of reasons that a government would need to move money from a fund with a little extra to an area that needs help. SARS comes to mind. Money has to be found from somewhere, so it is moved around. I have no problem with that.

I give the government its due, although it breaks my heart to do it. The Conservatives in this country, regardless of whether they go by P.C. or Conservative, or in the case of British Columbia they are all wrapped up in Liberals and it is the same in Quebec, the fact of the matter is that the right-wing Tories think that tax cuts are the answer to everything. They think that cutting taxes is the answer and eventually we will not need to worry about things like the EI fund because lo and behold all these magical jobs will be created by virtue of corporate tax cuts.

We know from Ontario's experience that works great as long as the overall North American economy is booming, but as soon as it cuts back, what did the Ernie Eaves government do? It put its corporate tax cuts on hold for a year because it could not afford them. If the argument that cutting taxes generates jobs and that in turn generates new tax revenue is true and therefore they pay for themselves, then it seems to me that the worse off the economy is and the less money there is, the more we should be advocating for tax cuts because they will turn things around.

That is not the case. As soon as the North American economy went in the ditch, Ontario followed right behind. The Conservatives in Ontario were forced to put their tax cuts on hold thereby, in my opinion, putting the lie to their whole theory.

As I said, I do not have a problem with the notion of a consolidated revenue fund. However, because this tax cut mantra has reached fever proportions, at least until recently it was difficult for anyone to argue for any kind of increase in revenue to the Government of Ontario because it was a politically impossible thing to do on the doorstep.

The government and other right-wing governments across Canada have made it virtually politically impossible to run on a platform of new revenues. We need to find a way where the public will appreciate the transparency and see where the money is going. Dedicated taxes, I have already explained why I have a problem with

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that, but in this context it seems to be the only way that one can make a case.

• (1915)

The Liberals in Canada have so badly mismanaged and tainted the whole fund that it is necessary now to provide almost an artificial transparency for the public as it relates to this. Who can blame them? A surplus of \$46 billion is not a bit of an overrun. Who is not in favour of running surpluses? It provides the means to reinvest the money in places in Canada that will do us the most good going into the future and will help the most people. That is no problem, but be up front about it.

What is obscene about this is that it is all being put forward as some kind of magical economic elixir that the Liberals have managed to do and that is how this happened. That is hogwash.

By the way, it bugs me that it is called the employment insurance fund. I have never understood why it is not called the unemployment insurance fund. One does not have insurance for a job; one has insurance for when one does not have a job, but that is just a personal thing.

The Liberals allow the money in the fund to accumulate, the same money over the years, but they start cutting back on who gets the benefits. They know there is going to be a huge surplus. They apply that to everything else they are doing and say, "Are we not wonderful?" No, they are not.

In the first place, the most obscene thing is that all the workers who have lost their jobs then find out the government is not even going to be there to help them out with a fund that the workers paid for. That is the maddening thing. All the workers have to pay into the fund and a quarter of them get to benefit. It was not that way when the Liberals took power. Here we are with a \$46 billion accumulated surplus that the government wants to write off as being due to the Liberals being wonderful economic managers.

The only argument I have heard that to me has any substance at all is the issue of going from a four member commission to a 17 member commission. Let us understand that the commission is made up of a chair who is appointed by the House, two vice-chairs who could be the deputy ministers of two departments involved in managing the fund, and seven representatives on the employer and employee side. Why so many? The argument from my colleague who is sponsoring this bill is that one wants to ensure there is as much neutrality, impartiality and independence as possible and making sure there are appointees from outside government bureaucracy is a good way to do it.

I have heard some Conservatives mention it, but the Liberals—and I looked at the parliamentary secretary's remarks before I stood up—went on at great length to talk about how this is an abusive waste. I do not know whether it should be 14 members or 10 members, but I certainly do not think that quibbling over that number is important enough not to support the bill. It is such a small amount of money relative to the \$46 billion that we are talking about that to me it is a red herring. The Liberals are looking for reasons to justify why they are opposed when in reality they just do not want their special little piggy bank to be taken away from them.

*Private Members' Business*

I thought my colleague, the NDP critic for EI, the member for Acadie—Bathurst, said it well the other night when he made his remarks. This is his opening comment straight from *Hansard*:

Mr. Speaker, I can assure you that I will not be saying this evening that the government has stolen the workers' money. It has only taken it without asking.

That is the essence of this.

At the end of the day, the details over how big the commission should be is not enough, in my opinion, to stop anybody from supporting this bill. It is obscene that there are so few workers covered by the fund. It is obscene that the government continues to accumulate massive surpluses. It is obscene that the government says there is an overall government surplus because of good fiscal management when in reality it is because it shafted the unemployed workers of this country. This bill attempts to correct that. That is why I and my colleagues in the NDP caucus will be supporting this bill, because it helps unemployed workers, as opposed to the Liberals who have been hurting them.

• (1920)

[Translation]

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, I am delighted to speak to Bill C-280 introduced by my colleague from Manicouagan, especially since he is from the riding next to mine and once represented part of the riding that I currently have the honour of representing. I am talking about the great traditional region of Charlevoix and the Haute-Côte-Nord regional municipality.

Introducing this bill to create an independent employment insurance fund makes sense considering the work the Bloc Québécois has been doing since 1993. Some work was even done between 1990 and 1993, before we formed the official opposition. Nonetheless, it must be acknowledged that the Bloc Québécois has defended the interests of Quebeckers and also the interests of the regions in Quebec, which, like my region, are greatly affected by the problem of seasonal employment and work involving various interruptions.

What do we mean when we talk about seasonal employment? Among other things, we mean the entire fishing industry. Even if they wanted to take their boats out in mid-January, when the ice is four feet thick, workers could not work in those conditions.

Tourism is another seasonal industry. I must say that the people in the regions are doing an amazing job at trying to develop the concept of year-round tourism.

We could also talk about work in forestry. To meet the needs of our sawmills and pulp mills, small black or grey spruce that help regenerate the forest need to be planted and planted again. However, they cannot be planted when the snow is four feet deep.

When I went to the opening of a new peat bog in Sainte-Thérèse-de-Colombier, I had the opportunity to visit many others. I am sorry, but you cannot harvest peat when the snow is four feet deep.

The job market in these regions consists in large part of seasonal work and that is the reality. Through the years the EI system has generated surpluses estimated by the Auditor General at \$46.8 billion in 2003. This Liberal government, by the way, no

longer deserves our confidence to govern. That is why a number of our fellow citizens are asking us to get rid of this government. It is not only corrupt, but also insensitive to the needs of the unemployed.

Representatives of this government have come to meet the residents of the North Shore and Charlevoix only just before an election. They propose transitional measures and geographic programs that fail to consider the reality of unemployment in these regions. And so, they came to see us in 1997, again in 2000, yet again in June 2004, during the election campaigns to tell us that the government was going to address the issue of seasonal workers and have faith. However, once elected, the Liberals remain indifferent to the issue and absolutely refuse to address it.

I want to take this opportunity to mention the efforts of the Mouvement Action-Chômage, which started in Charlevoix. I salute this initiative created by a slip of a woman, named Dany Harvey, who is the movement's coordinator, along with other people who contribute enormously to it. This movement in Charlevoix has led to more; there are now 14 such movements throughout Quebec.

The North Shore has a group, too, whose president, Lyne Sirois of Portneuf-sur-Mer, is doing a fantastic job. These people are making do with limited means.

Even the Sans-Chemise movement in Abitibi was visited by Canada Revenue Agency inspectors, who said it was not complying with its mission regarding charitable receipts. They threatened to pull the organization's subsidies and benefits in this regard.

• (1925)

It is indecent. This government is insensitive. Unfortunately, this is the reason workers become exasperated, take to the streets, and even block the main roads. No one condones that, but exasperation and disgust sometimes make us realize that something just has to be done.

Last April, a year ago, we went to Forestville. It was literally shut down by the community, not only by the workers. Elected officials from all levels were present. Retailers closed up shop. A huge meeting was held at the Forestville church. The people marched, and their solidarity was apparent as they called on the government to wake up and do something because things could not stay the way they were.

This is why the bill must be passed. I challenge the Liberal members from Quebec and the Minister of Human Resources and Skills Development, who keeps saying she is aware of the situation of seasonal workers and the unemployed. Let her prove it, and let the Liberals vote with us.

I put the challenge as well to Conservative members, who would not stop saying during the debates in the latest election that we did not have a monopoly on defending the unemployed, that they too were concerned. We will see what the Conservative members do. I hope there will not be a repeat of what happened to the motion of my colleague from Trois-Rivières last week, which was defeated with the support of the Liberals and the Conservatives.

*Private Members' Business*

The Liberals and the Conservatives are two sides of the same coin. They make fine promises during the election campaign, but only the Bloc Québécois can defend the interests of Quebecers. We have proven it.

The aim of this bill is to keep the government from dipping into the employment insurance fund surplus, because that is theft. The surpluses do not belong to it. The Prime Minister, when he was Minister of Finance, was a champion at dipping into the EI fund. He bragged about his government's eliminating the deficit, which had been \$42 billion under the Conservatives. He has the gall to brag about the \$12 billion surpluses annually. It is indecent.

He has robbed the provinces with the fiscal imbalance and dipped into the EI fund to finance his deficit. This means that the unemployed should be the ones boasting about reducing Canada's deficit.

This bill is designed to prevent the government from dipping into the surpluses. After all, this money does not belong to the government; it belongs to the workers as well as the employers and the entrepreneurs who pay premiums.

When we visit an industrial park, people there tell us they hope we are going to resolve the unemployment situation. We also tell business people that they too are being robbed, because part of what is in the EI fund came from them.

If the fund were managed by an independent committee and the surpluses remained in the fund, by the end of any given fiscal year, we could say that, next year, we are going to pull up our socks and take a serious look at the situation of seasonal workers. Another year, or later that year, we could look into the situation of young people, women and older workers. These are all groups which are penalized under the current employment insurance plan.

The fact of the matter is that this is not an employment insurance plan, but an unemployment insurance plan. Those who are covered by this plan are not sure of getting a job, but one thing is certain: they are unemployed. To add insult to injury, only 40% of those who contribute qualify for benefits.

● (1930)

So, on top of being robbed because of the system, when the time comes to claim benefits, we are told that the system will not pay.

What would we call an insurance company that refuses to pay after you lost all your belongings in a fire, saying it will only pay after a second fire? We would call it a blasted thief. That is how the government is behaving.

Let us pass this bill, pull up our socks and look into the situation of seasonal workers, young people, women and older workers. That is what we are calling for, and I challenge the two other parties to vote for this bill.

**Mr. Gérard Asselin (Manicouagan, BQ):** Mr. Speaker, as the member for Manicouagan, it was a pleasure for me to be able to defend the interests of the unemployed by introducing Bill C-280. During the election campaign, the Bloc Québécois made a commitment to defend the interests of Quebec. To do that, however, one must first focus on defending the interests of the regions, the seasonal workers, the casual workers and those who work on call.

The Bloc Québécois made that commitment during its campaign, which was specifically that its members, once elected to the House of Commons, would introduce a bill on an independent EI fund. They also promised to speak on behalf of the workers.

This is diametrically opposite to the objective of the Liberal Party, which is to get \$6 billion yearly out of the employment insurance fund in order to reduce its deficit. This has been the situation since 1993, first with Jean Chrétien and now with the former Minister of Finance, as well as at the time of the Axworthy reform in 1994.

As my colleague for Montmorency—Charlevoix—Haute-Côte-Nord pointed out, four people in ten who pay premiums think they are insured against the loss or termination of work, but they are not. New arrivals on the labour market are told they need 910 hours to qualify for EI. In the Bloc, we know that, with \$4.8 billion annually and an accumulated surplus of \$46.8 billion, the EI fund can be improved.

The Bloc Québécois proposes eliminating the two week waiting period, lowering the eligibility requirement to 360 hours for all contributors, and abolishing the gap, in other words, increasing the number of insurable weeks. The government has the money it needs to do so.

At this time of year, when people do their tax returns, seasonal workers on the north shore, in Charlevoix and throughout Quebec have to return money to the federal Liberal government coffers, even if they work only five or six months a year.

With the sponsorship scandal and the waste of public money, it is shameful to think that the Liberals will find a candidate in the next election campaign to defend the Liberal government's positions on the management of public funds and the EI fund.

Mr. Speaker, I cannot believe that a person from that party would dare run in your riding or mine. It is a corrupt party without soul or conscience, capable of appropriating money from seasonal and casual and those who work on call to manage what I call a disguised tax.

As I was saying, four in ten who contribute to employment insurance benefit from it. That is 40%. All of them contribute, and only four people draw benefits. According to the statistics, the six who do not qualify for benefits are primarily young people and women. It is a disguised tax. Workers pay for insurance in the event of a loss or termination of employment.

A unanimous report by a House committee, composed of Liberal, Conservative, NDP and Bloc Québécois members, proposes eight recommendations with regard to the creation of an independent fund.

We shall see their true nature during the vote. We really hope that the Liberal members, if they do not intend to continue to "govern" using the contributions of seasonal workers and at the expense of the Sans-Chemise and unemployment action committees, will be able to support this bill. If so, they will be saying that is ridiculous to continue appropriating such funds and that the money should, in fact, be placed in an independent fund.

*Private Members' Business*

We want the support of Conservative Party members too, who seem to agree in principle with the creation of an independent fund and perhaps on the number of commissioners.

• (1935)

I have a question for the Conservatives. Has anyone calculated how many thousands of people across Canada are currently administering the employment insurance program in the public service?

I will conclude here, and I hope that, when it comes time to vote, the members will support the seasonal workers and the unemployed.

**The Deputy Speaker:** Is the House ready for the question?

**Some hon. members:** Question.

**The Deputy Speaker:** The question is on the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Deputy Speaker:** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Deputy Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Deputy Speaker:** In my opinion, the nays have it.

*And more than five members having risen:*

**The Deputy Speaker:** Pursuant to Standing Order 93, the division stands deferred until Wednesday, April 13, 2005, immediately before the time provided for private members' business.

[English]

**Hon. Peter Adams:** Mr. Speaker, I rise on a point of order. I think if you were to seek it you would find unanimous consent to change your last order so that the vote would be held at 3 o'clock tomorrow, Wednesday, following question period.

**The Deputy Speaker:** Is that agreed?

**Some hon. members:** Agreed.

**The Deputy Speaker:** Pursuant to order made Thursday, April 7, the House shall now resolve itself into committee of the whole to consider Government Business No. 10. I do now leave the Chair for the House to go into committee of the whole.

[For continuation of proceedings see Part B]







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CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, April 12, 2005**  
**Part B**

—

**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Tuesday, April 12, 2005

[Continuation of proceedings from Part A]

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## GOVERNMENT ORDERS

[English]

### RCMP AND LAW ENFORCEMENT IN CANADA

(House in committee of the whole on Government Business No. 10, 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 the RCMP and law enforcement in Canada.

• (1935)

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Chair, it is my pleasure to open the debate this evening on the subject of the Royal Canadian Mounted Police and, more generally, law enforcement in Canada. The debate is an important opportunity for members of the House to recognize and reflect on the role of this vibrant and vital Canadian institution.

As we all know, in recent weeks the members of this proud organization have also been in our hearts. This is because the deaths of four young officers, Constable Anthony Gordon, Constable Lionide Johnston, Constable Brock Myrol and Constable Peter Schiemann, barely one month ago, were a terrible loss. We continue to remember their families as they deal with their grief and try to begin life anew without their sons, brothers and husbands.

[Translation]

The events that took place in Mayerthorpe are a cruel reminder of how much courage and sacrifice is required of the men and women in our national police force. RCMP officers are hard at work every day, often under dangerous circumstances, to ensure that our communities are safer places to live and work.

• (1940)

[English]

If we know peace, order and good government in this country, it is thanks to the men and women of our national police service who step forward to defend it. They preserve our civil society, our rights and, as their motto says, they “Maintiens le Droit”.

It is therefore telling, and not surprising, that Canadians mourned with the families of the four dead officers. An entire nation was affected as if we had lost members of our own family. When such losses take place, it is natural to recall the kindnesses, achievements

and personalities of those people we have lost. It is worth asking how it is that the loss of these four young men, strangers to all but a handful of Canadians, provoked these same feelings in so many of us from coast to coast to coast.

The answer is quite simple. They were Mounties, members of the force. Mounties who gave their lives in the service of Canada and Canadians.

It takes more than a recognizable uniform to earn and keep the trust and respect that has endured for more than a century in relation to the force. This is why this evening I expect that my colleagues will highlight different elements of our national police service.

The proud beginnings of this institution begin with the Northwest Mounted Police and the part it played in the opening up of the west.

Today, the RCMP has earned an international reputation as one of the finest police services in the world. The RCMP has not simply evolved. It has become a model of what a national police service can and should be in the 21st century.

To pursue its public safety and security strategy, the government has increased total budget appropriations to the RCMP from \$1.8 billion in 1998-99 to approximately \$2.9 billion in the most recent budget.

As I expect my colleagues this evening will say, on our side of the House, we have today a national police organization whose strong strategic focus allows its members to meet the numerous demands we place upon them, demands which range from providing police services to hundreds of communities across Canada to their vital contribution to the fight against international terrorism.

We also want to take note of how the RCMP is addressing these strategic priorities. For example, its success in forging new enforcement partnerships and networks to combat organized crime and reduce the threat of groups adversely affecting our society and economy; the service's innovative approach to meeting the threat of terrorism, supporting an integrated, multi-partner response and a commitment to border integrity and continental security; the force's commitment to international peacekeeping, enhancing global security by sharing intelligence and cooperating with organizations to fight crime whenever and wherever it appears; its work with community partners across Canada to build a relationship with Canada's youth and its efforts to prevent their involvement in crime as victims or perpetrators; and, finally, the important contribution the RCMP makes to policing in first nations, Metis and Inuit communities across Canada.

*Government Orders*

We have invested in these strategic areas to help the force meet public safety objectives. In the recent budget, we invested another \$222 million in marine security which will in part support RCMP operations on the Great Lakes and the St. Lawrence Seaway.

Budget 2000 announced \$584 million over three years to the force to strengthen its capacity to address threats to public safety.

Budget 2001 announced \$1.6 billion for national security efforts, a significant portion of which has gone to the RCMP for, among other things, expansion of integrated border enforcement teams from 5 to 15 regions; 23 teams in 15 regions across the country.

• (1945)

We have created integrated national security enforcement teams, INSET, in major Canadian cities. Funding has been directed to technology improvements, such as enhancing information systems, real time identifiers, improvements to forensic laboratory services, and counterfeit examination for travel documents.

Finally, we have provided an additional \$34 million to expand the RCMP's National Child Exploitation Coordination Centre which play such an important role in the national fight against those who would harm the most vulnerable in our society.

[*Translation*]

As parliamentarians and Canadians, we are indebted to these four young men who lost their lives serving their country in Mayerthorpe.

[*English*]

Indeed, we owe a debt to all, especially those four young men who lost their lives, but we owe a debt to all who have devoted themselves to the service of Canada as members of the Royal Canadian Mounted Police, and to the more than 23,000 members of the force who serve Canada and Canadians today.

We cannot begin to pay that debt in the short time that we have allotted to debate this evening, but I believe we would do well to remind ourselves of the service provided by our national police force. It is our duty to recognize the valued role that men and women of the RCMP play in law enforcement in Canada and around the world.

**Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC):** Mr. Chair, we all agree that we owe a great debt to the RCMP who lost their lives. We also owe a great to the RCMP officers who still serve and we have an obligation to them to give them the tools and resources to work.

My riding is served by the Northeast Nova drug section. My riding is also a rural area, something like Mayerthorpe. It experiences the same risks and challenges. Recently, there were rumours that the Northeast Nova drug section was going to be disbanded. The community came together and fought against that, and at least the decision has been delayed. I would hope that the minister tonight would confirm that this decision will be reversed.

In the exploration to find out what the problem was, we discovered that the RCMP in Nova Scotia has a shortage of officers. The problem is budget; it does not have the budget. It does not have enough money to hire enough RCMP officers to do the minimum level of law enforcement in Nova Scotia.

The minister will know this because I have brought this to her attention several times. She has acknowledged that, but we need a commitment from the minister, both on the Northeast Nova drug section and also for the whole province of Nova Scotia. The RCMP must be given the absolute minimum level of RCMP officers to provide at least the minimum level of law enforcement.

Again, we owe a debt not only to those fallen officers, but we owe a debt to the RCMP officers who are there now. We must provide them with the tools, the resources, and the people to work with. If the minister could provide that assurance to Nova Scotia, we would be very grateful.

**Hon. Anne McLellan:** Mr. Chair, indeed, the hon. member has raised this matter with me. I have asked both my department and officers of the force to follow up with him directly in relation to a specific situation.

There is absolutely no question that, especially in this modern world of high tech policing, resources are absolutely key for the force to do what it needs to do to protect Canadians here and protect people globally, to do our share around the world, be it the fight against international crime or international terrorism.

We have seen over the past five years a remarkable increase in the budget of the force from some \$1.8 billion in 1998-99 to now some \$2.9 billion, over a billion dollar increase in the past five years. I believe that we have acknowledged the new demands on the force and the complexities of modern policing.

Having said that, I have asked that the force follow up directly with the hon. member. Clearly, he and I have talked about this. Obviously, the drug lab situation is, as he explains it, a matter of federal policing. The RCMP polices in 8 out of 10 provinces under contract and to increase resources as it relates to contract policing requires a request from the provincial solicitor general or attorney general, whoever may be responsible for the force in a given province.

We have seen recently in Alberta the solicitor general indicating that he would like to see an increase in the force of 123 members. That request comes from the province and then we work on that request together.

• (1950)

[*Translation*]

**Mr. Robert Vincent (Shefford, BQ):** Mr. Chair, the minister tells us that, with the RCMP, we can count on a safer working environment. She speaks of priority and strategy, threats from other countries and from terrorism, and what the RCMP officers do in the community.

All of these things sound good in the House, but we must not lose sight of the fact that the minister has closed nine RCMP detachments in Quebec. That is important because these nine are close to the border, and as a result the border is no longer secure. We have evidence to prove that. Three committees of the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness have addressed the question of whether these detachments ought really to be closed or whether they should be kept open. The committee's response was as follows:



*Government Orders*

That the Committee recommend to the government that the RCMP immediately stop reassigning personnel in Quebec in order to keep the nine detachments in Quebec open, and that it maintain a critical mass of eight officers per detachment.

That seems clear to me. Why does the minister not recognize this? She ought to acknowledge that the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness has made some unanimous recommendations. The minister feels that the RCMP commissioner is right and that the detachments should be closed. In three weeks, 17 vehicles sailed through the Lacolle border post, one of them a bus. The Lacolle detachment is, moreover, the one with the most officers on duty. There are 50 officers on rotation in the Lacolle area.

Why are these small detachments being closed. Why are there not more staff? Why is there no longer anyone to protect the elderly and everyone in each riding where detachments have been closed down?

[*English*]

**Hon. Anne McLellan:** Mr. Chair, as I have said many times in this House before, I do not involve myself with the operational details of the force. In fact, I would hope that nobody in this House would suggest that any government, of whatever stripe, should involve itself in the operational details of the national police force. There are too many shocking examples of other countries around the world where police forces end up being directed by governments or political parties, and it is not a democracy.

As far as I am concerned, the RCMP Act is clear. The administration and day to day operations of the force are left up to the commissioner and his officers, his assistant commissioners and others across the country.

The redeployment took place after a careful consideration of the strategic needs of the RCMP and the province of Quebec as a national police force. The Sûreté du Québec does local policing in the province of Quebec as does the Ontario Provincial Police in Ontario. The presence of the RCMP in Quebec is only as it relates to national policing activities. Those, for example, include the fight against organized crime and issues around the border.

In fact, there are no fewer RCMP officers today in the province of Quebec. There are exactly the same number, but they have been redeployed, after discussions with the Sûreté du Québec and others, to ensure that the force is deploying those officers in a way that makes strategic sense.

We live in a world now where modern policing requires the strategic deployment of officers. It is not always having an officer in a car to do effective policing, especially if it is the only national police force in a province, not the local police force.

• (1955)

**Mr. Joe Comartin (Windsor—Tecumseh, NDP):** Mr. Chair, as I am sure the minister and all of us can appreciate, the country was truly shocked by the murders in Mayerthorpe. I recall the discussion quite frankly that we had at the justice committee shortly after the incident. Not wanting to be seen as interfering in any way with the internal investigation that would go on in those circumstances, and I think our committee probably still feels that way, I would like to ask the minister a question.

I believe the country wants to have some understanding of how something like this could happen. We have not had that many RCMP officers killed at one time for over 100 years, arguably never, because any other time where there were multiple deaths of RCMP officers, it was more in a military action than in a police action.

Is there, in some fashion, going to be disclosure to the general Canadian community as to how the investigation has gone, an explanation as to how something like this could happen, and I suppose recommendations or a policy put in place to ensure that it never happens again?

**Hon. Anne McLellan:** Mr. Chair, the hon. member raises a very important point. Indeed, the communities, the families, the friends, the entire country want to know what happened that day at that farm.

There is an RCMP investigation. Again, that investigation is undertaken by the force. The details as they become available are being released to the public. I have no doubt that when the investigation is concluded, it absolutely will be made public. Right now we are getting pieces of it as the RCMP learns more, but that will all I am sure be put together in a comprehensive way to provide Canadians with as much information and insight as possible as to what happened that day.

The province of Alberta is conducting a fatalities inquiry. That too will be made public.

In every one of these situations there is an internal investigation where the force looks within itself to determine what happened, why it happened and whether there are recommendations that can be made in relation to the operation of the force, deployment of officers, equipment issues, things like that, which could improve the overall safety of the officers. All of this will be made public as the various investigations, fatality inquiry and other things are completed.

It is fair to say at this point that the investigation itself has not produced a complete factual record and the RCMP have identified pretty clearly some of the key questions to which it is still looking for answers.

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, it is a pleasure for me to stand and lend my voice to the debate this evening. I thank the party House leaders for granting my request for this debate. It is very important that we discuss and take note of this specific incident with regard RCMP and law enforcement in the country. It is critical. This is the worst incident we have seen of RCMP members losing their lives, or members of associate forces, since 1885.

We pause and need to take note of what we do this evening within these walls with regard to the four slain officers in Mayerthorpe in my riding and very near my residence, Anthony Gordon, Leo Johnston, Brock Myrol and Peter Schiemann. I want to thank Canadians for the outpouring of support for the families, friends, colleagues and the four young men.

This is a very dangerous business. These men knew it and accepted it. Thousands of men and women across the country put their lives on the line each day. We need to remember that. They do it by dedicating themselves to the service of the country. There has been a change.

*Government Orders*

I will be splitting my time, Mr. Speaker, with the member for Central Nova, as was requested earlier.

I want to talk about the change that we have seen in law enforcement and what police officers are faced with on the streets. When I attended many of the memorial services for these young fallen officers, I spoke to police forces. They told me that not only were they walking into dangerous incidents, they were becoming targets of criminals. When criminals lose respect for law enforcers and lose the fear of the criminal justice system, then we are in a very dangerous situation.

We have an opportunity tonight to come into the House as legislators and make laws for the country. We can take an incident like this and say that it was one crazy individual committing an unbelievably heinous crime or we can pause and ask ourselves what have we learned and what should we change so this will not repeat itself time and time again. That is what is challenging every man and woman in the House and that is what we should be taking note of today. Not only should we be taking note of it federally, but also provincially. We have responsibilities in both jurisdictions.

I would like to talk about this killer for a minute. This individual had 30 criminal charges over three decades and 8 convictions. Some of them involved firearms, break and entry, lawful confinement, death threats, possession of stolen property and assault. The individual should not have been on the streets. It is one of the most horrendous stories one will hear when talking to residents of the Mayerthorpe area. They will say how this man intimidated a community, police officers and families. He had no business being out of the court system.

The courts failed not only these officers and the community but the country, and we have to do something about it. This incident draws attention to not only the lax court system but also the lax way that we deal with drugs. It draws attention to a gun registry that absolutely does not work, never will work and did not protect the community in this case. It never would even if we could comply with it. It is a waste of \$2 billion up to this point.

This case talks about sex abuse crimes. We have a situation where Carla Homolka, one of the worst we have seen, is about to be released into our community. We have a sex offenders list and she will not be on it. We have to understand what is going on in our weak court system.

I have laid out the issues, but before my time expires, I want to talk specifically about some of the things about which one family talked. The family's words are much more powerful than a politician's. Brock Myrol's mother said:

It is time that our government take a stand on evil...

It is time to take our liberal-minded attitude to task.

Prime Minister, we depend on you and expect you to change the laws and give the courts real power. Give the police real power. Take the power away from the Supreme Court and give it back to the House of Commons.

Our country is hurting. We lost four dedicated citizens who were willing to do something about it.

● (2000)

I have another letter that was written by a family member yesterday. She said:

It is not acceptable that it has taken a tragedy of such immense proportion... to hopefully have drawn the public's attention to the value of, and the dangers faced by, law enforcement/and peace officers daily...due to shortages of members and resources.

But mostly because of the failure and inadequacies of the justice system in not implementing the laws we already have.

We have an opportunity this evening to do something. We can either walk away from this incident or do something about it. I implore the House to take note of the incident and do something about it.

● (2005)

**Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC):** Mr. Chair, I want to thank the member for creating the opportunity for us to talk about this issue because it affects all of us in Canada.

The risks and dangers that RCMP officers face were brought to my attention about eight weeks ago when a man came into my office in Truro, Nova Scotia extremely irate. He was specifically mad at the RCMP. He became more angry during our discussions, and at one point he said, "Don't worry about the RCMP Mr. Government Man because I'm going to shoot them". He was not being sarcastic nor was he being funny. He is a dangerous man. He sounded similar to the man who did the awful atrocities at Mayerthorpe.

Could the member give us some ideas about what we could do as legislators to give RCMP officers the protection they need from people like this? What could the RCMP do? How can we work with the RCMP to help it in its dangerous job?

**Mr. Rob Merrifield:** Mr. Chair, I was talking to the mother of one of the fallen officers just two days ago. She explained to me that her son was not supposed to be on duty at the time of this killing, but was called in because of the lack of RCMP officers in the Mayerthorpe detachment.

That is not new to rural Alberta. That is not new to rural areas right across the country from coast to coast. That is exactly what is happening. Not only do we not have enough RCMP officers, but they do not have enough of the resources they need to do their job. That absolutely has to change.

It is frustrating to see individuals attacking front line RCMP officers. The Mayerthorpe detachment has a list of individuals who are considered dangerous. In fact, every police force across Canada has a list of known criminals. The incident that happened in Mayerthorpe could happen in every one of our 308 ridings.

If this is not something of which the House of Commons and in fact the whole of Canada needs to take note, then we are asking to have this incident repeated again. We dare not let that happen or these officers will have died in vain.

**Mr. Peter MacKay (Central Nova, CPC):** Mr. Chair, I as well would like to commend my colleague from Yellowhead for the incredible work that he has done not only in initiating this debate, but also in supporting the RCMP officers, their families and bringing this issue to the forefront as a priority for all Canadians.

*Government Orders*

In his remarks, the member touched on the resource issue, as did my colleague from Nova Scotia. There is a need to ensure that there are proper resources, that there is the necessary legislative support, that there are sufficient officers, sufficient support staff, sufficient technological resources. There is an increasing complexity in the job of an RCMP officer, of any peace officer in this day and age, in the time and effort it takes to draft warrants, to produce evidence, to go to court and prepare witnesses. It is a very taxing and extremely complex occupation.

As was highlighted by my colleague, this is not to mention the implicit danger every day when an officer, a man or a woman, gets up, puts on the uniform and walks out the door and responds to calls. More than anything else it is the responsibility of the government to ensure that the necessary resources are there to ensure that there are sufficient officers on the front lines.

We have seen the withdrawal of the RCMP from rural Canada. In particular, in parts of my province and parts of my colleague's province of Alberta, the outer areas of Canada, detachments have closed. As was referred to by my colleague from Quebec, there has been a withdrawal of access to these officers from the communities that need their protection.

Does my colleague have any thoughts on this issue? Rural Canada in particular seems to be the recipient of the cuts. The minister who was here momentarily referenced the forensic laboratory in Edmonton. The closure of the forensic laboratory slows down the process. In some cases it jeopardizes the evidence that has to be produced in court to secure convictions.

Ensuring that convictions, ensuring that individuals who are labelled as dangerous, those who have been sentenced and placed on probation, ensuring that all those conditions are enforced comes down to person power. The RCMP, our police first and foremost, are those first responders. Those individuals put themselves in harm's way holding people accountable, enforcing the law.

I suggest that there is no greater task and responsibility of the government than to ensure that those men and women are in place and are properly resourced.

● (2010)

**Mr. Rob Merrifield:** Mr. Chair, the member is absolutely right that the RCMP officers are not resourced properly. Why is that? We have a government that has neglected our criminal justice system and law enforcement in this country for a decade or more.

I will mention that the one group of individuals that the weak law enforcement in rural areas and particularly in my riding is not lost on is the criminals. We are seeing many grow ops and a massive drug problem with marijuana. We are seeing a tremendous problem with methamphetamine.

If members do not think that this country had better take note of what is actually happening with crystal methamphetamine, then they do not understand exactly what is happening, particularly in the rural areas. Out of sight, out of mind is the idea behind a lot of criminals. They understand they can get away with a tremendous amount when the law enforcement officers are stretched to the max and cannot do the job that needs to be done. We need to push back against this criminal element that is coming at us with a vengeance.

I have been a member of Parliament since 2000 and drug use has increased unbelievably. It is not because of a lack of political will in my riding. Communities have joined arms. Social services, RCMP, the educational system and the health care system have joined together. We need to hire more police. Actually we need to hire more communications people and get into the schools.

We are still losing the battle on the crystal methamphetamine problem. There is a serious problem not only with crystal meth, but when these people get into court, the courts turn them back into the community. That has to stop if we are to save this country from what will be a tremendously serious problem in the future.

**Mr. Peter MacKay (Central Nova, CPC):** Mr. Chair, I too am very honoured to take part in this debate. I must begin by similarly expressing condolences and heartfelt support for the families of Anthony Gordon, Leo Johnston, Brock Myrol and Peter Schiemann, whose names will be engraved on the peace officers memorial behind Centre Block on the last Sunday in September this year. Sadly too many officers' names adorn those memorial plaques.

As was expressed so eloquently by my colleague, the issue now becomes what can we do to ensure that such terrible incidents as we witnessed Mayerthorpe do not happen again. Those Mayerthorpe murders stand as a serious wake-up call to all Canadians.

The entire RCMP family, those who wear the red serge, assembled and were shocked more than anyone that such a thing could happen. There will be a fatality inquiry. There will be some answers forthcoming for the family.

In this place as legislators, what actions can we take? What are the initiatives that we can commence? My colleague is to be commended again for raising the issue and allowing this debate to take place so that we can have this serious discussion.

The shortfall of resources first and foremost has to be noted. In a report that came from internal RCMP documents that were disclosed as a result of the Arar inquiry, a senior officer speaks of realignment, which is interesting language that was used by the minister herself. Realignment really means withdrawal from rural parts of the country and a concentration in perhaps bigger areas.

I want to quote from that report. The officer, speaking from the RCMP anti-terrorist financing group stated, "If the human resource issue is not addressed we run the risk of jeopardizing the safety of Canada and its citizens as well as potentially embarrassing the Government of Canada and the RCMP on the domestic and international levels". The document goes on to talk about that shortfall and the ramifications.

*Government Orders*

The government has a lot to be held to account for in the decisions that it has taken. It really comes down to priorities. Although this is a very serious debate and some might try to label it as a partisan one, we in the opposition have a duty. We owe it to Canadians to point out the inadequacies and the decisions that the government has taken that are affecting the lives of Canadians and the life and limb of RCMP officers and others who are tasked with enforcing the law. The priority decisions to take money out of budgets at a critical time, to move officers away from our border for example, which has been pointed out quite recently in reports, jeopardizing the safety of Canadians have to be addressed.

We know it is a priority policy decision taken by the government to withdraw officers, just as it is a policy decision to continue to fund the gun registry that does not adequately protect Canadians, does not give value added to the task of protecting Canadians. The decision to close forensic laboratories delays the disclosure of evidence and delays the production of evidence that is to be used in courtrooms, which oftentimes unnecessarily leads to acquittals.

There are also the issues around the early release of prisoners, as my colleague referred to. Some police in my area back in Pictou County, Nova Scotia call it the catch and release program. They wear little fish hooks with the barbs taken off. This is their feeling of frustration.

The RCMP and all those in the law enforcement community are looking for leadership from the government. They are looking for the necessary tools, resources and technology to do the job that is asked of them. It is life and death for them and for those communities that they protect.

They do so much good work outside their normal policing duties. They are the face of our community. I think of people like John Kennedy who has a wonderful innovative program, Adopt a Library, in Pictou County, Nova Scotia and hopes to make it national. It is meant to encourage literacy. Our police participate in so many levels of society.

The RCMP are such a source of pride for Canadians. It is a symbol of this country, a symbol of virtue, integrity and all that is good about Canada.

• (2015)

We cannot fail them in this hour. We cannot fail them in the wake of the tragedy that took place and which took the lives of those four young dedicated men in their prime.

This important debate hopefully will bring further attention to this issue. We in the Conservative Party hope to move the ball forward on this file. We hope, more importantly, to be in government one day very soon, when we will be able to address these issues in a more substantial way.

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, I have a question with regard to our criminal justice system.

I am sure my colleague is fully aware of this but for the information of the rest of the House, in British Columbia last year one in seven grow operators were convicted. The police go in, raid a place and find a grow op. Most of these grow ops are anywhere from \$200,000 to \$500,000 operations, so they are not small. They are a

very large part of organized crime. Only one in seven in British Columbia did any time at all. Only one in Calgary in my province of Alberta did any time at all. Of those who did time, 50% did less than a year.

Is the criminal very nervous about being caught? I do not think so. We as a society are saying to the criminal that it is okay to break the law, that we are not going to apply the law. We plea bargain in most of these cases.

I am wondering what my colleague thinks of minimum sentencing. When I asked the question the other day, the Minister of Justice said that it does not work. Well, what we have is not working. I wonder if my colleague would answer that.

**Mr. Peter MacKay:** Mr. Chair, the short answer is, yes. Mandatory minimum sentencing puts the emphasis on deterrence. It actually raises the stakes for those who choose to flaunt the law, for those who choose to engage in the illicit proliferation of drugs.

Grow ops are a huge problem. A massive epidemic is the way it has been described by many in the law enforcement community.

It is causing a lot of spinoff crime. Because of the stakes, because of the money, because of the activity that encompasses drug use, drug proliferation, we are seeing more murders, more break and enters, more terrible addictions that lead to all sorts of other crime and all sorts of other moral decay.

We know that in British Columbia this is the biggest export from that province. This is a huge challenge with our relations with the United States of America, as well. This is another collateral damage as a result of letting this issue run rampant.

It is about resources. It is about having the ability to shut down those grow operations. Part of that is ensuring that there will be consequences, mandatory minimum sentences, deterrents, put in the mind of those who would break the law. As well, it indicates that the justice system is prepared to take these crimes seriously.

Sadly, the government appears to be moving in the polar opposite direction. Talking about decriminalizing marijuana and lessening the consequences sends the complete opposite message of what we should be trying to attain here. We should be telling those who grow marijuana, who produce drugs that there are consequences. Crystal meth and other drugs like OxyContin are rampant in Nova Scotia, and Cape Breton in particular. These are life altering, life destroying drugs. This is happening in this country.

The law enforcement community is that thin blue line which is there to protect us, to enforce the law. When the law enforcement officers have done their job and placed the criminals into the hands of the criminal justice system, the crown prosecutors, judges, lawyers, those around the justice system who support that program, there has to be consequences. There has to be a mandatory minimum sentence, because of the money involved.

It is becoming the cost of doing business to be arrested, to pay a fine or to be placed on probation. Those consequences are not real. People know that, particularly those in organized crime, particularly those who see the profit and are prepared to take the risk. There must be serious jail time. There must be serious consequences if we are to try to combat the scourge.

*Government Orders*

• (2020)

**Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC):** Mr. Chair, I would like to ask the hon. member for Central Nova a question about the Northeast Nova drug section. The Northeast Nova drug section serves his area and my area. Also, the Premier of Nova Scotia lives in the same area that is served by this section.

There has been speculation that the RCMP will be cancelling the Northeast Nova drug section. The member for Central Nova has objected to this and has spoken out against it many times, as have I and many others. We totally oppose this because of the risk it would place on the communities in northern Nova Scotia.

I would like the member to give his perspective on this as a former crown prosecutor and someone who has been recently working very closely with the RCMP on several issues. I wonder if he could give us his point of view on the damage that could result from the cancellation of the Northeast Nova drug section.

**Mr. Peter MacKay:** Mr. Chair, I, along with my colleague from a neighbouring riding in Nova Scotia, have queried the minister and have repeatedly made the point that this drug section does invaluable work. In fact, compared to other parts of the province, including metro Halifax, this has been per capita the most successful drug section in the province of Nova Scotia. Its ability to shut down grow ops, to make arrests and to break up drug rings and circles of trafficking has been remarkable. Members of the section are to be commended, as are all those in the law enforcement community, for the work they are doing in this regard.

To withdraw that service from northern Nova Scotia at this time is an absolute travesty. To withdraw those officers, to reconcentrate, to reallocate, to do what we have heard the minister and even the commissioner of the RCMP describe as simply reallocating resources, is again a withdrawal of services. It is taking law enforcement officers away from the source of the crime and leaving people vulnerable. Drug use and drug trafficking will grow in those areas, as opposed to having the officers front line, on the street and in close proximity.

I know many of the officers personally who are involved in the efforts to ensure that the streets of our communities are safe. They are actively engaged in doing that important work and the government is preventing them from doing so by withdrawing that support and closing that particular drug section and moving it to metro Halifax. That is not to say that Halifax does not have a problem as well, but we are taking officers away from the actual source and the actual problem with drug proliferation in northern Nova Scotia.

It should be stopped. If the decision has been made it should be reversed. What the government should be doing is putting more officers in this drug enforcement unit as opposed to closing it or withdrawing the support.

• (2025)

[*Translation*]

**Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ):** Mr. Chair, in my opinion, the subject of tonight's debate is extremely broad. I thought

it would be more useful to select a single aspect and talk about it in detail.

So, I will talk about something that is extremely important to the RCMP, even if it is not currently in the news. I am talking about protecting women from the sexual advances and sometimes even abuse they may be subject to within the organization and how such cases must be handled.

My goal is not to cause undue problems for the government, but rather to contribute to improving human relations within the important organization that the RCMP is. My goal is to convince the government to act.

I want to talk about the case of Sergeant Blundell, with the RCMP in Calgary. He specialized in infiltrating criminal gangs and he apparently got numerous murder convictions because he gained the trust of the murderers. It also seems that, to gain this trust, he felt it was necessary to have a female officer come along and pretend to be his girlfriend. Drinking alcohol was always part of how he gained the trust of his targets and, sometimes, started before they arrived. Most of the time, the evening ended at a hotel where, coincidentally, there were never two rooms available and, once, not even two beds.

Four of these female officers complained that Sergeant Blundell made sexual advances over the course of the evening and specifically after the targets had left, when his words and actions became increasingly aggressive. Apparently Sergeant Blundell ripped the blouse of one of the complainants in an elevator in order to touch her breast. Another complainant was allegedly so inebriated that he managed to take full advantage of her.

The four female officers filed a complaint and sued the RCMP for damages they alleged suffering. In their court action, they complained of the many obstacles they met in pursuing their complaint and the little cooperation they had had from the authorities.

The woman the accused took advantage of complained in July 1999 and was told she would have to meet the investigators. The meeting did not take place until September 2 and, again, in a hotel room. Two months later, on November 23, she was asked to make her deposition again, this time before a video camera. Three months later, on February 22, she was asked for another statement. This time when she wanted to use an office, she was told to make her statement in the corridor of a hotel in front of the elevator doors. She was asked for another statement on May 4, 2000, and another on May 18.

Prior to the hearing of the adjudication committee, she was unable to meet with the lawyer who would be arguing her case. She asked to reread her statements before testifying. She was not permitted to do so. The committee concluded after a very thorough examination of the evidence that the policewoman had consented to the sexual relations. It criticized both those involved of unprofessional conduct, but decided that no infraction of the code of discipline was involved.

*Government Orders*

I acknowledge finding the decision convincing. However, after reading all the allegations in the female officer's case about the difficulties caused her before she submitted her claim to an adjudication committee, I must admit I have serious doubts, especially since the committee seemed quite unaware that the relationship was between superior and subordinate. In addition, it seems to me, as a former criminal lawyer, that it was material to present what is known as similar act evidence. The preliminaries in all three cases seemed so similar. This was, however, not done.

In the case of the two other policewomen, the matter will be on the basis of admission. The committee hearing it advises that discussions between lawyers continued for a long time before the prosecution and the defence agreed on a presentation of the facts.

In essence, Sergeant Blundell acknowledges having touched the private parts of one of the women and grasped the breast of another, when none of this behaviour was part of the infiltration scenarios.

After expressing shock at the behaviour of Sergeant Blundell, the committee imposed a warning: cancellation of one ADR day and a recommendation of counselling from a specialist. I believe an ADR is a paid day when the constable can attend to personal matters for certain reasons.

● (2030)

The committee took it for granted that the sexual touching by Constable Blundell—his rank at the time—was done without the consent of the female officers, even if the admissions made no reference to that point. It appears obvious under the circumstances.

It must, however, be realized that this absence of consent is of considerable importance, since deliberate sexual touching without the consent of the person touched constitutes a sexual offence under the Criminal Code. I believe that counsel for Sergeant Blundell was perfectly aware of that in the course of the long discussions that led up to the joint statement of facts. At any rate, I learned that all of these facts, including the allegations of the fourth policewoman which were not supported by sufficiently credible evidence to justify an adjudication committee, were submitted to the office of the Crown in Calgary, where it was concluded that there were no grounds for criminal proceedings.

The final outcome was, therefore, a warning and possibly the loss of a day's pay. I would point out that, in Quebec, when a police officer is alleged to have committed criminal conduct, this must be assessed by the Crown prosecutors of a district other than the one in which the officer works. The purpose of this is to avoid the possibility that those required to pass judgment on the officer may have developed a friendship with him through working relationships.

Before concluding, I will add that the four policewomen all complained about the many persistent pressures they and one of their spouses have been under not to follow through with their accusations. They have also suffered greatly from these incidents at their workplace. So, they pursued their court action and, in August, a press release came out, announcing, amid almost total indifference from the press because of the summer holidays, that there had been an out of court settlement to the mutual satisfaction of all parties. The release added in cryptic fashion that the allegations of

the prosecution had not been proven in court. That goes without saying, since there was no trial.

One cannot say, however, that the RCMP management was insensitive. It had one of its senior officers, Chief Superintendent Ian Atkins, investigate the entire matter. Superintendent Atkins produced a voluminous 114-page report containing 11 recommendations. I requested this report. An almost completely expurgated copy of it was provided to me. In fact, the only remaining fragments deal with discussions about points of law concerning the interpretation of the act and regulations. I know that 11 recommendations were made but have the text of none.

I understand that there might be a wish to keep some police investigation techniques in murder cases secret, but it is obvious that when this document was expurgated, there was another philosophy at work. It is this philosophy that has to be changed, the idea that in law enforcement organizations, the weaknesses and sins of members have to be hidden, things worked out behind closed doors, the dirty linen washed in private, as they say. This is the same philosophy that seems to have existed in the Church at one time with regard to pedophilia. The modern and reassuring approach should be that when members of a respectable organization commit an error in judgment, and more so when they commit a crime, they should be treated the same way as other individuals guilty of the same improprieties. And this should be able to be done in all transparency.

After thoroughly examining this pathetic and, I hope, rare case, I cannot help but be very concerned about the situation for women in the RCMP. I believe that any reasonable person reading all the documents available on this matter would share this concern. Only the establishment of a clear and transparent policy could reassure us.

For the first time in its history, the RCMP is accountable to a woman, a lawyer. I am sure she would not want us to continue to worry and that she would want a policy to be established and disseminated in order to help potential sexual abuse victims within the RCMP. I am confident that I can expect that of her.

● (2035)

[*English*]

**Mr. Joe Comartin (Windsor—Tecumseh, NDP):** Mr. Chair, like a number of the other speakers this evening, I too wish to express publicly on behalf of myself and my party our sincere regrets for the loss of the lives of Peter Schiemann, Leo Johnston, Anthony Gordon and Brock Myrol.

These murders were profoundly shocking to the country. We have not seen this type of overwhelming tragedy and loss in our police forces for well over 100 years. Arguably, any time in the past when we lost this many RCMP officers it was in a military action, not in a police action as was occurring in Mayerthorpe earlier this year.

*Government Orders*

As I was preparing for this evening I could not help but think of the commemorative service that we had in Windsor. In fact, Peter Schiemann's uncle is a Presbyterian minister in Windsor. He officiated at the commemorative services. He told us in the course of the service, as is so often with our police officers that they act way beyond their absolute responsibilities in doing extra work. In this case, Constable Schiemann was not even on duty. He had stopped by to spend some time with his colleagues. As a result he was trapped and ultimately murdered.

That type of dedication of our officers so often, generally, goes without recognition by our society. We all believe that we do whatever we can to support our police officers. I suppose our responsibility here as policy-makers is to continue that responsibility in that role as policy-makers.

In the last year or so I believe there have been a number of incidents in various ways that have drawn to our attention the dependency that we have on the RCMP and its extreme responsibilities. That was even more heightened after 9/11 and the added responsibilities it took on at that point to deal with the issue of terrorism, both domestically and in our relationships with other countries, particularly the United States.

There have been, quite frankly, a number of criticisms of both the government and the senior members of the RCMP, muted I think most of the time, but it raises questions as to whether it is not a time, and maybe these deaths in Alberta have re-emphasized this, that we may be at one of those periods of time when a broader oversight should be taken of the role that the RCMP plays in our country. Should it in fact be expanded? Should greater consideration be given to the role between the RCMP, the commissioner and the government?

It was interesting to listen to the Deputy Prime Minister earlier this evening discussing that, She was taking, as she has on a number of occasions, an absolutist position, that the present relationship between what used to be the solicitor general and is now the Minister of Public Safety and Emergency Preparedness should be at quite some arm's length.

I know that this has been a friction point between the minister and the justice committee, and in particular over the closing of the detachments in Quebec. I must say that I could not help but feel on a number of occasions that the minister was misapprehending her responsibility.

• (2040)

It was interesting to listen to my colleague from the Bloc. He was the former minister in the province of Quebec responsible for police forces. He played a much more activist role, without interfering with the day to day operations and nobody is suggesting we do that, in the setting of policy and particularly in combating organized crime.

He and his government brought about some shifts and similar activities are being carried on in the province of Manitoba by the minister responsible for police in the fight that Manitoba is waging against organized crime. Innovative criteria and policy are being put in place, but a good deal of that is being driven by the political master, not left exclusively to the senior administration of the police forces in those provinces.

That comment is in no way a criticism of our police forces. The point being made is that there are times when it is appropriate that the policy-makers and legislators take positions and then see that they are implemented at the policy level.

At this point I am going to speak specifically about the decision that has been made, which occurred in Ontario first and is now in Quebec, to close detachments. That happened to a number of detachments in Ontario. It is clear from listening to the commissioner, when he appeared before the justice committee on a number of occasions, that these decisions were made based on a policy that, quite frankly, we have adopted from another country. I cannot remember right now, but a policy that in effect was saying we would concentrate our efforts in larger metropolitan areas and in effect leave the policing at the local level to local police forces.

The problem with this is that it reminded me of the decisions that were made by local police forces both in Canada and the United States in the mid and late fifties when we stopped community policing and moved police officers into police cars. It was sort of a high tech advance at the time. That policy proved to be a disaster in a number of major cities in the United States.

I cannot help but think that if that decision had been made not based on some of the limited resources that police forces had and not by senior police officers but by political people, they would have been faced with the reality of what they were doing and maybe paid the political price. What I see happen all too often is that we as politicians use our police forces as a shield. Politicians say that it is an operational issue and they have nothing to do with it. It is their responsibility; they make the decisions. They have nothing to do with it.

In fact, what it really is about in most cases is that we have denied adequate resources to our police forces. They are forced to make these decisions, which are oftentimes economic, financial, and limited resource decisions. We blame them and as politicians and policy-makers we avoid any responsibility. Quite frankly, in my opinion, that is reprehensible and an area that we should be looking at and reviewing.

In particular, with regard to the RCMP, it is an issue that has to be addressed. I expect at some point, if the government itself does not do it, that the legislative committee, in the form of the public security subcommittee or the justice committee itself, would be taking this on and making recommendations in that regard.

• (2045)

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Chair, I am going to disagree profoundly with the member for Windsor—Tecumseh when he talks about the need for parliamentarians to be involved in the day to day decisions of the RCMP. In fact, the RCMP Act, which was passed by this Parliament, establishes that the RCMP commissioner has the control and management of the force and all matters connected therewith.

*Government Orders*

Imagine what it would be like if a committee of the House or the House of Commons itself was involved in the day to day decisions of the RCMP? That is what some members opposite are calling for in terms of the decision by the RCMP to shut down certain detachments in the province of Quebec. In fact, the member has it wrong. It is not a question of resources. The commissioner and the minister have been very clear that the resources and the head count in the province of Quebec are exactly the same before and after these decisions.

If we were to have political interference in the day to day operations of the RCMP, that would be a tragic day for Canada. Is there going to be a single mayor in this country that will go to his or her member of Parliament and say, "The fact that you shut, or are going to shut, that detachment in my town, I think that's a good decision". Does the member opposite believe that will occur? Of course, it will not.

We know what is motivating these issues. It is local mayors and local communities distressed that a detachment in their area has been closed. The reality is that the RCMP and the commissioner have been very clear that this is actually concentrating resources, bringing together a critical mass, so that they can fight crime and terrorism more effectively.

The small detachments may be a thing of the past. We have to evolve and we have to rely on the RCMP who are on the front lines facing this day in and day out. When the RCMP commissioner says that this will enhance the security of Canadians, how can it be that a group of parliamentarians, who go in and out of these issues maybe every few weeks or few months, could second guess the commissioner of the RCMP and his organization who deal with these matters day in and day out?

**Mr. Joe Comartin:** Mr. Chair, I am not surprised at the parliamentary secretary taking a different position from mine. We have been having this fight for the better part of several months, not just between ourselves but between myself and a number of members of the justice committee.

He consistently throws the section of the RCMP Act at us, but he consistently, and he did it again this evening, does not quote the whole section.

Section 5.1 reads "that the governor in council", that basically is the cabinet in these circumstances, "may appoint an officer to be known as the commissioner of the Royal Canadian Mounted Police who", and this is the part he always leaves out, "under the direction of the minister", and then goes on with what he always quotes, "has the control and management of the force and all matters connected therewith".

There is a role for the minister; it is a legislated role. It is, quite frankly, a role that is the responsibility of the minister in a representative government. That is what we have with the Westminster system which says that "you are responsible as the minister" and cannot hide behind part of this section of the act.

When we deal specifically with the Quebec situation, we are talking about a policy decision, one that has been adopted by a number of countries. It does not say it is right and it is one that the minister should have been involved in. She has refused to do that. She has consistently said that she will not get involved. I believe

what she has been consistently saying is that she is shirking her responsibilities under section 5.1 of the act.

• (2050)

**Hon. Paul DeVillers (Simcoe North, Lib.):** Mr. Chair, Canada's national police force is a modern police organization that is responsible for enforcing the law, preventing crime and protecting Canadians at home and abroad. It is accountable to the communities and the partners it serves in the use of tax dollars and resources to accomplish this mandate.

The RCMP is an organization that serves Canadians well.

[*Translation*]

Providing police services to a country as large and diverse as Canada requires an organization that is both dynamic and well structured. The RCMP has changed with the times to deliver leading edge policing to all Canadians.

Created by Parliament by merging the Royal North West Mounted Police and the Dominion Police, the RCMP has a mandate to enforce laws, prevent crime, and maintain peace, order and security. Through agreements between the federal government and other bodies, the RCMP provides national, provincial, territorial and municipal police services across Canada.

Since 1996, the RCMP has followed a regional system of management, and is now divided into four regions. Each region is headed by an RCMP deputy commissioner. Additionally, the organization is sub-divided into 14 divisions plus its national headquarters in Ottawa, each of which is under the direction of a commanding officer. At the local level, there are more than 750 detachments.

For management purposes, the RCMP is structured along business lines. Overarching these business lines are strategic priorities that are reviewed periodically to focus both operational and organizational efforts on the goal of providing safe homes and communities for Canadians.

Today, these strategic priorities are organized crime, terrorism, youth, international police services, and serving aboriginal communities. Additionally, wherever possible, these priorities are supported through partnerships and integrated policing efforts.

National Police Services, managed by the RCMP on behalf of all Canadian law enforcement organizations, offers valuable resources to members of Canada's 500 or so other law enforcement agencies.

These resources include databases—fingerprint, criminal record, forensic image, missing children, firearms—and other specialized services such as those offered by forensic laboratories, the Canadian Bomb Data Centre and the Automated Criminal Intelligence Information System.

The RCMP Contract Policing Services gives it jurisdiction over eight provinces, three territories, more than 200 municipalities, 65 aboriginal communities, three international airports and numerous smaller airports.



*Government Orders*

[English]

Providing police services to a country as large and diverse as Canada requires an organization that is both dynamic and well structured. The RCMP has changed with the times to deliver leading edge policing to all Canadians.

The RCMP's scope of operations is vast. The organization combats terrorism and organized crime and targets specific crimes related to the illicit drug trade. The RCMP is also concerned with economic crimes such as counterfeiting and credit card fraud. Increasingly, it is involved in investigating and prosecuting offences that threaten the integrity of Canada's national borders.

The RCMP also protects VIPs, including the Prime Minister and foreign dignitaries. Additionally, it provides the law enforcement communities with a full range of computer based security services.

While civilian members and public service employees join the RCMP as professionals in a specific area, all regular members begin their careers at the RCMP training academy, also known as Depot Division, in Regina, Saskatchewan. Here they become part of a troop and undergo an extensive 22 week basic training course under the guidance of some of the best police instructors in the world. Training methods include physical and endurance training, values, role playing, performance demonstrations, lectures, panel discussions and community interaction. There is even a small village on campus where various real life policing scenarios are enacted.

The program is tough and not all participants make it through but those who do have a clear understanding of their roles and responsibilities as members of the Royal Canadian Mounted Police. As they head off from Depot for six months of recruit field training under the supervision of a detachment coach, new Mounties do so knowing they have just received some of the best police training in the world.

Whether on highway patrol in the communities of Newfoundland, educating youth on the dangers of illicit drugs in the classrooms of rural Saskatchewan or intercepting illegal activities along the B.C. coast, the men and women of the RCMP can be found all across Canada. They provide daily policing services in communities, provincial and territorial policing services in every province except Ontario and Quebec, and federal policing services from coast to coast.

The RCMP strives to fulfill its commitment to Canadians to keep our homes and communities safe.

The men and women of the RCMP have a long history of acting in the best interests of Canadians. This commitment is evident in every regular and civilian member, from the newest recruit all the way to the commissioner of the RCMP.

Starting from the moment they enter Depot, RCMP officers are called upon to strive for excellence in everything they do. To become an RCMP officer is to embark on a fulfilling career of public service with an organization that is recognized worldwide as being one of the best police services in the world.

Our world has changed a great deal since the frontier days and the role of the RCMP continues to evolve. Technological and demographic changes, economic uncertainty and diversity make

the challenge of policing today very different from yesterday's job. In an ever-changing society that is more globalized, technology based and terrorized, our front line officers and senior managers who set operational and directional priorities must be prepared more than ever to respond in a timely and effective way to keep our citizens and our communities safe.

The men and women of the RCMP provide a vital service to Canadians and Canadian communities in keeping our citizens, our homes and our country safe and secure. The RCMP is recognized internationally for its commitment to excellence. We are indeed fortunate to have them as our national police service.

• (2055)

**Mr. Joe Comartin (Windsor—Tecumseh, NDP):** Mr. Chair, I have a great deal of respect for the member opposite who is the chair of the justice committee.

There has been some discussion recently, after 9/11, about the role of the RCMP in combating terrorism and some suggestions that they may be able to perform the role of providing security for the country in that regard if we were to re-merge CSIS with the RCMP under one chain of command.

I wonder if he has any thoughts on the viability of that and whether it would be an effective way of dealing with that problem.

• (2100)

**Hon. Paul DeVillers:** Mr. Chair, I think one has to go back to the original reason for the separation of the intelligence service from the policing function of the RCMP. I think the concerns that led to that separation are still very real today. There is still the potential for conflict between the two roles.

I know for a fact that currently the RCMP and CSIS, the intelligence service, are working more and more closely together. They have joint projects and officers are seconded from one to the other. However I am not sure we are at the point where we would want to merge them again because of the possibility of conflict between the two very separate roles, where we are asking the intelligence service to go out and obtain information on citizens, whereas it is an entirely different role and function to be enforcing the laws that are in place.

I am one who would see it as still a good separation provided we are having the cooperation and the coordination between the two forces.

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, I listened intently to my hon. colleague go on and on about how wonderful our RCMP forces are across the country and how great a job they are doing in municipalities, provinces and for the nation. I could not agree with him more but what we are here tonight to do is to take note of an incident that happened with regard to the police force.

*Government Orders*

I am wondering what the member, who is a member of the Liberal Party, has to say with regard to our weak laws and the way that the government has moved us and allowed the pendulum to swing so that we have taken such a soft approach to our criminal justice system. How was a man like Mr. Roszko allowed out on the streets after 30 convictions? Why did we just slap his hand, turn him loose and allow him to intimidate a community and many lives in the process? Why have we taken such a soft approach on drugs and on sexual offenders and predators?

For me, when a nation fails to protect itself from the criminals in society it is on very dangerous ground. I believe that is where we have allowed ourselves to come as a society.

Tonight we take note of an incident in reflection of the role of the RCMP. I wonder what the member would have to say to the family members who are watching right now with regard to this incident and the failure of our criminal justice system in light of what has happened.

**Hon. Paul DeVillers:** Mr. Chair, I want to take issue with the characterization of our system being soft on criminals and so on. This is a frequent refrain that we hear from the Conservative Party in particular.

The incidents that led to the death of these four officers obviously was a tragedy and it is something that needs to be looked at more in the sense of the circumstances that led to this individual being able to have the intimidating effect he apparently had.

I have seen media reports. I am always loathe to make a comment in this place based strictly on media reports but given the media reports it appears that in many of the other criminal charges that the individual faced they were not pursued through to successful prosecutions, mainly because many of the witnesses were so intimidated that they were not coming forth and providing the tribunals with the evidence they needed. I think that is something we need to look at.

The situation we must always be wary of is the one where we have individuals who are in a state where they would almost more properly be dealt with in our mental health system than in the criminal justice system. It seems that this individual, again from media reports, was not the most balanced individual in a lot of ways. Perhaps it is a question of working with the provinces and territories in the area of mental health in being able to deal with these people, even if they have to be incarcerated while we are dealing with them so they would not be a danger to the community.

However one has to deal with particular criminal charges based on the evidence that is available to pursue those prosecutions and, from what I understand, in these instances oftentimes that evidence was not available.

• (2105)

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, I understand my colleague's comments with regard to this being a mental illness case rather than a law enforcement case, but I do not believe that for a minute. I do not think anyone living in our communities believes this man was insane. He was a master manipulator who had manipulated the court system since he was 12 years old. He received over 30 convictions. That is not the issue here.

The issue is that we have this one incident and woe to the House if we do not take note of it. We have to understand that we have a problem in society and in our criminal justice system. We have a serious situation and it has developed over a number of years. We had better wake up and do something about it because it will get worse and we will see a repeat of what happened in Mayerthorpe.

There are individuals like Mr. Roszko in every riding across the country. We had better understand that this could happen in any one of our ridings. Our police officers are doing their very best with the resources they have. Our court system has failed them. We have failed them with their resources. We will continue to fail them in the House with weak laws that do not allow them to do their job properly.

I would ask the hon. member to seriously consider that this was not mental illness. If he wants to use that as an argument, I would say the government has serious problems dealing with mental illness, if we are looking at that as an issue.

That is not the case with respect to this incident. Nor is it the case with respect to the criminal element that is loose in our society. We continue to return them to our communities. These offenders will keep repeating if we do not do something about them.

I implore the House to understand the importance of taking note of this incident.

**Hon. Paul DeVillers:** Mr. Chair, I do not want to diminish the impact of this incident and indeed we do need to take note of it. However, I cannot resist taking issue with the picture that is being painted of our criminal justice system letting us down.

Opposition members, and in fact members from all parties, often operate under the misconception that violent crime is on the increase. The public also has that impression. However, the statistics are to the contrary. They indicate that violent crime is not increasing; it is decreasing. Our society is a safer place than it was in the past few years.

I am not trying to diminish the consequences of this incident. We have to ensure that everything is done to prevent any repeat of this type of incident. On balance, our society is less violent than in the past and the statistics are there to prove it. Unfortunately, this is something that many politicians, who are pushing the hot button and seeking public support, are assisting, aiding and abetting in giving the wrong impression.

**Mr. Vic Toews (Provencher, CPC):** Mr. Chair, I am pleased to have the opportunity to participate in the debate this evening on the RCMP and law enforcement in Canada.

I am splitting my time with the member for Edmonton—Spruce Grove.

I just want to take issue with what was said by my colleague from the justice department. He said that violent crime was somehow going down. I would tell that member to take a look at statistics from 40 years ago and compare where our society was then to today. Now we have the additional fact that crimes are not even being reported any more under the Criminal Youth Justice Act. It is not in issue that crimes are going down; they are simply not being reported any more. People have given up.

*Government Orders*

If the hon. member wants to find out what the statistics are, he should go back 40 years and compare them year to year and he will see the truth, that violent crime is rising.

The request for the debate was made by my colleague from Yellowhead, following the March 3 deaths of the RCMP officers near Mayerthorpe, Alberta. I want to thank the member for bringing this matter to the House and for all his work.

I want to say again how profoundly grateful Canadians are to these four brave young men who lost their lives on duty. We are also thankful to all the men and women of the RCMP who serve our communities across the country and put their lives at risk in the service of others every day. My own riding is primarily serviced by RCMP officers. The only complaint that people in my riding have about the RCMP is that there are not enough officers. They want to see more of the RCMP and unfortunately they do not.

The crime of the four young officers who were killed like that, and I use the word "crime" deliberately because it is not a tragedy. Tragedies are not preventable. This is a crime that could have been prevented. It was a poignant reminder of our duty as parliamentarians to give our men and women in uniform the very best in support and resources.

In that context I would like to make some brief comments about the cuts that have been made over the past decade to the front lines of our law enforcement officials.

During the past few months, the justice committee has heard testimony about critical shortages of RCMP officers in Quebec and in other parts of Canada, including my own province of Manitoba.

I have received information from confidential internal RCMP sources which indicates that the staffing levels for the RCMP in Manitoba are falling to a critical level, particularly the highway patrol divisions. In my home town of Steinbach, the highway patrol was closed down on the number one highway. Basically, from Winnipeg to almost Falcon Lake, let us say, about 75 miles, was not patrolled by the RCMP because the highway patrol had been shut down.

A committee motion two months ago summoned the Minister of Public Safety and Emergency Preparedness, the Commissioner of the RCMP and the commanding officer of "C" division to explain before it why they ignored the committee's previous order to stay the closure of nine RCMP detachments in Quebec.

The Minister of Public Safety declined to appear in front of the committee and the RCMP Commissioner, although he did appear, did not give much by way of explanation, other than saying that he felt confident he had made the right decision.

During that same committee meeting, we heard from front line officers about the porous nature of our border, the fact that the border was not secure and that our officers simply were not there to take care of incidents as they arose.

Increasingly, with all this talk about the Gomery commission these days, some facts unrelated to the sponsorship have come to light during the testimony that actually shed some light on this issue. I would point members to the testimony of December 15, 2004. Mr. Dawson Hovey, who was in charge of the program review process of

1996, stated that he was required to reduce the RCMP budget by 10%, which involved a budget reduction of about \$173 million and the deletion of over 2,200 RCMP positions. This was his sworn testimony.

• (2110)

I recall when I was in the public service in Manitoba as the minister of justice, a Liberal minister came to see me and said that what they were doing was reorganizing and that there would not be any cuts, knowing full well that there would be cuts. In fact, we learned the hard way in Manitoba that there were cuts. The people of Quebec are now learning that there are cuts.

It is no secret that our RCMP have been suffering from budgetary cuts. The government talks about increases in actual money, but it is not going to our front-line police officers.

The health of our police officers and the safety of our communities are suffering because of it. I do not know why the RCMP commissioner simply does not come out and say that the cuts have been made.

I want to take note of this incident. Let us learn from it. Let us honour those officers who have fallen by treating their fellow officers with respect, by providing them with the appropriate resources.

• (2115)

**Hon. Jim Karygiannis (Parliamentary Secretary to the Minister of Transport, Lib.):** Mr. Chair, I want to join my colleagues across the way, as well as on this side of the House, and pay homage to the four officers whose lives were taken away so suddenly.

I know it depends on which side of the House a member sits. I know my colleague, in whose riding this town was, said that this individual had a long history of crime and was certainly known to the police. Other people say he was probably mentally unstable. We have four police officers who were gunned down by a criminal. That criminal was certainly known to the police.

All the police forces across the country are saying to us that gun control works and that they need to know firepower when they arrive at a house. The individual in question, Mr. Roszko, had guns and he had modified them. Would the hon. members across the way join us in saying that this is what the police want? These are the tools we must give them and we must ensure they are working.

We cannot pick and choose our subjects. We cannot say on one day that we are supporting the RCMP and the police and on the next day turn around and say that gun control does not work. Clearly, the RCMP and a lot of the police forces across the country have asked us to give them the tools they need. This is one of the tools they need in order to make it work.

I wonder if my colleague across the way can stand up and say that they support the RCMP and they support their wishes.

*Government Orders*

**Mr. Vic Toews:** Mr. Chair, the issue of gun control is not in dispute here. Conservatives support gun control. What we do not support is the long gun registry. To suggest that a police officer would rely on that registry to determine whether there was any firepower inside a house would be gross negligence on the part of that officer and the supervisor.

Imagine supervisors saying that they have checked the registry, that there is not a gun registered there and that police officers can walk right in. That is absolute foolishness. Every front line police officer who I have spoken with says the registry does not work.

We have now spent almost \$2 billion on a registry that does not work. This statistic comes from the CBC. The CBC is another funded government organization. I am relying on the CBC to give me that information that it says it is \$2 billion. Let us assume that the \$2 billion figure is correct.

I know those members do not want to hear that. I can say that officers would like proper equipment. They would like more officers in the field. RCMP officers in my riding are working 70 and 80 hours a week. They work those hours because they do not have any replacements. Do members know that much of the time they put in is free overtime?

Let us put the money into paying our officers and getting more officers in the field, rather than this foolishness of the gun registry. That gun registry should have been gone a long time ago. Let us demonstrate that we care about our police officers by giving them backup, by giving them equipment and by paying them properly.

• (2120)

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Chair, the member for Provencher had so many facts wrong, but I know my time is limited. I am surprised that a former minister of justice in the province of Manitoba would stand here like this. He knows full well that long guns are in fact one of the most serious weapons used in the commission of violent crimes. In fact, the use of long guns in crimes exceeds the crimes committed with handguns.

The police are making about 2,000 inquiries a day on the gun registry. I guess he is suggesting that the police sit around and have coffee and just tap into the system for fun. It seems to me that the police are saying this is a useful tool, as my colleague has rightly pointed out.

The member knows full well that RCMP Commissioner Zaccardelli was at the committee and said the resources of the RCMP have gone from \$2 billion a year a few years ago to \$3 billion a year currently. The commissioner has stated categorically that in the province of Quebec it is not a question of resources. The head count and the resources have stayed exactly the same, and in fact, they have increased.

The member opposite knows full well that in certain provinces like Manitoba the RCMP are contracted services. There is a cost sharing formula, with the RCMP paying 30% and the province paying 70%. The RCMP only responds to demands from the province. It is not for the RCMP federally to say that Manitoba needs more RCMP; it is for the province of Manitoba to request support from the RCMP.

The member knows full well that the crime rates in Canada since 1991 have been on a downward trend consistently and that includes violent crime. Although I will concede that in the last year or two it has stabilized, it has been consistently on a downward trend from 10 years ago.

The member, a former minister of justice, knows these facts. I wonder if he would now care to correct the record.

**Mr. Vic Toews:** First of all, Mr. Chair, in respect of the cost sharing and the fact that the province is the one that asks for the police officers, during the time that I was minister of justice, and my colleagues were ministers of justice in a government there, what we used to do was put as much money as we could into the RCMP budget, but we knew that money could not be spent because the RCMP could not supply us with enough officers consistently every single year. We knew that.

In fact, that government over there shut down Depot, the only training centre for RCMP officers in Canada. That government shut it down. That created a huge problem in terms of replacing individuals. Seven years ago we were told that within seven years over 50% of all RCMP officers would be eligible for retirement. We were told, "Increase recruitment. Increase classes". What did the government do? It shut it down.

So yes, we can go to the province of Manitoba today and it has a budget for RCMP officers, but it cannot get the officers because this government will not deliver on those officers.

**Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC):** Mr. Chair, I am proud to take part in this debate to pay tribute to the four fallen RCMP officers from my home province of Alberta and discuss ways of preventing similar tragedies from happening in the future.

I want to thank my colleague from Yellowhead for pushing to make sure this debate happened today. He knows full well that safety and security are fundamental principles that must guide this debate as we pay tribute to the fallen, seek answers as to why this has happened, and search for new and innovative ways to deal with the realities of 21st century law enforcement.

Since the 1880s, a total of 191 officers have died in the line of duty, yet only 59 of them have died for the most tragic reason of all: simply because they were targets when they proudly wore the uniform of our nation's national police force. The murders of Constables Peter Schiemann, Anthony Gordon, Leo Johnston and Brock Myrol happened for just that reason.

My riding in the community of Stoney Plain was particularly hard hit because one of those brave officers was one of our own. Constable Peter Schiemann is fondly remembered by all in my constituency of Edmonton—Spruce Grove.

However, it has also been a time when our community has come together in both grief and hope. The town of Stoney Plain itself has been an example of the heart and compassion that has emerged from this tragedy. I had the great privilege of being in Stoney Plain to attend the funeral service for fallen RCMP Constable Peter Schiemann. He is our hero and he is our friend.

*Government Orders*

It was wonderful to hear his brother and sister, Michael and Julia, talk about their brother, share their memories with us and assure us of the love and faith that Peter had in God and in his fellow RCMP colleagues. I know the Schiemann family has been touched by the support received. This is clearly a Canadian tragedy and many people from across this country want to contribute to the healing process. From this, we must move forward. We must look for ways to prevent this from happening again so that the deaths of our officers did not occur in vain.

When I was speaking to RCMP officers in my riding, they told me that the killer, James Roszko, represents a larger problem that is facing all police officers today. RCMP and law enforcement officers increasingly encounter mental health issues on the job, yet they have limited power to act in these types of situations and limited resources for dealing with this difficult community challenge. They expressed to me the need for more funding and for support for community programs to deal with mental health issues.

There is no doubt that federal funding for mental health issues is lacking. This is inexcusable. The officers want the tools to work with these individuals, not simply the tools to investigate the unfortunate aftermath that neglect often leads to.

The location of this crime also provides an unfortunate glimpse into the dark world of the illicit drug trade. Marijuana grow operations have become a low risk, high profit industry in Alberta and indeed all of Canada. In the face of this crime, my constituents want to know why we do not have a national drug strategy.

I would also like to raise the manpower issue as the top concern of my constituents and, indeed, small communities across the country. Funding for the RCMP continues to remain stagnant and that directly translates into less protection for our neighbours, families and friends and into increased risks for our officers. For example, in Stoney Plain alone we could use another three to four officers. Spruce Grove would like to have at least another four to six officers.

We have to find ways to properly fund our forces so they are there when we need them most. It is hard to believe that we have to go back years to find a time when funding was actually substantially increased to these units.

Canada's laws have to be enforced, but we must also not forget the issues that these brave officers have once again brought to our attention: the issues of mental illness, gun control, marijuana grow operations, and increased funding for the RCMP.

Unlike the Liberal Party of Canada, we do not support the decriminalization of marijuana, nor do we defend a tragically failing long gun registry.

We have to act before it is too late. We must increase the size of our police forces in small communities. We must enforce our national laws against grow operations. We must look for ways to intervene before these unthinkable acts occur. That is our responsibility to the Canadian people and to our fallen heroes.

• (2125)

**Mr. Vic Toews (Provencher, CPC):** Mr. Chair, in speaking with RCMP officers or other police agencies in the province of Alberta

and in her riding, what do they identify as their greatest needs in order to meet the challenges of fighting crime in the 21st century?

**Ms. Rona Ambrose:** Mr. Chair, just this weekend I had an opportunity to talk to the RCMP officers in my riding. The issue they spoke most passionately about was the need for funding.

The hon. member for Provencher has mentioned how many of these officers work in our communities, communities like mine, like Spruce Grove and Stoney Plain. They volunteer and coach hockey in the community. They work countless hours as volunteers in the community, adding to the community, and they love their jobs and their communities, but much of the work they do with volunteer organizations in our communities of Spruce Grove and Stoney Plain is unpaid.

While they love their jobs, it is important that we find the funding necessary to be able to retain and attract the good people that we have in the RCMP force today. As I said earlier, just in my riding alone the town of Stoney Plain requires at least another two to three more officers and the city of Spruce Grove is looking to replace and supplement another four to six officers.

I think the issue of funding is the most particularly pressing issue right now.

• (2130)

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, I listened very intently to the hon. member, who is in a neighbouring riding, the closest riding to me with regard to these slain officers, so I think her community feels the impact of this as intensely as we do in Yellowhead.

There is a significant problem in Yellowhead. It has been addressed somewhat by the media. We tried to address it here when I introduced a private member's bill on methamphetamine, but marijuana certainly is a significant problem.

I think it is important for the House to understand that marijuana from the 1970s and the hippie movement was at 3% to 5% THC. As for what we are seeing on the streets now, I talked to an RCMP officer in my riding who told me that now most of the grow ops are into the upper 20% to 30% THC levels, so this is a completely different product, which is what the RCMP officers are saying. I do not think we quite understand that when we get into a debate in the House, but my hon. colleague would know some of these things because of the significant problems we are seeing.

Marijuana is a big problem. This incident also sheds light on that problem in that this individual had a grow op, not of 20 plants but of 283 plants valued at over \$300,000. He certainly was not smoking that all by himself; obviously he was linked to some sort of organized crime.

*Government Orders*

I have to tell the House how big a problem grow ops are in this nation. Why is there such a problem with methamphetamine and how do we link the two? That is what we are seeing happening on the streets and in the schoolyards in our ridings where the marijuana is being laced by methamphetamine, which is a very addictive product.

I am no expert, but the professionals tell me that of people who use this twice, over 92% become addicted. This product is unbelievable when it comes to ravaging the individual. The average lifespan of an individual on crystal meth is seven years. That is why it is such a significant problem.

I would like to ask my colleague about her concerns with this drug. Our riding happens to be the unfortunate target of the methamphetamine labs and there are significant amounts of methamphetamine use. It has happened since I became a member in 2000 and has progressed over the last number of years. Communities have linked arms to do their very best to push back against it. There is no lack of political will. There are tremendous amounts of resources going to fight this, but I can tell the House that we are losing that fight.

I wonder if my colleague has the same concerns in her riding with this very significant problem. Her riding is very close to mine along the Yellowhead highway. The reason it is important to bring it into this debate is that if members of Parliament do not believe it is a problem in their ridings, they just have to wait a very short time and it will be. I guarantee it.

**Ms. Rona Ambrose:** Mr. Chair, over the last few weeks I have spoken to the RCMP about this issue and I have learned a great deal about it. I was not aware of the great impact of this drug trade and this growing drug problem in our community. It is a huge problem in high schools, but unfortunately I have to say that it is also a huge problem in junior high schools and middle schools. Very young children are using this. Children up to university age use it. My understanding is that the problem with this drug is that it is so easily accessible in terms of the materials needed to produce it.

Of course, having said that it is very cheap to make, I note that it is also easy to distribute and cheap to buy. As my hon. colleague mentioned, it is also extremely addictive. It is a huge problem in my riding as well. Increasingly I have parents coming into my riding office to talk about the problems in their own communities and high schools. This is something we absolutely need to look at, particularly along the lines of a national drug strategy, which we have spoken about before.

**Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.):** Mr. Chair, I am pleased to have the opportunity to speak on the RCMP and law enforcement. I take special privilege, appreciation and pride for the period of time when I served as solicitor general responsible for the Royal Canadian Mounted Police.

I had the opportunity to work with all levels of the force: the commissioner, senior management and the rank and file. While as solicitor general one does not get into specific operations as related to investigation and cases, the government through the minister is ultimately responsible for policing and the RCMP in the country.

I expect that it has been mentioned earlier in the debate, but I do want to review the fact that the RCMP is really unique in the world since it is a national, federal, provincial and municipal policing body in the country. We provide a total policing service to all Canadians and policing services under contract to 3 territories, 6 provinces, except Quebec and Ontario, and approximately 198 municipalities and, under 172 individual agreements, to 192 first nations communities.

I think all of us can say that when we go to an event and we see the red serge that the RCMP wears, we feel that pride in our hearts.

The RCMP is involved in five strategic priorities, the first one being organized crime and the second being terrorism. In both those areas I think we have made significant progress in recent years. We have set up the integrated border enforcement teams. I have had the opportunity to be at some of those sites. What an integrated border enforcement team really does is integrates the local police forces, both in the United States and Canada, and many of the other organizations that are involved in emergency response. As a result of that integration and really sitting down to develop some understanding between forces, which are often for the wrong reasons competitive with each other, we actually do a better job of policing.

I can say that of the ones that I have been able to visit, and after looking at our standards in Canada through the RCMP and the standards south of the border, we can actually see and feel the respect that there is for the Royal Canadian Mounted Police in how they do their job. Their training comes through.

On the terrorism side specifically, we have set up the IBETs and the INSETs, the integrated national security enforcement teams, and they too are doing an exceptional job as they coordinate with all the departments that are involved, with other intelligence agencies across North America and, in some cases, beyond in terms of doing a good job of protecting not only Canada but our neighbour to the south as well.

In terms of working with the youth, which is a fairly major priority of the RCMP, the RCMP go out to schools, where they are so highly respected and trusted, and educate and try to prevent young people from becoming involved in crime. They try to gain some understanding in what this really means.

As well, now through the Department of Public Security, which was previously the solicitor general and the Department of Justice, we have set up the national crime prevention strategy which is also, in many instances, designed to work with youth, whether it is carjacking or whatever, in terms of working at the prevention level to prevent incidents of crime happening.

*Government Orders*

• (2135)

The RCMP is involved in the international policing perspective which involves the RCMP going elsewhere around the world, working with other police forces in local jurisdictions and in other areas and training them in the techniques and the kinds of policies that we use in this country that will assist them in doing better policing. I was talking to an officer on the weekend in my own community who will be going to Jordan to train the Iraqi police force in terms of doing better policing from their perspective.

As has been mentioned here a number of times this evening, the RCMP works extensively in the aboriginal community in terms of policing in that area. We have aboriginal police officers who understand the community, can work with the community and at the end of the day do a better job of preventing criminal activity from happening and, if necessary, enforce the laws of the land.

We may, if we like, question the laws established by Parliament or we may question the sentencing provisions as imposed by the judges and the courts but we absolutely cannot question the dedication and the efforts made by the rank and file of the RCMP or, in my view, the senior management in carrying out the policies and the laws as established by Parliament.

The area on which I want to take a moment to speak to, based on my experience and my time as solicitor general, is an area in which I believe we and especially the courts must do a better job. As solicitor general I made it my job to go out and visit as many detachments as I could. I do not have a lot of time so I will just mention one.

I can remember vividly a meeting with the detachment in Surrey, B.C. Members opposite raised the question earlier of marijuana grow operations. In the room that day when I met with the detachment in Surrey were probably 28 or 30 RCMP officers. I remember two officers vividly: one was probably 28 and the other was probably 29. One had been out of Depot a year and a half. They sat in the corner to my right and they were almost in tears talking about their concern in terms of taking down marijuana grow operations and the fact that before they were back to the office the next day, the people were out on the streets.

As the solicitor general I spoke out against this, although we are not supposed to criticize the judiciary, but the judiciary has to come to its senses in terms of exercising the full intent of the law in terms of marijuana grow operations. What those RCMP officers clearly told me when I met with them on site in the Surrey detachment was that they put their lives on the line and they see the devastation that marijuana grow operations cost. Anyone who visits Vancouver's east side can see that devastation personally, as a number of us in the House have. I would suggest maybe some of the judges should do that.

I want to come back to the two young RCMP officers who were basically asking me as solicitor general why they should put their lives on the line to take down a marijuana grow operation, which causes devastation, only to find out that before they get back to work the next day the suspects are out on the street.

What I am trying to express here on behalf of those RCMP officers who talked to me is that the courts, especially the judges in B.C., have to clearly enforce the intent of the law which is to

penalize those people who are involved in marijuana grow operations to the full extent of the law.

• (2140)

On behalf of the RCMP officers who are trying to enforce the laws that Parliament adopts and puts in place, I would suggest to the judiciary that they take those laws seriously and, in terms of marijuana grow operations and the people who operate that criminal activity, that they enforce those laws to the full extent of the law as intended by Parliament and not on the lenient side.

We can at least do that for the RCMP officers who went into the occupation, who did the training and who want to exercise their responsibilities and activities for the benefit of all Canadians.

We are so fortunate in this country to have a police force like the RCMP and the RCMP make us all proud as Canadians of the work they do as law enforcement officers across this nation.

• (2145)

**Mr. Rob Merrifield (Yellowhead, CPC):** Mr. Chair, I quite often disagree with my hon. colleague but his comments tonight with regard to the judiciary and the lax way that they apply the law is absolutely right on.

I have spoken to the family members of the fallen RCMP and they have all expressed similar concerns. There is no question that this individual should not have been on the street.

When we look at the statistics in Calgary showing that only one in ten people who operate grow ops serve any time at all and only 50% of those do less than a year's time, then we realize we have a problem. Either the judges are not applying the laws or we do not have strong enough laws.

This is an issue of debate that we have had in the House with regard to how we send this message to our judges. We can certainly do it by bringing in minimum sentencing for grow ops, so that we send a message to our courts that we are not going to tolerate the lax way that they apply the law.

The other thing that I would say to my hon. colleague concerns Bill C-17, the marijuana bill that was introduced in the House and which sends the message that marijuana is okay. The bill would decriminalize marijuana by allowing an individual to carry up to 60 marijuana cigarettes without having a criminal record. However it is worse than that. If one is under the age of 18 the penalty for that is actually halved and it is only \$100 to carry around 60 marijuana cigarettes. We have to understand that this marijuana can be up to 30% THC, so it is a very potent product.

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I wonder how the judges and society will look at that legislation when we are saying that we should get tougher on marijuana, on grow ops and on drugs. How can the government introduce a bill that sends the message that marijuana is not only okay but that we will actually make dealers out of our youth? Does that not send the message that we should just go soft on this product? It just does not make sense.

I have talked to front line RCMP in my riding about drug laws. I have had an opportunity to do a significant amount of that, particularly at the memorial services and funerals for the slain RCMP officers in my riding. When I asked them what they thought about decriminalizing marijuana and going soft on it, they could not believe that the House would bring in legislation and take that approach to a product that is so dangerous and causing such devastation in our society and in our communities.

I challenge my hon. colleague to put legs to his words and condemn the legislation that his government and his party brought into the House and are trying to push through and make law in this land. How can he say that it is good law in light of what he has just said about the message that needs to be sent to our judicial system?

**Hon. Wayne Easter:** Mr. Chair, when it comes to the decriminalization of marijuana, the member's comments are absolutely wrong.

The fact of the matter is that the current law is not working. It is not being enforced uniformly across the country. There is no question that the bill would decriminalize small amounts of marijuana. The member must recognize it would not legalize marijuana, but it would impose fines and penalties on people caught with small amounts of marijuana. In terms of that process, young people should recognize the fact that what they are doing is against the law. The fact they had to pay a fine or a penalty is proof of that. I realize they will not get a criminal record.

If people are caught with marijuana in downtown Toronto, they will get a slap on the wrist, but if they are caught in my community in North Wiltshire, P.E.I., they would probably have a criminal record which would affect them for life. That is not a uniform law across the country. We need to recognize that as the reality.

Moving to the second step in terms of marijuana grow operations and the courts, this is still open for debate. Is 15 grams too high? I personally believe it is. I think we should be down to five grams. Are the penalties strong enough? I think they are close. In terms of marijuana grow operations, it does not get us to what the member is asking regarding minimum sentencing, but it is getting pretty close.

The bill sets up a system where judges must justify why they are not imposing sentences as intended by this Parliament. This will lead to stronger sentences for marijuana grow operations. I do not favour minimum sentences, but so help me if judges do not start imposing the law as intended by this Parliament, then we will have to move. Some of us who are now opposed to minimum sentences would be willing to move to minimum sentences if judges in this country do not impose the penalties intended by this Parliament.

I see the so-called marijuana legislation as changing things substantially. First, clearly outlining through an education program that smoking marijuana is wrong. Second, it is against the law. Third,

marijuana grow operations are a clear violation of the laws of this land. It is better outlined in legislation in terms of what those more serious sentences should be. At the end of the day we will be moving people away from smoking marijuana, and damper down and kill the scourge of marijuana grow operations which are much too prominent in this country right now.

• (2150)

**Mr. Rob Merrifield:** Mr. Chair, that is an absolutely ridiculous line of thinking to think that this piece of legislation will send a message to our courts and to the people of this country that marijuana will be dealt with in a severe way.

This piece of legislation does just the opposite. It sends the message that we will go soft on it because it is almost legalized and by the way, let us cut a special deal for our youth who are the ones who are using the most of it. Do people realize that marijuana is the drug of choice, actually the product of choice, for people under the age of 25 in this country? It is above cigarettes.

I do not understand my hon. colleague being so compassionate about trying to help the RCMP. Those officers had tears in their eyes, that he spoke so passionately about. I would want to ask them the same question, or have him ask the same question about this piece of legislation that sends such a strong message to society that we will just go easy on this drug and all will be well.

I am okay with the RCMP decriminalizing small amounts and having the RCMP apply a penalty. However, let us make that penalty not half as much, let us make it twice as much. Let us send the message that we are sick and tired of criminals abusing our kids in this society. No longer should we have to put up with that or should we have to stand by and just watch it happen.

We have an opportunity in light of this debate and this incident that has happened. We can draw a line in the sand and say we are going to fight back harder or we can retreat and give up the marijuana debate in this country, and say that it is okay for society to engage in it.

Those are the choices that we are going to make in this House and, in doing so in this House, in society. Does my hon. colleague still feel so passionately that this piece of legislation sends the right message to the kids on our streets?

• (2155)

**Hon. Wayne Easter:** Mr. Chair, yes, I feel passionately about the RCMP. I feel passionately about dealing with the problems that those RCMP officers at the detachment in Surrey and elsewhere across the country raised with me.



*Government Orders*

This bill, in terms of the marijuana bill, and we are not debating that issue, we are really talking about the RCMP tonight, will in fact start to deal with the problem much more aggressively: first, through an education program; second, through the fact that there are penalties and fines, and that it is not acceptable that the law is not being policed uniformly across the country right now; and, third, that there are greater penalties for marijuana grow operations and stronger directions to the courts, in terms of dealing with marijuana grow operations.

As I said in my earlier remarks, the RCMP officers on the ground have told me clearly that they do not believe the courts are penalizing marijuana grow operators to the extent they should be, and they are disgusted and discouraged with that.

The marijuana legislation outlines that intent more aggressively and puts more responsibility on the judges, in terms of abiding by the intent of this Parliament, which is to increase the penalties for those marijuana grow operations.

[*Translation*]

**Mr. Robert Vincent (Shefford, BQ):** Mr. Chair, we cannot talk about the law enforcement role of the RCMP in Canada without mentioning the closing of the nine RCMP detachments in Quebec. Like a number of hon. members, I believe that the closing of these detachments will reduce the RCMP's ability to enforce the law in those communities, since these closures will create a void.

Since I first arrived on Parliament Hill, in September, I have personally attended four meetings with the RCMP, including three with the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness. However, none of these meetings had the expected effect, namely the reopening of the detachments. No alternative was suggested and there was not even a glimmer of hope. The government's decision not to put off the closure of the RCMP detachments in nine municipalities of Quebec has made the mayors and residents of those communities quite angry with the government.

The Minister of Public Safety and Emergency Preparedness is as receptive as an oyster. And based on the representations made by the Bloc Québécois since the announcement, I can only conclude that the minister thinks that affected communities have the ability to protect themselves by just closing up, like oysters. Unfortunately, that is not the case, and I would love to see the minister come to explain her decision to seniors in my riding. These people no longer feel adequately protected and I understand them.

The spokesperson for the mayors' coalition, Guy Racine, told us that the RCMP's withdrawal from their communities is a serious threat to the safety of the affected populations and opens the door to more crime.

I would like hon. members to pay close attention to the following. In its 2004 annual report on organized crime in Canada, Criminal Intelligence Service Canada states the following, and I quote:

Illicit drug activities fuel violence unlike any other criminal activity. There are socio-economic costs associated with the illicit drug trade such as property crimes, assaults and homicides.

We can already see that the RCMP's absence from the field will have harmful consequences on the safety of neighbouring communities.

The same report stresses that "organized criminals will exploit less controlled areas". It is noteworthy that the Executive Committee of the Criminal Intelligence Service Canada, or CISC, is chaired by none other than the RCMP Commissioner himself. How can he approve such a report and maintain his decision to close nine detachments? What credibility will he have now in defending these closures?

The closure of the RCMP detachment in Granby represents a terrible loss for the community, because in the absence of a strong police presence, criminals and organized crime have a free hand. The government is giving up the war on marijuana grow ops, drug trafficking, contraband alcohol, biker gangs and terrorism, while at the same time weakening the enforcement of numerous federal laws.

People pay municipal taxes for their local police services, income tax to Quebec for the Sûreté du Québec and to the federal government for the RCMP. Yet the RCMP is moving out without consulting the public or transferring any resources for the local police to take over their operations. Will the municipality have to levy higher taxes to hire more officers to take over?

Commissioner Zaccardelli's decision is contrary to the mayors' requests and it totally ignores the recommendations made by the members of the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness, as well as the motions moved by my political party.

But the commissioner said the following:

I want to reassure all of you today that the RCMP is committed to delivering its mandate and to providing all Canadians with safe and secure communities. In Quebec, as in Ontario, our mandate is to provide federal policing services—

Let us talk about Ontario, where the same thing happened in the late 1990s.

● (2200)

During discussions with some of the police forces affected, I learned that there had been no prior consultations, just as there had been none in Quebec. The RCMP closed down its Timmins, Ontario, detachment and those in neighbouring communities. At that time, Commissioner Zaccardelli assured the mayors of the affected communities that regional detachments would still provide service via satellite offices. According to the Timmins police chief, Richard Lapierre, these promised services never materialized.

How can we think things will be any different in Quebec? Do you think that the RCMP will keep its promises any better there? It is using the same strategy and the same arguments, that is, centralizing resources so as to better fight organized crime.

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Yet Statistics Canada data clearly demonstrate that the crime rate has, generally, risen significantly after the RCMP have been withdrawn for purposes of centralization. Let us take the example of Peterborough/Lakefield, where it is reported that violent crime increased 37%, property crime 5%, and Criminal Code offences by 16% between 1996 and 2001, despite a very small population increase of 4%. As well, there was a 22% increase in the number of Criminal Code offences between 2000 and 2001.

The commissioner can insist that public safety will not be affected, but statistics on the redeployment of resources in Ontario prove otherwise. The commissioner has turned a deaf ear to the demands of mayors and parliamentarians. He is the only one who believes this, other than his colleague Bourduas in "C" Division in Quebec. The experience in Ontario should instead encourage the commissioner and the Minister of Public Safety and Emergency Preparedness to suspend this decision, which is harmful to the public, all the more so since these same communities are generally located along the borders.

On December 9, Commissioner Zacardelli stated that, even though the RCMP has the mandate to patrol unguarded border roads, it does not have the necessary resources to maintain detachments. If it has the mandate but not the resources, who is ensuring border security? We now know, denounced by its union, the border services agency no longer has the resources needed to ensure border security. Border officers alone are on the job, without any protection or means of defence.

One incident that drew my attention to the situation at the border occurred just before the holidays when agents counted at least 17 vehicles illegally crossing the border. However, this is one of the most highly staffed border crossings in Quebec. There are approximately 50 officers working at any time at Lacolle, but this did not stop these vehicles from illegally crossing the border, none of which was intercepted despite being reported. One of them was even a bus. What was it carrying? Weapons? Terrorists? We do not know.

How can the minister keep repeating her confidence in this controversial but very problematic decision for public safety?

• (2205)

[*English*]

**Mr. John Maloney (Welland, Lib.):** Madam Chair, the hon. member opposite indicated that his constituents feel less safe because of the reorganization of the RCMP offices. The RCMP have never been first responders. Perhaps he was trying to suggest that the Sûreté du Québec does not do its job.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Madam Chair, I am very pleased to participate in the debate on the Royal Canadian Mounted Police and law enforcement in Canada.

Our national police force and law enforcement agencies play a vital role in today's uncertain global environment. We face numerous threats, both natural and man made. While Canada may not be a primary target for a terrorist attack, the inclusion of Canada on a list of countries threatened by Osama bin Laden was a chilling reminder of these threats.

The complex and dangerous times in which we live demand a comprehensive, integrated approach to public safety and security, an approach which manages the multi-faceted nature of the threats we face and which considers the need to work cooperatively across disciplines, jurisdictions and borders to achieve our shared objectives.

[*Translation*]

As the Prime Minister and the Deputy Prime Minister have pointed out on a number of occasions and as Canada's national security policy emphasizes, a government's most important duty is to ensure the safety and security of its citizens .

For this reason, in December 2003, the minister created the Department of Public Safety and Emergency Preparedness and its portfolio. On April 6, 2005, Bill C-6 establishing the department came into effect.

The objective of Public Safety and Emergency Preparedness Canada is to reduce a number of risks Canadians must face, from crime to threats involving national security to natural disasters.

Its mandate consists in meeting people's need for public security, ensuring that civil protection agencies are prepared to confront the range of threats facing the public, and protecting our interests abroad.

[*English*]

This new department is part of a larger portfolio that includes the Royal Canadian Mounted Police, the Canadian Security Intelligence Service, the Correctional Service of Canada, the National Parole Board, the Canada Border Services Agency, the Canada Firearms Centre and three review bodies.

By integrating these closely related roles and responsibilities, the government has maximized emergency preparedness and responses to natural disasters and security emergencies. It is also advanced crime prevention and improved connections to provincial and territorial public safety partners.

The creation of the Canada Border Services Agency in December 2003 enhanced the safety and security of Canada by bringing together all the major players involved in facilitating legitimate cross-border traffic and supporting economic development, while stopping people and goods that pose a potential risk to Canada.

Using innovative and state of the art technology and risk management techniques, the Canada Border Services Agency ensures our borders are open to low risk people and goods, but closed to terrorists and criminals who would threaten the safety and security of our country. The Canada Border Services Agency also detains and removes inadmissible individuals in accordance with Canadian law.

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Established within the CBSA in January 2004, the national risk assessment centre operates 24 hours a day, seven days a week. It acts as a focal point between intelligence agencies at the international, national and local levels. It increases Canada's ability to detect and stop the movement of high risk people and goods into the country by using sophisticated intelligence techniques and technology.

The government has also improved coordination among public safety agencies, both domestically and abroad. The RCMP, CSIS and other agencies continue to share relevant and timely information with other departments and agencies on activities that may constitute a threat to Canada's security.

• (2210)

[Translation]

The Department of Public Safety and Emergency Preparedness has also managed the integration and improvement of federal emergency intervention systems set up to respond to incidents—real or virtual—threatening national security. This work led to the development of the national emergency response system.

That system was designed so Canada would always be ready to act in the event of an emergency or national threat of any sort. It will permit highly orchestrated federal intervention and collaboration with many intervenors country wide required to take measures in a national emergency.

It should be noted that the government did not create the portfolio of Public Safety and Emergency Preparedness for it to work in a vacuum, but for it to be an integral part of a co-ordinated strategic approach to protect the public and national interests. This action is set out in the national security policy, which was made public last year.

[English]

The new policy adopts an integrated approach to security issues across government, employs a model that can adapt to changing circumstances and reflects the Canadian values of openness, diversity and respect for fundamental rights and freedoms. In addition, the government invested \$15 million to establish a government operations centre to provide stable, around the clock coordination and support across government to key players in the event of national emergencies.

While housed in the Department of Public Safety and Emergency Preparedness, the government operations centre functions on behalf of the Government of Canada. It serves as its strategic level command and control centre providing 24/7 response to emergencies affecting the national interest.

[Translation]

In order to connect with the communities that might see themselves at the front, unwillingly, in the fight against terrorism, the government recently set up the Cross-Cultural Roundtable on Security. It brings together men and women from various ethnocultural groups in order to engage the Canadian public in an ongoing dialogue on matters of national security within a diversified and multicultural society.

[English]

Canada's national security policy is far reaching and aggressive. The government remains fully committed to its implementation.

Since September 11, 2001 the government has invested \$9.2 billion on security enhancements. In budget 2001 alone, the RCMP received more than \$800 million over six years for public security and anti-terrorism initiatives. For fiscal year 2004-05 the RCMP was allocated \$82 million for counterterrorism initiatives.

More recently in budget 2005, \$433 million was earmarked for strengthening the delivery of secure and efficient border services. Some \$88 million was committed for improving automated targeting and the sharing of information between Canada and the U.S. on high risk cargo. Some \$222 million was allocated for marine security systems.

With these significant investments, the government will greatly enhance the investigative and intelligence collection capacities of our law enforcement agencies, increase the number of our border personnel, and allow strategic investments in technology.

In closing, I would like to note that it is through the use of better tools and coordination that security intelligence and law enforcement communities are able to work in a more integrated fashion to counter threats to Canada's security. The creation of the public safety and emergency preparedness portfolio brings greater collaboration and focus to the government's efforts. Through the national security policy we must do what we can to ensure our nation is secure from threats, natural or man made, and our citizens are safe in their communities.

The government remains committed to implementing Canada's national security policy. It will continue to do everything it can to help keep Canadians safe and secure in the most effective way possible.

• (2215)

**Mr. Rob Merrifield (Yellowhead, CPC):** Madam Chair, I listened to my colleague's comments on national security and how passionate he was about keeping Canadians safe. I too am concerned about keeping Canadians safe in light of this incident. It draws attention to a number of failures of our court system that does the opposite. It shows that Canadians are not safe because of the lack of laws.

I want to comment on a newspaper article that speaks to the issue. The president of the Canadian Professional Police Association, Tony Cannavino, agreed with the comments of Mrs. Myrol when she said that we needed the Prime Minister to give power back to the police and that we needed to take power away from the Supreme Court and give it back to the House of Commons. He represents 54,000 police officers across the country. He went on to say, "even if you see that sentences were to rise from 10 years to 15 or let's say 20 or maybe life in prison, we know that no judge will give those sentences". He said, "So what we say is, we need minimum sentencing that they will act as a deterrent".

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I wonder if my hon. colleague is as compassionate as the 54,000 police officers in the sense that we need to protect Canadians by making our courts a tougher place, by ensuring they apply the law and by changing the law so they have no option. They are not applying it today.

My hon. colleague from the Liberal Party who last spoke was concerned about the courts not applying the law. Does he have the same opinion and would he agree with the president of the Canadian Professional Police Association with regard to his comments on minimum sentencing?

**Hon. Roy Cullen:** Madam Chair, the government works very closely with the Canadian Professional Police Association and Mr. Cannavino. In fact, I was at an event last week where I was asked to present a number of awards to police officers from across Canada for various acts of bravery. The government has a high regard for that organization and listens intently to its advice on various policy matters.

I think my colleague from Malpeque made the statement, with which I have some sympathy, that at the present time we have laws on our books that the judiciary does not seem to apply the full force of those laws. Grow ops seem to be a good example.

When I was out in British Columbia, I met with the RCMP. I talked with friends and other contacts in British Columbia. They were quite frustrated with the fact that a lot of these grow op people were recurring offenders. They were not getting the sanctions doled out to them which were already available on the books. This is why the government is looking at the marijuana bill. Part of that bill is to toughen up the sentences on the operation of grow ops, and that is what we need to do.

I too concur with the member from Malpeque. I hope and am confident that the judiciary will use the tools that Parliament has given them and act on laws that are already on the books. Failing that, in individual cases and for example with grow ops, the government might have to look at imposing tougher sentences.

I am not so convinced of the need for minimum sentencing. I think we have to have some discretion in the judiciary to hand out sentences. Every case is a question of the law and a question of the facts and every case is unique. However, I too look for the judiciary to apply the law as it was intended by this Parliament.

I am not quite sure what Mr. Cannavino had in mind when he said that he wanted the House of Commons to prevail over the courts. I am not exactly sure he put it that way. Perhaps what he is getting at is the need for Parliament to revisit some of the laws that have been passed by Parliament. Each situation would have to be looked at individually.

In the case of grow ops, I am quite frustrated, as I am sure we all are. That is why our government has committed additional resources to the RCMP to establish a grow op investigative and enforcement team. We need to do more and we need to ensure that the judiciary applies the laws that are already on the books. If the judiciary is not going to do that, then perhaps we have to revisit some of those laws.

• (2220)

**Mr. Rob Merrifield:** Madam Chair, my hon. colleague has just said that perhaps we would have to revisit those laws if the courts

were not applying them. It is obvious the courts are not applying the laws. If they had, James Roszko would have been behind bars, not victimizing police officers and threatening people in my communities. If they had, this incident would not have happened.

If we do not apply the law much more aggressively, it will repeat itself. That is the reason why we need to take note of this debate in the House today.

If we only take note of it and walk away and do nothing, then we fail not only the fallen RCMP, but we fail our communities and our country.

I want to say this very clearly and plainly. Is the member saying that when the courts are not applying the law, he is agreeing with Mr. Cannavino when he says that we need minimum sentencing? In that way we ensure the courts do apply at least a limited amount of protection for society when it comes to significant crimes that happen in our communities. That is really where we are going with this. I do not know another lever that we can use as a Parliament to ensure that the courts apply the law to act as a deterrent and to ensure that our communities are safe from criminals.

**Hon. Roy Cullen:** Madam Chair, I do not want to get involved in sweeping statements. There are certain laws that would have to be looked at in their totality. As the member for Yellowhead probably knows, the Deputy Prime Minister and the Minister of Public Safety and Emergency Preparedness has said that she is prepared to look at parole and sentencing. However, we have a subcommittee of justice set up to look at that precise question, but it is not prepared to deal with it.

In fairness, the subcommittee has a big workload. In fact one of the major preoccupations right now is the anti-terrorism legislation. Fair enough, but the minister has said that she is prepared to look at parole and sentencing provisions in Canada. Can we get that dealt with by a committee of this House? I do not know, not so far. Maybe the member for Yellowhead could talk to his colleagues on the subcommittee on public safety and emergency preparedness and see if it is prepared to put in a few extra hours from time to time to deal with that very question.

I know I have some frustrations. For example, we know that in the books of the Criminal Code, for primary offences, let us say of murder and rape, judges are obliged to submit the DNA to the DNA data bank, but only about 50% of that data comes in. The government has orchestrated a major effort through the provincial attorneys general and through educating judges to ensure that the DNA comes through to the DNA data bank. These are primary offences and this is a part of the Criminal Code right now. Therefore, I hope the judges are listening and that they take their responsibilities under the Criminal Code to ensure that the DNA for primary offences get to the DNA data bank.

We have a broad range of issues, strategies and tactics here. Rather than generalize, I hope we can deal with the specifics. As I said, the Deputy Prime Minister has said she is prepared to look at sentencing and parole through a parliamentary committee. We know that if it is done through some other panel or other process, it will not get the full attention and support of the party opposite. I know the minister would like to do it through a parliamentary committee, so maybe he will talk to his colleagues and ensure that we can do that at the subcommittee.

• (2225)

**Mr. Bob Mills (Red Deer, CPC):** Madam Chair, it is my pleasure to speak tonight. I will be sharing my time with the member for Fort McMurray—Athabasca.

The RCMP desperately needs our support. The killing of four police officers pointed that out. They did not die in vain, and that is the message we must get across to the government.

The courts are too lenient. Victims' rights are not paramount. We are always worried about what is going to happen to the poor criminals. We are always worried about whether their rights are going to be defended.

There are dangerous offenders in all our communities. There are the Roszkos with 30 some charges against them and our courts do not do anything about them. The courts keep letting them off. Slick lawyers convince weak judges that these people should be let out. We blame the police. We plea bargain. More and more of these liberal judges are appointed, and look what we get.

Pedophiles are being released. I had one in my community who committed 10 offences. I asked the then justice minister, who is now the Deputy Prime Minister, what I should tell the parents of the 11th victim. She told me we were always harping about this, that we always wanted to go after criminals. There was an 11th and 12th victim. They were five and six-year-old little girls. That is what this liberal justice system does for us.

We have to protect the rights of Karla Homolka, who killed her own sister. We sure would not want to do anything to upset her.

Murder suspects are being released. I was in Vancouver this weekend and heard about someone who was here as a landed immigrant and had committed 10 offences. The judge let him out. He had been charged with crimes back home and we certainly would not want to send him back home where he might face some different punishment than what he would receive here.

We are seeing a liberal justice system and Canadians are sick and tired of it. They want us to support our police. They want our courts to enforce the maximum of the law that is available.

James Roszko is a perfect example. His father called him the devil. His brother would not talk to him. His neighbours were afraid of him. The police were afraid of him. Yet, this person was out. Every one of our communities has one of these individuals. They are around because of our liberal justice system.

Why was this man not declared a habitual offender? Why was he not put away to protect innocent victims? When money is seized in drug operations, why is it given back for the defence of the criminal? Why is it not given to the RCMP in order to catch more of these

### *Government Orders*

kinds of criminals and to shut down grow ops? Instead, we give it back to the criminals to defend themselves. What kind of a justice system is that?

We wasted \$2 billion on a gun registry when in fact we could have put that money into technology for police officers. Gang activity is going on in all parts of our communities. These gangs are infiltrating everywhere. It is time we put an end to that.

It is time we sent a message from this place. We need to let people know that we support our police officers. They are doing a great job considering they have no support from the government. We need to change that.

We need to tell criminals that victims have rights, that we care about the victims. We need to tell them that our system is going to do everything to protect victims, not create more of them. We need to tell gangs that our police have the best technology. Gangs have great technology. In many cases the RCMP will tell us that the technology that gangs have is better than its own.

We have a sex registry with no sex offenders in it. We give them the right to tell a judge this might hurt their job opportunities. We are not worried about the victims. We just seem to be worried about the criminals. The government is sending the wrong message. It wants to decriminalize marijuana. All that will do is tell people that crystal meth or whatever is okay. It will tell people that drugs are okay.

There are four dead police officers, two of them were from my riding. I am here today to say that we should support the RCMP. Let us do everything we can in this place to send the right message, not the message that is being sent by the government.

• (2230)

**Mr. Rob Merrifield:** Madam Chair, I listened very intently to my colleague and I agree with everything he said. He is one individual who feels the pain probably as much as I do with regard to these RCMP officers because their families live in his riding. Two of them came from his community. I had the opportunity to attend the two funerals of the two RCMP officers in his riding in Red Deer, Alberta.

He was at the funeral and memorial service. When he sees officers gunned down in this kind of situation in the prime of their lives, how has that impacted him? Has he felt the same emotion that I have experienced and indeed the entire country when this sort of thing happened?

I wonder if he could comment on how that situation impacted him.

**Mr. Bob Mills:** Madam Chair, that was probably one of the worst weekends of my career here in Parliament when I attended those two funerals.

I think first of Anthony Gordon, visiting with his mother, visiting with his wife who is expecting another child in July, and seeing his two-year-old son who will never have a dad. That hits one pretty hard. It creates a lot of emotion.

*Government Orders*

When I hear this Liberal namby-pamby about what we are going to do with criminals, it just makes me furious.

I will never forget the Brock Myrol family who gave a eulogy to their son saying what a great person he was and what kind of a young man he was. I am a parent myself, but to hear parents do that I could not do what they did that day. It was very touching.

Here was a young guy being buried in a superman T-shirt because that was what he was like. He always raised the bar. He lived by the *Lone Ranger's Creed*. It would be my pleasure to read this into the record tonight because this was the creed of this young man who died because of James Roszko with 30 charges and being let out every time and never paying the penalty that he should have by law. The creed states:

I believe that to have a friend,  
a man must be one.

That all men are created equal  
and that everyone has within himself  
the power to make this a better world.

That God put the firewood there  
but that every man  
must gather and light it himself.

In being prepared  
physically, mentally, and morally  
to fight when necessary  
for that which is right.

That a man should make the most  
of what equipment he has.

That "This government,  
of the people, by the people  
and for the people"  
shall live always.

That men should live by  
the rule of what is best  
for the greatest number.

That sooner or later...  
somewhere...somehow...  
we must settle with the world  
and make payment for what we have taken.

That all things change but truth,  
and that truth alone, lives on forever.

In my Creator, my country, my fellow man.

I think that sums it up. Maybe we should give some real serious thought as to how we can improve this justice system. That is the message I got. I do not want those four young men to die in vain without the government getting that message that we must change the way this justice system works. We must make it mean something. We must crack down on these thugs who literally are running our country in many cases because judges are just not doing their job.

That is how it touched me. I certainly talked to the parents and have said to them that we must do something about this. It is our job to carry this message here and to ensure it is heard. I give a lot of credit to my colleague who has done so much on this because two of

the officers were from his community as well. We must get this message across.

● (2235)

**Mr. Brian Jean (Fort McMurray—Athabasca, CPC):** Madam Chair, it is an honour for me to speak on the subject of the Royal Canadian Mounted Police.

On March 3 Canadians were bitterly reminded of the dangers and sacrifices that face our brothers and sisters, mothers and fathers, and our friends who decide to make the move to join the RCMP. Four young constables were murdered by James Roszko. Of the four RCMP members, Constable Leo Johnston was from my riding of Fort McMurray—Athabasca.

Constable Johnston was born and raised in Lac La Biche, Alberta and served the community with courage, pride and honour, and a determination to make a difference. Constable Johnston had a twin brother who is also a member of the Royal Canadian Mounted Police. His brother, Constable Lee Johnston, described Leo as:

Leo also knew what it was to be a fighter and what it took to be a warrior...He did not give up...He fought—refusing to believe in any outcome but victory.

And because of his determination and courage, he made a difference.

And he did make a difference.

In my riding of Fort McMurray—Athabasca, there are eight RCMP detachments, including Fort McMurray, Athabasca, Boyle, Faust, Fort Chipewyan, High Prairie, Lac La Biche and Red Earth Creek. In these eight detachments, there are a total of 157 RCMP officers who patrol the riding and serve our country.

The riding of Fort McMurray—Athabasca is indeed very difficult to patrol. It is 167,000 square kilometres. That means one officer has to patrol over 1,000 kilometres. RCMP officers must patrol one of the most dangerous highways in Canada, highway 63, which has the highest death rate in Canada per kilometre.

In addition, many officers currently must commute to and from Fort McMurray to do their job because it is just simply too expensive to live in the community. Housing costs are astronomical. It costs \$330,000 for a trailer. For young RCMP officers, the starting salary barely allows them to live in the community.

In Fort McMurray and Lac La Biche, RCMP members are severely overworked and severely underpaid. Northern Alberta is an expensive place to live.

Canadians may find this hard to believe but in Fort McMurray a truck driver working for one of the oil sands plants makes over double what an RCMP member makes. This is simply illogical and is not right.

The value of work that these brave men and women do for us is simply immeasurable. Their contribution is enormous. Their service to the community is invaluable. These men and women should be fairly treated and rewarded adequately for their service.

I was a litigator for over 10 years in Fort McMurray and I worked with RCMP officers daily. I have personal friends who are members. I understand the incredible sacrifices and the tremendous workloads that they have.

According to a 2000 statistical report, in Fort McMurray the police force handles, per officer, 118 Criminal Code incidents. That is three times the national average for a police officer and over two times the Alberta average. The average RCMP officer in Fort McMurray has three years experience. We need more police officers and we need adequate compensation for them. The Liberal government takes the position that we are still in the 19th century.

Journalist Peter Worthington reveals the Liberal strategy of law enforcement in an anecdote he wrote in the *Winnipeg Sun*:

An RCMP anecdote I grew up with as a kid on the Prairies, was the story of Chief Sitting Bull and his Sioux Indians, who sought refuge in Canada after annihilating George Custer and his 7th Cavalry at the Little Bighorn in 1876.

When the time came for the Sioux to go back to Dakota, the U.S. cavalry was waiting at the border to escort Sitting Bull back to a reservation.

A lone Mountie was at the head of the long line of Indians, and the nervous cavalry officer (the fate of the 7th Cavalry ingrained on his memory) asked the Mountie: "And where is the rest of your troop?"

The Mountie shrugged: "Oh, he's back at camp, cooking breakfast".

I look forward to the time when a Conservative government can implement policies that can provide better resources for the RCMP. For example, a Conservative government will institute mandatory minimum sentences for violent and repeat offenders. A Conservative government will require the registration of all sexual offenders and dangerous offenders. A Conservative government will repeal the expensive and ineffective gun registry, and will protect the public by prosecuting and punishing the criminals.

It is time for a change, not only in this government but a change in how we as Canadians serve and protect the people in the RCMP who serve and protect us.

• (2240)

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Madam Chair, of course we all mourn the loss of four RCMP officers. I went to the memorial service myself, but for the members from Fort McMurray, Athabasca, Yellowhead and Red Deer this has a special meaning. They were and are very close to it.

I think we need to be cautious about trying to represent what occurred in Mayerthorpe as being symbolic or representative of a system gone wrong or bad, because that is simply not the case. Of course, all the facts will come out when the RCMP and others do their review. This chap, Mr. Roszko, seems to me to have been a deranged, delusional individual. We cannot guard against that, no matter what; we can take all the precautions we want. Was there a big public outcry in Mayerthorpe over the years to put that chap away for good?

**Some hon. members:** Yes.

**Hon. Roy Cullen:** Yes. Maybe all that evidence could be tabled in the House. Perhaps that will form part of the RCMP inquiry.

The other aspect is that we have to have some grounds in this country to do that. We have a system of fairness and natural justice. We cannot lock a person up forever and throw away the key because he or she has committed some crimes, no matter how bad those crimes are. As I have said before, the Deputy Prime Minister has said that she is prepared to look at sentencing and parole if we could find the time at the committee to do that.

### *Government Orders*

I would like to correct some "facts" that have come out recently that are not facts. It has been suggested that the government is not supporting the police. As the RCMP commissioner himself has highlighted, resources to the RCMP have gone from \$2 billion a year to \$3 billion in about five or six years.

On the gun registry, the members opposite know full well it has not cost close to \$2 billion. Has it cost too much? Yes, but it is not even close to \$2 billion and they know that. In fact, police officers are making about 2,000 inquiries a day on the gun registry and it is having an impact on homicides and suicides in this country. It is having a significant impact. In fact, the worst problem with guns is the long guns in terms of homicides and suicides. The members opposite know that as well.

The member has talked about gangs. This government introduced the anti-gang legislation and in fact it has resulted in the lock-up, prosecution and conviction of a whole range of criminals in the province of Quebec and across the country. In Toronto, the anti-gang legislation was used to arrest a whole number of gangs. The anti-gang legislation is working.

The government does have a sex offender registry and the member knows that full well. It was implemented with the cooperation of the provinces and territories in December.

**An hon. member:** How many are on it?

**Hon. Roy Cullen:** It was agreed with the provinces and territories to implement the sex offender registry. If we are going to get caught up in the emotion, let us also sift through and deal with the facts.

If members want to deal with sentencing and parole then they should tell their colleagues on the justice committee and the subcommittee to treat this as a priority. The Deputy Prime Minister says she wants to do it.

• (2245)

**Mr. Brian Jean:** Madam Chair, I did not hear a particular question in that but as far as indicators go, I guess in seven years 30 offences under the Criminal Code is not enough. I suppose one officer for every thousand square kilometres in that area of the country is not enough. I guess three times the number of files that other places in Canada have as the average is not enough of an indicator for the Liberals. That is why we need a change in government.

**Mr. John Maloney (Welland, Lib.):** Thank you, Madam Chair, for this opportunity to speak to one of the serious challenges we face in fighting organized crime and terrorism, both in Canada and beyond our borders.

The world of the 21st century is one where borders are no longer barriers to doing business and where capital is increasingly mobile. Open global markets, coupled with new technologies, enable individuals and businesses to buy and sell products and services in a matter of minutes, sometimes a half a world away.

*Government Orders*

While international trade and technologies bring many benefits to Canadian society, there is a dark side to globalization. Organized crime and terrorism feed on this virtual elimination of political and financial boundaries and they are growing exponentially by exporting the same international and technological resources that support legitimate social and economic activities.

Threats to Canadian security today come in all shapes and sizes, from every continent on the planet. They can include terrorism, organized crime syndicates or cyberstalkers preying on our children. Anyone doubting these threats need only turn on the TV news at night.

There is a new level of sophisticated collaboration among criminals and among terrorists. Organized criminal groups now work together to minimize risk and maximize profit. Indeed, their activities are defined by profit, not territory, and by innovation, not tradition.

New illicit profit-making schemes such as identity theft, email fraud and Internet child pornography have exploded in recent years. International terrorist groups have also shown how frighteningly effective their modern organizations can be, most tragically through the events of 9/11. These groups are globally networked, highly adaptable and innovative in their approach.

Clearly, modern crime and terrorism require modern security, intelligence and law enforcement solutions that not only keep abreast but stay ahead of these threats.

I can assure the House that the RCMP is on the front lines of this campaign. Fighting organized crime and terrorism are both considered strategic priorities within the force. The RCMP is addressing all of its priorities through a vigorous emphasis on intelligence, investigations, enforcement, protection and prevention, and education.

The RCMP understands that modern law enforcement means working smarter. It means being flexible enough to respond quickly to changes in the environment. It also means being informed by accurate, actionable intelligence drawn from a broad range of reliable sources.

Equally important, activities must be integrated with the effects of other law enforcement organizations, both at home and abroad, and must rely on the same knowledge of modern technology used by organized crime and international terrorism groups.

Let me highlight a few examples of the way these principles are being put into practice here in Canada and overseas. One that comes quickly to mind is the way the RCMP fights organized crime in our country. In order to determine priorities, develop strategy and allocate resources where they will have the greatest impact, the RCMP works with other members of Criminal Intelligence Service Canada to gather intelligence on known criminal groups and networks of people trafficking in child pornography or fraudulent schemes.

One of the force's most effective tools is an organized crime threat measurement technique called Sleipnir, which allows the RCMP to actively identify its highest priorities in the fight against organized

crime by comparing and ranking criminal groups based on the level of threat they represent to Canadian society.

The recently announced child exploitation tracking system, CETS, is also an example of modern police work as well as the power of partnerships. Through the RCMP's national child exploitation coordination centre, police forces across Canada are partnering with Microsoft to develop and implement a cutting edge software system that combats cyberspace child pornography. CETS will lead to more arrests for this heinous crime and assist in identifying and rescuing the victims of child pornography.

The RCMP is also working as well to ensure that Canada is not used by international terrorists as a safe haven or a staging area for threats against other countries. Members of the force participate in integrated national security enforcement teams, INSETs, along with their colleagues from federal departments and provincial and municipal law enforcement agencies to collect, share and analyze information about potential threats to national security.

In addition to INSETs, the RCMP has implemented several programs related to cross-border security, including the integrated border enforcement teams called IBETs, the airport coastal watch program, and the marine security and ports initiative.

• (2250)

The IBET mandate is to "enhance border security and security at the shared Canada/U.S. border by identifying, investigating, and interdicting persons and organizations that pose a threat to national security or are engaged in other organized criminal activity".

Following the signing of the Manley-Ridge 30-point smart border action plan in December 2001, the RCMP received funding of \$25 million per year for five years to expand the IBET concept. Members will be pleased to note that the cross-border crime forum will use the IBET concept as a best practice and a model for strong Canada-United States relations.

The force has earned a well deserved international reputation as a leading edge police organization, in large part because of its ability to continually adapt to meet the changing needs of our times. While we can still find officers on horseback, we are much more likely to find RCMP employees keeping the peace in Haiti and Côte d'Ivoire, involved in strategic planning meetings with international counterparts, hunched over a computer combating cybercrime, or gathering intelligence on criminal and terrorist activity.

The RCMP is considered a model of modern police enforcement, respected for its strategic use of resources and the latest technology as well as for its emphasis on cooperative approaches to fighting organized crime and international terrorism.



*Government Orders*

The secretary general of Interpol, Ronald Noble, on a recent visit to Canada, complimented the Canadian model when he said “whatever you call the highest category of support and participation we have, Canada is in that category”. Mr. Noble, who is an American, also countered the misperception that Canada is a superhighway for terrorists when he said “they got it right that Canada is super, but not a highway”.

We can no longer combat domestic crime and hope it stops at our borders. We have to recognize that crime in all its forms is often nurtured in conditions of poverty and social distress, whether on Canadian or foreign ground, and in the end knows no borders. That is why we need to foster partnerships with all prospective partners, whether their resources are great or small.

Through its international policing services strategy, the RCMP helps other countries avoid crisis and maintain stability through peace building and peacekeeping. It helps coordinate the program that selects peacekeepers from the policing community on behalf of the Government of Canada. It also trains foreign police forces to use the very techniques of modern law enforcement that work so well here at home.

Generations of Canadians have valued the courage and commitment shown by members of the RCMP as they have strived to keep our homes and communities safe and our country secure for the past 130 years. We can all be extremely proud that this longstanding tradition of excellence can still be counted on today.

I am sure all members of the House join me in commending the RCMP's exemplary use of modern policing to make our ever-evolving world a safer one to live in, whether as Canadians or as citizens of other nations. Without the RCMP's efforts, the world would undoubtedly be a far more dangerous place.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Madam Chair, I know that very recently my colleague was asked to chair a subcommittee of the justice committee looking at the whole issue of prostitution and what Canada could or should not be doing with respect to its public policies and laws in that area.

I believe the subcommittee had a work plan which involved going to jurisdictions that have acted in different ways to deal with this very difficult problem of women and men at risk in the current circumstances. I know the committee wants to study that, but I guess its travel budget was not approved. I am wondering if the member could comment on the work and work plan of the committee given these new circumstances.

Also, when I attended some meetings of the parliamentary assembly of the Organization for Security and Co-operation in Europe, a rapporteur made the comment that in those countries that have relaxed the laws against prostitution there seemed to be some linkage with the increased flow of human smuggling, the sex trade type of smuggling. I hope the member looks at that particular question in committee, but I wonder if he could talk generally about the work program and plan of his subcommittee and why this is such an important issue for Canada.

● (2255)

**Mr. John Maloney:** Madam Chair, indeed the issues which the member touched on in the latter part of his question about human trafficking and the increase in laws that perhaps liberalize or legalize prostitution, unfortunately we are not going to be able to travel to those jurisdictions to see it first hand as opposed to reading it on paper. We will not have an opportunity to cross-examine and certainly I think our report will suffer because of it.

Notwithstanding that, the issue of prostitution is very complex. It is an issue of poverty and homelessness. It is an issue of exploitation of women and the physical, sexual and psychological abuse of women. Certainly more reprehensible is the exploitation of young women, teenagers and children.

It deals with health issues and the spread of communicable diseases such as HIV-AIDS and other sexually transmitted diseases. It deals with the migration of women, the smuggling of women. It deals with drugs and drug addiction. It is a whole microcosm of minor issues that force women into economic prostitution, where it is the end of the month and they do not have sufficient funds to feed their children or pay the rent. It is issues of mental health for women, as well as men and young boys. It is not just a female problem. It is a male and female problem.

Often we do not address the other half of the equation. It is a two part philosophy. There is a male element in this too. They are the johns, the clients, who could be an individual's son, father, uncle or brother. Similarly the sex workers could be someone's mother, daughter, grandmother, aunt or sister. They are human beings with a lot of problems. Most individuals do not wish to be there. They feel they are trapped and they cannot get out because of criminal records. They certainly would not want that life for any of their children.

It is a very complex issue. We commenced hearings here in Ottawa in February. We will continue our hearings perhaps until the end of June. We have crossed Canada consulting people and organizations that deal with sex workers. We have spoken with many sex workers, the high track, as they call it, the low track, which are the street workers, as well as escort services. That is another area. We see the ads in the local newspapers and in the yellow pages, but we do not hear much about them. People say that perhaps that is okay.

In dealing with these individuals there is a certain prejudice that these women are trash so they are not worthy of consideration. That is simply not the case. For those who feel that way, shame on them.

*Government Orders*

We have had cross-country consultations and we will continue with our study, even though we have been restricted a little because of the denial of travelling to those areas that have different approaches. In Sweden they do not criminalize the sex workers themselves but they go after the clients, the johns. Amsterdam and Utrecht in the Netherlands have a more liberalized approach. In England it is lawful for individuals to operate in their own homes. New Zealand introduced a year ago a new law legalizing prostitution.

People perhaps do not realize that in Canada today the actual sex act between consenting adults for money is not illegal. What is illegal is the asking for that service, which is solicitation, pimping or procuring, that is, obtaining women or men to prostitute themselves, or having common bawdy houses where this activity goes on. Transporting someone to a bawdy house is a crime, but the actual sexual act between consenting adults for consideration is not unlawful.

I could go on forever on this issue. We have learned a lot. I have heard the snickers and chuckles too. Shame on those members.

● (2300)

**Mr. Rob Merrifield (Yellowhead, CPC):** Madam Chair, we really need to focus. The incident in Mayerthorpe really brought to light the significant amount of failures in our criminal justice system, in our drug laws, in a gun law that does not work, and the lack of resources for front-line RCMP. I absolutely cannot see the relevance between prostitution, but nonetheless, I have a question with regard to my hon. colleague's comments. What does he think about the need to increase the resources of the RCMP and the need to toughen up those drug laws and our criminal justice system as the family members of those fallen RCMP have asked for?

What would he say to those family members? We have come to the House to debate this issue, to take note of an issue. Do we go one way or the other? Do we walk away from this and call it a one-off, or do we decide to move our criminal justice system to one that actually will work in the best interests of Canadians?

Would my hon. colleague stand and say to the family members how he would respond to that question? When he stands, the family members will be watching, so perhaps he could speak to the family members when he answers.

**Mr. John Maloney:** Madam Chair, the hon. member has raised a very penetrating question.

There is no question what happened in Mayerthorpe was certainly a tragedy and our thoughts and prayers went out to the families at the time of the incident and they still go out to the families. That matter is under a criminal investigation. It is under investigation by the RCMP.

I am very happy that this is going forward because we will learn from these investigations. We will learn what happened so that hopefully it will never happen again, not only for the police forces in Alberta, but the police forces across the country. We have to know what happened so we can institute measures so that this tragedy will never happen again, that we will never lose officers in this nature ever again.

**Mr. Kevin Sorenson (Crowfoot, CPC):** Madam Chair, the hon. member said that there will be an inquiry and we will learn what will happen. That is the point of our take note debate tonight.

I believe this gentleman could have sat on the committee, but in 2000 we had a corrections and conditional release study where 52, maybe even 54, recommendations were made to help protect society in a much greater way. The government to this day has not moved on those recommendations.

**Hon. Roy Cullen:** It's coming, it's coming.

**Mr. Kevin Sorenson:** The parliamentary secretary says that it's coming, it's coming. It is five or six years later and we know how the government acts. The Air-India issue has gone on for 20 years.

The Canadian Police Association has made some recommendations. We have had a tragedy the likes of which we have never seen before and yet the government is just sitting still. The government is caught in neutral and is spinning its wheels.

Am I to believe the hon. member that we should just wait for the inquiry and do nothing, not be moved to any action? Is that what the government is going to do, just sit around and wait and not be moved to take any action?

**Mr. John Maloney:** Madam Chair, as the member opposite has just heard from the parliamentary secretary, these 52 recommendations the committee brought forward will be acted upon by the government very soon. What more can we say? As long as this Parliament is allowed to continue to do its work and the member's party does not prematurely call an election, he will see actions resulting from those recommendations.

● (2305)

[*Translation*]

**Hon. Denis Paradis (Brome—Missisquoi, Lib.):** Madam Chair, my comments this evening will deal more specifically with the services provided by the RCMP in the regions and will, of course, refer to the closure of the nine RCMP detachments in Quebec.

First, I would like to thank those who were with us in the previous Parliament and who were actively involved in this issue, namely Diane St-Jacques, for Shefford, David Price, for Compton—Stanstead, and Gérard Binet, for Mégantic—L'Érable. I thank my former colleagues who brought this issue to the forefront, in an attempt to avoid these closures at the time.

We saw what has happened since. The RCMP commissioner decided to close nine detachments in various regions of Quebec. It is important to understand that when the RCMP is present in a region, it must work with municipal police forces and with the provincial police force, including the Sûreté du Québec. A few years ago, I attended a meeting with officers from the RCMP, the Sûreté du Québec and various municipal police forces. They told us that, in order for the various police forces to work together, there has to be some chemistry between them. It is not just a matter of sending a couple of officers from Montreal to meet with their counterparts in a region, thinking that everything will be just fine. That is not how things work.

*Government Orders*

There is also the deterrence issue. How can we have a deterrent effect in rural areas? By ensuring that police officers are present. Someone who drives along the road but never sees an officer will be tempted to drive a little faster than the speed limit. It is the same in any other area. When the police are not visible, it is an indication to criminals that they can take advantage of the situation.

This is, I think, a very harmful consequence of the decision made by the RCMP commissioner to close these nine regional detachments in Quebec.

I feel quite justified talking about this issue, since there are 10 border crossings in my riding, but no RCMP detachment. The closest detachment is located in Granby and serves the 10 border stations in my riding.

One other element of police presence is that it can be part of the community and thus be aware of what is going on. For example, the little regional papers in my riding recently listed properties that had been sold for three times their municipal assessment value. According to real estate agents, what is more, these were cash transactions. If the police or RCMP were located in the area, they might see these reports and it would shorten their investigations.

Police are a very important presence in the regions. I am not the only one to think that. The Minister of Public Security and Emergency Preparedness said the following in her speech in honour of the four officers killed in Alberta recently.

These four officers served their community, but they were also part of the community. I have been struck, listening to the comments of residents in the area, by how everyone has mentioned that these four men were not only police officers carrying out their official functions, but they were very much part of the daily lives of local residents. They were actively involved in local charitable events and recreational activities.

This is another hallmark of the force. To do their jobs, its members become, and want to become, part of the communities in which they serve.

Our Minister of Public Security and Emergency Preparedness said that on March 7.

A few days later, on March 10, our Governor General, Her Excellency the Right Honourable Adrienne Clarkson said the following:

I have visited, in the last five and a half years, hundreds of these small towns and villages. In the north and all across Canada, it is wonderfully obvious how the local RCMP detachments contribute to the well-being and mutual understanding of their fellow citizens. Local newspapers print a welcoming article when a new constable comes to town; in Mayerthorpe and district, people were almost as likely to see an officer at the grocery store or a playing field as in uniform.

Those two testimonials are a clear illustration of how important it is to have the RCMP in the regions.

• (2310)

Let us take a look at the drug problems faced by our regions. More specifically in my riding, about one year ago, a mayor told me he was going to take his combine and run it through the fields of his 50 or so local clients. He asked me to guess in how many of these 50 fields traces of marijuana could be found; there were 45. That is insane. At a time when we are confronted with this renewed increase in marijuana production, a decision is made to move the RCMP out of our regions. I do not understand the rationale behind that, I do not understand it at all.

I also mentioned the 10 border crossings in my riding. A few years ago, a U.S. congressional committee, namely the Judiciary Committee's subcommittee on drugs, toured border crossings, and I met with its members. At the end of our discussion, the congressman asked me this little question that said it all, "What about your Quebec gold?"

Clearly, the Americans are very aware of the fact that there are individuals in our regions who grow marijuana with total impunity. That does not make any sense.

Recently, we have been told that the problem had spread beyond high schools, to elementary schools, where pushers are now operating. That does not make any sense. The police have to be present and visible in our regions.

Some might argue that this is not part of the RCMP's mandate. As for the Sûreté du Québec, one must understand that, in Quebec, several municipal police forces have been amalgamated with the Sûreté du Québec. In addition, the mayors are complaining about inadequate presence of the Sûreté du Québec in their towns or cities. Therefore, I think that the RCMP has a major role to play, complementing that of the Sûreté du Québec and the municipal police services.

As for security, how many roads crossing the border are not guarded by customs officers? This evening, I want to pay tribute to all the RCMP officers who testified just how important it was for them to stay in the regions, despite the fact that the top brass wanted to take them out of the regions and send them to offices in Montreal or elsewhere. I also want to pay tribute to all these customs officers who do such an extraordinary job. However, this work is not supported by the RCMP but it should be to a much greater extent.

I want to give an example. In Noyan, in my riding, there is what is called an unguarded road. A customs office is located in a particular spot, but 500 metres away is an unguarded road. A small sign along this paved road advises that travellers must stop and report to the customs office down the road. People rarely make the detour and stop in to report to the other customs office.

The customs officers are therefore powerless, because we do not have what the Americans on the other side have, which are border patrols. We do not have this system. Previously, the RCMP patrolled the borders but it no longer does because the border stations have been closed and the resources reallocated.

Nine RCMP detachments are closed in Baie-Comeau, Coaticook, Granby, Îles-de-la-Madeleine, Joliette, Lac-Mégantic, Rivière-du-Loup, Roberval and Saint-Hyacinthe. All the local and municipal elected officials have told us it does not make sense to close these RCMP detachments. The public has said the same thing.

This evening, I am appealing to RCMP Commissioner Zaccarelli. I do not know if he is still watching at this hour—it is 11:15 p. m. I call upon him, if he is watching, to listen to the public and the elected representatives of Quebec who are asking him to keep these nine RCMP detachments open.

*Government Orders*

• (2315)

Recently, in committee, Commissioner Zaccardelli said that a police officer used to be able to process roughly 15 cases a year. Then he added that now they have changed their methods and it takes 15 police officers to handle one case. I do not get it.

When I came here as an MP 10 years ago, I was told it was important to see the police. It was important for the police to be seen. This is a complete about-face. I simply do not get it.

I invite Commissioner Zaccardelli to come to my riding. I invite him to visit the border crossings and to speak to the mayors in the hope that, at some point, common sense will prevail.

[English]

**Mr. Kevin Sorenson (Crowfoot, CPC):** Madam Chair, is my colleague aware that the commissioner of the RCMP is like a deputy minister in the government? The gentleman blamed Commissioner Zaccardelli of the RCMP for not keeping those detachments open in Quebec.

We on this side of the House have been concerned and frustrated for a long time with what we call the politicization of the police force. In the APEC report, which came out 2201, Judge Hughes said that one of the things that had to be addressed in the federal government was the politicization of the police force, the fact that the commissioner of the RCMP sat as a deputy minister of his government.

It is easy to stand here on a night that we are trying to talk about changes to a judicial system and talk about our own little areas in our provinces. My colleague is in the government in power and it has not addressed any of the concerns that the judge brought forward about the politicization of the police force. If he really believes that Commissioner Zaccardelli is not listening, then maybe he should tell the Minister of Public Safety and Emergency Preparedness.

[Translation]

**Hon. Denis Paradis:** Madam Chair, I thank my colleague for his question. This is not at all about the politicization of the police force. In fact, this issue is the subject of a debate. Our Minister of Public Safety and Emergency Preparedness says that she does not want to interfere in police matters and that the deployment of police forces is the responsibility of the commissioner of the RCMP. That is our minister's position on this issue.

As elected officials, I think that we can certainly speak on behalf of our mayors, of our municipal and regional elected officials who want the presence of the RCMP in their area. This is not about the politicization of this issue. The deployment of police forces is not the sole responsibility of the commissioner of the RCMP. Elected officials must have their say or, if at some point the commissioner is not being given the right feedback, it is important that we, as elected officials directly accountable to our constituents, have the opportunity to tell the commissioner that we need such police presence. I need it in my region. I have 10 border crossings that require the presence of the RCMP, and that is being taken away at this time.

[English]

**Mr. Bob Mills (Red Deer, CPC):** Madam Chair, I have sat here for part of this debate and have listened to the members across the

way. I had a great deal of difficulty when I heard the parliamentary secretary say that people in the community did not ask for any action, that the people did not know. I have here in my hand the record for Mr. Roszko from 1976 showing one offence after another, year after year. How would no one know? Everybody knew.

I go back to the situation in my own riding involving a pedophile who was released. In front of 300 parents the psychiatrist who examined and worked with this man said that he would reoffend within the year. The head of the RCMP in our community said that he would reoffend within the year. The prison warden said that he would reoffend within the year. What did we do? We let him out. He was not named an habitual criminal. We let him out so he could molest some more. We let a guy out so he could finally kill four police officers.

It is sickening to listen to those people. One guy was talking about prostitutes and how he should travel the world more to find out about them. Another guy defended the nobody knew attitude. Where are those guys? Why do they not get with it? People are concerned. They do not want to be victimized any more. They want a tough justice system.

• (2320)

[Translation]

**Hon. Denis Paradis:** Madam Chair, I believe that these comments and this question were directed more to my colleague the parliamentary secretary than to me. I have not once mentioned the subject to which my colleague is referring.

I have said that we are in the regions in Quebec and that we need the RCMP. It must be present in our municipalities and in the regional offices in the province. As for the other comments made by my colleague, I will certainly let the parliamentary secretary, my colleague, answer that question.

[English]

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Madam Chair, I want to direct a question to my colleague, but I feel obliged to respond. Hindsight is twenty-twenty. Everyone now knows that this chap would reoffend. Where were the public officials in that area? Were they beating down the door saying that we should do something with the criminal justice system then?

**Mr. Bob Mills:** I have been for years.

**Hon. Roy Cullen:** Perhaps the member should table those documents.

The members opposite talk about local issues. We have to be very careful about characterizing what took place in Mayerthorpe as a whole commentary on our criminal justice system.

As I pointed out earlier, crime is on a downward trend and it has been for the last nine or ten years. I know that is hard to accept. Frankly, it is hard for me to accept because I see crime in my own riding. However, those are the facts. The statistics show that crime and violent crime are on a downward trend and have been consistently for the last 10 years.

*Government Orders*

[*Translation*]

I would like to put a question to my colleague from Brome—Missisquoi. I have a lot of respect for his tenacity in the face of the closure of C division of the RCMP. However, it must be understood that the role of the RCMP is not to provide social programs. My colleague seems unable to understand that.

In Quebec, the role of the RCMP consists in providing the services of a federal police force in connection with the fight against organized crime and investigations involving national security. In that province, the RCMP does not provide a community police service or intervene on the front line, because these services are provided by the Sûreté du Québec or by the municipal police forces concerned.

[*English*]

I would ask the member to offer and consider that, while he may not see visibly the RCMP in his community, to be the front line police officers in the province of Quebec is not the intended role.

[*Translation*]

**Hon. Denis Paradis:** Madam Chair, If we do not see the presence now, we have done so in the past. I must point out that the population has not decreased. The Constitution has not changed and removed functions from the RCMP that it did not have in the past.

It used to deal with customs. We used to see their members in the field, along with their Sûreté du Québec colleagues, but within federal mandates. Where national security is concerned, and there are people using border crossings, this is part of national security and so it is part of the RCMP's mandate. Where drug dealers are concerned, intercepting them is part of the RCMP mandate.

I do not want to see the RCMP turned into a community police force. I want it to look after its areas of responsibility, assume its responsibilities and not shirk those responsibilities.

• (2325)

[*English*]

**Mr. Kevin Sorenson (Crowfoot, CPC):** Madam Chair, I rise tonight to take part in this debate in memory and out of respect for four fallen constables: Constable Anthony Gordon, Constable Leo Johnston, Constable Brock Myrol and Constable Peter Schiemann.

My sympathies and prayers are with the families, friends and colleagues of these fallen officers who were killed. My gratitude and admiration are with all those in this country who work and serve to make our communities a safer place to live and a safer place to raise our families.

The tragic death of these officers is a sad reminder of the all too often violent nature of our society and the reason that there is a growing need for more police officers all across the country.

No part in Canada is immune from violence in which innocent lives are destroyed or lost. Families are torn apart, police officers are murdered or injured in the line of duty.

In the wake of these murders, it is so hard to refrain from pointing fingers in fear that we would be accused of exploiting this tragedy.

After learning of the tragedy in Mayerthorpe, the media contacted me and we issued a press release condemning initially illegal marijuana use and the grow op industry. The commissioner had done it and the minister had done it. In hindsight, we were perhaps a little too quick and a little too harsh. However drug use, the drug trade and the carnage it causes are a harsh reality in this country that must be changed and cannot be denied.

What I did not mention out of respect was the firearm registry and the very simple fact that it did absolutely nothing to deter James Roszko, a man with a violent history, from acquiring and using his firearm. Roszko, as many other criminals, illegally bought and brought firearms across the border. Since the death of the four constables there have been numerous articles and editorials written about the Firearms Act not being a deterrent and therefore I am not going to belabour that point tonight.

There was also a mention of our lax sentencing laws and the failure of our justice system to convict and hold dangerous offenders such as Roszko. Over his 46 years, Roszko faced multiple charges and, although most were violent crimes, he was rarely convicted. For threatening to kill and sexually abusing a teenage boy over a 10 year period Roszko was given two years in prison.

I would strongly suggest that this type of lenient sentencing is courtesy of the Liberals who, over the last 10 years, have made reintegration the guiding principle of our corrections and parole system as opposed to the protection of society as being the guiding principle.

Now that the constables have been laid to rest, this tragic situation needs to be carefully examined and analyzed to determine all the factors so we can prevent such tragedies in the future. Police officers in this country deserve at least this much.

Last week, police officers all across the country came to Parliament Hill for their annual lobby day to bring forward their wish list or their list of concerns. Topping their list was a national drug strategy that would incorporate the balanced approach that we have learned about here with supply and demand of illicit drugs. They wanted more for prevention, more for education, more enforcement, treatment, rehabilitation and research. They recognize drugs as a major problem in our country.

Canadian police are calling on the Liberal government to improve our corrections and parole system and to restore confidence. In the name of officers killed in the line of duty, such as another officer, Sudbury Constable Joe MacDonald, the police are asking that first degree murderers spend a minimum of 25 years in prison, not in a club fed, not in a resort style prison, and with no eligibility of parole; a just improvement that the Conservative Party wholeheartedly supports.

They are asking that section 745, the faint hope clause, be repealed so that 80% of applicant killers who are granted early release serve their full life sentences; another measure that we on this side of the House endorse.

Before closing, I would like to touch on a concern that was brought to my attention by Chief Chalmers of the Camrose City Police and by Detective Lorne Blumhagen who was here in Ottawa last week, and that is the closure of the Edmonton forensic lab.

*Government Orders*

• (2330)

Forty per cent of Canada's forensic work is currently done in the Edmonton lab, and 100% of Canada's break and enter analysis is done in Edmonton. Yet it is being closed, much to the frustration of police in Alberta and all across the west.

A year and a half ago I stood in the House and repeatedly questioned the former solicitor general about the wisdom in closing the RCMP DNA forensic labs in Edmonton, Regina and Halifax. On each occasion I pointed out that the RCMP forensic scientists were frustrated, police were being hampered in their investigations, and court proceedings were being stalled because DNA testing for urgent cases was taking three times longer than the RCMP's mandated timeline. Unfortunately, the former solicitor general refused to listen.

Madam Chair, I am splitting the time with the member for Regina—Lumsden—Lake Centre.

Last month we learned that the RCMP will one day have a massive five year backlog of requests for Criminal Code record checks if these obsolete processing systems are not replaced soon. The police are coming forward.

The Canadian Police Association and other associations have recognized the major concerns. Given this huge tragedy, if the government would move on at least some of the concerns, we would stand and applaud the government. The Liberals' snooze button has not been hit. They are still sleeping at the switch.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Madam Chair, the member for Crowfoot mentioned the closure of the forensic laboratory services in Edmonton. This decision is actually in line with the recommendation in the 2000 Auditor General's report that the RCMP rationalize the number of labs to improve the level of service. In fact there will be no long term impact on the processing of cases as a result of this decision.

I have a very simple question for the member for Crowfoot. He serves as vice-chair of the Subcommittee on Public Safety and Emergency Preparedness and because of the unfortunate circumstances of my colleague from Saint John, he is in a position where, if he wants to look at sentencing and parole, the minister would be quite happy to bring it to that subcommittee.

Will he in his capacity as vice-chair, see if we can accommodate this request from the Deputy Prime Minister?

**Mr. Kevin Sorenson:** Madam Chair, our committee has been brought together to go through Bill C-36. We are mandated by Parliament to go through the anti-terrorism legislation. Why do we have to do that? We have to do it because it is mandated by Parliament, but one of the major reasons we have to do it is that the police came to the justice committee and said that because of the lack of police officers, they have had to take the officers who are dealing with the organized crime files and put them on the terrorism files. That is what is going on. We are risk managing terrorism in this country. We are risk managing files.

The minister has asked if we could start going through some of the things that we discussed five years ago, the Corrections and Conditional Release Act and all the different parole issues. It was

done five or six years ago. It is time that the government took the recommendations, the ones that it has accepted, and put in place measures that would address the issues.

Let us do our terrorism law. We will address corrections if time permits. At the present time, as the hon. member has stated, the member for Saint John has had a heart attack, but we will keep working as hard as we can on that committee.

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Madam Chair, it is a pleasure to stand in this assembly tonight and speak to this take note debate because I feel a very special connection with the Royal Canadian Mounted Police for several reasons.

The first reason is the Regina training depot, the home of the Mounties and where Mounties are born, which is in my home riding. The Regina depot of the RCMP is one of the most revered institutions in Canada and is one of the most respected training facilities for police forces worldwide. I can assure all members that everyone in Saskatchewan takes great pride in having the depot in Regina and in Saskatchewan.

The second connector, however, is far more personal than that. My late mother's first husband was an RCMP officer by the name of Norman Gleadow. Mr. Gleadow was killed on duty while patrolling on the Regina depot. A convict behind bars somehow got hold of a lead pipe, I believe, and was able to grab Mr. Gleadow by the throat as he was patrolling and killed him while he was on duty.

While I never met the gentleman, I certainly have heard about him from my mother and I feel a very deep empathy with the force. With the tragedy that we saw in Mayerthorpe most recently on March 3, it hits home even stronger to someone like myself because of what I had experienced when I was growing up.

The third reason, which I have to get on the record, and the the primary reason I feel such a strong connection to the RCMP is because of a gentleman by the name of William MacRae. Bill MacRae is a former superintendent of the RCMP depot in Regina and one of the finest gentlemen I have ever met.

During the memorial service for the slain officers in Mayerthorpe in early March, which I attended, I met with Commissioner Zaccardelli and spoke of Bill MacRae. Commissioner Zaccardelli told me that Mr. MacRae was a legend in the annals of RCMP history and an icon within RCMP circles.

The reason I mention Mr. MacRae's name is that he exemplifies all that is best about the RCMP. His honesty, his courage, his dedication to the force and his strength of character are attributes that I believe all RCMP recruits and officers strive to achieve.

The point I am trying to get at is that I believe the RCMP needs more recruits and more officers like Mr. MacRae and Norman Gleadow. However the reality is the force is suffering because of lack of resources and, I believe, a lack of commitment from the government to support the RCMP.

*Government Orders*

I have heard here tonight many times from members opposite comments stating that they have actually increased funding to the RCMP but it does not appear to be the facts because we see and we hear examples of DNA labs being closed down, detachments being closed down and massive vacancies within the force in provincial jurisdictions.

I think all I am looking for is some strong and clear and unequivocal signal from the government that it is firmly committed to supporting the RCMP, not just morally but financially.

We need to strengthen our RCMP forces across Canada. Communities need more RCMP officers. We have heard that tonight over and over again. Yet what we are experiencing is less and less RCMP officers being available for communities and for border security, which I think is a tragedy.

The RCMP in this country is one of our proudest and most significant institutions. We need, if nothing else, to support that institution with all of our will and all of our fibre. However I see no evidence from the government that it shares that conviction with myself. I see nothing to exhibit, by the government's actions, or I should more accurately say inactions, that it chooses to support the RCMP.

if we as Canadians, who hold the RCMP near and dear to our hearts as one of the finest police forces in the world, cannot support this police force then we should all be ashamed and we should all hang our head down.

● (2335)

Let us not forget the tragedy that occurred in Mayerthorpe on March 3 is one that affected all Canadians very deeply because that is the significance that the RCMP holds for every one of us. We must rededicate ourselves to a commitment of increasing the resources and financial capacity of this great police force.

**The Assistant Deputy Chair:** It being 11:39 p.m., pursuant to Standing Order 53.1, the committee will rise and I will leave the chair.

● (2340)

**The Acting Speaker (Hon. Jean Augustine):** It being 11:40 p.m., this House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 11:40 p.m.)

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