



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, May 17, 2005**

—  
**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Tuesday, May 17, 2005

The House met at 10 a.m.

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*Prayers*

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## ROUTINE PROCEEDINGS

•(1000)

[*English*]

### ORDER IN COUNCIL APPOINTMENTS

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am pleased to table, in both official languages, a number of orders in council recently made by the government.

\* \* \*

### CANADIAN HUMAN RIGHTS ACT

**Mr. Bill Siksay (Burnaby—Douglas, NDP)** moved for leave to introduce Bill C-392, an act to amend the Canadian Human Rights Act (gender identity).

He said: Mr. Speaker, I am proud to introduce this morning a private member's bill that would add protections for transsexual and transgendered Canadians to the Canadian Human Rights Act by adding "gender identity or expression" to the list of prohibited grounds of discrimination in the act.

Members of the trans-community face significant and serious discrimination in Canadian society, notably in the workplace and in the health care system. They suffer harassment and are all too often subjected to violence and murder. This bill would ensure explicit protections for trans-identified Canadians in areas of federal jurisdiction.

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

\* \* \*

•(1005)

### CRIMINAL CODE

**Mr. Gord Brown (Leeds—Grenville, CPC)** moved for leave to introduce Bill C-393, an act to amend the Criminal Code and the Corrections and Conditional Release Act.

He said: Mr. Speaker, I present today this private member's bill for which members of my constituency and people all across Canada have been asking.

This act proposes to create mandatory minimum sentences for carrying a concealed weapon and for manslaughter on an unarmed person inflicted with a knife that was previously concealed.

The act mandates a reduction in parole eligibility for both offences and creates a second or subsequent offence for carrying a concealed weapon, as well as including carrying a concealed weapon as an offence within the absolute jurisdiction of a provincial court judge.

The act would also provide direction to sentencing courts with respect to consideration and calculation of pre-trial custody.

The act provides direction to the National Parole Board with respect to supplying relevant information to crime victims, asserts the obligation of the board to not adjourn conditional release hearings without justification and creates a future conditional release eligibility consequence for offenders that waive scheduled hearings.

This bill is for Andy.

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

\* \* \*

### STATE IMMUNITY ACT

(Bill C-367. On the Order: Private Members' Business:)

Second reading and reference to the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness of Bill C-367, an act to amend the State Immunity Act and the Criminal Code (terrorist activity)—The Member for Okanagan—Coquihalla.

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, I understand there is agreement among House leaders to withdraw this bill, which was initially tabled as Bill C-367, to allow me to introduce the improved version of that. I therefore ask for unanimous consent to withdraw the bill.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

(Order discharged and bill withdrawn)

\* \* \*

### STATE IMMUNITY ACT

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC)** moved for leave to introduce Bill C-394, an act to amend the State Immunity Act and the Criminal Code (terrorist activity).

*Routine Proceedings*

He said: Mr. Speaker, I rise today to introduce a bill that is an improvement upon Bill C-367, otherwise known as the victims of terror compensation bill.

Like Bill C-367, this bill would remove the immunity for states that have been able to hide behind that immunity, states that sponsor terrorism, by amending the State Immunity Act, that would allow victims of terrorism to civilly sue the perpetrators of terrorist acts by amending the Criminal Code.

The bill I am introducing today makes the following important additions. First, the limitation period with respect to these offences would not run while a victim is incapable of commencing a proceeding due to physical, mental or psychological condition or is unaware of the identity of those responsible.

Second, any court of competent jurisdiction shall give full faith and credit to a judgment of any foreign court in favour of a person who has suffered loss or damage from terrorist activity which is prohibited under the Criminal Code.

I thank all those who have contributed to this particular bill, which will assist Canadians who in any way are hurt by terrorist activity.

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

\* \* \*

**BILL C-48**

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I would seek the unanimous consent of the House to move the following motion:

That Bill C-48, an act to authorize the Minister of Finance to make certain payments, be deemed to have been read a second time, referred to committee of the whole, reported without amendment, concurred in at report stage, read a third time and passed.

**The Speaker:** Does hon. member for Winnipeg North have the unanimous consent of the House to propose this motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

\* \* \*

• (1010)

**BILL C-43**

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, once again I ask for unanimous consent for the following motion:

That Bill C-43, an act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, be deemed to have been read a second time, referred to committee of the whole, amended at committee of the whole so that:

clause 9 be amended by replacing lines 2 to 8 on page 7 with the following: for a taxation year is (a) if the taxable capital employed in Canada of the corporation for the taxation year is equal to or less than \$50,000,000, that the proportion of 4% that the number of days in the taxation year that are before 2008 is of the number of days in the taxation year; and

(b) if paragraph (a) does not apply, the percentage determined by the formula  $A + B [(C - \$50,000,000) / \$25,000,000]$

Where

A is the proportion of 4%, that the number of days in the taxation year that are before 2008 is of the number of days in the taxation year;

B is that proportion of 4% that the number of days in the taxation year that are after 2007 is of the number of days in the taxation year; and

C is the lesser of \$75,000,000 and the taxable capital employed in Canada of the corporation for the taxation year.

(3) for the purpose of subsection (2), the taxable capital employed in Canada of a corporation for a particular taxation year is

(a) if the corporation is associated with one or more corporations in the particular taxation year, the total of all amounts each of which is the taxable capital employed in Canada (within the meaning assigned by subsections 181.2(1) or 181.3(1) or 181.4, as the case may be) of the corporation, or of such an associated corporation, for its last taxation year that ended in the calendar year preceding the calendar year in which the particular taxation year ends; and

(b) if the corporation is not associated with one or more other corporations in the particular taxation year, the taxable capital employed in Canada (within the meaning assigned by subsections 181.2(1) or 181.3(1) or 181.4, as the case may be) of the corporation of the particular taxation year.

That Clause 10 be amended by deleting lines 9 to 36 on page 7 and lines 1 to 7 on page 8; and

Clause 11 be amended by deleting lines 8 to 29 on page 8.

That Bill C-43 be reported back to the House as amended, concurred in at the report stage, read a third time and passed.

**The Speaker:** At least the question before the House is very clear. Is there unanimous consent for the hon. member to propose this motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

\* \* \*

**PETITIONS**

**MARRIAGE**

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, I have a number of petitions. The first is from several hundred parishioners of Our Lady of Lourdes Catholic Church in Westbank stating that the institution of marriage is between a man and a woman reflecting on the constitutional legal challenge and ask that it remain defined as the union of one man and one woman to the exclusion of all others.

The petitioners from Penticton and Peachland are making the same request.

I have another petition from several hundred individuals from different parts of British Columbia and Alberta who are also asking that marriage be continued to be defined as between a man and a woman. The only difference in this petition is that they are asking that Parliament use all possible legislative and administrative measures, including invoking section 33 of the charter, the notwithstanding clause, if necessary to preserve and protect the current definition of marriage.

**AMBASSADOR TO UNESCO**

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, the final petition of several hundred people ask that the appointment of Yvon Charbonneau as Canada's Ambassador to UNESCO be rescinded because he has expressed, in their view, anti-Semitic, anti-Israel and anti-American views. They ask that this appointment be rescinded so it cannot be seen as reflecting the policies of the Government of Canada in terms of being anti-Semitic, anti-Israel or anti-American.

*Government Orders*

CANADA POST

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Mr. Speaker, I rise to present a petition on behalf of the good people from Bethune, Saskatchewan, who are very concerned about the possibility of closure of rural post offices.

The petition is signed by many members of the Bethune and area communities who wish that not only in Bethune but that all rural post offices remain open.

INCOME TAX

**Mr. Gord Brown (Leeds—Grenville, CPC):** Mr. Speaker, I am pleased to submit a petition signed by many members of my riding of Leeds—Grenville who suffer from diabetes, a disease that affects one in every three Canadians.

This disease requires a tremendous amount of non-tax deductible spending and many of the sufferers are low income Canadians.

The petition calls upon Parliament to change legislation so that those living with this disease may deduct all diabetic supplies from their tax returns.

\* \* \*

• (1015)

**QUESTIONS PASSED AS ORDERS FOR RETURNS**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, if Question No. 133 could be made an order for return, the return would be tabled immediately.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

[Text]

Question No. 133—**Mrs. Bev Desjarlais:**

With regard to the budget plan for the Canadian International Development Agency and the Official Development Assistance Program: (a) does the government plan to introduce legislation that would give clarity of purpose to Official Development Assistance Program spending; (b) is there a review on expenditure being conducted at the Canadian International Development Agency and, if so, is it causing cuts to programs that do not meet policy priorities rather to programs that do not meet an administrative spending formula; (c) what impact will this expenditure review, if any, have on non-governmental organization (NGO) partnering programs; (d) has the expenditure review process, if any, caused the cancellation of the NGO project facility; (e) what effect will the expenditure review, if any, have on programs for Africa; (f) does the \$223,000,000 for tsunami relief and the \$185,320,000 for humanitarian relief laid out on page 129 of Supplementary Estimates (B), 2004-2005 come exclusively from the government surplus; and (g) does the government intend to reach 0.7% of gross national income going to official development assistance, and, if so, when?

(Return tabled)

[English]

**Hon. Dominic LeBlanc:** Mr. Speaker, I ask that the remaining questions be allowed to stand.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

[Translation]

**REQUEST FOR EMERGENCY DEBATE**

PHARMACEUTICAL INDUSTRY

**The Speaker:** The Chair has received notice of a request for an emergency debate from the hon. member for Hochelaga. Does the hon. member wish to address the Chair?

**Mr. Réal Ménard (Hochelaga, BQ):** Mr. Speaker, in all likelihood, within the next few days, the American Congress will pass legislation allowing drug imports. I know that all parliamentarians have heard arguments from individuals and pharmaceutical companies about the potential depletion of Canada's supply, leading to drug shortages.

In my opinion, it is important that the House provide clear guidelines to the Minister of Health on what our plan of action should be, under such circumstances.

SPEAKER'S RULING

**The Speaker:** Despite the letter and argument presented by the hon. member, the Chair is of the opinion, at this time, that this request fails to meet the requirements of the Standing Orders in this regard. Consequently, I cannot approve the request at this time.

**Mr. Réal Ménard:** Mr. Speaker, I rise on a point of order. Perhaps the Chair could seek the consent of the House to debate this issue this evening, as if it were an emergency debate. I know that the Minister of Health is very concerned about this matter, as are our NDP and Conservative colleagues. I think the House may consent to taking the time to determine our plan of action and express our opinion on this issue.

**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, on that point of order. The hon. member is well aware that the House leaders of all the parties traditionally meet on Tuesday, which is today. This matter could certainly be raised at that meeting.

If the leaders of all the parties in the House agree, we could proceed accordingly. I suggest, however, that the member—

**The Speaker:** Order, please. For now, we will let the House leaders deliberate on this matter.

**GOVERNMENT ORDERS**

[English]

**BUDGET IMPLEMENTATION ACT, 2005**

The House resumed from April 22 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.

*Government Orders*

**Mr. Paul Zed (Saint John, Lib.):** Mr. Speaker, it gives me great pleasure to speak in the House today in support of budget 2005. I believe this budget will bring about real investments in real people that focus on real priorities of people in communities across New Brunswick and in Saint John, Rothesay and Quispamsis.

Our government has eliminated deficits and recorded our eighth consecutive budget surplus while reinvesting in our social programs and paying down our debt. We can now move forward and focus on our number one priority: improving the quality of life for all Canadians.

In my home province of New Brunswick and in my riding of Saint John, we are working hard, together, to improve our quality of life and grow our community. We need true growth. We have made great strides forward, but there remains much work to be done.

In September 2004, first ministers signed a 10 year plan to strengthen health care, which has provided \$41 billion over 10 years, \$927 million of which goes to New Brunswick. Budget 2005 builds on this. This money goes to reduce wait times at hospitals and to support for nurses. Our hospitals are the largest employers in Saint John, New Brunswick and our government is committed to ensuring that health care and our health care system remain strong in our community.

Saint John also needs more units of affordable housing. We have one of the oldest housing stocks in Canada. I am glad that the Minister of Labour and Housing was able to visit Saint John in January and assess the specific needs of our community. The minister has already responded to a request made by the Saint John community during his visit and opened a new housing office to address the distinct affordable housing needs of Saint John.

Budget 2005 invests a further \$1.6 billion in affordable housing in Canada. I am committed to building 100 new units of affordable housing per year in Saint John. I am working together with our provincial government and our non-profit housing sector to ensure that this happens.

I am excited by the work currently being undertaken as part of the vibrant communities initiative and the non-profit housing sector in greater Saint John to provide safe and affordable housing for individuals and families. We recently announced \$150,000 to assist this organization, which came from the Minister of Public Safety. The Government of Canada will continue to be a proactive partner in improving the quality of life and reducing poverty in Saint John.

Child care is another important item in the budget of 2005. Last week we were hoping to have the Prime Minister and the Premier of New Brunswick visit Saint John and announce a child care agreement. It is unfortunate that the province has decided not to sign this agreement yet, but we believe that Saint John and New Brunswick need this agreement, especially in Saint John, a city where one in four children lives in poverty. It is my hope that we can put partisan politics aside and sign this agreement as soon as possible.

The children of our province are our greatest asset. Budget 2005 provides the funding that will help them make a better tomorrow for our future.

Budget 2005 is also good news for the seniors of my riding. The guaranteed income supplement benefit for low income seniors is rising by \$2.7 billion in this budget. Simply put, by January 2007, for a single person in my riding of Saint John, New Brunswick, that is \$36 a month and \$58 a month for couples.

The new funding for the new horizons program for seniors is also being increased in this budget. I recently announced funding for new horizons projects in Saint John, New Brunswick, for St. Joseph's Hospital's community health centre. I look forward to more announcements for seniors in the months ahead.

● (1020)

Clearly, budget 2005 also recognizes the enormous debt of gratitude we owe our seniors and this is especially fitting as we celebrate the 60th anniversary of the end of the second world war, for the year 2005 is the year of the veteran.

Budget 2005 also reaffirms our commitment to regional development by supporting agencies like ACOA. Projects in Saint John like Lily Lake, Harbour Passage, the Quispamsis Park, Fundy Trail and Enterprise Saint John have all been beneficiaries of ACOA. ACOA continues to help Saint John, New Brunswick and Atlantic Canada build and grow.

Finally, budget 2005 delivers on the Government of Canada's new deal for cities and communities, providing a commitment on the gas tax for revenues to increase important infrastructure for Saint John, Rothesay, Quispamsis and Grand Bay. These are important benefits that we need in this community now. New Brunswick's share is about \$116 million and the funding is absolutely critical to greater Saint John.

The new deal recognizes the reality that municipalities need reliable, predictable and long term sources of funding. I am happy that this budget is able to do that. The renewal of existing infrastructure programs is of critical importance to Saint John because, let us be clear, our number one future priority is the Saint John's harbour cleanup. This is the number one environmental issue. It is a public health issue and an economic development issue.

Our port in Saint John needs to balance finding new jobs for our workers with the recent development of our cruise ship business in the harbour. If we are going to attract new ships and new industry in tourism, we must clean up our harbour. If we are going to improve our health, we must clean up our harbour. If we are going to attract and convince young people to stay in our community, our harbour needs to be cleaned up.

Looking for new opportunities for our port workers and harbour cleanup go hand in hand. This is not something that the city of Saint John can do alone. In this regard, we have been working hard as a team in Saint John to bring forward our common priorities for Saint John and our region. Last fall I brought the mayor and council of Saint John to Ottawa for meetings with various ministers of the government, including our Prime Minister and the Minister of State for Infrastructure, and of course our regional minister for New Brunswick, the hon. member for Fredericton.

*Government Orders*

We continue to present a united front for our community. Our community is committed to harbour cleanup. Earlier this month, Team Saint John meetings continued with our minister for infrastructure, where we had councillors Glen Tait and Chris Titus, along with our commissioner, talking about the follow-up to important meetings for harbour cleanup. The federal, provincial and municipal governments are all working together in our community of Saint John. We realize that the renewal of existing infrastructure programs is of critical importance to Saint John.

In conclusion, our work has just begun. We need to work with the province to develop solutions for Point Lepreau. We need child care. We need to further reduce wait times at hospitals. We need to equip our nurses with better tools. We need jobs for young people and jobs at our port. We need safe housing and we need a clean harbour. I urge the House to put partisan bickering aside and get to work passing the budget bill, Bill C-48, and doing the work that Canadians sent us here to do.

I move:

That this question be now put.

• (1025)

**The Deputy Speaker:** The hon. member for Saint John has moved that this question be now put.

The hon. member for Cariboo—Prince George.

**Mr. Richard Harris (Cariboo—Prince George, CPC):** Mr. Speaker, I would like to make some comments following the speech by the member opposite.

In connection with the gas tax rebate that the government has promised, it is important that Canadians know that my colleagues, who joined me in the House in 1994 and who have been in the House ever since that year, have been fighting tooth and nail to get the government to recognize that it has been keeping a very large, disproportionate share of fuel taxes and not returning them to the provinces and the communities, as was the original plan when the fuel taxes were added way back when for infrastructure and maintenance of roads.

Every single time we put that motion forward, either in the House or in committee, the Liberals defeated it. Since 1997, following the exorbitant taxation which allowed the Liberals to balance their budget in 1997, they had surplus funding in every instance.

**The Deputy Speaker:** Is there a problem with interpretation? Just a moment, please. We are going to take a moment to check with translation services to ensure that we have proper interpretation at this time.

We are ready to proceed. The hon. member of Cariboo—Prince George.

**Mr. Richard Harris:** Mr. Speaker, since 1997, the Liberals, as a result of dramatically increased taxation to both working people and corporations, have had a surplus. They have failed to heed the request from opposition parties, our party, to return a reasonable portion of gas taxes to the communities.

We are talking eight years since the budget was balanced. The Liberals have still not returned one penny of fuel taxes to the provinces and municipalities.

After all that time of ignoring the request for fuel taxes from not only us but from the communities, is there any reason why Canadians can trust the government when all of a sudden the Liberals have had this revelation to return some of the fuel taxes? Is this just election talk and another promise that will be made but broken?

• (1030)

**Mr. Paul Zed:** Mr. Speaker, the hon. member knows full well that this is not election talk. This is a commitment that was made and the people of Saint John, the people of New Brunswick, are waiting for this money because they feel it is time to reinvest in Atlantic Canada. The smaller communities in our country need the gas tax money. It is part of the new deal of rebuilding our communities. I would urge the hon. member to put his partisanship aside and vote for the budget.

**Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC):** Mr. Speaker, by all accounts, at least from all of the reports I have read in *The Economist* and so on, Canadians have not gained in terms of their standard of living or disposable income and that kind of thing for the past 15 years in real terms.

I would like the hon. member to tell me, what is in this budget to address that problem? It looked like there was one thing in there that might have done that and now the Liberals have removed it. Perhaps he can respond to that.

**Mr. Paul Zed:** Mr. Speaker, there is regional development, strategic infrastructure, and the list goes on and on. Those are important economic and social benefits for Atlantic Canada.

I must tell the hon. member that I am very pleased to support the budget and I would urge the hon. member to do the same, especially because of its significance to Atlantic Canada and some of the regions in our country where we need a strong national government. We need a government that understands community development.

I can tell the hon. member that in my community of Saint John the presence and importance of the Government of Canada is well understood and recognized as a team player. I must tell the hon. member that I am very pleased with the strategic infrastructure fund because that will have a real significant and important effect in Saint John.

• (1035)

[*Translation*]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, I am pleased to speak on behalf of my party on the budget bill, Bill C-43.

With your permission, for the sake of those listening to us, and for the Liberal Party, as well as the colleague who has just spoken, I will read from a newspaper article which will serve as an introduction to my speech on the budget.

*Government Orders*

These are excerpts from an article in the May 13 *La Presse*, over the byline of Stéphane Paquet. It is titled “One billion a day for three weeks: the Liberal government of—I must say “the Prime Minister”, since I cannot say his name—has made announcements totalling \$22.5 billion” in a matter of three weeks. I will read a few excerpts from the article:

In three weeks, the Liberal ministers' announcements have averaged out at \$1 billion a day. Between April 20 and last Monday, government ministers have made no fewer than 178 announcements across Canada. That makes over 8 a day, for a total of \$22.5 billion.

When a journalist requested a list of the projects announced from the PMO, he was referred to the government web site, where there were indeed 175 projects listed.

In two announcements alone, Ontario—which is, I scarcely need point out, the key battleground in the next election campaign—got close to half the \$22.5 billion pointed out by the Conservatives. First of all, there was the \$5.75 billion over five years announced last Saturday to reduce the Ontario “fiscal imbalance”.

Which they acknowledge exists in Ontario, but not in Quebec.

Two days later, it was the turn of the country's airports to divvy up \$8 billion to be delivered over 47 years. Since Toronto's Pearson Airport is the biggest one in Canada, it gets the lion's share, five of the eight billion. As for Trudeau airport, in Montreal-Dorval, it gets \$500 million.

So, \$500 million compared to \$5 billion.

In short, this article describes the process of buying votes at the rate of one billion dollars a day. It just so happens, moreover, by sheer chance, that the Liberals are putting the money where they want to gain seats in the imminent election, that is to say mainly in Ontario.

At the same time, they want us to debate the budget. Since this party, this minority government, does not respect the majority decisions of the House, be it one confidence vote or all votes—as in the case of the people whose property was expropriated in Mirabel—why should it now respect the vote on the budget, should it win it? Why in fact does it even need to have a vote on the budget, when, although it had not been approved, the government has spent \$1 billion a day for three weeks in an effort to buy votes throughout Canada, and primarily in Ontario?

The Bloc Québécois opposed the budget from the start. What would the Bloc have liked to see in the budget for it to support it? The Liberal member was saying earlier that partisanship had to be put aside and the benefits of the budget recognized, and everyone should then vote in favour of it. That said, my colleague from Montcalm asked me why, this time, we should believe the Liberals, when they have been preparing budgets for 12 years saying, “We will pay attention to health, postsecondary education and seniors”. Every year, they fail to keep their word. For 12 years they have been in office, seven years after the annual surpluses, year after year the problem remains unchanged, except on the eve of an election or when the government is trying to buy votes in Ontario.

The Bloc, however, opposes the budget. Is it only because we are the “wicked separatists” and they want absolutely nothing for Quebec and Quebecers?

● (1040)

We will try to find arguments a little more substantial than those the Liberals are using to show why the Bloc opposes the budget.

First, as we did discreetly with the throne speech, we wanted the Liberals to recognize the fiscal imbalance in the budget. They did so indirectly in the throne speech. We would have liked tax fields to be transferred rather than have them promise amounts annually conditional on our good behaviour. We will get them if the premier is Jean Charest, but if it is Bernard Landry, we will not. Perhaps it is the Liberals who are being partisan in this regard. We would therefore have liked the fiscal imbalance to be recognized and tax fields to be transferred accordingly.

We would also have liked some recognition of the problems with employment insurance. Even the agreement with the NDP does not mention this. We would have liked an independent employment insurance fund and commission recognized in the budget. My mind turns to the member for Acadie—Bathurst, who often goes on in this House about doing more for employment insurance. But our friends in the NDP forgot to include it in the deal between their party and the Liberals. For us, it was important before the budget and it is still important after the budget. It is important for people who unfortunately have to turn to employment insurance when in difficult situations. We would have liked the unanimous decisions of the Subcommittee on the Employment Insurance Funds to be included and acknowledged in the budget, but there is no sign of them. That is another reason why the Bloc Québécois cannot support this budget.

Insofar as the Kyoto protocol is concerned, money was appropriated for it in the deal between the government and the NDP. However, this money was provided to promote the polluter pays principle. There is money for encouraging the automobile industry, which has signed an agreement. That is not what we want. As the Bloc critic for the environment has often said, we want the money put aside for the implementation of the Kyoto protocol used to develop renewable energy and clean energy, such as wind.

The fourth reason has to do with agriculture. It is really strange that the budget agreement between the NDP and the Liberals does not have anything for agriculture. The Bloc Québécois would have liked some recognition of the problems faced by farmers, who unfortunately have had to pay the price for the problems between the United States and Canada. We would have liked to see more support for them, especially when there are budget surpluses.

In regard to international assistance, the Prime Minister has said—the accolades he shared with Bono were supposed to underline it or confirm it—that Canada would reach the rate of 0.7% of GDP for international assistance. Once again, with the budget surpluses that we have, the inclusion of this commitment in the budget would have been another reason for the Bloc Québécois to support it.

Let us say a few words now about respect for Quebec's jurisdictions in the areas of day care and parental leave. It is pretty strange that, here too, agreements are signed with everybody. But in Quebec on the other hand, where a system is in place and when we were told that everything was ready to go, no agreement can be reached on day care. And there are problems with parental leave. It has all been very annoying.



*Government Orders*

There you have five or six rational, non partisan, solid reasons why the Bloc Québécois cannot support this budget. To those smiling across the way I would say the fiscal imbalance, employment insurance, agriculture, international aid and the environment, although very important issues, are major oversights in the budget and reason enough for us to oppose it. The budget is imperfect and we would have liked to have improved it, but the Liberals were not interested in that.

I want to touch on another important section, part 7 of the budget, which would allow the Auditor General the right to oversee the foundations and crown corporations. This is the first time we have seen the government copy or plagiarize a private member's bill, Bill C-277, and take credit for offering the Auditor General such a right. If that is not partisanship, then what is?

In committee, I asked the President of the Treasury Board to give me another example of a private member's bill that the government had plagiarized for its own gains. He was unable to name any. I also asked him how he squared that circle since, for five years, every time the Auditor General asked, the government said it could not introduce such a bill because it would take away from the independence of the foundations.

● (1045)

Why now, in 2005, on the eve of an election, on the heels of the sponsorship scandal, is the government able to introduce such a bill without taking away the independence of the foundations? That is another unanswered question.

Those are the non partisan, rational, solid reasons and sound arguments why the Bloc Québécois opposes this budget and will continue to oppose it, despite the so-called agreement between the NDP and the Liberals.

[English]

**Mr. Lui Temelkovski (Oak Ridges—Markham, Lib.):** Mr. Speaker, I would like to mention a number of items before I get started. Prior to joining Parliament, I was in the financial services business for 20 years serving Canadians, helping them deal with their financial planning, from pension planning to insurance and investments, et cetera.

We live in a world where 800 million people go to bed hungry at night, where someone is infected with HIV every 60 seconds, where a child dies of malaria every 30 seconds and where someone dies of poverty every 3 seconds. It is a world where the clock is ticking and time is running out for the poor. Yet it is also a world in which Canadians from all walks of life are increasingly engaged, a world where Canada is investing considerable resources to fight poverty, a world where Canada is determined to make a difference.

Like all Canadians, I was shocked by the impact of the tsunami that struck coastal communities in the Indian Ocean last December. The scale of human suffering and devastation was beyond imagination, yet the outpouring of generosity from Canadians to those in need was also unprecedented. In response the Government of Canada agreed to match dollar for dollar the more than \$210 million that was donated by Canadians. This was part of a five year \$425 million commitment from the Government of Canada for relief, rehabilitation and reconstruction in affected communities.

The sheer scope of the tragedy was a stark reminder of the links between poverty and devastation caused by natural and human-made events. The poor are least able to anticipate, escape or adequately respond to a crisis and when tragedy strikes, they are the most affected. However, the daily tragedy of absolute poverty occurs away from the TV cameras and the headlines. Every 10 days the same number of people die of poverty-induced maladies as were killed by the terrible tsunami, every 10 days, year in and year out.

The proposed increases to official development assistance will go a long way toward helping Canada do its share to achieve the millennium development goals, an ambitious agenda to cut global poverty in half by the year 2015.

Building a better world for all is in our best interests. Canadians recognize that what happens in the rest of the world affects us at home. The time is gone when each country or even continent could look after its own security. Canadians from coast to coast to coast recognize that Canada has done much to respond to these threats but that as a country we must do better. The millennium development goal helps Canada focus on this monumental but doable task.

What exactly is Canada doing to contribute to building a better world for all?

Canada is renewing its commitment to advancing Canadian values of global citizenship as well as Canadian interests regarding security, prosperity and governance. It is working hard to reduce global poverty through a focused approach that matches Canadian experience and expertise with developing country needs in coordination with other donors.

Since 2002, when it launched its strengthening aid effectiveness policy, the Canadian International Development Agency has been working to strategically refocus its activities. This involves building government-wide consensus on key elements of Canada's role in the world. It means coherent domestic and international policies, country-led development, sectors of expertise, countries of focus, a results-based approach, good governance and an engaged civil society. The proposed increases to official development assistance will contribute much to these important efforts already underway.

● (1050)

Canada is better coordinating efforts with other donors and developing country governments and it will keep doing so.

Canada is also thinking carefully about ways in which it can add value. Canada knows its strengths, sectors such as health care, private sector development, education, environment and governance. It only makes sense to offer Canada's proven expertise in these areas to other countries, countries that are well governed and can use our aid effectively.

*Government Orders*

These principles and ideas are the heart of Canada's recent international policy statement. CIDA will achieve much greater focus in its geographic programs. It will deliver at least two-thirds of bilateral aid to a core group of 25 development partner countries by 2010. These are countries that can use aid effectively and prudently and where Canadian expertise and resources can truly make a difference.

More than half, 14 of these countries, are in sub-Saharan Africa. This greater concentration in Africa is in keeping with Canada's commitment to double assistance to the continent by 2008-09 from its 2003-04 level.

That said, it must be emphasized that Canada will continue to support other countries. CIDA has earmarked up to one-third of its bilateral budget for countries of strategic importance in other countries where Canada can continue to make a difference. It will use its multilateral and partnership programming to address the plight of other low income countries.

CIDA is also pursuing greater sectoral focus. Canadian assistance will target and concentrate programming in five sectors directly related to meeting the millennium development goals, namely: promoting good governance; improving health outcomes; including HIV and AIDS; strengthening basic education; supporting private sector development; and advancing environmental sustainability. Ensuring gender equality will be systematically and explicitly integrated across all programming within each of the five sectors of focus.

With these actions, Canada is increasing both the quality and quantity of its aid, but more and better aid is not in itself enough. That is why the international policy statement reflects a comprehensive, whole of government approach. It enables Canada to harness all the tools and instruments at its disposal such as promoting greater market access, more debt relief and more support for the private sector in developing countries.

Canada is poised to reclaim its rightful place in the world. As the Prime Minister has said, "We must seize the moment to reassert ourselves on the world stage—to speak up with a persuasive voice for equality, human rights, and a fairer globalization". Canada is already making a difference in the world. The increased funding for official development assistance will enable Canadians to make more of a difference.

• (1055)

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, I would like to congratulate my colleague for his insights. These comments are not often brought to the floor of the House within the context of the budget, comments that reflect on our international responsibilities and accountability which we have shared over the last number of decades, from a developmental and an exchange of ideas with the developing communities of the world. This is nowhere more reflected than in the cities' relationships through the Federation of Canadian Municipalities and the city to city, municipality to municipality international exchange that exists with developing countries.

One of the highlights of the budget is to emphasize that the new deal is more than a gas tax for infrastructure in Canada. While that may be very important, it is also to empower municipalities to reach

out as part of that Canadian signature that reflects our compassion and outlook to the global community, in particular, developing countries.

Would my colleague perhaps expand a little on how he thinks municipalities could be more effective, given that they have been given the empowerment, through the highlight in the throne speech of the new deal and through Bill C-48, which increases the capacity of cities to become part of a much larger new deal at home and perhaps an international new deal in the global context?

**Mr. Lui Temelkovski:** Mr. Speaker, the House is aware that through this budget we have committed a substantial amount of resources to communities across the country to assist them with infrastructure projects which they have undertaken.

The GST is another area that has been given to communities and municipalities. They no longer have to pay GST on their purchases.

All this will help communities be much better. It will help them to improve and embrace the growth for the coming years.

**Mr. David Christopherson (Hamilton Centre, NDP):** Mr. Speaker, I appreciate the comments of the hon. member. My question would be with regard to the fiscal responsibility contained in the new budget.

One of the key priorities that the leader of the New Democratic Party brought to his meetings with the Prime Minister was the trade-off of taking out the \$4.6 billion in corporate tax cuts, which nobody ran on or had a mandate for, and replacing that with investments in protection for the environment, affordable housing, support for student debt and important infrastructure in municipalities.

Given that those changes were made and given that one of the prerequisites of the leader of the New Democratic Party was that there was to be a balanced budget, no increase in taxes and continue to paydown on the national debt, would the member please comment on the fiscal responsibility aspect of the better budget negotiated between the leader of the New Democratic Party and the Prime Minister?

• (1100)

**Mr. Lui Temelkovski:** Mr. Speaker, one man can only do so much, but when we put a couple of heads together, they always seem to come up with better ideas. The input from our cooperative situation in a minority government is definitely helping all Canadians deal with financial situations and plan for their future endeavours.

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, it is my pleasure to address Bill C-43.

At the outset I would like to pay tribute to the Liberal member for Glengarry—Prescott—Russell who I just spoke with a minute ago. He has been in this place for a long time and is retiring, and will not be running again. Although we have often been at odds in this place I respect him as a parliamentarian. He has put many years of public service into this place. I believe it is over 20 years now. I certainly wish him well in his retirement whenever that may actually come.

*Government Orders*

The Conservative Party deeply regrets how the government has changed this legislation and weakened it. We have other concerns about this legislation, but we regret that some of the changes that the government has made to Bill C-43 will hurt families, seniors, and large employers, the people who employ so many people in this country. The changes will also hurt farmers and people who provide necessary vital services in this country like our military and front line police officers. Those are the people who are going to be wounded by this legislation. Many people will be hurt by the changes that have been made to Bill C-43 and the adoption of Bill C-48, and I want to talk a bit about that today.

I just heard an NDP member ask a Liberal member about the removal of the tax relief for large employers in Canada and then talked about how it was important that the money instead go to affordable housing for instance. I would simply make the observation that if the tax relief for large employers is taken out, that will pretty much guarantee the need for more affordable housing in Canada because there will be a lot fewer jobs.

A study came down recently from the C.D. Howe Institute that pointed out that if the government had actually followed through on the tax relief for large employers, it would have created 340,000 jobs in Canada. I thought the NDP was the friend of labour. I thought that was the party that wanted to see more good paying jobs, jobs that would allow people to look after their families and put their children through university, and do the things that ordinary Canadians want and deserve. What they really want is some hope. Unfortunately, by the government doing the kinds of things it has done with Bill C-43, it is taking that hope away from a lot of people.

I want to argue too that there are other problems in Bill C-43. There are concerns about how tepid the personal tax relief is for Canadians. The income tax cut for individual Canadians in the upcoming tax year amounts to \$16. That is it.

As I pointed out in the debate yesterday on Bill C-48, many Liberal advertising agency executives received their money. They received bags of money, literally, from the government through the sponsorship program. They received suitcases full of money amounting to hundreds of thousands of dollars. What do rank and file Canadians get? They get a \$16 tax cut. That is not enough to buy a large coffee at Tim Hortons once a month. It sounds like Canadians are rolling up the rim and losing with the government, but Liberal ad executives have done extraordinarily well.

When the government wants to deliver money, it can deliver it by the suitcase full to the people it wants to deliver it to. However, when it comes to rank and file Canadians, the Liberals are all too prepared to sacrifice their principles to look after themselves. We saw it in the sponsorship scandal. We are seeing it now in Bill C-43. The government caved in to the NDP with the creation of Bill C-48. We will reap the whirlwind for this legislation.

•(1105)

I am not just talking about the impact on jobs and the standard of living. I hasten to point out, as other members have pointed out in this place, that since 1989 the standard of living, the take home pay in Canada, has only gone up 3.6%. It amounts to an \$84 a year increase. That is unforgivable in a country that should be so extraordinarily wealthy.

We should be the wealthiest country in the world. We have resources that are the envy of the world. We have tremendous human resources, people who are knowledgeable and have an education. We have a diverse population. However, that is not translating into a higher standard of living.

I argue that the reason is because of poor government policies. One of the greatest advantages of all is that we have this access to the U.S. market, the richest market in the world ever and 25% of the world's economy. We should be mining that, but unfortunately, we have very bad government policy. I am afraid that the government has just made it worse again. It has made it worse again by removing the tax relief for large employers which would have encouraged more investment in Canada. Many investors would use that to start businesses in Canada and then use the more or less open border to the U.S. to sell their goods and services.

That is what has happened in the past, but we are losing that. We are taking it away voluntarily now for some reason. We know why. It is because the government is too prepared to sell out Canadians in order to save its own skin by getting 19 votes from the NDP. That is simply wrong.

I want people to think about what could happen if we did not do the sorts of things that are being contemplated today. In Bill C-48 the government is giving the NDP \$4.6 billion to play with. I did some quick math and that works out to about \$150 per person in Canada.

I think about a family that I know, a great family that lives not far down the road from us. They have four children. If we took that \$150 per person and allowed them to keep it, it would be \$900 with six of them in the family. If the members of that family were able to keep that, imagine what they could do with that every year. That extra \$900 could go into an RESP for education or an RRSP.

Let us say that they put it into an RRSP and let us say they got a really good yield on that. Let us say they got a 10% yield on average. I know that is a high yield, but I did some figuring and over 30 years it would amount to about \$150,000 which would be a nest egg for them when they retired.

Let us say that they only get a 7% yield. It would still be \$80,000 or \$90,000. It is a tremendous amount of money that they could use for their retirement. Why not allow people to keep more of this money in their own pockets, so they can make decisions for their families?

I think it is time for Canadians to get their cut. Liberal bagmen and the Liberal Party got their cut. There is no question about that. We have had confessions from three executive directors of the Quebec wing of the Liberal Party, basically confessing to all the money coming back to the Liberal Party out of the sponsorship program. Bureaucrats and politicians got their cut. In fact, the bureaucracy in Canada has grown by 77% since 1997-98. That is a tremendous amount, but what happens to the take home pay of Canadians? It has gone up 3.6% in 15 years.

*Government Orders*

It sounds like the ones who are getting the short end of the stick are families, farmers and fishermen. When the NDP cut this deal, it claimed to be concerned about farmers, but did it think of farmers when it got all this money out of the government? No, not one penny for people on the farm.

We have the worst crisis in agriculture today since the Great Depression. That is not an exaggeration. That is an absolute fact. In 2003 we saw incomes fall on the farm into negative margins for the first time since the thirties. Did the NDP think of farmers when it cut its deal with the Liberals? No, it did not.

We must defeat Bill C-48. Bill C-43 has become deeply flawed. I urge my colleagues on all sides of the House to consider this as we prepare to vote on both of these measures on Thursday.

• (1110)

**Mr. Russ Powers (Ancaster—Dundas—Flamborough—Westdale, Lib.):** Mr. Speaker, I stand today to address three items that are contained in Bill C-43, as they relate to environmental issues. The bill presents details of two funds announced in budget 2005: the climate fund, which was referenced in the budget as the clean fund and is now known as the climate fund; and the greenhouse gas technology investment fund.

In addition to that, the bill refers to and introduces amendments to the Canadian Environmental Protection Act to remove the word toxic from certain sections and place greater emphasis on the criteria in section 64 of the act. These changes will preserve CEPA's ability to reduce harm to human health and the environment.

Let me speak first of all to the climate fund. Indeed, this whole element of the greening of the Liberal budget was certainly not just an initiative by the Minister of the Environment or by his parliamentary secretary, who did an extraordinary job of bringing initiatives forward for the consideration of not only the Prime Minister and the finance minister, but all of my colleagues in this side of the House did an extraordinary job of looking at all elements of the budget from an environmental perspective through the green lens and as a result contributed to that element of the budget.

The purpose of the new climate fund is to create a permanent market based institution as one of the primary tools for Canada's approach to climate change. By tapping the potential of the market, Canada will stimulate innovation, enable Canadians to take action, encourage energy efficiency, deliver cost effective reductions and sequestration, and drive the adoption of best available technologies.

I had the pleasure, as did my colleague from Thunder Bay—Rainy River, of being involved with the national board of directors of the Federation of Canadian Municipalities. Through the strategic investment of the federal Government of Canada into green municipal funds or green municipal enabling funds, it put \$250 million into creating a reference bank for those municipalities to access. Part of our investment in this budget is a further enhancement of \$300 million, of which \$150 million will be toward the restoration of brownfield sites. That is a perfect example of strategic investment of our funds.

The climate fund's purpose will be under the authority of the Minister of the Environment. It will be funded at a minimum level of \$1 billion over five years. The fund's primary mandate is to promote

domestic greenhouse gas emission reductions with a view to positioning Canada to compete in the 21st century.

This economy is very interesting from the standpoint that this new 21st century economy appears to be focused on a carbon restrained global economy, so not just what we do ourselves, but what we do ourselves affects the global economy and our neighbours. We just cannot do one-offs. We must work hand in hand and in concert with our global neighbours.

The fund will also invest in internationally recognized Kyoto emission reductions to the clean development mechanism and joint implementation, as well as thorough procedures for greening other international credits. Only green credits, that is, credits that represent real and verified emission reductions, will be recognized.

The proposed legislation says that the climate fund agency will be an agent of the Government of Canada, meaning that it would carry out all of its activities on behalf of the Government of Canada. The Minister of the Environment is accountable to Parliament for this agency.

A number of aspects of its mandate, such as how to assess the benefits to Canada from investment in international emission reduction, will be the subject of public consultations planned for later this spring. The funding levels reflect the reality of start-up for the climate fund agency receiving and reviewing applications and ensuring that Canadians understand that qualifying projects must demonstrate real reductions in greenhouse gas emissions. As understanding of the fund grows and more and more quality applications are received, the funding levels will grow.

• (1115)

The funding levels as set out in budget 2005 are \$10 million in this budget year, \$50 million in the 2006-07 budget, \$300 million in the 2007-08 budget, \$300 million in the 2008-09 budget, and \$340 million in the 2009-10 budget. That totals \$1 billion, and that is a minimum of \$1 billion.

The climate fund will be established by legislation. Aspects of the fund's mandate, such as how to ensure benefits to Canada from investment in international emissions reductions, will be put forward for public review and comment very soon.

The second fund I referenced was the greenhouse gas technology investment fund. It is an innovative funding arrangement that will recognize qualifying investment in research and development as a way of meeting mandatory greenhouse gas emissions requirements.

*Government Orders*

As announced in the 2005 budget, in the coming weeks the Government of Canada will set out the details of a mandatory emissions reduction regime and emissions trading system for Canada's large final emitters, companies in the oil and gas, thermal electricity and heat intensive mining and manufacturing sectors. As part of this system, large final emitters will be able to make contributions to the greenhouse gas technology investment fund in exchange for special emissions credits. Companies can then use these emissions credits toward meeting their emissions targets.

The revenue generated by the fund will be used to make strategic investments in innovative technologies and processes that will reduce Canada's greenhouse gas emissions.

The greenhouse gas technology investment fund will support the development and application of new emissions reducing technologies by large final emitters in meeting their greenhouse gas reduction targets.

Natural Resources Canada is best placed to manage the greenhouse gas technology investment fund as part of its ongoing operations due to its position as the lead federal department on energy technology development. This will allow it to apply the expertise and experience it has gained over the years in order to ensure that investments under the fund are allocated to projects that will yield optimal emissions reductions for large final emitters on a sector by sector basis. It will also encourage potential synergies between technologies for large final emitters supported by the fund and the department's responsibilities for management of other technology investment programs that support energy efficiency and emissions reductions on a more general basis.

Finally, I reference the changes we are proposing to CEPA, the Canadian Environmental Protection Act. Amendments are being made to CEPA to remove the word "toxic" from certain sections and to place greater emphasis on the existing criteria for assessing and managing substances under section 64 of the act. Part of that section would read "a substance may be added to the list in schedule 1 if it is entering or may enter the environment in a quantity or concentration or under conditions that have or may have an immediate or long term harmful effect on the environment or its biological diversity". That is the intention of making those particular changes.

The proposed change is one in pursuit of smart regulation. It brings clarity by eliminating a confusing term without altering the Government of Canada's obligation and authority to protect our environment. It also positions CEPA as a viable regulatory tool for use by the government and Canadians to more effectively and efficiently reduce greenhouse gas emissions.

When the Government of Canada was assessing and then taking action to reduce the risks from road salts and other substances, we heard numerous representations, including from members of Parliament, that the term "toxic" was confusing and misleading. We are responding with this legislative change to reduce that confusion.

The amendments proposed for CEPA are designed to not change the regime that was endorsed by the Supreme Court and therefore do not change the basis for the act's constitutional authority.

Further, budget 2005 set out the key parameters for a system to obtain greenhouse gas emissions reductions from industrial large final emitters. In this system, reduction targets will be based on emissions intensity in order to accommodate economic growth.

As with any other effective regulatory obligation, there will be penalties for non-compliance, but we do not expect non-compliance. We have modified the system to address industry concerns and we expect there will be broad agreement with our approach.

In conclusion, these three initiatives alone contribute in a major way to a very purposeful and contributing budget. The fact that we are able to address the concerns not only here in Canada but globally through the green lens is very important for all of us.

• (1120)

As I and other members have said, certainly what happens on a day to day basis is of concern. More important, it is not what affects me but what affects my children and grandchildren. The initiatives laid out in Bill C-43 are very positive and I encourage all members of the House to support that legislation.

**Mr. Richard Harris (Cariboo—Prince George, CPC):** Mr. Speaker, I listened to the final comments of the member from the Liberal Party about the regulatory amendments the government is seeking and is going to be responding to. We have heard these weasel words before from the Liberal Party in many other instances.

Canadians, particularly those in the energy business, believe that the original inclusion of the word "toxic" in the changes the government made to the CEPA programs was part of a hidden agenda so that it would have the authority to impose another fossil fuel tax on energy producers in this country.

We can go back a number of years to the national energy program. A Liberal government brought in legislation which ultimately brought about the national energy program which decimated the energy producers in all parts of Canada. Canadians saw the inclusion of the word "toxic" and the subtle word changes as evidence of a hidden agenda that the Liberal government had to get into a position where it could unilaterally impose a fossil fuel tax. The government got caught, and rightly so, because Canadians are not that far removed from the national energy program which devastated the country's economy, particularly among the energy producers.

*Government Orders*

I get very nervous when I hear such phrases as, “we in the government are responding to it”, “we are going to seek amendments,” or “we are going to look for broad agreement” for the changes the member is talking about now. There is a big difference between “we should do this” and “we will do this”. The words Canadians are looking for from the government are, “we will make this change to allay the fears of people in the energy industry, and we will not seek to have regulations that will put a fossil fuel tax on energy resources”.

Can the member stand and say that his government will not allow regulatory change that will enable them to impose another fossil fuel tax and deny any type of hidden agenda to do so? Will he stand and be absolutely positive about that?

**Mr. Russ Powers:** Mr. Speaker, in short, the answer is no, I personally cannot guarantee that we will not do that.

The hon. member for Thunder Bay—Rainy River and I were part of the consultation group with regard to asking that this be taken away. As national vice-president of the Federation of Canadian Municipalities I chaired its environmental issues committee. We were one of the groups that was consulted widely with regard to the impact of this particular terminology.

We, like all the others alluded to by the hon. member on the other side, indicated that it caused major angst. Whether it was the large producers of oil and gas, natural gas or the municipalities, everyone had major angst with regard to the interpretation of that word.

I do not believe it was a hidden agenda that was laid out by the government of the day that introduced it. I have a feeling that as things evolved it was offered with the best intentions, but as things have turned out, the interpretation is what needs to be clarified. The fact that it is being removed clearly is in response to the concerns raised by the organizations he is concerned about.

My involvement with the Federation of Canadian Municipalities was specifically with regard to the incorporation of road salts. As a municipal organization involved in ensuring the safety components and the ability to move people from place to place, it was a major concern. For that reason it is logical that “toxic” should be removed.

● (1125)

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, it is a pleasure to rise today to speak to Bill C-43 and to talk about some of the things that are important to Canadians with regard to this budget. We want to make sure that there is some stability in this country. Moving forward on this budget is important. If a potential election is looming, this country should at least have a budget before that. The New Democrats have been working on Bill C-43 and Bill C-48, the amendments that we proposed, to make sure that Canadians do not go without a budget.

I want to touch on a couple of topics. One of them is a specific reference to students.

My constituency of Windsor West has thousands of students because of our great St. Clair College of applied arts and technology and the University of Windsor. Those two institutions have been at the forefront of training and educational opportunities for young people. Those institutions have been important not only to the growth of their students' knowledge in specific areas related to the

arts and humanities but also in terms of training. One example would be with respect to the automotive industry, through research and development at CARE, the Centre for Automotive Research and Excellence. St. Clair College has specific programs, such as the Ford Centre for Excellence.

Students have been moving successfully through a process to obtain skills and abilities that lead the way to ensuring that our auto industry has trained professionals that will contribute very much to the economy in the short term, but also in the long term to be progressive with some of the newer technologies. The automotive industry is the single most important industry that contributes to the coffers of this nation. It also provides stable employment for thousands of people across the country, be it through the initial manufacturing and assembly process or through servicing the vehicles later on. We need to protect that stable economic pillar of Canada.

The two budget bills, Bill C-43, now amended through Bill C-48, are not perfect by any means. Certain things give me some concern. There are some things that are being done now but not to the degree that I would have wished. However, it is a better budget. I will be supporting it because the students at the university and the college in my riding will be receiving some type of an offset in terms of tuition. This is a very important part of our future progress.

The government has downloaded educational costs over the last 12 years to students. Not only does it affect them, but it affects the country because literally, students are leaving post-secondary institutions with tens of thousands of dollars of debt. They are also graduating later in life. Not having the opportunity to start their careers earlier leads to a couple of problems. When they leave university with such massive debts, they are not likely to purchase vehicles and other manufactured goods, and they are not able to purchase new homes or renovate old homes. Servicing such massive debts is a major burden for them.

It also hampers something else which I think is overlooked. They leave school later and therefore, they start their families later in life. For example, my wife and I wanted to service our debts first. We decided to wait a little longer before starting a family. Many delay having their families. The consequence sometimes is there are smaller families because people do not start them until later in life.

One thing which young people face today and which is a major shift and is really critical is that they have less pensionable earning years. They are servicing these massive debts in their late twenties and it is taking them until their mid-thirties to erase those debts. They are delaying purchasing things, whether it be a car, a house or other things they need because they are paying massive interest. They are delaying economic growth. Their pensionable earnings are condensed because of the current types of employment. Getting a pension is very difficult and having the same job over one's life cycle now is more difficult.

*Government Orders*

• (1130)

The colleges and universities in my community are setting up programs and services that will allow people to go back to school and upgrade their skills and abilities. Previously more support was given to individuals to get those skills and abilities through their employer or through some type of program training. This is now being put on the backs of students again. Having student relief in the budget is important. The last 12 years have been extremely negative in terms of our educational system by placing the entire burden on the backs of students.

People in my constituency are giving up on some career and educational opportunities because they do not want that type of burden placed upon them. As a result we are eliminating some of the new people we need to contribute to our economy.

We can apply the same thing to the automotive industry. Newer technologies are out there now and our party has been pushing for a green auto strategy, something that David Suzuki has supported. We have proposed a number of different positive initiatives that would get newer vehicles on the road.

The government has claimed that this budget is a green budget. It is certainly an improvement but I think more could be done. One of the things we could do to clean up our environment would be to get some of the older vehicles off the road. This would not only be good for the environment, but it would be good for the automotive industry itself.

Older vehicles, even though they could be compact cars, often have higher emissions than some of the newer vehicles on the road today. This is a result of the different standards that are in place now and the way they operate. Getting those newer vehicles on the road would improve our environment. We need to ensure that the government's commitment to the automotive industry is stronger.

This budget is a good step toward giving students some basic relief. Students delay purchasing vehicles because they are servicing a massive debt load. Constituents have told me they would like to purchase some things but cannot afford to because of the financial burden they are facing. That financial burden gets worse as people go to the next level of post-secondary education where they are looking at graduate degrees or looking at specific training because they already have their under-graduate degree.

In terms of continuing to expect people to have a higher degree of education and to have the skills and abilities required for the workforce, we were faced with the issue of putting the entire burden on them. I think this budget is the first step in the right direction.

I hope the government takes my message strongly that other industrialized nations have been reducing the cost of tuition. In fact, some countries actually do not have tuition fees, which is what we could do here in Canada. The issue is not always about how much money is actually put into a budget.

One of the things I would like to see changed is the policy relating to interest rates on student debt. Why is it that an individual can get a car loan or a couch loan at a lower rate of interest than a student loan? This predatory practice of having high interest rates on student debt is something that could be adjusted and it would be very

worthwhile. It would generate that income back into the economy and allow people to pay off their debt quicker as opposed to the predatory basis of having them borrow money and the government making a profit off the backs of individuals who want to improve their educational and vocational stature.

I will be supporting this budget. It is the first step of many toward ensuring that our young people leave college and university with a lower debt load while at the same time having the skills and abilities necessary to make Canada a competitive nation for the upcoming challenges.

• (1135)

**Mr. Richard Harris (Cariboo—Prince George, CPC):** Mr. Speaker, I imagine members of the NDP are probably doing a little gloating these days considering they somehow made a deal with the Liberals to include an extra \$4.8 billion into the budget on items that are somewhere off in the future. Much of the increased spending that was in the NDP induced budget will in fact not kick in for another year or year and a half.

Given the history of the Liberal government of making promises and not keeping them, going right back to 1993 in the infamous red book, which I think made something like 21 or 22 promises that were not kept, and given the performance of the government over the last 12 years of making billion dollar promises just before an election or before a crisis in the party, how on earth can that member or any member of the NDP have any confidence that the Liberals will keep their promise?

Members of the NDP have to be pretty naive to believe what the Liberals are saying today given their record over the last 12 years of breaking promises.

**Mr. Brian Masse:** Mr. Speaker, the issue of trust is really being flushed out with the member for Newmarket—Aurora. At least as New Democrats we negotiated a deal as a party position under what we stood for as Canadians but Conservative members are now crossing the floor to join cabinet positions. We stand by our principles in terms of the things that we fought for at election time to make a better Canada. We are very pleased with what Bill C-48 does.

The fact is that this is a better balanced budget and it is also one that is very reasonable. We were very pleased, for example, to take the opportunity to extract corporate tax cuts to the largest corporations and redirecting that elsewhere. We think it will be very successful for the economy. For example, we think there will be a housing boom for many of the different construction industries. We do know that many people need affordable housing which will then put that money back into the system as opposed to having to pay rent at a higher level which makes it difficult for them to be able to sustain families. We believe it is very much a family issue.

The government has historically over the last 12 years, via major surpluses, underestimated the budget, so we are quite confident. Our party did due diligence with different economists, those in the party system and outside of our party system, to ensure what we were doing was reasonable and was achievable. That is something that we believe will see fruition and that is important for Canadians.

*Government Orders*

When we went to the break week, while the leader of the official opposition said that he would talk to Canadians about whether to go to an election and then consider voting against the budget because his party did not vote against it when it first came forward, we did not sit around and wait to see whether the Conservatives and the Bloc would team up to bring this country to an election or, alternatively, live with a bad budget. We voted against it because we believed it did not represent the views of our constituents.

We sought to make changes to make Parliament work. We negotiated something that is of benefit to Canadians, something that makes me comfortable as an individual and something that is above board. We did not do it in a way that was disrespectful of the House. When we came back from the break we had a position that we could now support. As New Democrats, that was better than sitting around waiting to see if the other parties would bring this to an election or have to eat a budget that did not suit the needs of Canadians.

This budget still has a lot of holes in it and is not as good as we would like it to be but it is balanced and fair. It is a compromise for some of the things that we have asked Canadians to support us on. We will be proud to hopefully get those achievements into our communities to have a better Canada for all of us.

• (1140)

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, we have a number of very serious concerns relating to the budgeting process and the budgeting track upon which the government is now set.

When the budget itself was first introduced the record shows very clearly that we took a look at it and made a decision at that point because it contained some things which we felt would be positive, some things that we as opposition members had suggested, that we would not go for a non-confidence motion at that point on the budget as presented.

Things have changed radically since the Prime Minister introduced that budget and he has now embarked on a process that is ad hoc, add on and ad absurdum. It goes to the point of absurdity. No plan is in place. Nothing is more dangerous than a Liberal with a bunch of money in one hand and no plan in the other. That is a recipe for disaster.

We have seen that constantly in fund after fund. Whether we are talking about the billion dollar boondoggle at HRDC or the horrendous \$2 billion disaster in the gun registry, it does not matter. Whatever the Liberals get their hands on, if there is not a strict regime overlaying the dollars in their hands, we have a run-away wreck.

Certainly we are seeing that, without a doubt, in the sponsorship scandal. We have also seen it reflected in report after report from our various auditors general. The question that they ask more often than not of the Liberal government, not just our present Auditor General but a former one, is: who is minding the store? The Liberals are out of control when it comes to spending. They panic when it comes to possibly losing a vote here and there and, in this particular budget process, it is very important to acknowledge what the Prime Minister has done.

In abject fear of losing any kind of vote in the House of Commons, the Prime Minister has taken \$4.6 billion and he hopes he has purchased 19 NDP votes. That is about \$3.5 billion more expensive than what the Liberals were doing with the sponsorship plan in trying to buy a few more votes than that in Quebec. That will go down in history as the most expensive vote buying plan ever seen in a democracy anywhere.

There are serious problems with the approach that the Liberals are taking. What they should have done is they should have brought in three separate bills so that we in the House could have analyzed one in a proper and mature fashion and done it in a way that would have given confidence to Canadians, that Canadians in different parts of the country with different issues and concerns would know and have a sense that we are looking at their concerns.

One part of this particular budgetary approach should have looked at the Atlantic accord separately. Clearly, the Kyoto measures should have required a separate look and separate distinction, and it should have included traditional budget measures.

With regard to Kyoto, all of us want clean air and clean water for ourselves, for our children and for our grandchildren for hundreds of years to come, and there are ways that can be assured even in the budget.

For close to 10 years we have asked the Liberals to please bring forward a plan so we can understand how the Kyoto measures are to be enacted and arrived at. There never has been a plan, just grandiose verbosity and suggestions that ultimately it would be very expensive.

When it comes to Kyoto, the argument is not the environment or jobs. In fact, there is a way to approach this in which we can ensure the integrity and the purity of our environment and also maintain economic strength in our country. Therefore we continue to press the government on what exactly the plan is relating to Kyoto.

• (1145)

We finally got a plan several days ago. Bringing it down to its core elements, the Liberals' approach to Kyoto is this: take taxpayer money, which they do very well, and give it to jurisdictions such as China, which is not a part of Kyoto and is operating in a substandard way in terms of the environment, pay communist China with Canadian taxpayers' money to continue to subvert the Kyoto process, and at the same time allow Canadian companies to deliver substandard regulatory processes themselves.

That is not the way to show respect for the environment or respect for taxpayers. In fact, the government's plan on Kyoto rewards pollution pirates in other countries with Canadian taxpayer dollars. That is not the way to do it. This should have come in separately so that we could have had a full discussion on it.

As far as the Atlantic accord is concerned, again it is this whole notion of extortion that the federal Liberals seem to embrace when it comes to taxpayer dollars. They take money from taxpayers and then use subtle forms of extortion to give them back a bit so that we as taxpayers then shiver in concern that we might not have our basic needs met and are forced to think about voting for the federal Liberals just to get back a tiny portion of what they extorted from us.



*Government Orders*

Certainly this is what the federal Liberals are doing to the people of Newfoundland and Labrador and Nova Scotia, in effect holding them hostage by linking the Atlantic accord provisions in such a way as to say that if their flawed budget process and bill do not pass, the people in Atlantic Canada will suffer. Members can get out a thesaurus if they like; there are other words for that approach, but I am sticking to the word extortion, that is, using fear to extract dollars from people for a particular goal. That is not the way to respect and to show respect for Atlantic Canadians.

This budget process upon which the Liberals have now embarked should have entailed a separate approach to the Atlantic accord. Why would they not do that? Why would they not bring the Atlantic accord here?

This is why I think they would not do it. The Liberals do not want Atlantic Canadians to see that in fact it is Conservative members of this caucus who have articulated the strengths of and the things that are necessary in the Atlantic accord, which we have said we will support. The Conservative members have been very clear about that. They will support absolutely the provisions of the Atlantic accord, because most of them are ideas which those Conservative MPs from Atlantic Canada, from Newfoundland and Labrador and from Nova Scotia and other areas brought forward.

It is those MPs who brought forward these notions about how to make Atlantic Canada strong and prosperous. I think the federal Liberals do not want that exposed. As they usually do, they take our good ideas, dress them up just a little differently, call them their own and then tell people to vote for our ideas dressed in their clothing.

The Atlantic accord provisions should have been brought in separately.

Then, in terms of the budget process itself, it was fascinating in the last election to watch where the Liberals, true to form, campaigned against many of the things that we wanted to see and which they said would never work. Then, when they did their nightly polling—because a Liberal cannot go to bed at night without polling to see if he or she should be sleeping or not—they thought, “Oh my goodness. These things the Conservatives are proposing would be good for Canadians and Canadians like them”.

So now they are coming back and again taking our ideas and putting them in their budget, or trying to, with half steps and half measures. They are trying to pretend, with some mediocre and substandard tax cuts, that they actually care about hard-working people. It is a tremendous camouflage, like a wolf in sheep's clothing, and unfortunately some Canadians may be misguided by it.

I will bring my remarks to a conclusion by saying that when the budget first came in, we did not oppose it. Now the Liberals have drastically and in a panic changed it and that is a recipe for financial disaster. The present Prime Minister, the former finance minister, likes to rest on what is now an increasingly shaky legacy of having dealt with the deficit 10 years ago. He dealt with the deficit by slashing health care by 36% overnight. That is mainly how he did it, but now he is abandoning even that notion of some kind of fiscal restraint.

● (1150)

He has thrown everything to the wind in this budget process and has come up with \$4.6 billion to buy 19 votes. That is not the way to handle the taxpayer money of this country. These notions that I talked about, these three separate areas, should be brought in here separately so that each could be debated and supported on its own measures. That would be true fiscal accountability for the people of Canada.

**Mr. Richard Harris (Cariboo—Prince George, CPC):** Mr. Speaker, I think it is particularly appropriate that the member for Okanagan—Coquihalla is speaking on the budget bill given his experience in provincial politics as a provincial cabinet minister and in the area of finance in the Alberta government.

I have a question that the member could help me with. Over the last 23 or 24 days since the infamous deal was made between the NDP and the Liberals and since the 2005 budget in February, it appears to me that there have promises made for somewhere in the neighbourhood of \$23 billion or \$24 billion in increased spending. The Liberals are saying they are able to do this because of the unplanned surpluses they have suddenly found.

If unplanned surpluses become unplanned shortages, what happens to all these promises? Is it the Liberals' intention to say some day down the road in the very near future, if they hang around, that they have unplanned shortages so those promises cannot be kept? How drastically does this \$23 billion or \$24 billion affect the normal operation of government, given prudence in a budget? How dramatic an effect could it have on these promises they have made if the revenue comes in, unplanned, at far lower than they are saying it could?

**Mr. Stockwell Day:** As usual, Mr. Speaker, the insights of my colleague from Cariboo—Prince George are incisive on this point.

Let me point out what happens when one departs from one's budget as radically as the Prime Minister has from his. I have tabled a number of budgets, each in the multi-billions of dollars, and I know what it is to budget for the ship of state, whether it is the federal or provincial ship of state.

We can compare it to a large tanker out on the ocean. It takes a lot to turn it, and once we start to turn it just a few degrees it does not seem like much at the start, but the shift becomes monumental. The effects can be devastating when that ship of state runs aground on the rocky shores of bad planning. The environmental spill of poor financial planning wreaks havoc on the environment in which we live. The federal ship of state is headed for the rocky shoals because the person at the helm, in a panic, is starting to turn the wheel. That becomes devastating.

*Government Orders*

There is a case in point here. The member from Cariboo—Prince George has pointed out something interesting. In 22 days, the Prime Minister has blown a \$23 billion hole in the budget. That is over \$1.1 billion a day in announced spending. I heard one Liberal say last night that it was not \$1.1 billion a day but only \$1 billion a day. Let me note that a billion dollars a day is a lot of money.

As a provincial finance minister, I sat around the financial table with the present Prime Minister when he was the finance minister. We sat around that planning table with other provincial finance ministers and territorial ministers. The current Prime Minister was sitting at the head of that table as federal finance minister. When we asked for more funding for health care, for instance, funding which he had taken away from the provinces, he would say, “We cannot change the budget. We cannot do that”.

I can remember him saying that one could not, just because of pressure, announce a \$1 billion or \$2 billion shift in the budget, but because of pressure he himself has now announced a \$23 billion change.

I have a final point in terms of my observations from around the finance ministers table. When we used to question him about provincial funds, and we have a variety of them, he knew every dollar amount. He knew how they flowed and to whom they flowed. If he did not have the answer right then, he would go to his officials sitting beside him.

Thus, for him to say today that he does not know anything about that sponsorship fund when he presided over it for 10 years is a terrible stretch of credibility. It undermines the whole budget process that we are looking at today.

● (1155)

[Translation]

**Hon. Stéphane Dion (Minister of the Environment, Lib.):** Mr. Speaker, this morning I met with representatives from a company.

[English]

It is an aboriginal company that specializes in waste management and waste water treatment. This company claims that it has the expertise to address the problems created by municipal solid waste, through total combustion at extreme temperatures, in a way that reduces operating costs for industries, eliminates the development of new enormous landfill sites, creates no greenhouse gas emissions in doing it, reduces existing large landfill sites and reduces ground-water and atmospheric pollution, all of this in a way that will generate electricity.

[Translation]

I have been Minister of the Environment since last July and not a week has gone by without my meeting with representatives of companies like this that have capacities to offer Canada that we can only dream of. According to what they tell me, however, companies need assistance in the beginning to get their initiatives going. In order to succeed, they need help from the Government of Canada. However, there is no program for these companies, each of which is developing its capacities through different initiatives. Creating a program for every initiative would result in huge bureaucratic paralysis.

Instead of that, the climate change plan which we just launched and whose implementation depends on the vote on this budget provides for the creation of a climate fund. The Government of Canada is prepared to invest \$1 billion in it, beginning with this budget—an amount that will increase with following budgets until 2012, for a total of \$4 billion. This climate fund will make it possible for all these companies with new ideas to find funding if they manage to reduce greenhouse gases in the municipal, industrial or residential spheres.

[English]

It will be a cash for tonne project. It will be completely revolutionary. We need it. Canada needs it. If we do this, we will not recognize our country in 2012 because we will have improved our country in so many files. It will be spectacular. This is the tool Canada needs and it depends on the vote on this budget: no budget, no climate fund, and no climate fund, none of the spectacular changes we need.

● (1200)

[Translation]

In the climate change plan that we announced, there is a list of the possibilities that this climate fund could provide for all the following stakeholders:

farmers who adopt low till or zero till practices;

forestry companies that engage in state-of-the-art forest management practices;

property developers that include district heating and renewable energy elements in their plans for new subdivisions;

businesses that develop innovative ways to reduce emissions through recycling and energy efficiency;

companies and municipalities that invest in their communities by encouraging alternative transportation modes;

municipalities that capture landfill gas and use it to generate electricity—

I could also mention university presidents who want to encourage their students to take the bus by giving them free “eco passes”, and so forth. There are boundless possibilities when one thinks of all the Canadians who could find essential assistance thanks to this climate fund.

[English]

Only for this climate fund we need this budget, but there are so many other examples. When we speak about this budget, let us note that it is the greenest one since Confederation. That shows how, through this budget, we will be able to bring the environment and the economy together.

[Translation]

This budget does more than invest \$5.2 billion, including \$3 billion in new funding, in the federal environmental policy. It will transform our economy and make Canada a leader in the sustainable economy.

*Government Orders*

[English]

Let me give members the list of the things we need to have through this budget. We need \$40 million for improving the ecological integrity of the Great Lakes ecosystem and \$85 million for a strategy to combat invasive alien species, such as the sea lamprey, the zebra mussel and the Asian longhorned beetle. The budget devotes \$28 million to the first phase of the government's oceans action plan, and \$269 million in additional and much needed funds will go to our national parks.

With regard to science, the budget sets aside \$60 million for geographic information, \$111 million is devoted to the development of a new generation of remote radar sensing satellites, and \$200 million is allocated to the development of a sustainable energy, science and technology strategy.

[Translation]

In my opinion, the \$5 billion in gas tax revenue that the Government of Canada will transfer to the municipalities in order to ensure to the sustainable development of our communities is essential.

[English]

This transfer targets support for environmentally sustainable infrastructure projects such as public transit, water, waste water treatment, community energy systems and the handling of solid waste.

[Translation]

Furthermore, in cooperation with the NDP—they are not here but they are in agreement—we have set aside \$800 million to further develop public transportation.

[English]

Added to the \$300 million the budget invested in the green response fund, this new deal for cities and communities is itself a green plan.

[Translation]

We have allocated \$90 million to Health Canada in order to help identify harmful substances under the Canadian Environmental Protection Act.

[English]

In addition to the climate fund, we have devoted \$4 billion, on which \$2 billion is new money to reduce our greenhouse gas emissions. I want to mention especially an additional \$225 million that will help quadruple the number of households that take advantage of the very popular EnerGuide for homes retrofit incentives program.

I want also to mention that in the budget we have a strong push for clean, renewable energy that will be encouraged, solar, wind power, renewable energy such as small hydro, biomass and landfill gas. We will invest \$1 billion to help them to be more competitive in the market and we will submit also through the climate fund. It will be a great push. The list is so long.

I also want to mention \$2 billion to \$3 billion for the partnership fund, the fund that will help us to work with the provinces, which

have so many leverages regarding the energy policy, to decrease greenhouse gas emissions. This one is aimed at helping the Government of Canada and the provincial and territorial governments to co-finance their common priorities with regard to climate change. It is not hard to imagine many projects with clear environmental and economic benefits. The provinces have applauded the partnership fund. They are waiting for the budget, especially because of the climate fund.

• (1205)

[Translation]

I am going to quote what I consider to be the most important paragraph for Canadians in the budget speech given by the Minister of Finance. I am being completely objective, of course. In my opinion, the following words were the highlight of this budget:

Our great challenge—and our clear responsibility—is to bring the same focus, the same determination and the same dedication to protecting and enhancing our environment as we did to restoring the health of the nation's finances. Canadians don't want a fiscal mortgage hanging over the futures of their children and they don't want an environmental mortgage to be the legacy of this generation to the next.

That is why we need this budget. If the opposition members do not believe me, maybe they will believe this:

[English]

David Runnalls, president of the Canadian National Institute for Sustainable Development has summarized the gist of my remarks today. Of Budget 2005 he said, "It is not just a bunch of money for environmental programs. There are lots of different incentives to the good things that make the economy greener".

I want also to mention that more than 30 environmental groups in Canada have written to the leaders of the parties in the House. I want to quote the letter. It states:

We are writing to remind you that the vast majority of climatologists are calling on all governments to take urgent action on climate change. Canadians in all regions support rising to the challenge and are looking to you, their leaders, to act responsibly in defense of present and future generations. Yet, this important environmental and economic issue is being overshadowed in the present atmosphere of partisan politics. We call on all parties to put aside their differences long enough to ensure the measures that are necessary for implementation of the Kyoto Protocol, introduced in the February budget, are approved by Parliament without delay. There will be plenty of time in the coming years to reevaluate, redesign and expand the plan as it is rolled out. In the meantime it is essential we act now. We assure you we will work with Parliament to improve the plan and make it the best and most credible in the world.

There is a long list including Greenpeace Canada, Toronto Environmental Alliance, Toxic Watch Society of Alberta, et cetera that have signed the letter. I hope the leaders will listen and will vote unanimously for the greenest budget in the history of our federation.

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, I am pleased to hear the minister speak today. I would like to hear exactly what his detailed plans are for the agricultural and rural areas of Canada. They are probably the ones that can contribute the most to the green plan, but will probably be the ones that get the least in incentives.

**Hon. Stéphane Dion:** Mr. Speaker, if there is a group that needs this budget, it is certainly the people who work in agriculture and rural Canada.

*Government Orders*

With respect to our climate change plan, the Government of Canada is committed to investing \$10 billion in the next eight budgets up to 2012, the end of the Kyoto, and we will invest at least \$1 billion for agriculture, whether it is ethanol, or biodiesel or the climate fund. As I mentioned, the climate fund will have a lot of capacity to help reward farmers with good practices such as low till practices or whatever it is such as changing the waste in electricity.

We will change the practices in agriculture in Canada and will make Canada the greenest model in the world if we act altogether. We have the best plan for that. It has been celebrated by many of my colleagues around the world. I will quote from the German federal minister of the environment, Juergen Trittin, who said:

I am delighted that Canada is promoting climate protection with an ambitious action plan...the country hosting the next international climate change conference in Montreal in December.

He goes on to say that Canada is sending a strong and progressive signal to the world and that Canada offers the evidence that climate protection also on the North American continent is feasible and politically rewarding.

Germany has done a lot to modernize its agricultural industry in order to make it greener. It is a good compliment and incentive for us to vote unanimously for this green budget.

• (1210)

**Mr. Richard Harris (Cariboo—Prince George, CPC):** Mr. Speaker, in the minister's list of spending he talked about the Asian longhorn beetle, and the word beetle is quite personal to me. Over the last 10 years or more the province of British Columbia has had a natural disaster occur in its forests as a result of the mountain pine beetle. The Liberals are aware of the devastation it has caused. Their record is not something of which they should be proud.

In 2002 the British Columbia minister of forestry was in Ottawa. He told the government that the province had a five year, billion dollar plan to mitigate and try to arrest the damage that had been caused by the mountain pine beetle. There was no response to that. The federal government said that it would contribute \$40 million to B.C., less than 10% of the province's five year plan.

In 2004 the province asked the federal government to be partners in a 10 to 15 year plan. It wanted \$1 billion plus a long term commitment while the job was being done. The government offered the province 10% of that, \$100 million, with no commitment to the future.

Why does the government seem to have so much indifference about the problems of British Columbia?

**Hon. Stéphane Dion:** Mr. Speaker, this budget, and especially the climate change plan, will give us plenty of opportunities to work with the province of British Columbia. I have a very good relationship with my counterparts there, and I am confident that will be the case.

We are investing in this budget in order to fight the pine beetle problem. It is a terrible problem from both an economic perspective and an environmental perspective. It may prevent us from having a good solution to the problem of CO<sub>2</sub> emissions and the capacity to keep them in the forest. We strongly support the forest industry.

I want to quote Avrim Lazar, president and CEO of the Forest Products Association of Canada. He said:

The industry is encouraged by the tone of the government's climate change plan and while important details still need to be resolved, we find this plan, combined with earlier policy announcements outlined in the budget, to be very positive.

I agree with him. We need this plan for our forests. We need this budget.

**Mr. Richard Harris:** Mr. Speaker, I rise on a point of order. I know that there is some sort of rule in this House that when we are debating or responding to a question, we should try to stay with the theme of the question.

My question was distinctly about pine beetles—

**The Deputy Speaker:** I am sorry. I think we are onto further debate and, unfortunately, the time for questions and comments has expired.

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, I still would like to hear more details of what the minister has in store for the agriculture and rural communities of Canada. To have a quote from Germany does not help us in western Canada. I would like to hear some quotes in western Canada of how we will have some incentives to meet our goals. I was disappointed that I did not hear any made-in-Canada solution.

I would like to speak today about the budget. Bill C-48 is not just about the environment. It is not about child care. It is not about affordable housing. It is not even about anything the Liberals or the NDP alliance would have us believe. The legislation is all about political survival because this government seemingly has one goal, one purpose and one objective: the retention of power, at all costs.

The government is willing to trash today's cherished principles for the political expedience of tomorrow. For example, the Minister of Finance was adamant a few weeks ago, stating that any changes to the budget would be inconceivable because any opposition tampering with this budget would spark a financial downturn in Canada. I quote the finance minister:

You can't go on stripping away the budget, piece by piece...That's not the way you maintain a coherent fiscal framework. If you engage in that exercise, it is an absolute, sure formula for the creation of a deficit.

The absence of principle and conviction usually makes the once inconceivable a reality in politics. Consequently, only a few weeks later, the finance minister was undercut by his Prime Minister, who allowed the leader of the smallest party in the House to gleefully rewrite the budgetary framework of Canada.

We should take a moment to ponder the magnitude of that act. The finance minister had his agenda dictated to him by the leader of the major national party which consistently garners the least support across Canada. There is a reason for that.

While some limited portions of the NDP agenda may be somewhat appealing, Canadians know that entrusting the public purse to the NDP is about as smart as giving kids caffeine before bedtime. They will tax our energy all night and keep on asking for more.

*Government Orders*

Canadians cannot endorse the reckless spending and the anti-growth agenda advocated by New Democrats. We only have to look at my home province of Saskatchewan to see how the NDP-managed discourages innovation and drives people away. Accordingly, this new budget represents the beginning of a significant realignment in Canadian politics. The Liberals have abandoned a mainstream approach to governing defined by fiscal prudence to one ripe with billions in unaccountable spending dictated to them by the least popular party in Canada.

Amazingly, the government is demanding members in the opposition endorse the legislation. Not only would this course of action jeopardize Canada's economic future, it would turn the public purse into a prize on what the *Waterloo Record* has called Canada's news game show, "Let's Spin the Taxpayers' Wheel of Misfortune and Make a Deal". In a frantic attempt to cling to power, the government has made the first winner of this game show the smallest party in Parliament and its leader.

What did the leader of the fourth place party have to do to win this prize? It is simple. Change his tune completely on this government and agree to prop it up.

The NDP just months ago voted against the budget. The NDP just months ago did not have confidence in this government. The NDP just months ago was prepared to force an election. The NDP was ready to, and in fact did, play politics.

Even more, the leader of the NDP publicly chided my party for having the audacity for refusing to bring down the government and force an election this past February. Why? Because apparently the budget of a few months ago was all wrong, especially for the residents of my home province of Saskatchewan. The NDP went to great lengths. According to the leader of the NDP, the budget did nothing for Saskatchewan and he was extremely concerned about what had happened in the budget.

• (1215)

Let me quote from the February 25 *Globe and Mail*:

New Democrats said that if the Tories vote for the Liberal budget, they will revel in pointing that out to voters on the hustings, especially in the West, which has several ridings that are Conservative-NDP races. One NDP adviser said the party would have a field day pointing to a Tory vote for a budget that funds the gun registry and does little for farmers.

• (1220)

However, when the government, like a parent desperately trying to silence a pouting child at the toy section of a department store, caved into NDP demands, something odd happened. While the NDP demanded some really expensive toys, \$4.6 billion worth of them, paid for with Canadian taxpayers' hard earned money, it demanded nothing for Saskatchewan, and everything that was left out of the first budget was left out again. There is nothing for farmers, nothing for rural communities and nothing for Saskatchewan. I look forward to hearing the NDP explain that on the hustings.

I would also like the Liberal-NDP alliance to explain how this legislation resembles responsible financial management, or how this budget will improve the quality of lives of Canadians because we all know it is not and cannot.

This legislation is not responsible financial management. It represents the worst of the worst in unrestrained spending of the Liberal government. People in my riding and across Canada will not accept this. People like Russel Marcoux, the CEO of the Yanke Group of Companies, said, "we're hearing about a billion dollars here and a billion dollars there. Where is it all coming from?"

There is no fiscal responsibility evident right now. People know that if they were to model business decisions after the Liberal-NDP budget, they would not have to worry about making other business decisions for a long time after that. Insolvency will do that for them. Even more troubling, Bill C-48 lays out no plan for spending. It only lays out a lot of spending. It commits millions to a large number of areas with absolutely no plans on how the money will be spent.

Ironically, while the Gomery inquiry is examining sponsorship spending in the 1990s by the Liberal government, this legislation would allow cabinet to again create and implement programs with absolutely no framework. It would allow cabinet to make payments in any manner it deems fit. The Liberal Party of Canada, the party of ad scam and the party of Alfonso Gagliano, wants Canadian taxpayers to trust it with their money, to implement programs with no framework and no accountability. Those are not shrieks of delight from hardworking, overtaxed Canadians.

Nancy Hughes Anthony, the president and CEO of the Canadian Chamber of Commerce, recently stated that one would have thought, what with ad scam and these sorts of things, that the accountability would be increased, but we are seeing that the accountability seems to be decreased. How any rational individual could seriously consider endorsing this total absence of a framework is puzzling at best?

The Liberal Party of Canada created a problem for themselves with ad scam and the resulting tales of deceit and corruption emanating from the Gomery inquiry. Now the Prime Minister and his party want to use the Canadian taxpayers to bail them out.

Like the bank robbers who throw money into the air to confuse the authorities during a getaway, the Liberal Party is trying to deflect attention from ad scam with an unparalleled spending blitz. While the NDP has been a willing getaway driver setting its price for cooperation, the Canadian public cannot and will not easily comply.

If a CEO of any reputable company wanted to increase spending and reduce revenue in the midst of a major crisis, the board of directors would surely ask for his or her resignation. Canadians are the directors of the Canadian government. We should expect no less and demand no less. This is no way to run a country.

We in Saskatchewan have an NDP government. We know what we are talking about when we see our hard earned taxpayer dollars go to a government that has no clue about responsible government and spending.

*Government Orders*

•(1225)

**Mr. Derek Lee (Scarborough—Rouge River, Lib.):** Madam Speaker, I listened to the speech of the member opposite. For a speech that was intended to address the budget, I certainly heard an awful lot of politics.

I suspect that I spent more time listening to political rhetoric than I did listening to substantive comment on the budget. We heard a lot of talk about the New Democratic Party and I think that my colleague opposite and her colleagues are perhaps a little bit too distracted by the politics.

Having said that, I acknowledge 100% that this is a political place and that politics is going on all the time. We should not be too negative in talking to each other just because things are political.

However, getting back to the budget, I do not quite understand how the member opposite can reach a conclusion in her speech that somehow the government does not know what it is doing. The record of the last seven or eight fiscal years has shown very clearly that it does know what it is doing. I could go through all the statistics, but I am not going to even mention any benchmarks because they are repeated here all the time, indicating that the government has done extremely well.

Among the G-8 countries, it is actually a leader currently and projected to be leading in so many of the economic statistics including balanced budgets. That commitment persists to this day. We will balance the books and our budget this time is calculated to continue to do that for the next few years.

I do not understand the member when she suggests that the government does not know what it is doing when the record clearly shows that the government does know what it is doing fiscally and politically.

**Mrs. Lynne Yelich:** Madam Speaker, it is very hard to talk about a budget when we do not know what the budget is. In the member's remarks, he said that he heard a lot more about politics. I have never seen so much politics played as I have in the last couple of weeks.

As the member said, for the last seven or eight years the government has balanced budgets, but in the last couple of weeks it has been a sad scenario for Canada. Imagine how well we would have done if we had the money that was filtered through ad scam? Just imagine the hospitals that would still be open today. Perhaps the compassionate care program that probably could have been fulfilled as it was needed.

However, perhaps the member did not hear me because I quoted from some people who are very concerned about the budget, people like Nancy Hughes Anthony. We would have thought that with ad scam that accountability would be increased and that is what we are trying to say. There is no accountability. All we are hearing is announcements from coast to coast to coast.

There is no solution for Saskatchewan where we are having a difficult time right now. Farmers are trying to put crops in the fields and trying to sustain a living. I think the suicide rate will be up this year considerably because it is a very sad situation in Saskatchewan. Our Prime Minister and his ministers have failed to recognize the seriousness of the border being closed. I thought that border would

be opened because the Government gave us all a bit of hope when it elected its new leader.

I also wanted to mention that the Liberals' approach to budgetary matters is that of an extortionist and perhaps the member who I know has a legal background would have to ask why a lawyer would write me this or perhaps he would agree that the approach is basically as this lawyer accountant wrote me: "I have your money and you'll get it back if you do this for me. You'll never see the money again if you do not vote for the Liberal budget. The problem is that any supposed power to enforce compliance is not real".

I am disappointed that the member did not really get the speech because he misunderstood that Canadians do not want their dollars wasted. There is only one taxpayer. In Saskatchewan we are victims of a government that just taxes us to death and has no incentives for economic growth. We were counting on this budget helping Saskatchewan become a sustainable province.

•(1230)

**Hon. Paddy Torsney (Parliamentary Secretary to the Minister of International Cooperation, Lib.):** Madam Speaker, I am pleased to be speaking after the member for Blackstrap because my constituents are thrilled with the budget. The budget represents important investments. If she was actually consulting her constituents, including the families in her constituency that would benefit from the investments in early childhood development, she would know that they too are looking forward to the budget.

The budget builds on a successful record of Liberal budgets. Canada became deficit free for the first time in 30 years in the fiscal year 1997-98. Since then we have had eight consecutive balanced budgets and we have shaved off \$61.4 billion from our national debt. That is money that is directly paying down the debt, much like many of us pay down our mortgages. It is a record unmatched over the last 50 years. On top of that we have also had some \$100 billion in tax cuts.

In 2004 Canada had the fastest growth in exports in more than seven years and Canadian real GDP advanced at an annual rate of 4.3% in the second quarter making Canada the envy of the G-7. Since the Liberal Party formed the government in 1993, over 3.5 million jobs have been created and some 500,000 of these jobs were created between January 2003 and January 2005.

It is because of the Liberal Party's strong fiscal record that the government has and is continuing to invest in priorities that matter to Canadians. The budget demonstrates those investments in health care, early childhood development, the environment, cities and municipalities, and Canada's role in the world.

*Government Orders*

Let us look at the announcement on early childhood development. In my constituency, like many constituencies right across the country, the majority of children under the age of six are receiving some form of child care. Yet, only one in five of those children across the country is in a regulated day care space. That number has not changed in the last decade.

If we look at innovative economies, children need to learn easily and quickly when they arrive at school at the age of five, so early childhood development is absolutely imperative to their success.

In fact, my community of Burlington participated in an institute of urban studies initiative where it examined inclusivity, the term usually addressing racism and poverty, but it looked at how Canada could become more inclusive. Cities like Burlington, Saint John, Toronto, Edmonton and Vancouver were the cities that participated in the first tranche of the study.

One recommendation that came through loud and clear, particularly from the city of Burlington, was the development and support of a high quality national early learning and child care development strategy that is coordinated, universal and transparent. This would make a huge difference to families and ensure that people have the chance to be all that they can be.

The budget that we are discussing today, which we will vote on later this week, responded to this need with the federal government's commitment of \$5 billion over five years to build that national framework with different rollouts in each province because of differing needs, but a \$5 billion commitment nevertheless. I know in Ontario that money is going to be well spent.

The other thing that is important in the budget, as I mentioned, is predictable, stable funding in the long term infrastructure area, particularly for our municipalities. In terms of the environment, social and economic infrastructure, these things will be very important to our communities.

Revenue raised by the gas tax is one mechanism that the budget commits to ensuring that we have the infrastructure, so that Canada is able to continue to remain competitive and that business and individuals in our communities will benefit. The last budget had the GST rebate for the municipal sector and in my community that was worth some \$1 million a year.

The other area that I mentioned provides us an opportunity to talk about Canada's role in the world. Canada is making important contributions to a more secure, equitable and prosperous world that reflects our Canadian values and interests. The proposed increases to official development assistance will go a long way to ensuring that Canada helps and does its share to achieve the millennium development goals, that ambitious agenda that world leaders committed to in the year 2000 to cut global poverty in half by 2015.

•(1235)

The increases will help implement Canada's new international policy statement, the framework that coordinates the three Ds, diplomacy, defence and development, and our trade agenda to make sure that Canadians are at the forefront, that Canadian aid dollars are used in the most effective way, and that we get more coherence. It will be a new platform for Canadians to play a more important and effective role in relieving the plight of the world's poorest people.

Our country's principles and values, our culture, are rooted in the commitment to tolerance, democracy, equality, equity in human rights, peaceful resolution of differences, the opportunities and challenges of the marketplace, social justice, sustainable development and easing poverty. This was witnessed after the recent tsunami disaster. Canadians responded with an unbelievable opening of their wallets, an incredible contribution to ease the suffering and plight of others in that affected area. Some \$200 million was raised by individuals and that amount was matched by Canadian government contributions. We go further than that in the budget.

Canada has an important role to play in the fight against global poverty. Our new approach in aid is outlined in the international policy statement. We are concentrating our efforts in five priority sectors: health, education, governance, private sector development and environmental sustainability. Across all of that we are working on gender equality.

Helping women in developing countries will be a theme throughout our work to make sure that we are enhancing inclusivity in many parts of the world, places where we can make a difference. As everyone knows, an educated mother will have children at a later age and will be able to assist in her children's education. We will make those important gains around the world.

Kofi Annan has talked about how we need to do better in the world. Canada is certainly on target in meeting its international commitments, continuing to grow its aid and making sure that its commitments are honoured. In the recent UN report entitled "Threats, Challenges and Change", he stated, "The threats we face are threats to all of us and they are linked to each other. To address these many threats to human well-being and security, the world needs to share the benefits of trade, to end the debt crisis and to promote more efficient and effective aid". Canadians are doing just that. In fact, the IPS ensures that we will do just that.

I would like to talk more about our commitment to pursuing greater sectoral focus in CIDA. Our actions in focusing on 25 partner countries will go a long way to easing the plight of those particularly in Africa. Fourteen of the countries, more than half, are in sub-Saharan Africa, countries with some of the lowest income levels on a per capita basis, and that are able to use our aid effectively. We have some history with those countries. It has been a real injustice for some of the opposition members not to recognize that. On top of that there are specific countries for which we have a whole of government approach, areas like the Sudan. The Prime Minister made an increased commitment to helping the individuals in the Darfur region, important investments to ease its problems and make sure there is peace and security for the individuals there.

*Government Orders*

For Haiti, Iraq and Afghanistan we have a whole of government approach so that we can bring about peace and work on development to allow them to have a sustainable economy and that they will be able to continue to trade.

Madam Speaker, you have been involved in many of the initiatives. The public will be interested to know that members of Parliament work with the ministers of international development, trade, defence, and foreign affairs to implement Canada's agenda. It is Canadian members of Parliament who work collaboratively on things like landmines, the creation of the International Criminal Court, bringing awareness of human rights issues to our colleagues around the world and setting an example for good governance. All Canadians can be proud of that accomplishment which is done in the spirit of collegiality and representing all of Canada and not partisan differences.

• (1240)

In this current climate particularly leading up to the vote on Thursday, it is important to remember that we do work together in advancing the situation for others in the world. The world has a lot to gain from Canada.

**Mr. David Tilson (Dufferin—Caledon, CPC):** Madam Speaker, my question for the member involves the issue of the gas tax and moneys that are being allotted to municipalities.

In my riding there are a number of small municipalities that have the job to repair bridges and maintain roads. The warden of Dufferin County, a fellow named John Oosterhof, has suggested that he is most concerned that the issue of funding is based on population as opposed to kilometres. Some of the city people, such as Mayor Miller of Toronto, say they have to have all this money. The problem is that many rural municipalities just do not have the funding. In my area a bridge had to be closed because the municipality did not have the resources to repair it.

The decision appears to have already been made that it will be based on population as opposed to kilometres. Would the member be prepared to have the government reconsider that formula and base it on kilometres as opposed to population?

**Hon. Paddy Torsney:** Madam Speaker, I find it very interesting that the member for Dufferin—Caledon is not happy about how previous waves of infrastructure have been rolled out in our province. We are both from the province of Ontario. Interestingly, he sat as a member of the government that worked out the last deal so perhaps he should talk to his old colleagues, Mr. Eves and Mr. Harris, if he did not like the deal that was worked out by the province.

I can assure him that this new commitment on gas tax is not a stand-alone initiative. It is in fact an initiative that complements the work that we have done on GST rebates, on the infrastructure program, on COMRIF, specifically allowing smaller municipalities to pool their resources to invest in things that are important.

I am very much in favour of making sure that the deal is something that will be reflective of the reality of smaller communities like mine, of rural communities like his, and making sure that all of the money is not sucked into the very busiest and biggest capitals. There is some element of per capita that is

absolutely imperative, but we also have to look at the infrastructure that is important to all of us.

I would encourage the member to pick one of the sides that his party has been on regarding this deal for cities. There has been a bit of a flip-flop all over the place throughout the last election and in the last couple of weeks. He should support the budget on Thursday and vote for the new deal for cities because it is important to the member's riding, to my riding and to the people of Canada.

[*Translation*]

**Mr. Guy Côté (Portneuf—Jacques-Cartier, BQ):** Madam Speaker, I have never seen an MP less concerned about her constituents. She is absolutely remiss in her duty.

Yesterday, I had the sad task of having to explain in this House why the budget and the two budget implementation bills do not recognize the realities and problems currently in place in Quebec. Hon. members will recall that there was a farmers' protest yesterday on Parliament Hill. Last evening, I got a call from a forest products company, Tembec, announcing that four of its plants were going to shut down or cut back on operations.

For years, the Bloc Québécois has been calling upon the government to come up with an effective plan to assist the forest industry and its workers. We have yet to see any sign of it. For years we have been demanding a government plan to assist older workers. At the very least, when plants are closed, we want to see assistance programs made available to those who lose their jobs.

I hope that the hon. member will come to my riding to explain how Bill C-48 is going to help the unemployed of Saint-Raymond and Saint-Léonard. There is another plant in Brantford, Ontario, where I hope she will go as well. I also invite her to my colleague's riding of Abitibi—Témiscamingue, where another will be closing. I hope the hon. member is going to look out for the real interests of her fellow citizens.

• (1245)

**Hon. Paddy Torsney:** Madam Speaker, I have worked with hon. members from the Bloc Québécois, the hon. member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques and the hon. member for Verchères—Les Patriotes, on the WTO situation.

There is a group of members who want to have rules and a new system. We have worked together to change the rules in order to ensure that the voice and aspirations of people in our ridings are respected in the world. The hon. member needs to think a little bit about the situation in Canada. There are places here where we must work harder to improve the situation for people without employment. Nonetheless, this government has worked very hard for everyone in every riding and every province.

[*English*]

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Madam Speaker, it is an honour to rise in the assembly today and speak to Bill C-43, particularly because my understanding is that today is a rather slow news day—

**An hon. member:** Come on over.



*Government Orders*

**Mr. Tom Lukiwski:** I am sure that all the political junkies who are tuning in to get their political fix today have nothing better to do, so this debate will probably fill a void for them. I am pleased to speak and help those people get their political fix.

I should say at the outset that even though this is a debate on Bill C-43, I feel we cannot really speak to this legislation without also speaking to Bill C-48, because the two are obviously intertwined.

I think we have to put things in context. These two bills are rather unprecedented. This is the first time in recent memory that I can remember not one but two budget bills being delivered. In fact, it is my understanding that both of these bills need to be passed on Thursday evening for the government to avoid a non-confidence vote, so let us talk about the fact that these two bills have been brought down together, what that means and what the impacts are.

Members may recall that Bill C-43 passed the first stage a few months ago. At that time, although Conservative Party members abstained from the vote, we did so because we felt that the government deserved to go forward. Our party did not think that Canadians wanted a general election, at least at that point in time, so our members abstained from the vote. Shortly after that, of course, in fear of the government going down, the NDP proposed a solution, one that is a political solution, I might add, and not a financial solution, and introduced and cut a deal with the government that ultimately led to the creation of Bill C-48.

I have to set the record straight on a few points.

First, the Minister of Finance has said on several occasions that it was the Conservatives who flip-flopped on our position of support on Bill C-43 and that is why the government was forced to seek an arrangement with the NDP. In fact, that is not true. What happened was that the revelations coming out of the Gomery inquiry were of such magnitude and such impact that we felt the government then did not deserve our support to remain in office. We then clearly indicated that we would be trying to take the government down at any and every opportunity. It was only because of this situation that the government then entered into negotiations with the NDP. The ultimate creation was this bill called Bill C-48.

It is this bill, quite frankly, that gives me quite a bit of concern, because we all know that this was a political deal made not in the best interests of Canadians but in the best interests of the Liberal Party of Canada. In fact, this deal was cut in a hotel room in Toronto without the presence of the Minister of Finance.

We hear all the spin from members opposite, who are saying that the Minister of Finance was involved. I have never seen a budget consultation that created a budget bill for Canadians while the Minister of Finance was on the phone listening to House leaders from two different parties create a budget bill. It is unheard of.

It is incumbent upon all Canadians to understand that this was a political solution to a problem the Liberals felt they were facing, and that was the defeat of their own government. This was not a bill that was constructed to help Canadians. This bill was constructed to help the Liberal Party of Canada.

Now that I have provided that framework, I think I can talk a bit more about Bill C-43.

I must admit that there are elements of Bill C-43 with which I agree. There are certain things contained in the bill, particularly with respect to the RRSP provisions in the elimination of the 30% restriction on RRSPs. This alone is something that many people in my riding had been asking for over several years. Over many elections the government talked about implementing that provision, but in my recollection, this is the first time it has actually brought it forward in a budget. That is something I applaud.

● (1250)

There were a few other points that I could agree with, but here is what happened when Bill C-48 came into the mix. This was a plan, and I use the word "plan" very lightly because I think there was no real forethought put into it, and a bill brought forward that literally could be contained on a page and a half. This was a bill that was put together on the back of an envelope, to use the vernacular, in order to try to save the political hide of the Liberals.

What happens when a budget is put forward that has spending commitments of over \$4.6 billion without a true plan on how to implement it? It is a recipe for disaster.

I think the Minister of Finance also understood that, because at the time Bill C-43, the original budget bill, was brought forward, the Minister of Finance was effusive in his praise about his own bill. All members opposite were lauding this budget as one of the best budgets in years.

However, when questioned by the media and by members of the opposition as to the potential of amending that bill for political purposes, the Minister of Finance was quite clear. He stated unequivocally that we cannot cherry pick budgets. We cannot take certain elements out of a budget and put other elements in because that is a sure recipe for deficits, for deficit disaster.

Those were the words of the Minister of Finance, but what happened only a few short weeks later? There was a political deal cut, without his knowledge, I might add. The very things he was warning all Canadians about happened. Why did they happen? Once again, it was for political purposes: to suit the Liberal Party of Canada.

Frankly, I feel sorry for the Minister of Finance because his legs were cut out from underneath him by the Prime Minister. The Minister of Finance was not consulted about this. He was told, "We must enter into an agreement with the NDP to save our political hides". Now, across Canada, the Minister of Finance, to his great embarrassment, is trying to defend Bill C-48 when in his heart of hearts he knows as well as I know and as well as most Canadians know that Bill C-48 is an unmitigated disaster. It was only done for political purposes, and that is the worst thing that Canadians expect of any political party and any Minister of Finance.

*Government Orders*

Budgets, whether we agree with them or not, should be crafted to try to represent the views of the government of the day and hopefully to represent the views of the majority of Canadians, to help Canadians but to be financially and fiscally responsible. Bill C-48 destroys all that credibility. Whatever credibility there was within the original budget bill, Bill C-43, Bill C-48 goes to great lengths to destroy it. That is something I simply cannot support and I do not think most members of the House should support it.

We are in the situation right now where there is a lot of political tension. That is obvious. Many political observers are saying that we are on the brink of an election. Clearly today's announcement puts that in some doubt because of the numbers shifting a little, but I do not think Canadians should have to expect that budgets affecting the lives of Canadians from coast to coast to coast should be put in jeopardy for political purposes. I do not think Canadians expect that budgets should be crafted and designed in order to better prop up the political fortunes of any party. Whether it be Liberals, Conservatives, New Democrats or the Bloc, Canadians expect and deserve better, but it is just not happening.

If there was going to be an attempt by the New Democrats to craft a deal with the Liberals to amend the budget and to bring in a new budget, or a better budget, as they like to call it, then I would think that at least there should have been consultation with all members of the House and with all parties. There was not. The NDP tried to further its own political purposes in a hasty deal with the Liberals. It totally ignored the reality of what people in my province wanted to see.

For example, in the original budget bill, Bill C-43, there was literally no mention of agriculture, none whatsoever. The NDP then suggested a solution, an amendment that it said would help Canadians in all provinces across Canada. I can tell the House with great certainty the people of Saskatchewan are absolutely opposed to Bill C-48, because once again, with an amendment and the opportunity before it to bring something to the province of Saskatchewan, the NDP totally ignored agriculture. The NDP had the government over a veritable political barrel. It could have introduced some significant changes and benefits for Canadian agriculture and farmers in Saskatchewan, and yet it did nothing.

• (1255)

Let me close by saying I think it is a travesty that this government is trying to promote a bill that was crafted strictly for political purposes, thus reneging on its own commitment to Bill C-43. This is unconscionable, and at least Bill C-48 should be defeated.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Madam Speaker, I listened with great interest to the member for Regina—Lumsden—Lake Centre. He said that members of Parliament did not have a chance to discuss the budget, or the revised budget, but of course what we are doing here today is debating this budget bill.

For the record, I would also like to clarify something he said. He said that the Conservatives initially supported the government's budget, and so they should have, I believe, because it is a good budget, but then he implied that because of all the evidence coming out of the Gomery inquiry they felt they just had to take action and try to defeat the government.

Of course the reality is that they were reading all the polls, in which Canadians were justifiably angry about some of the testimony, which has not been corroborated yet or has not been fully analyzed by Justice Gomery and his commission, so then they decided not to support the budget. That is the reality of what happened. Of course we want to keep this Parliament working so we formed an alliance with the NDP and we actually have a good budget.

I have a question for the member, who talked about cherry-picking a budget. He seemed to imply that we should not really cherry-pick a budget, that a budget should stand together. I know that some of his colleagues, and in fact his leader, I think, have said that we should take the budget bill and separate out the part that deals with amending the equalization formula for Nova Scotia and Newfoundland and Labrador. I know why they want to do that: because some of the members of his own caucus in Atlantic Canada would love to be able to pass that part and would maybe not be so bullish about other parts of the budget.

Does the member opposite agree that this would be a form of cherry-picking as well? Would he still apply the same criteria to that?

**Mr. Tom Lukiwski:** Madam Speaker, the Atlantic accord should not have been included in the budget to begin with. It should have been a stand-alone piece of legislation—

**An hon. member:** Why?

**Mr. Tom Lukiwski:** Because the members opposite have said that they want to get money to the Atlantic provinces quickly.

We were the ones, if members recall, who were for years pressuring the government to do this. It was only because of a political commitment the Prime Minister made during the heat of last year's election that this ever came to fruition. Then, after the election, for several months the government tried to renege on its promise.

We pressured the government. Premier Danny Williams from Newfoundland and Labrador pressured the government to the point that the Liberals had to admit it and say, "All right. We will come forward with our election promises". But if they were truly sincere in a desire to get the money to the Atlantic provinces quickly, there was no need to put it in the budget. It could have been a stand-alone piece of legislation.

We have asked for it to be taken out of the budget. Members of this House could pass that if we wished. If there were unanimous consent in the House for all three readings we could get the money that is desperately needed in Newfoundland and Labrador and Nova Scotia to them quickly, but this government refuses to do so.

The member asks whether that is cherry-picking. Those members have already set the standards for that. We already know what cherry-picking is and we see it in Bill C-48. The Atlantic accord should not have been included in the budget to begin with. That was our position at the time. That is our position today.

*Government Orders*

• (1300)

**Mr. Gary Goodyear (Cambridge, CPC):** Madam Speaker, I would like to thank the hon. member for a well thought out and well researched debate on the budget. I am not sure which budget we are talking about, the first or the second one, but I would like to ask the member two questions.

First, would he acknowledge that in fact the NDP has recently announced that it too supports separating out the Atlantic accord so that we can do the right thing for Atlantic Canada? That is unlike what the Liberals want to do, which is to tie it up into the first budget, which has 24 parts. We were quite willing to negotiate out each of those individual parts to make them better for Canada, unlike the Liberal Party. Was the member aware of that?

Second, how does he feel about this second budget, which appears to be a knee-jerk reaction to the possibility that the government will fall, a reaction out of a desperation to hang onto power? A knee-jerk reaction led to the conclusion that brought us the gun registry. Also, when the Liberal government heard of children sniffing gasoline, the knee-jerk reaction was to move them to another place and ultimately the problem went with them at a cost of \$400,000 per person. Therefore, how does the member feel about knee-jerk reactions?

**Mr. Tom Lukiwski:** Madam Speaker, my hon. colleague from Cambridge had two very good questions. I will take them in order.

We have advocated for many months that we should be separating the Atlantic Accord from the budget. If the NDP supported that position, we would be in total agreement. Let us get it done. Let us get money to Newfoundland and Labrador and Nova Scotia as quickly as we can.

I find it very interesting that the members opposite, in their unholy alliance with the NDP, would not support their partners in crime on this one. If they are truly sincere in wanting to get money to the Atlantic provinces quickly, why do they not join with us and let us get it done?

The Liberals do not. Why do they not? For one reason and one reason only. Politically, they want to try to put the blame on the opposition. That is the only reason they are doing this. They are trying to make it a political issue. Once again, they are playing with the lives of people for their own political purpose.

Any time we have a knee-jerk reaction to something as serious as the budget, we will have problems. We have seen \$2 billion unnecessarily wasted on the gun registry. We see examples like the sponsorship scandal, designed exactly for the same purpose, which was to try to buy votes for Canadians in Quebec, the biggest criminal and corrupt scandal in Canadian parliamentary history. We should not support Bill C-48 because it has all of the elements of the same problems.

**Ms. Ruby Dhalla (Brampton—Springdale, Lib.):** Madam Speaker, the Liberal government and the Prime Minister have to be commended for this budget. It speaks to the volumes of Canadians who want priorities.

In particular, the budget has substantial investments in health care. It has substantial investments in the areas of child care and the environment. For the first time I think in Canadian history, or as long

as we can remember, there are substantial investments in our defence system.

In addition, a topic that I am personally passionate about, and I think as are many Canadians across the country, is that of international development and foreign aid. It is excellent to see that the budget provides substantial investments and a commitment in regard to the millennium development goals, an ambitious agenda to ensure that global poverty is reduced in half by 2015.

The increases provided in the budget would allow Canada's recent international policy statement, which would provide for an important new platform for Canadians, to play more of an important and effective role in relieving the plight of the world's poorest people.

The debate we are having today and the substantial commitment and investment that has been made in the Liberal budget in regard to foreign aid and international development presents an opportune time for us to reflect on Canada's role in the world. How can Canada and how can we as Canadians contribute to global poverty reduction and best help others to help themselves? Why do we as a nation want to do this?

There are two reasons in particular. We must contribute to a more secure, equitable and prosperous world. I think this truly reflects the values of many Canadians. It truly reflects our idealism and our interests. Our country's principles and values, our culture, are rooted in a commitment to tolerance, democracy, equality and human rights, to a peaceful resolution of differences, to opportunities to address the challenges we face in the marketplace, to social justice and development and to easing poverty.

Canadians wish for these values to be reflected and advanced internationally. Canadians care deeply about helping others. We always have and I think we always will. It is simply the right thing for us to do as a nation.

This was evident in an unprecedented country-wide response during the unfortunate tsunami disaster. During the tsunami disaster thousands of Canadians had an outpouring of spontaneous generosity to ensure that we as a nation and as individuals helped to rebuild the lives of individuals who were affected by the tsunami disaster, that we helped to rebuild not only their lives, but also their families and communities.

Building a better world is also in Canada's best interest. Canada recognizes that what happens in the rest of the world and at a global level truly affects us here at home. The time is gone when each country or each continent can look after its own security. We must work in collaboration. All nations must work together as a team to ensure that we have a more prosperous and productive global economy and global society.

In response to the recent United Nations threats, challenges and change report, Kofi Annan said, "The threats that we face are threats to all of us and they are all linked to each other". To address these many threats to human well-being and security, the world needs to share the benefits of trade. It needs to ensure that we collectively end the debt crisis and promote more efficient and effective aid.

*Government Orders*

Canadians from coast to coast to coast recognize that Canada has done much to respond to these threats, but we as a country must do better.

The millennium development goals to cut global poverty in half help Canada focus on this monumental but doable task, and 2005 is an important year for us to move forward on this important agenda.

In September the heads of state and government will gather at the UN for a five year review of progress to achieving these millennium development goals. This summit will provide Canada with a unique opportunity to inject new vision and to ensure that we have new energy embodied in the millennium declaration.

• (1305)

We must ask ourselves this. What exactly is Canada doing to contribute to making a better world for all, to building a better society for all people and for Canadians?

Canada, especially in this budget, is renewing its commitment to advancing Canadian values of global citizenship as well as Canadian interests regarding security, prosperity and governance. Canada is working hard to focus and to ensure that we reduce global poverty through an approach that matches the Canadian experience and expertise with developing country needs in coordination with other donors.

Since 2002, when CIDA, Canadian International Development Agency, launched its strengthening aid effectiveness policy, there has been a tremendous amount of work to refocus some of the activities. This entails building government-wide consensus on key elements of Canada's role in the world. It also means that we as a nation have coherent domestic and international policies, country-led development, areas where we are focusing on sectors of expertise, on a results based approach, on good governance and on building of a good, engaged civil society. The proposed increases reflected in the budget to official development assistance will contribute to these much needed projects and initiatives that are currently under way.

Canada is better coordinating efforts with other donors and other developing nations and it will continue to do so to ensure that we continue play a leading role internationally.

Canada is always thinking and reflecting very carefully about ways in which our country can add value. Canada knows its strengths. We have strengths in the area of health care. We have strengths in the area of the private sector development, in terms of education. We have strengths in our environment and in our governance policies. It only makes sense that Canada offers these areas of expertise to other countries to assist them so they are also well-governed and self-sufficient.

These principles and ideas are at the heart of Canada's international policy statement.

CIDA will receive much greater focus in its geographic programs. It will deliver at least two-thirds of bilateral aid to a core group of 25 development partner countries by 2010. These are countries that could use aid both effectively and prudently, and where Canadian expertise and resources can truly make a difference.

More than half of these countries, 14, are in the sub-Saharan Africa. This great concentration in Africa would be in keeping with Canada's commitment to double Canadian assistance to the continent by 2008 from the 2003-04 level.

That said, it is also important to realize that Canada will support other countries. CIDA has also embarked up to one-third of its bilateral budget for countries that are of strategic importance and other countries where Canada can continue to make a difference. It will use a multilateral and partnership programming to address the plights of other low income countries.

CIDA is also pursuing a greater sectoral focus. Canadian assistance will target and concentrate programs in five sectors that are directly related to the millennium development goals. They will ensure that we promote good governance, that we improve health outcomes, such as HIV and AIDS, that we strengthen our basic education, that we support private sector development and that we advance environmental sustainability. Ensuring gender equality will be systematically and explicitly integrated across programming for all of these five sectors.

With these actions, CIDA is increasing both the quality and the quantity of Canadian aid. However, the Government of Canada recognizes that more or better aid is simply not enough. That is why the international policy statement recently released reflects a comprehensive and whole of government approach. It enables Canada to harness all the tools and instruments at its disposal, such as promoting greater market access, more debt relief and more support for private sectors in developing countries.

• (1310)

Canada is poised to reclaim its rightful place in the world and the Prime Minister has said that we must seize the moment to reassert ourselves on the world stage. We must speak up with a persuasive voice for equality, human rights, democracy and fairer globalization.

Canada is already making a difference in the world. The increased funding that is going to be provided in this particular budget is going to ensure that we, as Canadians and as a nation, can truly make a difference in the international arena.

• (1315)

**Mr. Gary Goodyear (Cambridge, CPC):** Madam Speaker, I appreciate the member's remarks. I have great respect for the member. As the House knows, we share a common past career.

However, I would like to ask the member if she could comment on three things. How will purchasing clean air credits from foreign countries help Canadian air get any cleaner? Why did foreign aid in this budget have nothing to do with Haiti and what does the Liberal government have against Haiti? Why, after years of pushing the government to assist in the Sudan, has the government chosen to go there only now that its own fall is at risk?

**Ms. Ruby Dhalla:** Madam Speaker, I also have a great deal of respect for the member opposite, having shared a career in the same profession.

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Our government has made a substantial commitment in regard to Haiti which was outlined in the initial budget. There has been a tremendous amount of work that has been done in Haiti. We must also realize that we do have a commitment to Sudan. We have a commitment to ensuring that we as Canadians can provide as much financial assistance and also personnel support. We know with the recently released announcement by the Prime Minister, there was a substantial commitment made in the range of \$198 million to provide both troops and assistance to the many families who have been affected in helping them rebuild their lives.

We must realize that in regard to the clean air credits, that was mentioned by the member opposite, the government has made substantial investments in ensuring that we as a nation have one of the best environmental policies in the world. We have our Kyoto plan. It is imperative that the member opposite consult and have dialogue with his particular party members to ensure that they support this budget. This budget reflects the priorities of Canadians. It has made substantial investments in health care and child care.

Another area which is important to mention is that this budget provided significant investment to the recognition of foreign credentials. This budget has \$75 million allocated toward ensuring that health care professionals who are trained abroad can come into Canada, have their credentials recognized, have them accredited, and ensure that they are integrated into the labour market workforce so Canadians can get access to doctors.

This budget speaks to the priorities of Canadians and that is why it is supported by so many Canadians, and as of this morning, that is why it was supported by a former member of the Conservative Party and now a cabinet minister with our government.

**Mr. Gary Goodyear:** Madam Speaker, it appears that I am having a dialogue with members in the House this morning and I appreciate getting up a second time.

I would like to remind the member and then ask for a comment that this commitment to health care and child care and so on is for 2008-10.

As well, this commitment for accreditation of doctors is \$75 million over five years. That is \$15 million a year, or what anyone with a bit of math background could tell us is 50¢ per Canadian. There are 30,000 people in my riding without doctors. All we do is steal doctors from other communities. Could the member explain to us how 50¢ per Canadian shows any sympathy or any intelligence from the government?

**Ms. Ruby Dhalla:** Madam Speaker, health care is an issue about which I am extremely passionate, having been a health care provider and having seen on the front line some of the challenges that we face in our health care system. I must commend our Minister of Health, our Prime Minister and many members in our Liberal government for providing leadership on this particular issue.

We know that last year there was a historic 10 year deal signed of \$42 billion to ensure that some of the challenges that we face in the health care system are addressed, that Canadians do not have to wait for hours and hours at the hospital, that we have a reduction in wait time, and that Canadians who do not have primary care physicians or cannot get access to them do have that opportunity.

In terms of an integrated approach that has been done by health care, HRSDC, Citizenship and Immigration and Industry Canada on the issue of foreign credentials recognition and ensuring that doctors who are educated abroad do have the opportunity to come into our system and practice as physicians speaks volumes to that commitment.

The member opposite realizes that substantial investments have been made in the budget and health care was one of those substantial investments. I would urge the hon. member to discuss this with his party members to ensure that they support the budget.

● (1320)

[*Translation*]

**Ms. Paule Brunelle (Trois-Rivières, BQ):** Madam Speaker, the federal budget tabled on February 23 is not acceptable for a multitude of reasons. I would like to focus on one aspect, that of the economic situation of women and the budget's impact on them.

The budgets of the past 10 years have done very little to increase women's economic security. A recent review by the Canadian Feminist Alliance for International Action of the last 10 federal budgets reported that women are doubly penalized by this government's budget measures.

Between 1994 and 2004, the Canadian economy grew by 62%, that is, Canadians produced almost \$480 billion more in market value per year. And yet, during that period, the salaries of a growing number of women failed to increase or increased only barely, while costs of essentials, such as housing, tuition fees, child care services, public transit and public services continued to rise. We are therefore not surprised to see poor children, because the parents are poor. We know that single mothers are our society's poorest.

Women in part time jobs, earning low wages, continue to be the hardest hit. In Canada, one woman in seven lives below the poverty line. This is totally unacceptable. In Canada, statistics indicate that, in 2002, 51.6% of women living on their own earned salaries below the poverty line.

Cuts in federal spending between 1995 and 1997 affected women disproportionately, especially those most vulnerable. Billions of dollars in lost funding have drastically cut support for women as their responsibilities increase.

According to the public accounts, federal funds for essential programs were cut by nearly \$12 billion between 1994-95 and 1996-97. In addition, the restructuring of federal tax arrangements concluded with the provinces was accompanied by the withdrawal of billions in transfer payments between 1995 and 1998.

We note that women suffered more cruelly with the fight against the deficit. From 1997-1998 to 2003-2004, the federal government accumulated over \$60 billion in surpluses. Did women benefit from the seven years of surpluses? Certainly not. From the time surpluses first appeared, the federal government has done nothing to repair the damage, and this latest budget is no exception.

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We have seen a considerable decline in the social fabric, and it has been really dramatic for women. Between 1998 and 2004, the federal government earmarked \$152 billion for tax cuts, which obviously benefited the richest people. Are women part of this group? Of course not.

In comparison, its transfers to the provinces during this period were only \$34 billion in net new funding for health care and child care. In addition, it failed to cancel the changes made to the employment insurance system during the deficit period, which reduced the number of women eligible and the benefits that they received.

In 1994, 49% of women were eligible for employment insurance. After the reforms in 2001, only 33% were eligible, in comparison with 44% of men. And this budget fails to correct the situation.

Quebeckers have long wanted an independent fund and commission as well as improvements to the coverage provided by the employment insurance system, that is to say, the eligibility threshold reduced to 360 hours, an increase of five weeks in the duration of the payments, and so forth.

• (1325)

I personally introduced a bill to this effect just a few months ago. I can assure you that Quebec workers were not very impressed by the insensitivity shown by the Liberals who voted against this bill, thereby denying a right to the unemployed women of Quebec, namely the right to employment insurance.

In this budget, in addition to refusing to make improvements to employment insurance or to correct the fiscal imbalance, the Liberal government is now patching together ad hoc agreements with certain provinces to the detriment of Quebec.

Since the mid-1990s, the investment in programs to improve the financial security of women and families has been maintained at levels not seen since the late 1940s.

There is an urgent need to rectify the situation. But this budget fails to make the changes we hoped to see in order to improve the financial situation of women.

The Standing Committee on the Status of Women, on which I sit, requested over 25% in increased funding for Status of Women Canada programs. These programs go directly to help women. But there is no trace of this in the budget. Status of Women Canada has only \$10 million in its programs for all the projects and all the programs of women's groups across Canada. This is far too little and nothing gets solved.

That is why the Bloc Québécois is opposed to this budget.

[English]

**Mr. Myron Thompson (Wild Rose, CPC):** Mr. Speaker, I am pleased to have the opportunity to speak today to Bill C-43, a bill I have not been able to support since March.

In my riding, which is 75% agriculture, the budget ignored agriculture to a degree that I could not support it. When a budget does not support the farmers, then I cannot support the budget. It is as simple as that.

For the last several years in the riding of Wild Rose I have watched farmers suffer through some very serious drought periods, grasshoppers like no one would believe and crop destruction left and right, but they have received no relief with respect to those issues. Some relief came once through the efforts of a Liberal MP working in conjunction with myself, with the member for Crowfoot and with a group of farmers. It has been mostly farmer to farmer relief with Ontario farmers starting the hay west movement. Through their efforts some relief was received, and that was very honourable. However not one penny has been received over the years that I have been there in regards to these disastrous situations.

Just about the time the rain started to come a bit more and the hay crop start to look a little better and the grasshoppers started to disappear, along came the BSE crisis. I do not think the government understands how serious the situation is for farmers because it did not even talk about it in the budget speech.

To this day there have been no announcements of anything new for the beef industry. We have heard a lot of other announcements, such as \$22 billion in addition to the budget that was announced in March. Announcements have been made all across the country, which is nothing more than vote buying, and I think all members in the House know that.

All kinds of extremely important issues that should have been well covered in Bill C-43 were not mentioned. If they are important enough now that the government had to find another \$22 billion to cover them, then they should have been important in March when the budget was presented.

It is only as a result of the leader of the NDP writing a new budget on the back of a napkin in a private meeting with the Prime Minister, that we are now looking at another budget, even though the first budget is still in existence, with billions of dollars in additions just out of the blue because an election is near.

I want to get back to the farm issue and give the House a couple of examples of some situations in my riding.

I have two couples in my riding both of whom are working off the farm just to make ends meet and get food on the table for their children. In April, one of those couples picked up the mail and became very excited when she saw a brown envelope from the Government of Canada. It was a farm income payment, something for which they had applied several months or maybe even years before. They were excited. They were expecting a few thousand dollars to help them through this terrible time. When the envelope was opened it contained a cheque for \$106.40. The other couple each received an envelope and each cheque was worth \$152. It probably cost those couples several hundred dollars to prepare the applications to request this money.

• (1330)

I have seen the forms that accompanied the money that was available. One would have to be an accountant or a lawyer to figure them out. Then I listened to the minister yesterday in question period bragging about the billions of dollars that have gone into the hands of producers.

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Those are only a couple of examples of many across my riding. When I talk to other members, including rural members from Ontario, Saskatchewan and Manitoba, the same story is true with amounts even less than the ones I mentioned. Yet this minister was bragging about the billions of dollars that have gone to the producers and how it is saving the day.

Just yesterday, on the front lawn of this place, hundreds and hundreds of tractors and farmers were begging for some relief and for help and yet the minister has been talking about the wonderful announcements and all the money that is getting into the hands of producers to help save the day.

I would like one member from that party across the way who helped develop this budget to explain how \$106.40 is supposed to save the farm. What kind of a joke are they pulling? I cannot for the life of me understand where the Liberals come off believing that they are the saviours and rescuers of the agricultural industry, which happens to be the most important industry in this land. We all have to eat.

I hope the voters in Toronto, in Montreal and in all the major cities across the country will stop and think about it for a moment because many of the smaller towns recognize the importance of a successful agricultural industry and what a great impact it has on the nation as a whole. Agriculture is not even mentioned in the budget. We just mouth the words of billions of dollars going into an industry but every example that I have and I have yet to find one where it was a significant amount of money that saved the day. It is from farmers working on the farm and it is through their own initiatives of doing everything they can think to help save the day. It has nothing at all to do with government decisions.

I remember Mr. Chrétien out in the field with Mr. Vanclief wearing a ball cap saying, "today we're proud to announce \$6 billion for the farmers across the country for the next five years". Well \$6 billion would really do a lot of good. The Liberals are still bragging about these announcements but people are receiving cheques for \$106 and \$150. I even heard of a couple in Saskatchewan who received \$46.

Yesterday the farmers told me they could not even have an auction on their farm because there was no one left to buy the equipment. Everyone is suffering too severely. They are losing land and are going under.

It makes no sense. The Liberals keep mouthing the words but there is no action. Show me a nation with a successful agriculture industry in agriculture and that is a nation that is really strong. I think the agriculture industry accounts for millions and millions of jobs that we do not talk about in this place that exist in various cities, communities and towns.

Why do we put up with that? It saddens me when I hear of brown envelopes full of thousands of dollars passing hands in Montreal restaurants and yet brown envelopes that reach the farms across this country contain a pittance. It makes no sense to me whatsoever.

Do the Liberals not know how important this industry is? There ought to be several of them over there who recognize the importance, but it takes more than mouthing, more than announcements and more than further announcements somewhere else.

● (1335)

I fail to understand how anybody could support a budget that does not support the most important industry in this country. People who support it should go to the rural areas to see that farmers are failing dismally. They are losing their land and livelihoods. I understand there has been a high rate of suicide.

The government should open its eyes. It is time for someone to be in charge, someone who recognizes the importance of all issues, not just a few to make someone popular at election time, not someone who spends, spends, spends because it will get votes, where there are the most votes. Of course, there are not a lot of votes on the farms, so they are neglected. Shame on the Liberals for ignoring the number one industry in our country, agriculture.

I am with the farmers. This party is with the farmers and I will see to it that it stays with the farmers. It has to be that way.

**Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.):** Madam Speaker, the member is greatly mistaken in saying that the government does not support the farm community. It does. It supports the farm community extensively.

I agree with the hon. member's point in terms of the difficulties the farm community is facing. There is no question about that, but keep in mind that government payments have never been higher than over the past two years: \$4.8 billion federally and provincially in 2003 and \$4.9 billion in 2004.

The member said that agriculture was not mentioned extensively in the budget. The reason is that most of it is regular programming, for example, the CAIS program, which can make up to \$5 billion available, the cash advance program and the supply management system. The member said he would like to see some successful industries. The commodities in the supply management system are successful because they have taken charge of their own industries and have matched production to meet domestic demand. As a result of coming up with those kinds of programs they do receive a fair return on their labour and investment.

Yes, there are difficulties in the other industries. As the member knows, we have been looking at the reason for the long term decline in farm income at the farm gate. There are many reasons. We are trying to propose solutions.

At the end of March the minister announced a \$1 billion farm improvement program. The member talked about that program. Farmers did not even have to apply for that program. If they had applied for the program two years ago, the same calculations were used to send out cheques automatically. I agree that some of the cheques were for small amounts but if farmers are basing it on inventories of cattle, they cannot go over the amount of cattle they have. Money is getting out to the farmers.

I know that \$1 billion sounds like a lot to the consuming public, but when it is spread across the agriculture industry I admit it is not going to be huge. The bottom line is that \$4.9 billion last year went to the agriculture community. Does more need to be done? Yes, it does.

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I agree the industry is in considerable difficulty but the government has been standing with farmers. Whether it is BST, financial payments, support for the Wheat Board or the supply management system, the government is there and will continue to be there.

• (1340)

**Mr. Myron Thompson:** Madam Speaker, that is an example of what I mean by a lot of words, yet throughout the country farms are going under, foreclosures are happening, suicides are going up. It is a very, very tearful, sad situation.

These are only small examples of the cheques that I have talked about. There are thousands across the country getting these pittances.

I will admit that the provinces have done a great deal of good. They are trying their darndest, in Alberta particularly, with which I am most familiar. They have brought forward a sizeable amount of cash to try to keep things alive, particularly during the drought periods and the grasshopper periods.

The member is continuing exactly what has been going on for the 12 years that I have been here. It is all words but no proof of any action being effected. Maybe we need to have an inquiry as to where the billions of dollars are actually going, because I can promise the member, it is not getting into the hands of producers as his party brags it is. It just is not.

As far as the number of cattle is concerned, I can guarantee that the people I mentioned today have a sizeable amount of cattle. They are surviving because they work off farm. They have to do that in order to make the lights burn in the house. If it was not for that, they would not make it at all. It is the initiative of the people themselves that keeps things going.

I agree with the success of supply management. It is certainly successful in spite of the government, not because of it. It is successful because there are people who are really dedicated to a cause, who make things happen in their industry and do a good job of it, not because of the government, but in spite of it.

Many people are surviving in spite of the government, not because of any financial assistance they got. It is all words. Please bring forward those who have been saved by the government through its financing with these billions of dollars. I would like to meet them. I have not met one to date. I would sure like to meet one.

**Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.):** Madam Speaker, today I will be addressing a part of the budget that has not received very much attention, which is the impact it will have on Canadians with disabilities.

We know that hon. members opposite already support significant parts of this budget, such as the Atlantic accords, the increased support for the military and now the veterans charter. Many also actually support the whistleblower legislation under Bill C-11 which is now being drafted to protect federal employees. Therefore, it should be very easy for them to support the budget solely on the basis of what it will do for Canadians with disabilities.

I am also personally pleased that members of the Conservative Party see the benefits to Canadians on many other factors. I sincerely welcome their professed public support for the government's budget

for Kyoto and the environment, for cities and communities, for the gas tax for municipalities and for first nations, for our child care agreements with the provinces and territories, for post-secondary funding, and for the GST rebate which has been promised to be honoured and now totals \$600 million annually to communities of all sizes. I welcome their support for pensioners getting increased benefits, for our plans for affordable housing and making real progress on homelessness, and for improvements to the Income Tax Act which will take 860,000 Canadians off the tax rolls. Those who are least able to afford paying income tax will no longer have to do that. This includes 240,000 seniors on fixed incomes.

I know that they will support our proposals for even more aid for our farmers and agricultural sectors. We thank them for supporting the increase in funding for federal development agencies. For the people of Thunder Bay—Rainy River, it would mean significant benefits especially in the areas of broadband services, telemedicine and distance education.

If there ever were a budget that would tackle poverty head on, this is it. What I will speak to is the potential tragedy that would happen if this budget did not pass and how detrimentally it would affect persons with disabilities.

The Conservatives and the separatists will hurt hundreds of thousands of Canadians with disabilities if they stop these improvements, so I ask them now to help pass this budget. Since they agree with most of it already and have publicly stated their intent to honour many parts of it, it should be very easy, once I have finished speaking, for them to agree that this budget is one of the best ever.

In December 2004 a task force recommended improvements to the tax treatment of Canadians with disabilities and their families. The task force was composed of representatives from the disabled communities across the country. Its 25 recommendations resulted in a series of changes that will result in a \$107 million investment in this budget year, should the budget pass. This would grow to \$122 million by 2009, again should the budget pass.

In essence, the recommendations will broaden and clarify the eligibility criteria of the disability tax credit. It will expand the list of disability supports allowable under the disability supports deduction. It will increase the maximum credit under the refundable medical expense supplement from \$571 to \$750 per year. It will increase the child disability benefit, moving claims from \$1,681 to \$2,000 per year. It will double the amount that caregivers may claim for medical expenses under the disability tax credit from \$5,000 to \$10,000. It will make a \$6 million investment with \$1 million ongoing funding to help the CNIB enhance its library services across the country.



•(1345)

This is one report. Often in government we hear of reports gathering dust or being put on the shelf. Regarding the recommendations of the technical advisory committee, we know for certain that the report did not have time to gather dust or even make it to the shelf. It is action-oriented and it has been implemented as recommended, suggested and spoken to by the Minister of Finance. Whether it happens depends on the members opposite. I realize there are no representatives from the Conservative Party listening to me now, but I hope they will read this in *Hansard*.

Let us just talk about it.

Seventy million dollars is already in place as part of ongoing measures for the disabled. Therefore, the budget plan contains \$37 million in new measures for persons with disabilities, \$37 million more this year along to help address those needs and to take people off support and to continue to allow them a dignified normalization of life to which they are entitled.

I will go over a few of those things. All through the budget debate many other issues seem to have taken more spotlight. Once members have a chance to realize how significant these are to people with disabilities, then I am sure that we will gain even more support for the budget.

Let us talk about recommendation 3.2. It states:

To further improve the disability supports deduction, the committee recommends that:

The cost of such items—

To some of us they may seem like small things and things that many people take for granted, but they had not been considered before. This is where the committee, again, composed of representatives throughout the disabled communities of Canada made their suggestion. It goes on to state:

—as job coaches and readers, Braille note taker, page turners, print readers, voice-operated software, memory books, assistive devices used to access computer technology and similar disability-related expenses be added to the list of expenses recognized by the deduction.

That estimate of cost was \$5 million a year. It was accepted. It can be implemented. It will be a promised kept if the budget passes.

The next one recommended that the maximum credit under the refundable medical expense supplement be increased from \$562 to \$1,000 and continue to be indexed to the cost of living. The cost of this is \$20 million a year. It was accepted by the Minister of Finance and I thank him for his very receptive response to the recommendations of the committee. We also thank his department and staff for implementing this. It is a promise that will be kept if the budget can be passed.

When we talk about limiting the expenses claimable under the medical expense tax credit by care givers from \$5,000 to \$10,000 for those with dependant relatives eligible for this credit, at an the estimated cost \$5 million a year. It was accepted and it will be implemented. It is a promise that will be kept if the budget passes with the support of the House.

Recommendation 4.3 suggested that the federal government increase the amount of the child disability benefit by \$600 to raise

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the total maximum benefit from \$1,653 to \$2,253 and that this amount continue to be indexed to the cost of living. This indexing becomes very important in this section, particularly so disabled people do not have to worry about constantly coming back to us. This will cost \$15 million annually, again accepted by the committee, accepted by the minister, willing to be implemented, a promised kept if we can get support for the budget to see it turn into reality.

As chair of the committee, I ask all members of the House to not destroy the benefits addressed in this part of the budget. We are well on the way to formulating our first national disabilities act.

Now that members have been asked within the provisions of civility, order, decorum and respect to support the budget, they have to understand that if it is not supported how many pensioners, seniors, children and others with disabilities will be detrimentally affected. If for no other reason members do not want to support the budget, this section alone would make it worth their while for the good will and benefit to Canadians with disabilities.

•(1350)

I know in my riding when I was mayor and when I first decided and was encouraged to run, community groups that represented the disabled organizations took a lot of time to help me to push the provincial government into passing its first disabilities act. Those people now are still being represented. I have seen, as the chair of our subcommittee on disabilities, that there is widespread support.

We are so close to having this come to fruition. Many recommendations of our task force representing the entire nation have been accepted so willingly, so promptly and so effectively. It troubles me greatly to think that Thursday night people would vote against the budget and cause so much damage to people with disabilities. Therefore, I ask members now—

•(1355)

**The Acting Speaker (Hon. Jean Augustine):** On questions and comments, the hon. member for Regina—Qu'Appelle.

**Mr. Andrew Scheer (Regina—Qu'Appelle, CPC):** Madam Speaker, it is always a bit confusing when we hear the latest spin coming from Liberals regarding the budget. On the one hand, we hear all these desperate pleas that the budget has to pass and that all these groups are waiting for the funds. They paint the picture that the lights will shut off, the buses will stop running, the hospitals will shut down if the budget is held up. Yet, we know that last year's budget is only now finishing up its journey through the Senate, which is a bit of a contradiction.

We also know that many of the provisions in the budget are all back-ended. They will not take effect until 2008-09. Therefore, this much touted aid to the various groups the hon. member has mentioned will not even be seen this year. They will have to wait three, four years to see it.

Then we have the finance minister, if he is still the finance minister after the deal with the NDP, telling us that it is not \$22 billion worth of promises because, again, it is all back-ended or it is repackaged spending.

*S. O. 31*

When will Canadians see this money if the budget is successful in passing? As far as I have read and have heard from the finance minister, most of this is back-ended to 2007-08. If we defeat the budget, what would the difference be because most of the government's spending initiatives would not take place for three or four years anyway?

**Mr. Ken Boshcoff:** Madam Speaker, on at least two fronts, the first being the disability section, that money would come into effect immediately. On very many of those sections people have been waiting for that.

On the other hand, we know that Canadians have implored, in a non-partisan way, all parties to ensure that the budget is passed. If they live in a community, a municipality, a first nation of any size, they will have already heard from their elected representatives, municipally, to get this budget passed as soon as possible so the flow of funds can begin. The infrastructure funds, the gas tax, the GST rebate, which is already underway, are all part of this and are considerable evidence of the willingness to get this money into the system.

The economy right now is begging for the budget to be passed to end the uncertainty, so the infusion of support for infrastructure to communities and the benefits for people, such as seniors, children, the disabled, the very poorest, can be received as soon as possible.

Now that I have clarified that, I hope the member will vote for the budget on Thursday.

**Mr. Brian Masse (Windsor West, NDP):** Madam Speaker, it is a pleasure to ask a question of my colleague about the budget and the upcoming initiatives that we hope will benefit Canadians sooner rather than later.

One thing we negotiated with Bill C-48 is the elimination of large corporate tax cuts for the immediate budget. Does the member believe that instead of having those large corporate tax cuts in the future, we should invest in infrastructure, for example, to rebuild the trade routes and the ability for our economy to move via rail, sea or roads and highways as a priority as opposed to a general tax cut that has seen our infrastructure deteriorate over the years?

• (1400)

**Mr. Ken Boshcoff:** Madam Speaker, in terms of philosophy, I agree there are considerable benefits to what the member has suggested.

Clearly, the implementation can be done in tandem to address the needs for tax cuts. When we try to total the billions in tax cuts that have occurred since 1993, when we first started to wrestle our way out under those horrendous inherited annual deficits, we have made considerable progress.

Probably this is one fact that all Canadians would like to know in terms of tax cuts versus our investment in infrastructure. We were paying 38¢ or 39¢ on every dollar in debt interest charges. We are paying 18¢ now. That additional 20¢ on the dollar allows us to invest in programs to rebuild our country and to invest in the future.

I truly hope that clarifies it for the member.

**STATEMENTS BY MEMBERS**

[English]

**MARLENE STEWART STREIT**

**Mr. John Maloney (Welland, Lib.):** Madam Speaker, it is with great pleasure that I rise in the House today to recognize a very famous athlete from the Niagara region, golfer Marlene Stewart Streit.

In November of last year Marlene Stewart Streit became the first Canadian to be inducted into the world golf hall of fame. Her accomplishments during her career include winning the Canadian, Australian, American and British amateur golf championships as well as 11 Canadian ladies open championships.

In 1967 she was awarded the Order of Canada, the country's highest honour for lifetime achievement. In 1999 she was ranked first among Canadian female golfers of the 20th century.

I congratulate Marlene Stewart Streit for her accomplishments in Canada and throughout the globe, and recognize her for her outstanding athletic ability. She continues to be a role model for female golfers everywhere. Her achievements and contributions to athletics have left a lasting impression as a Canadian sport legend.

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**MEMBER FOR WESTLOCK—ST. PAUL**

**Mr. David Chatters (Westlock—St. Paul, CPC):** Madam Speaker, for a number of reasons, this is likely my last opportunity to speak to the House. It has been an honour to serve in this House with you, Madam Speaker, and with my hon. colleagues. For the past 12 years I have been privileged to represent two ridings, Athabasca and Westlock—St. Paul.

I would like to thank my wife, Evelyn, for her never ending support and trust, my two sons, Matt and Gary, their wives, Andrea and Patty, and our six grandchildren.

I would like to thank my staff and the boards of directors from the two ridings that contributed to my success over the years. They are the lifeblood to any successful member of Parliament.

There are far too many people to mention individually. However, a few stand out due to the dedication that they have shown to me over the years. They are Bob Forester, Ron and Marilyn Bell, Bill Whitney, Dave and Vera Barnes, Margaret Modin, Sheila Trueblood, Guy Bouchard, Hank and Ruthie Offereins, Clarence Truckey, Paul Quantz, Wayne Cockerill, and the list goes on and on.

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**POLICE WEEK**

**Hon. Roy Cullen (Etobicoke North, Lib.):** Madam Speaker, I rise today to mark Police Week 2005, which takes place this year from May 15 to 21.

[Translation]

Police Week is a time to recognize the significant contributions of Canada's law enforcement officers who work to ensure the safety and security of our communities.

[English]

Throughout the week, community groups and police services across the country will host special activities and displays that promote police-community partnerships.

[Translation]

Today and for the rest of the week, I invite all Canadians to join me in expressing a heartfelt thank you to the men and women in our police forces, who are helping to create a better and safer Canada for us all.

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#### CHANTAL PETITCLERC

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Madam Speaker, athlete Chantal Petitclerc never ceases to amaze us and continues to earn the highest accolades in the world of sports.

After winning five gold medals and setting three world records at the Paralympic Games in Athens, after being chosen female athlete of the year in Quebec and in Canada, she has just won the prestigious Laureus world sports award for the top sportsperson with a disability from the Laureus foundation in Estoril, Portugal.

What makes the Laureus so prestigious is that the recipient is chosen by her peers. The selection committee is made up entirely of international level athletes.

This exceptional athlete is a true role model for our young people and society in general.

The Bloc Québécois commends the perseverance, tenacity and competitiveness of Chantal Petitclerc and applauds her success. Congratulations, Chantal.

\* \* \*

● (1405)

[English]

#### SPEECH AND HEARING AWARENESS

**Hon. Paddy Torsney (Burlington, Lib.):** Madam Speaker, many of us take our hearing and ability to speak for granted. Whether we are talking to others directly, on the phone or in this chamber, our ability to speak and hear is vital to our everyday activities.

For one in ten Canadians, speech, language and hearing problems are a daily challenge in their work, school and recreational activities. For the thousands of Canadians of all ages who have communication disorders, we will never know the isolation and frustration they face.

May is Speech and Hearing Awareness Month. The Canadian Association of Speech-Language Pathologists and Audiologists and their 4,800 members across the country are working together throughout this month to raise public awareness concerning their professions and the many issues surrounding communication disorders.

I encourage all members of the House and all Canadians to join me in supporting the association and encouraging others to understand what these issues relate to.

S. O. 31

I wish to thank CASLPA members. Their professional contributions to the health of our communities and our country enriches everybody. They allow Canadians to learn, succeed and enjoy their lives. We celebrate their many achievements.

\* \* \*

#### AGRICULTURE

**Mr. James Bezan (Selkirk—Interlake, CPC):** Madam Speaker, the special interest group R-CALF filed another court challenge on May 9 against Canadian farmers and ranchers. R-CALF is trying to shut down Canadian imports of boxed beef. We already know that Judge Cebull was sympathetic to its cause when he shut down the border 24 months ago and banned the idea of further opening up the border in March of this year.

The Liberal government and the agriculture minister have dithered and delayed in the past on this issue which has devastated farm families across this country. The Liberal ministers of trade and agriculture have not used any of the tools under WTO or NAFTA to reopen the border or tried to overturn the Montana court decision, nor do they have any plans in the likely event Cebull completely shuts down the border again.

I am proud to be part of the Conservative caucus which continues to act on behalf of Canadian farmers and ranchers, and stepping up for them while the Liberals have stepped back. As a farmer, I am glad that the Conservative Party is looking out for me, my family and my friends in agriculture since the Liberals have not.

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#### HEALTH

**Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.):** Madam Speaker, a new private medical clinic is scheduled to open in the metro Halifax-Dartmouth region. This proposed clinic apparently will target medical procedures that do not fall under the provisions of the Canada Health Act, such as certain cosmetic procedures, but if services provided are contingent on human resources that work within our publicly funded system, that is a concern. Our public system must be the priority.

Canadians and the residents of Dartmouth—Cole Harbour do not want to stifle innovative approaches to health care delivery, but are firm in their resolve that our health care system must be publicly funded and publicly delivered. I believe in the Canada Health Act and Canadians believe in the Canada Health Act because it goes to the core of who we are: a nation that believes that our strength comes from our commitment to provide care to all.

Access to health care must be based on need and not one's ability to pay. There can be no compromise on this issue.

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[Translation]

#### ALAN B. GOLD

**Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ):** Madam Speaker, Alan B. Gold, a former judge, passed away on Sunday. He was a great humanist who loved both social harmony and classical music.

*S. O. 31*

He was a great judge and an effective judicial administrator. Beyond applying the law, he was, for me, the incarnation of one of the ideals of the judicial system: peaceful conflict resolution.

Justice Gold gave expression to this intrinsic value through his great talent as a negotiator. The strikes by longshoremen at the Port of Montreal, Canada Post workers, Vidéotron employees and the Oka crisis were all mediated by him and are conclusive evidence of the importance he ascribed to social harmony.

He was considered a wise, empathetic, funny and simple man who had an extraordinary sense of civic duty and was a example for us all. Our society has suffered a great loss.

\* \* \*

•(1410)

[English]

#### CONSERVATIVE PARTY OF CANADA

**Mrs. Susan Kadis (Thornhill, Lib.):** Madam Speaker, when the leader of a federal political party joins forces with the separatist Bloc, Canada suffers. During the last election campaign the Leader of the Opposition stated, "I've been very clear there will not be any kind of coalition or alliance with the Bloc". It has become clear that the Conservative-Bloc alliance is alive and well, despite the Leader of the Opposition's claims to the contrary.

Over the last few weeks we have seen the Conservative-Bloc alliance working opportunistically together to force an election Canadians do not want. We have seen the Conservative-Bloc alliance walk out of Parliament hand in hand trying to tear down this government and we see them uniting again to defeat a budget that Canadians support.

What is good for the separatists is not good for Canada. If the Leader of the Opposition could remember that rule of thumb, Canada would be much better off.

\* \* \*

#### AGRICULTURE

**Mr. Garry Breitkreuz (Yorkton—Melville, CPC):** Madam Speaker, I would like to draw to the attention of the House the serious implications of the crisis in agriculture. Lives and families are being devastated. We have just had more funerals for farmers who have committed suicide in southern Saskatchewan. These are farmers desperate for a solution. These are agriculture producers failed by the government.

The Liberals have wasted nearly two years waiting for another country to solve a problem affecting the livelihood of Canadian agricultural producers. Support lines, like the farm stress line in Saskatchewan, have been inundated with calls from farmers on the edge. Not only is this a battle for financial survival; for some it is a battle for survival.

The enormity of the agriculture crisis is affecting more than just pocketbooks. Many farmers see no hope under the present circumstances. My sincere hope is that this cry for help within the agricultural community will finally reach the ears of the Liberals. Lives are hanging in the balance. Why does the government not do something?

#### SUDAN

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Madam Speaker, the Darfur region in western Sudan is experiencing one of the world's worst humanitarian emergencies. Over one million people have fled their homes because of the ongoing conflict and sought refuge in makeshift camps in Sudan and Chad.

In September 2004 the Liberal government supported Canadian Red Cross efforts in Sudan with a \$1 million contribution. The money has been designated to help fund two mobile health units which will deliver primary health care to people in remote villages and internally displaced persons settlements. These mobile clinics will also transport the critically ill to other established health facilities.

I encourage our government to continue its commitment in this region and others in Africa that are so desperately in need.

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#### BRITISH COLUMBIA

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Mr. Speaker, this is an interesting day in Canadian politics, not just here in Ottawa but also in British Columbia. Today British Columbians go to the polls to show their opinion of the direction B.C. has gone over the last four years.

Since the last election many issues have faced British Columbians, including the reductions in social programs that have cut deep and hard. Transition houses have closed in communities around the province. More than 8,000 health workers lost their jobs. Resource communities were betrayed by increased raw log exports.

However, it was not just spending cuts that caused dismay among British Columbians. There was also a referendum on treaty negotiations, ignoring decades of work. There was a plan pushed forward to allow offshore drilling for gas and oil in Haida Gwaii against the wishes of the majority of British Columbians. A deal was struck to build new B.C. ferries in Germany instead of Victoria shipyards. More and more open net salmon cages were allowed in waters that vulnerable wild salmon runs use, ignoring scientific evidence of the dangers involved.

Over 700,000 more British Columbians have registered to vote in this election than in the last provincial election. Many commentators have decided this increased interest in voting can be attributed to the fixed voting date or the chance to change how elections are run in B.C., but British Columbians—

**The Speaker:** The hon. member for St. John's South—Mount Pearl.

*Oral Questions***NATURAL RESOURCES**

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Mr. Speaker, during the last federal election the Conservatives committed to give Newfoundland and Labrador 100% of its share of offshore revenues. The Prime Minister was forced to make the same commitment.

After the election, he reneged on his promise and it was only the pressure of the Conservatives and the work of Premier Williams that eventually forced an agreement. Then he stalled in bringing forth legislation. When he did, he lumped it in an omnibus bill with 23 other bills. He refused to bring forth stand-alone legislation.

He refused, despite the unanimous consent from the total opposition, to split the bill. Now he is making sure the opposition supports the budget by putting pressure on it, all in an attempt not to help the provinces but to help keep himself in power.

\* \* \*

• (1415)

[Translation]

**THE LIBERAL GOVERNMENT**

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, last Tuesday, the Liberal government went down for the count. Poor sports that they are, the Liberal team stops at nothing, refuses to admit defeat and is clinging desperately to power. Yet, the Liberal team suffered a knockout after 153 opposition members indicated their lack of confidence in this government.

The referee will have to make the call. He will decide the ultimate fate of this government branded by corruption.

The Liberal government no longer has the authority and the confidence it needs to carry out its duties, and its stubborn refusal to step down is a slap in the face of democracy.

The Liberal government should have the humility to admit its defeat and accept the decision of the final referee: the voters. That will be the real vote of confidence.

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**LIBERAL PARTY OF CANADA**

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, no one can stand the smell of the Liberals any more. Even the member for Honoré-Mercier admits it. Proof of that is his request that voters hold their noses and vote for the Liberals.

The actions of the Liberal Party are causing a stink throughout Canada. Three election campaigns run on tainted money, money laundering, brown envelopes, illicit contracts to Liberal friends, patronage beyond measure and phony volunteers. The member is right on one point: what the Liberals have done smells bad.

Does the hon. member really think the voters will plug their noses and close their eyes to this scandal?

Between corruption and separation, voters know very well there is only one party that can take office and govern a strong and united country transparently and honestly and this party is the Conservative Party.

[English]

**CONSERVATIVE PARTY OF CANADA**

**Mr. Mark Holland (Ajax—Pickering, Lib.):** Mr. Speaker, as vice-chair of the public accounts committee, I was disturbed yesterday when Conservative and Bloc members refused to show up for work for the third meeting in a row. The committee was to deal with last week's so-called non-confidence motion which was referred to public accounts for direction. A motion that was urgent last week suddenly was not important this week.

It seems the only commitment of the Conservatives is to do nothing, nothing in committee, and in being against the budget, nothing for Atlantic Canada, nothing for cities and communities, nothing for the environment, and nothing for child care.

I am proud to be with a party that is here to work and take action on issues that Canadians care about.

**ORAL QUESTION PERIOD**

[English]

**GOVERNMENT ADVERTISING**

**Hon. Rob Nicholson (Niagara Falls, CPC):** Mr. Speaker, yesterday, Auditor General Sheila Fraser said that the same disregard for rules that created the sponsorship mess were also evident in the government's overall advertising program, and this one had an \$800 million price tag. This has disturbed the Auditor General to the extent that she has now ordered a major follow up audit.

When did the Prime Minister first become aware of these problems, or is he going to make the claim that he knew nothing about it?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, we are pleased and welcome the Auditor General's attention to this important file. The fact is that since 2003 the government has implemented major changes in our advertising program and practices to create greater competition, improve value for taxpayers and greater transparency. The changes followed extensive consultation with industry.

I can assure the hon. member that we are absolutely committed to getting the best possible value for the Canadian taxpayer and at the same time ensuring that Canadians, through advertising from the government, receive a clear message as to the intention of our government.

**Hon. Rob Nicholson (Niagara Falls, CPC):** Mr. Speaker, I do not think Canadians are buying that. Under the government we have heard about the billion dollar HRDC boondoggle, the sponsorship fiasco, the billion dollar gun registry sink hole, the Earncliffe mess, the list goes on and on, and that is not a complete list.

Yesterday we heard about another problem.

Does anyone ever lose his or her job in all these messes? How is it possible that the Prime Minister has gone all these years as a member of the government knowing nothing about it until someone gets caught?

*Oral Questions*

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I welcome the opportunity to speak to the progress we have made within our advertising program as a government. In fact, we have increased the number of suppliers. We have made changes to the hourly rate of remuneration. There is a new agency of record. We use fairness monitors to ensure transparent, open and fair practices in terms of procurement. We have made changes to the rules regarding Canadian content and the posting of all advertising contracts.

Again, we have been ahead of the curve doing the right thing to ensure the best possible value for the Canadian taxpayer at all times. We are standing up for the taxpayer, not just—

• (1420)

**The Speaker:** The hon. member for Niagara Falls.

**Hon. Rob Nicholson (Niagara Falls, CPC):** Mr. Speaker, that is a bunch of nonsense. With all these scandals and all these contract irregularities costing Canadians billions of dollars, I wonder if the Prime Minister could just make it simple for Canadians.

In his 18 months as Prime Minister, has he ever come across any contract process where the Liberals have followed all the rules, or would that be just too much to ask?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, again I welcome the opportunity to speak to the procurement reform that our department has implemented. I would like to take this opportunity to credit the Parliamentary Secretary to the Minister of Public Works, the member for St. Catharines, who has made tremendous changes. In fact, we have the greatest level of procurement reform and evaluation since the 1960s in terms of Government of Canada procurement that we will be saving over \$2.5 billion over the next five years, which is \$2.5 billion that we can invest in child care, in health care and in Canadian communities, all of which the Conservatives are opposed.

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, they will probably invest it in the Liberal Party of Canada.

[*Translation*]

It is incredible that the minister is attacking witnesses like the Auditor General. Every time she opens the Liberal Party closet, she finds skeletons. When he was the Minister of Finance, the Prime Minister signed cheques for over \$200 million to Liberal friends. He signed cheques worth over \$800 million, without appropriate documentation.

How can we once more put our confidence in the Prime Minister, when he did nothing to put an end to this scandal while he was Minister of Finance?

[*English*]

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, is it necessary to remind the House and the official opposition what this Prime Minister did. Upon receipt of the Auditor General's report he called for a public inquiry. He is the one who is asking that Mr. Justice Gomery be allowed to finish his work so that all Canadians have a complete picture of what happened. He is the one who put in place new financial controls within our departments of government. He is the one who called for whistleblower legislation. He is the one

who removed certain heads of crown corporations and put in place a new transparent process of appointments.

This Prime Minister has been pretty clear in terms of where he—

**The Speaker:** The hon. member for Edmonton—Strathcona.

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, that does not excuse his actions before he was Prime Minister, that is for sure.

Once again the Auditor General has exposed the incompetence of the Prime Minister. When he was finance minister he spent \$800 million on advertising without the proper documentation and receipts. She testified at Gomery that “there were major problems in advertising activities”.

In fact, during his televised address last month, the Prime Minister admitted to being asleep at the switch. Why should we trust him to clean this up now when he chose to do nothing about it as finance minister?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, if the hon. member was actually doing his job regarding what the government has been doing on an ongoing basis in terms of advertising, he would know that since 2003 we have overhauled our advertising practices to ensure greater competition, greater value for the Canadian taxpayer and greater fairness and transparency. We believe in openness and accountability. We believe in ensuring greater value for the Canadian taxpayer. We have made the fundamental changes to our advertising practices that are delivering on those principles.

\* \* \*

[*Translation*]

#### SPONSORSHIP PROGRAM

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, Liberal mismanagement has sprawled far beyond the sponsorship program. The recipe is the same, whether Shawinigate, the gun registry or Option Canada and its advertising: contracts to friends of the regime, with the Liberal Party getting a return on its investment.

It is all very well to do as the president of the Liberals' Quebec wing says, and hold one's nose, but that does not alter reality. Will the Prime Minister confirm that this is a tried and true old family recipe the Liberals use in a great variety of ways?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, our Prime Minister has taken action on the sponsorship problems. The separatists ought to look closer to home, to such problems as Gaspésia and Oxygène 9, where millions of taxpayer dollars seem to have been mismanaged.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, since the start, this government has claimed that the sponsorship scandal is based on allegations. Yet the recent testimony by the Auditor General has shown a model of repeated Liberal mismanagement, the objective of which is to generously compensate friendly firms.

*Oral Questions*

Will the minister at last admit that his government brings out that same old tried and true Liberal family recipe at every opportunity?

• (1425)

[*English*]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, we have made significant and positive changes to our advertising practices since 2003 to ensure greater competitiveness, greater value for the Canadian taxpayer and greater openness and transparency. We are not just talking the talk like those members over there. We are walking the walk and making the changes that are important to Canadians to ensure better value for taxpayers and better services for Canadians.

[*Translation*]

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, in connection with government advertising, the Auditor General has noted laxity and a flagrant lack of control. This led to the abuses of which we are well aware, untendered contracts awarded to Liberal friendly companies with kickbacks to the Liberal Party coffers. In short, that same old Liberal family recipe.

Since it is the task of the Treasury Board to keep an eye on the proper use of public funds, how can the Prime Minister, who was the vice president of the Treasury Board, justify his failure to react to all this when it was going on?

[*English*]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, we have made important and substantive changes to strengthen our advertising program as a government.

While he refers to allegations, he should also recognize that there are allegations against his separatist cousins, the Parti Québécois in Quebec, allegations that it received funds inappropriately which impacted the Parti Québécois government in terms of contracts given.

Perhaps those members should have the courage that this Prime Minister has had and perhaps they should have their own inquiry into separatist activities in the province of Quebec.

[*Translation*]

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Just a minute, Mr. Speaker. The minister keeps on talking of allegations, but it is written in the Auditor General's report that there was political interference that favoured Groupaction and BCP, two nice little Liberal friendly firms, in getting Liberal contracts. We know how that happened.

Why did the Prime Minister, who was vice president of the Treasury Board, allow use of the Liberal family recipe without reacting?

[*English*]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, our Prime Minister was the finance minister who actually helped turn the finances of the country around and who helped deliver what was to become a record in the G-8 of eight consecutive balanced surplus budgets. We are proud of that record. Canadians are proud of the fiscal fortitude that this Prime

Minister instilled in this government and in this country as finance minister.

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**DEMOCRATIC REFORM**

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

Under the former minister for democratic reform there was nothing short of foot dragging and we have to really observe, as the member for Ottawa Centre has done, that it has to be considered deliberate.

However now we have a new Minister responsible for Democratic Reform and I would like to ask the government a question. What specific plans to fix our broken voting system does the government have in mind to bring forward with this new minister?

**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, today we are having an example of the benefits of living in a federation with two orders of government where we can learn from each other and each other's experiments.

Today there is a vote in British Columbia on whether the population wishes to change the method by which it chooses its representatives. I believe the members in this House would be well advised to learn from that experiment as we find out tonight what the results are.

In the meantime, the federal government has been preparing and waiting for a report from a committee, a report that is due soon, and is as a result of a unanimous request from the House.

**Hon. Jack Layton (Toronto—Danforth, NDP):** I believe, Mr. Speaker, that the principal lesson that will emerge from the election in B.C. is that a lot more people are voting NDP.

I also hope that the new minister will light a bit of a fire under the government when it comes to the issue of electoral reform because we have seen absolutely nothing so far.

[*Translation*]

The Prime Minister now has a new minister responsible for democratic reform, but the real question is whether he has a new attitude. Democratic reform requires more than words and must go beyond Parliament Hill.

What is the timeframe for true electoral reform?

• (1430)

**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, last fall, all the members of this House unanimously asked a committee to propose a way of consulting Canadians on democratic reform and electoral reform. We are waiting for the committee's report.

*Oral Questions*

In the meantime, the government has not stopped dealing with this issue. We have conducted an overview of the situation and consulted Canadians in many ways. Once we receive the committee report, the government will reveal its action plan in due time.

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**SPONSORSHIP PROGRAM**

**Mr. Peter Van Loan (York—Simcoe, CPC):** Mr. Speaker, Justice Gomery himself says that the Prime Minister's terms of reference prevent him from directly identifying any guilty party in the sponsorship scandal, but the Minister of Justice keeps saying the opposite in this House. This government likes to give the illusion that justice will be served, but it is clear that Justice Gomery's hands are tied.

Will the Minister of Justice admit that he is defining the Prime Minister's terms of reference in such a way as to prevent Justice Gomery from identifying any guilty party?

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, once again the hon. member is trying to tarnish the mandate of Justice Gomery because he is afraid that Justice Gomery will be more balanced in his consideration of these allegations than the opposition.

The fact is that clause k is part of almost any judicial inquiry. In fact, the provincial government of Mike Harris used clause k as part of the parameters of any judicial inquiry in that province.

This is not uncommon and, in fact, Justice Gomery is doing his work and he is doing it well. That is what the opposition does not like about what he is doing.

**Mr. Peter Van Loan (York—Simcoe, CPC):** Mr. Speaker, it looks like the minister may have finally read the terms of reference but the Liberals continue to mistakenly tell Canadians that Gomery can get to the bottom of Liberal corruption. I know they do not want to mislead Canadians, so let me help. The terms of reference the Prime Minister gave the judge include the following:

the Commissioner be directed to perform his duties without expressing any conclusion...regarding the civil or criminal liability of any person or organization—

Will the Prime Minister commit to telling Canadians that Gomery's hands are tied instead of leaving them with the wrong impression that Gomery can actually do something about Liberal wrongdoing?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, Canadians know that Justice Gomery can do something because he is doing something and he is doing something very important. Part of his mandate involves fact finding. Part of his mandate involves providing prescriptives to ensure this sort of thing does not happen again.

Beyond that, we do have criminal proceedings against individuals and against firms, in fact some of their favourite witnesses over there are the subjects of some of those criminal charges.

Beyond that, we also have a financial recovery process and civil action against 19 firms and individuals to recover \$41 million.

This is a government that is covering all the bases to do the right thing and to get to the truth for Canadians.

\* \* \*

**JUSTICE**

**Mr. Vic Toews (Provencher, CPC):** Mr. Speaker, last week the Minister of Justice denied all allegations by Liberal Party officials that Liberal political affiliation plays a key role in obtaining judicial appointments. This week he admits that the appointments process needs a review.

Why, however, does the minister refuse to turn this matter over to an independent body for review?

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, the nomination process begins with an application by a candidate. It is reviewed and evaluated by an independent committee. It is under the jurisdiction of an independent commissioner for judicial affairs. It goes in accordance with criteria of merit. I have said before and repeat again that this is an excellent, merit based process.

With respect to seeing whether we can improve the process, we are always open for improvement with respect to any matter that would be in the public interest.

**Mr. Vic Toews (Provencher, CPC):** Mr. Speaker, Canadians understand that this is a Liberal process, controlled by Liberals, for Liberals.

The Minister of Justice claims to have consulted and reviewed for the past year, but he has failed to institute any significant reform to the judicial appointments process. It remains a political process controlled by Liberals. When will the minister finally agree to an independent judicial appointments process that is transparent and public?

• (1435)

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, there is an independent process that was actually introduced by the Conservative Party under Prime Minister Mulroney. We regard that process as being an excellent process in principle. If it can be improved in practice, we will do it, but the attempt to politicize it, to undermine the independence of this process and to impugn the reputation of candidates nominated, that, in my view, is undermining the independence and the rule of law in this country.

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[Translation]

**GOVERNMENT CONTRACTS**

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, the Auditor General said that the BCP advertising agency should not have obtained a \$65 million contract from Tourism Canada and that, clearly, Tourism Canada split the program in two and no competition was held.



*Oral Questions*

Given the Auditor General's testimony, will the Prime Minister agree that the Liberal approach is not limited solely to the sponsorships but extends to advertising as well, where the budgets are three times as high?

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, once again, we have made significant and important changes to our advertising program as a government. In fact, it is resulting in greater competition and, beyond that, greater value for the taxpayer and better services for Canadians. That is what it is all about: providing better value for taxpayers, better services for Canadians and respecting every hard-earned tax dollar that we receive as a government.

We are walking the walk. We are not just talking empty rhetoric like they are on the other side. We are making significant progress in doing the right thing on behalf of Canadians.

[Translation]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, it is a case of too little, too late. The Auditor General went on to say that just because a firm comes second in a competition does not mean it is first in line for the next contract.

Will the Prime Minister admit that the Auditor General's statements are extremely serious and that they confirm that the old Liberal recipe is the best way to get around any competition process?

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, let me talk about the Liberal recipe for competitive processes. In fact, we have increased the number of suppliers. We have changed the hourly rate of remuneration. We have a new agency of record. We use fairness monitors on most of our procurement practices to ensure that the best practices are in fact followed. We have changed the rules relative to Canadian content. We post all our advertising contracts.

We are doing the right thing. Canadians know that these are the kinds of actions that will make a real difference in terms of getting better value for the Canadian taxpayer and a more open, competitive, transparent process.

\* \* \*

[Translation]

**SPONSORSHIP PROGRAM**

**Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ):** Mr. Speaker, despite complaints filed by Department of Justice officials about the communications firm under contract to the department, Groupaction retained its contract, benefiting from postponed calls for tender or the monthly renewal of its contract on a long-term basis.

Does the Auditor General's finding not confirm the testimony of Jean Brault before the Gomery commission that he had to pay \$50,000 to Joe Morselli, the Liberal Party fundraiser, in order to keep his contract with the Department of Justice?

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, it is really shocking that those members would take what the Auditor General has said and try to

twist it into some sort of argument to support their narrow partisan perspective on this issue.

The fact is that there are allegations against other parties before Justice Gomery. The fact is that there are allegations against the Conservatives and against the separatists, yet they are not doing anything about it. They refuse to be accountable for those allegations.

In fact, there is only one party and only one Prime Minister, this Liberal Prime Minister, who is doing the right thing, who is tackling the issue head on, cleaning up the mess, getting to the bottom of this issue for Canadians and doing the right thing.

[Translation]

**Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ):** Mr. Speaker, the only thing they were good at was employing their friends and giving them commissions. This is what happened.

I am asking the government once again. The Auditor General, a credible person, has said that it was unbelievable that Groupaction kept its contract, benefiting from missing calls for tender and renewal month after month. What is the government's explanation for this, when Jean Brault, of Groupaction, declared that he had to pay \$50,000 to the bagman—

**The Speaker:** The hon. Minister of Public Works and Government Services.

• (1440)

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** First of all, Mr. Speaker, these are very serious allegations. We consider them serious and important. They are ones that we need to address and are addressing, and we are doing the right thing to solve them.

Unlike the separatists, who refuse to face the allegations against their own and who refuse to do anything about them, we are actually doing something about it. We are not just attacking and tackling this issue from a Liberal Party perspective. We are changing a culture of government. That will benefit Canadians for generations.

[Translation]

If government culture can be changed, the short term pain will be worth the final gain.

\* \* \*

[English]

**CITIZENSHIP AND IMMIGRATION**

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, ministers of the Crown hold the rights of millions of individual Canadians in their hands. This is because ministers have access to confidential personal information given in trust that privacy will not be violated.

*Oral Questions*

Sadly, the immigration minister failed to protect the legal rights of a woman whose immigration file was under his care and control. Her family troubles were broadcast on national TV. She can never regain her privacy. The minister failed in a fundamental duty to the nation. Why has he not been removed?

**Hon. Joseph Volpe (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, as I indicated yesterday, neither I nor anyone in my office is associated with the release of any information, much less any documents that are involved in any particular case in the Department of Citizenship and Immigration. I think she should accept that.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, the minister's own office confirmed that the leak came from the Liberals. It was under this minister's watch that highly confidential information, which he has sworn to protect both as a minister and as a privy councillor, was leaked to the media. Whose file will be publicized next?

Will the minister responsible for this betrayal of the public trust be removed?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, as I said yesterday, I would have hoped that the hon. member and all of us in this House would have learned something from the situation that the hon. member for York West was put through.

In fact, again the hon. member is asserting certain things as facts and making sweeping allegations in relation to what may or may not have happened. I would hope that in this House we would be able to ask respectful questions, receive respectful answers and stop this attempt to destroy people's reputations without foundation.

**Mrs. Nina Grewal (Fleetwood—Port Kells, CPC):** Mr. Speaker, yesterday and today the Deputy Prime Minister tried to defend the immigration minister's latest mess. There is no defence. Highly confidential information that he was sworn to protect both as a minister and as a privy councillor was leaked to the media. Liberals have confirmed that one of their own leaked this information.

When will the minister take responsibility for this massive failure of his department and resign?

**Hon. Joseph Volpe (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, the correct answer can only be repeated over and over again for those who are willing to listen. The answer is that I received information that I had to pass on to the appropriate authorities. I even took the member aside and gave him an indication that this would happen. He was comfortable with that, and so things have happened, but what has happened is that I handed over material that came into my possession. I handed it over to the proper authorities. I did not leak anything and neither did my office.

**Mrs. Nina Grewal (Fleetwood—Port Kells, CPC):** Mr. Speaker, there has been a serious breach of the public trust by some unnamed Liberal with access to immigration department files. The minister's staff has admitted as much.

The protection of Canadians' confidential information has been compromised for apparent political gain. Why will the immigration minister not take responsibility for this leak and resign?

**Hon. Joseph Volpe (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, once again, I discharged my duties according to

my responsibilities and did so according to the procedures that are in place for me to follow. I followed them rigorously. I welcome anybody else to do the same thing.

\* \* \*

● (1445)

**INFRASTRUCTURE**

**Mrs. Susan Kadis (Thornhill, Lib.):** Mr. Speaker, a vote on the budget is scheduled for Thursday. It includes \$5 billion for cities and communities. The government has already signed agreements with British Columbia and Alberta to transfer \$1.1 billion to municipalities for local infrastructure. It is my hope that soon there will also be an agreement with Ontario.

I understand that there is some skepticism about whether the Conservatives really intend to honour these signed commitments. Could the Minister of State for Infrastructure and Communities please comment on this?

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, it is certainly difficult to take that party's statements at face value when its own finance critic has said that the public is perhaps "mistaken about the degree to which we are supportive of some of this spending".

The Leader of the Opposition said in 2003 that the federal government should not have a new deal with cities and communities. In 2004, his party campaigned on scrapping three out of the four infrastructure programs. In 2005, those members voted at their party congress against sharing the gas tax. These are not the words and actions of a party that is truly supportive of cities and communities.

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**ABORIGINAL AFFAIRS**

**Hon. Bill Blaikie (Elmwood—Transcona, NDP):** Mr. Speaker, my question is for the Deputy Prime Minister or the Minister of Indian Affairs. We in the NDP are heartened and encouraged by the progress that is being made toward a reconciliation package for survivors of the residential school system, but we also feel, along with a great many people in the aboriginal and first nations communities, that what should accompany this is an unconditional or unqualified apology by the Prime Minister for this tragic chapter in Canadian history.

I wonder if the government could tell us whether that will also be forthcoming.

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, the hon. member raises an important issue, which is the resolution of our residential schools tragedy in this country. I would remind the hon. member that a former colleague and former minister of Indian affairs and northern development acknowledged the tragedy and the horror of the experience of those who were in residential schools.

I also want to reassure the hon. member, and I want to thank members of his party for the very good work they have done on this file, along with government members and some others. Let me say that we take very—

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

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#### PUBLIC WORKS AND GOVERNMENT SERVICES

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, four months ago the Minister of Public Works stood up in this House and gave Canadians a promise. He committed that the Liberal government would stop outsourcing the Canadian flag pins to factories in China. In the months following, no action was taken, no tenders were sent out, and more Chinese pins are being shipped to MPs' offices.

Yesterday the tender finally went out, but for a shipment due in June, which makes it virtually impossible for Canadian suppliers to compete. Why did the minister break his promise to this House and to Canadians?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the fact is that we have worked with the Department of Canadian Heritage and with the Board of Internal Economy for the House to ensure that all flag pins purchased for senators and members of Parliament, i.e., for Parliament in general, will be sourced domestically.

We can do that within our trade rules and at the same time we can respect national treatment as part of our trade rules. At the same time, we can ensure that members of Parliament and senators will receive pins manufactured in Canada.

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#### NATURAL RESOURCES

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Mr. Speaker, while in Nova Scotia the Prime Minister said that the future of the Atlantic accord benefits rests solely on the shoulders of Nova Scotia Conservative members of Parliament. In Newfoundland he said it depended solely on Newfoundland Conservative members of Parliament.

Is it not true that the future of Atlantic accord benefits rests solely in the hands of the Prime Minister and he can deliver them any time he wants to?

• (1450)

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, the Atlantic accords were entered into with the premier of Newfoundland and Labrador and the premier of Nova Scotia. Those accords were reflected in the budget and in the budget implementation bill which is to be voted on in two days.

I appreciate that the hon. member has some electoral difficulties. I feel some sympathy for him. As he has said in times past, one can never turn one's back on one's province on an important issue like this; even if it means one's party says tough, one has to stay seated. I feel some sympathy for the hon. member. However, he has the opportunity to do the right thing on Thursday.

**Mr. Norman Doyle (St. John's East, CPC):** Mr. Speaker, yesterday the government said it could not split the Atlantic accord

from the main budget bill because the Bloc would not agree. That is incorrect. All three opposition parties agreed to split the bill. Only the Liberals refused.

Now that the Conservatives, the NDP and the Bloc have agreed to split the bill, will the government stop playing politics with the accord and agree to split it from the bigger budget bill?

**Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I would suggest that members opposite listen to Premier Williams who has said, "I'd like to see the budget passed". That is the budget, not just the Atlantic accord. Yesterday on CBC he said, "A vote for the budget is a vote for Newfoundland and Labrador".

I would suggest that members from Newfoundland and Labrador reflect the wishes of their constituents and support the budget. Then they will get the Atlantic accord which will strengthen that province and ultimately strengthen Canada.

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#### AGRICULTURE

**Ms. Diane Finley (Haldimand—Norfolk, CPC):** Mr. Speaker, R-CALF trade mercenaries in the U.S. are threatening to take measures to slam the U.S. border shut to exports of Canadian boxed beef. These devious attempts to further cripple our livestock industry demand that we consider all options to increase our export markets for Canadian beef and livestock products.

Would the Minister of Agriculture and Agri-Food finally consider voluntary BSE testing to help access niche markets for Canadian livestock products?

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, as a government we have taken a large number of measures to assist the cattle industry. Our repositioning strategy is in part designed to create new alternative markets around the world. That is why we invested \$50 million into a beef legacy fund to help with the marketing. As I have said on many occasions, we will consider a whole host of options all of which will be designed to help create additional markets for our beef and cattle around the world.

**Ms. Diane Finley (Haldimand—Norfolk, CPC):** Mr. Speaker, that is not enough. Greater efforts must be made to find new markets for Canadian cattle and livestock.

So far, the Liberal government has only announced the resumption of live cattle trade with Cuba, a country that bought an underwhelming \$151,000 worth of live cattle from us over the last 10 years.

When will the minister stop making hollow announcements and start getting real results in exporting Canadian livestock?

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, for whatever reason, the hon. member has forgotten our re-establishment of access into the Hong Kong market and our ability now through a protocol that we signed in China for our genetic material. We are making good progress in terms of the Japanese market. We are making good progress in terms of the Taiwanese market.

*Oral Questions*

May I suggest to the hon. member that she concentrate on helping Canadian producers rather than trying to score cheap political points here on the floor of the House.

\* \* \*

[Translation]

**JUSTICE**

**Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ):** Mr. Speaker, the Minister of Justice's predecessors wasted no time filing a complaint when judges made discriminatory remarks against women and Jews. Today, the sovereignists are being targeted, and the minister is still refusing to file a complaint.

Is the minister saying that he would have done nothing and remained silent before discriminatory remarks against women and Jews at the time, which would explain his own discrimination against sovereignists today?

• (1455)

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, as I have said, no consideration is given to political or ideological affiliation in the appointment of judges.

**Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ):** Mr. Speaker, only 60% of those contributing to the Liberal Party since 2000 have been appointed.

The Minister of Justice built his international career and his reputation on defending victims of discrimination.

If he wants to keep this reputation, why does he not agree that he himself must call for the resignation of Michel Robert today on the basis of his discriminatory remarks against sovereignists?

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, a complaint is currently before the Canadian Judicial Council. We will let the matter take its course.

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[English]

**AGRICULTURE**

**Mr. Myron Thompson (Wild Rose, CPC):** Mr. Speaker, yesterday the Minister of Agriculture bragged about the millions paid out to producers.

A couple in my riding, Dan and Wanda Meyer from Didsbury, Alberta, both have to work off the farm in order to pay utilities and put food on the table for their three children. They were excited when they saw a brown envelope with a cheque for the direct payment portion of farm income payment. When they opened the envelope the cheque was in the whopping amount of \$106.40, far short of the few thousand that they were expecting.

Given the large amount of cash in brown envelopes changing Liberal hands in Montreal restaurants, how can the minister sleep at night knowing that near destitute farmers are receiving this pittance?

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I go back to the point that I made before to the hon. critic, and that is the importance of not trying to politicize this to score points on the floor of the House of Commons.

The reality is that we have had a number of programs, particularly in terms of BSE over \$2 billion. At the year end we had another program valued at over \$1 billion. Already 70% of that money has flowed. Hundreds of thousands of producers are benefiting from that.

As a government we will continue with the strong commitment to Canadian producers that we have demonstrated in the past. We will continue to do that in the future.

**Mr. Myron Thompson (Wild Rose, CPC):** Mr. Speaker, I wonder what the minister would have to say to the families of the four most recent suicides in Saskatchewan.

Wendy and Doug Newton are from my riding. They are a hardworking couple from Crossfield who have been forced to work off the farm as well to keep it alive. They were excited when their cheque arrived on April 26. However, it was in the amount of \$304. They, too, were expecting thousands.

Can the minister please explain how \$304 will save the Newton farm?

**Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, we could trot out all the particular examples the hon. member wants, but again, what he is trying to do is to set the stage on something that is not a reality.

The fact is that through our CAIS program we have already provided \$1.6 billion to Canadian producers. Through the farm income program we are providing close to \$1 billion to Canadian producers.

The hon. member is correct, and all members in the House who understand agriculture know the serious concerns that our producers have. We are taking serious steps to assist them. We are not trying to score cheap political points.

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**TRANSPORT**

**Mr. Don Bell (North Vancouver, Lib.):** Mr. Speaker, the B.C. Assessment Appeal Board ruled that a company leasing federal waterfront property in North Vancouver will no longer be assessed at market price, reducing by 50% the annual municipal taxes paid by this industry, forcing repayment of \$2.6 million in taxes previously collected.

The city and district of North Vancouver could lose several million dollars more in taxes, loss of certainty for future tax revenues, putting municipal programs and services at risk and putting pressures on residential and business taxpayers.

We need both a healthy competitive port and financially sustainable municipalities. Will the Minister of Transport commit to discussing this matter with his provincial counterpart?

**The Speaker:** The hon. Minister of Transport.

*Government Orders*

**Hon. Jean Lapierre (Minister of Transport, Lib.):** Mr. Speaker, I share the concern of the member for North Vancouver. I am going to raise the issue with my counterpart, the minister of transport in British Columbia, as soon as the election is over tonight. I am sure I will be able to talk with Minister Falcon tomorrow and in the months ahead.

\* \* \*

● (1500)

**TAXATION**

**Mr. Gary Lunn (Saanich—Gulf Islands, CPC):** Mr. Speaker, four years ago, former JDS employees received tax bills from Revenue Canada for hundreds of thousands of dollars for some make believe income. They have never seen one penny of it.

During the last election the Prime Minister, who was fully aware of the problem, told JDS employees that he would fix it. What has he done since then? Nothing. Why should the people of Canada believe the Prime Minister's future promises when he will not even keep his past ones?

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, without accepting the premise of the hon. member's question, I nevertheless thank him and also my colleague from Esquimalt—Juan de Fuca for their assistance on this difficult file.

As I have assured the House before, I am in constant touch on this issue and receive regular information. I can assure the members of the House that the agency is dealing with this on a case by case basis, in a way that is as flexible and humane as is permitted under the law.

**Mr. Gary Lunn (Saanich—Gulf Islands, CPC):** Mr. Speaker, if the minister does not like the premise, let me give him some of the facts that he should be getting on a daily basis.

The minister has forced numerous families into bankruptcy since the last election. Some families are being threatened by Revenue Canada with the loss of their homes and family savings. I contact these families on a regular basis. They are being shattered by the government.

The Prime Minister looked them straight in the eye and made a promise to them. They are now in tears. How can anyone believe anything the Prime Minister says?

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, again I cannot accept the premise and the law does not permit me to deal with the individual cases to which the hon. member makes reference. I can assure him that my agency is pursuing an administrative solution to this matter with the greatest degree of flexibility and fairness that the law permits.

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[Translation]

**CANADA POST**

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, yesterday morning, more than a 100 Canada Post employees expressed their grave concerns about the possible loss of close to 200 jobs at the rue Saint-Paul postal station in Quebec City. If the mail is rerouted to Montreal, 200 jobs in the Quebec City area are at risk.

Can the minister responsible for Canada Post give us any reassurance as to that agency's intentions, and can he commit to maintaining these 200 mail-sorting jobs in Quebec City?

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, Canada Post must monitor, and react to, demographic changes as well as changes in demand trends throughout the country. I can assure the hon. member that no jobs will be lost. This is, however, a reaction to a country-wide change in demand trends.

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**OFFICIAL LANGUAGES**

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, my question is for the Minister responsible for Official Languages.

Given the threat of an upcoming election, one which Canadians certainly do not want, and given also the fact that Canadians living in minority communities want Bill S-3 to pass in order to enhance their protection, is the minister prepared to do whatever it takes, in cooperation with the committee, to pass Bill S-3 on official languages this very week?

**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, Bill S-3 would make part VII of the Official Languages Act justiciable. The government is in favour of this objective, with some amendments in order to better delineate the scope of the bill.

The question is quite simple. I am being asked whether the government is prepared to speed up consideration of this bill. The government would welcome the unanimous support of the opposition parties to proceed more quickly with consideration and passage of this bill.

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[English]

**PRESENCE IN GALLERY**

**The Speaker:** I would like to draw to the attention of hon. members the presence in the gallery of His Excellency Dr. Saleh Abdullah Bin Hemeid, President of the Shura Council of the Kingdom of Saudi Arabia.

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

**GOVERNMENT ORDERS**

● (1505)

[English]

**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, and of the motion that this question be now put.

*Government Orders*

**Mr. Rick Casson (Lethbridge, CPC):** Mr. Speaker, I am pleased to rise today to address Bill C-43, the budget implementation bill. It is a little confusing this year when dealing with the budget. We do not know if we are talking about the Liberal budget that was presented in the House a while ago, or if we are addressing the NDP budget that came in some time after that or the billion dollars a day the Prime Minister has been promising since then. Someone once said, "a million here and a million there" and pretty soon we are talking about real money.

It seems unbelievable that the Minister of Finance and the Prime Minister could bring a budget to the House that would give direction to the country, that would give an economic plan to progress the country to the next five to ten years, then within a month throw it out the window, broker deals with other parties in the House and go around and promise another \$22 billion. What is the economic plan of the Prime Minister and the Minister of Finance to lead Canada?

We have seen some nervousness in the markets, our dollar and other issues that directly affect Canada as far as investment is concerned. People are not sure of the direction the government. That nervousness is reflected in the lack of confidence that investors have in Canada.

We need investment in industry. We need investment in the issues that Canadians need on a day to day basis. We need investment in research and development. We talk a great deal about putting money into research. Some good dollars do go in to it and some good research is done. In my riding of Lethbridge, at the university and the college, at the Lethbridge Research Station, animal disease research centre, great research is being done. However, the investment in development afterward to bring the research and those ideas to reality is not there.

Corporations, citizens, businesses, average mom and pop operations are being overtaxed and they are unable to put that money back into the development of the country. If this is allowed to happen, it spurs on more business and economic activity. The Liberal Party in all of its time in government in the last 12 years has missed the fact that the engine which drives the economy is not the government. It is businesses, small and large, that create the kind of economic development, create jobs and stability for families.

We support a couple of issues which we have pushed the government on recently and in the last number of years, particularly the Kyoto protocol. When I was first elected in 1997, I was deputy environment critic on the environment committee. One of the first questions I asked in the House had to do with the government's plan on Kyoto, when it went to sign the protocol. We are still asking.

Billions of dollars have been spent. Targets have not been reached. The targets that are there are not reachable. The smog in cities is as bad or worse than it was. There are no better water systems in the country. We are still asking the question, what is the plan? While the Kyoto protocol is not something that we will support, we will create a made in Canada solution to these issues and we will put real resources toward it. It will be a real plan to clean up the air, the water and the land. I tell the schools in my riding that I am not very proud of the record that my generation has when it comes to the environment.

It will be up to the younger generation to clean up the mess that we have helped make. However, we have to lay the groundwork now to enable them to do that. The Kyoto protocol will not do that. It will further drive our country down in its productivity and its ability to compete with other countries. Let us have a made in Canada solution and that is something we propose.

The government brought forward a \$16 a year per taxpayer tax relief plan. It is hard to imagine that it could even come up with a figure that would adjust someone's take home pay by that much. It is absolutely ludicrous. We need substantive tax relief for low and middle income families.

● (1510)

We need a day care plan that does not give money to bureaucrats and organizations. We need a plan that puts money into the pockets of the parents so they can decide how to take care of their children. If we did that, it would be a substantive tax relief to families so they would have some choices. We do not have to look very far. We only have to look within our own families. They struggle to make ends meet at the end of every month and in many cases are unable to do it.

We talk about record credit card debt at outlandish interest rates. Many families are getting into these issues and these kinds of problem.

It is no different in my riding of Lethbridge. We have a very vibrant community. The city of Lethbridge has 75,000 people. It has a university and a college. It has a strong economic base of mom and pop operations. It has an industrial park. We have the surrounding area which is agriculture, intensive livestock, irrigation. A lot of dollars get turned over in the riding in a month or in a day. We need that type of activity in the country on a more general basis to foster economic growth.

However, the basic industry that drives the rest is agriculture. We asked questions of the agriculture minister a few minutes ago. We asked him what he would do if our border was closed to not only live cattle. R-CALF, the protectionist group in the United States, has now asked the court in Billings, Montana, the court which did not allow the border to be opened to live cattle when it was supposed to be, to expand that injunction to include boxed beef. If that happens, the price of cattle in this country will just take a nosedive like we have never seen before.

The minister sits here day after day talking about the wonderful things he has done to improve capacity. The loan loss reserve program that the government has implemented is not working. Bankers have told us that as far as they are concerned it does not exist, that it is a hindrance not a help. We need some major work done on increasing our slaughter capacity and finding other markets than traditional markets for our beef.

*Government Orders*

The judge in Billings has three options to make. He can throw out the injunction and open the border, or he can uphold the present injunction and close the border to live cattle or can expand it. We have asked the minister what his plan is if it is expanded. We have received fluff answers. We have not had any concrete answers from him. That needs to be addressed in a very serious manner.

I am getting calls from others in the agriculture community, from the grain farmers. My colleague from Wild Rose mentioned a case that has been brought to his attention. I have similar cases where people have been expecting substantive help through the CAIS program. When they actually get it, it is \$140 which is not even enough to buy one tonne of fertilizer to help pay the fuel bill.

Since it was implemented, we have been after the government to do something about that program, to make it work for producers. We pushed for the government to waive the cash deposits and it did that. However, the program cannot be triggered for those who need it, and something has to be done about that.

The NDP stands in the House and pretends that it is supporting farmers. When we saw the special side deal between the Prime Minister the NDP, there was nothing in it for farmers. There was nothing in it for seniors. Why was that not addressed? The Liberals missed it in the original budget and they did not address it in the NDP budget. The Prime Minister has been crossing the country spending a billion dollars a day on average since then and he has not addressed those issues either.

We know that these are not priorities for the government. We know we will see a continuation of overtaxation and overspending. The priorities of Canadians are not being met, and we need to bring this back to reality.

● (1515)

Then there is the gas tax money for municipalities. It is amazing how the Liberal government has spun this. It was this party that brought motions to this House to put some of the gas tax back into infrastructure. We pushed that issue. We pushed it time and time again. Now we find that the Liberals are threatening municipalities that if the budget does not pass they are not going to get that money. We have made the recommendation that they will get that money.

We cannot continue to bring forward budgets like this with shotgun programs that do not direct and project the economic growth of the country for five or ten years down the road.

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**BUSINESS OF THE HOUSE**

## STANDING COMMITTEE ON FOREIGN AFFAIRS AND INTERNATIONAL TRADE

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, I rise on a point of order. Discussions have taken place between all parties concerning the debate that is scheduled to take place later today on a motion to concur in a committee report. The motion is from the member for La Pointe-de-l'Île concerning the second report of the Standing Committee on Foreign Affairs and International Trade.

I believe that you would find unanimous consent to deem this debate to have taken place, the question deemed to have been put,

and the vote requested and deferred to the end of government orders on Wednesday, May 18.

**The Speaker:** Does the hon. chief government whip have the unanimous consent of the House to proceed in this fashion?

**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, and of the motion that this question be now put.

**Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, I listened with interest to my colleague's comments about some of the economic statements he was making and in particular the interest rates.

I remind my colleague that when his party was in power and there are people in the House who do not recall interest rates being at 24% although I believe my friend does recall that, and he recalls the deficit being at \$43 billion a year and unemployment at 11%.

When the member's party was in power, I never really heard a reason why the central government lost control of the fiscal and monetary levers to allow that to happen and allow the deficit to get to \$43 billion and allow interest rates to get to 24%.

I have been watching the Canadian dollar fluctuate this week. The Leader of the Opposition is adamant that he is going to vote against the budget. He has made an alliance with the Bloc Québécois and he is going to throw the country into an election. That has caused the Canadian dollar to drop substantially. Today there seems to be a development that it may not be absolutely certain that the Leader of the Opposition will get his own way and the Canadian dollar is rising.

Can the member explain those two developments? Why did things go so astray when his party was in power and can he explain the recent movements of the Canadian dollar in the last five days?

**Mr. Rick Casson (Lethbridge, CPC):** Mr. Speaker, there are a couple of issues, particularly on the interest rate. I was referring to the interest rate on credit card debt. It is a fact that whether one is in the agricultural community trying to raise a family or in a business, the accumulated debt in this country has gone right through the roof since the government took over, and it knows it.

Last year the entire agriculture industry in this country lost money as a whole. That is a damning statistic that the government will have to live with because it drove that industry right into the ground. Members stand in the House everyday and say they are going to support farmers and this or that aspect of it. The truth of the matter is that as a whole the industry that feeds this country lost money last year.

*Government Orders*

The accumulated debt in the agriculture community has multiplied tenfold or twentyfold since the government took power. Every credit card that farmers have are at the maximum. Their fuel bills are at the maximum, including grain bills, fertilizer bills, chemical bills, whatever. Everything is maxed out. They cannot even service the interest on the debt, never mind the debt. It is out of control.

For a Liberal member to stand up with some smartass remark about what happened today is out of line, in my mind. The parliamentary secretary is supposed to be showing some direction on how this country is going to progress through the next five or ten years. To degrade the debate like he is doing here is absolutely unacceptable.

The finance minister and the Prime Minister made a deal with the NDP. That will cost us \$4.6 billion on top of the \$1 billion a day the Prime Minister has been running all over the place promising people. It is still not enough to get the job done that he bought the NDP off for. He buys a party with \$4.6 billion hoping to have enough votes to pass the budget knowing that he does not. I do not understand why that was even entered into. Some of the things missed in that extra \$4.6 billion are pretty glaring.

I will go back to agriculture again because that seems to be where I end up most times. I want to talk about the court case in Montana that has been brought forward by R-CALF that the government did not seek intervenor status to defend our producers against a protectionist bunch of yahoos in Montana who do not know what they are talking about and are spreading lies and smears about our Canadian industry. The government did not even apply to be an intervenor in that courtroom.

The official opposition sought intervenor status and it is in court right now. We are hoping the judge will allow us to go there to defend our industry. Somebody has to do it because the Liberal government has not done it and has no intention of doing it.

• (1520)

[*Translation*]

**Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ):** Mr. Speaker, I am pleased to take part in this debate today on the budget which is to be adopted, or not, this Thursday. Truly, the future of the government is at stake with this motion.

I have been in politics pretty close to 30 years. In 1975 I was about to become the MNA for Champlain, and since then I have worked with a number of premiers and Prime Ministers, both in Quebec City and here on the Hill. Despite all those years in politics, this is the first time I have seen discussions on a budget that, in my opinion, is not a budget at all.

We, both the party in power and the opposition, held rounds of consultations to find out what people hoped to see in the budget presented to us. I know we consulted numerous people before making our suggestions to the government on the budget as we wanted to see it.

This is one of the first times in my career that I have seen a budget spread over five years. We do not have any clear idea of what amounts are going to be committed. We know, for example, that promises have been made for the next two, three or four years, and

the public is being led to think that this money is going to be spent right away. Take the business of seniors for instance.

There is talk of increasing the guaranteed income supplement, of billions of dollars to be invested in this program, but they neglect to say that this amount is over the next five years. It will start in 2006, and the supplement will gradually increase. By the end of the next five years, if they keep their word—which, as far as this government is concerned, is not a sure thing—people will have recovered some \$2 billion in guaranteed income supplement. They also neglect to mention the fact that some people have been deprived of the GIS for the past 12 years. That amount is twice what they will get back over the next 5. Knowing that makes all the difference.

The government calls itself a good administrator. It is relatively easy to manage things the way they do. Take money out and 15 years later, return less than the full amount. They come across as generous, but they are not. The guaranteed income supplement will be increased in the coming years, but it is the seniors—many of whom, unfortunately, will no longer be here—who will have paid for it.

We see this in many areas. For example—this may be a pre-election period; we will know for sure on Thursday—in exchange for its vote, the NDP demanded a number of things. Among other things, it demanded \$1 billion for social housing.

Nonetheless, this government acts with forethought. It has done nothing for social housing. In my riding, there are people suffering because of a desperate shortage in housing. In Wemotaci, there is 15-member family living in a single, unsanitary, barely livable house. The government has not done what it should have, if it had any respect for these people. It has not built social housing.

The NDP says it is pleased to have succeeded in obtaining an increase. However, it should be noted that CMHC has a \$3.7 billion surplus for social housing. This amount could have been spent. Adding a billion dollars for social housing will not change much if there is no intention of spending it.

I think the NDP could have required the government to draft a quick policy to spend the money already accumulated for social housing.

• (1525)

It would have made more sense, in my view, to say that we will build housing for Aboriginals over the next year and at affordable prices for the people who need it.

I was one of those who consulted people, along with our colleague here. He went around Quebec, while I went around my riding. It is unbelievable to see the needs we have on all sides. There is talk about a budget increase, but there is no information about how the money will be spent and whether there will be surpluses at CMHC. I can tell you that an increase does not result in much and does not meet the needs of the people who are waiting impatiently for suitable housing.



*Government Orders*

The member for Saint-Hyacinthe—Bagot and the member for Portneuf—Jacques-Cartier went around the various municipalities to see what people thought about the fiscal imbalance. People in Quebec are unanimous that the fiscal imbalance is nonsensical. We absolutely have to get back to common sense. We have to ensure that the money stops going to federal coffers when the needs are in the provinces.

Everyone rails against the fiscal imbalance: the Liberal party in Quebec City, the Parti Québécois in Quebec City, and all the political parties. In the provinces, everyone involved in finance decries the fiscal imbalance. The only one who fails to acknowledge it is the party currently in power, the minority Liberal party.

And yet this fiscal imbalance is extremely serious because, in a few years, the provinces will be unable to cope any more with their health problems and education problems. They are already having tremendous difficulty, but no one in the government thought about fixing the fiscal imbalance problem, and they do not even acknowledge it. They are the only ones who fail to see it. They give this situation all sorts of names, anything to ensure that they do not have to adjust the funding for the provinces and the federal government.

We consulted like never before and there was unanimity. But they do not want to recognize the situation, which results in the incredible overlap that we have now. People are talking about it. I do not know how many speeches I have heard here about the fiscal imbalance, but it does not seem obvious to the people opposite, they do not want to recognize it.

Some provinces, as I mentioned, are hurting from the lack of funding. Their needs are enormous. The federal government is wasting money and does not want to acknowledge the needs of the provinces—and this is true in all sectors.

I think that this is a good time to talk about wasting money with the Liberal government, in fact, anytime is a good time for that. We need only follow the Gomery commission inquiry into the sponsorship scandal, and every day the revelations get bigger and more unbelievable.

When taxpayers' money is being wasted and wonderful programs have to be cut, we must realize that, of all the taxpayers, the poor are paying the highest price.

I want to tell the House a story. In an Amerindian community north of La Tuque, Wemotaci, alcohol and drugs are a problem, not just for the residents, but for first nations in general. Anyone who wants to can check into a treatment facility. When they check out, they are supposed to be sent to a rehab centre, because if they go back to the reserve, they will immediately see the person supplying the drugs or alcohol and it starts all over again. They went to rehab for nothing.

We want our own homes. We are prepared to build in La Tuque, but we do not have \$20,000. No one will give us the money. When I look at the sponsorship scandal, I can tell you that many Liberal organizers had that \$20,000 in their pockets. It should be used to help people, but this is not going to happen because this money was wasted.

● (1530)

I could talk so much more about this, but the time allotted me is running out. Every time a problem arises in my riding and my constituents come to see me, I have to tell them I can do nothing for them.

If I had leave, I would like to continue my speech. I have a few facts to relate. I therefore request leave of the House to continue my speech.

**Some hon. members:** Agreed.

**Mr. Marcel Gagnon:** These sorts of things are important in human terms. I have no qualms asking people to tell me where the money is that is being denied them. It is easy enough. A person need only follow some of the proceedings of the Gomery commission. The people in the Liberal Party have lined their pockets. This money belongs to the taxpayers, and they are having problems, but we are having to say no to them, because this money was wasted.

When I am asked to approve a budget like this one, I cannot. It is not my aim to precipitate an election. Whether or not we had joined forces with the Conservative Party, we would have opposed the budget, because it makes no sense. The government must return to a modicum of honesty and compassion for the public and begin distributing and spending money as it ought.

● (1535)

[*English*]

**Mr. Don Bell (North Vancouver, Lib.):** Mr. Speaker, with regard to the questions the hon. member had with respect to the issue of fiscal imbalance, is he aware that the parliamentary finance committee, of which I am a member, has a subcommittee, of which I am also a member, that has been travelling around the country looking into the issue of fiscal imbalance?

Is he also aware that we have had witnesses before that committee, largely political, who have argued that there is a fiscal imbalance? We also had witnesses, largely academic and in some cases business people, who have indicated to us that they believe there is a fiscal gap but they do not describe it as a fiscal imbalance.

Is the member aware that some provinces, while lowering their tax rates and boasting about having been able to reduce their taxes, are at the same time complaining about the alleged fiscal imbalance? In other words, by lowering their costs they have created this pressure and are now looking to the issue of fiscal imbalance.

Is the member aware that the government has put money through the provinces for the health accord, the gas tax money which of course flows through the provinces to the municipalities, which in many cases relieves some of the pressures the provinces are feeling in that area? I would also point to the renewed money through the Federation of Canadian Municipalities for the municipal green fund.

[*Translation*]

**Mr. Marcel Gagnon:** Mr. Speaker, I am perfectly aware of that. The reality is that there is an imbalance, no matter what they choose to call it. There is too much money going into the federal coffers and not enough to the provinces compared to the respective needs. It is as simple as that.

### *Government Orders*

Education and health are provincial. Instead of constantly trying to duplicate services, it would just be a matter of giving the money back to the people it belongs to, that is, to those whose mandate it is to deal with the matters under their jurisdiction.

The federal government is good at beefing up the bureaucracy. Once this new department is in place, with its 14,000 positions, it will have added close to 60,000 public servants in the past six years. At the same time, the total payroll has increased by close to \$9 billion a year.

Rather than duplicate services, it would have been simpler to fix the fiscal imbalance and to hand back to each province the money that would enable it to solve its problems. It is unfortunate fact that the federal government has a predilection for putting its foot in everywhere and fattening up its bureaucracy instead of delivering services. That is something we see constantly.

In committee, we were presented with a study proving that things are going to get worse. The provinces are heading toward a serious deficit for the next 10 to 12 years, while the federal government will have hundreds of billions of dollars in surplus. That makes no sense, and the problem must be fixed. Regardless of the label put on it, this is, in our minds, fiscal imbalance. That is what it needs to be called and that is what, in fact, it is.

[*English*]

**Mr. Don Bell:** Mr. Speaker, is the member aware of the time when the situation was reversed and the provincial governments were running surpluses while the federal government was in a deficit position? I am not aware of any argument at that time that it was a fiscal imbalance that needed to be addressed.

One of the arguments the finance subcommittee heard from witnesses was that if a fiscal imbalance or an even greater fiscal gap existed it was between the provinces and the municipalities. I say this as a former mayor with 30 years in local government and as a member of the Federation of Canadian Municipalities. We as municipal politicians at that time argued very strongly that we needed federal assistance in many of these programs because the provinces were getting money for some of these programs and were not funnelling it through to where it was intended to help municipalities but were putting it into general revenue.

Therefore I am very pleased to be able to bring my experience to the government and use it to help see that the money that is needed for municipalities gets through to them.

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## ROUTINE PROCEEDINGS

• (1540)

[*English*]

### COMMITTEES OF THE HOUSE

GOVERNMENT OPERATIONS AND ESTIMATES, AND PROCEDURE AND HOUSE AFFAIRS

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, discussions have taken place between all parties concerning recorded divisions scheduled to take place at the end of government orders on Wednesday, May 18, on the motions to concur in committee reports.

Mr. Speaker, I believe you would find consent that the motion from the hon member for Vegreville—Wainwright to concur in the sixth report of the Standing Committee on Government Operations and Estimates, and the motion from the hon. member for Glengarry—Prescott—Russell to concur in the 21st report of the Standing Committee on Procedure and House Affairs be deemed carried on division.

**The Deputy Speaker:** Does the House give its consent?

**Some hon. members:** Agreed.

(Motions agreed to)

FINANCE

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, I also ask that the recorded divisions on the motion from the member for Prince George—Peace River, along with the amendment from the member for Calgary Southwest, be re-deferred to the end of government orders on Tuesday, May 31.

**The Deputy Speaker:** Does the hon. member have the unanimous consent of the House?

**Some hon. members:** Agreed.

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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 now read the second time and referred to a committee, and of the motion that this question be now put.

**Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ):** Mr. Speaker, the former mayor, who is now a member of Parliament, has shared with us his experience of municipalities lacking money. In my opinion, the federal government must not go over the provinces' heads to deal directly with the municipalities. They simply lack money because the provinces do. If they have more, then all the better. However, why create another level when the government could simply give money to the provinces to help the municipalities?

The Infrastructure Canada Program is a major program. Montreal is not the only city with an infrastructure problem. For cities like Trois-Rivières or Shawinigan, it is the same thing. There is indeed a major infrastructure problem and it needs to be resolved. However, the money is here, but I do not think the federal government is in any position to give a province or a municipality lessons on administration.

[*English*]

**Hon. Joe McGuire (Minister of the Atlantic Canada Opportunities Agency, Lib.):** Mr. Speaker, I rise today to speak to Bill C-43.

*Government Orders*

Through successive speeches from the throne our government has made important commitments to Canadians on key social and economic priorities, commitments to a strong environmentally stable economy and commitments to secure our social foundations. Through budget 2005 we kept our pledge by delivering on those commitments. Today with Bill C-43 we are proposing new investments that greatly enhance our efforts to address the priorities of Canadians in social and economic areas while still being fiscally responsible.

As minister responsible for the Atlantic Canada Opportunities Agency it is my job to ensure ACOA works with communities and individual Atlantic Canadians to help increase employment opportunities and earned incomes in our region. It is also my role to be an advocate on behalf of the region, a function of ACOA's that is often overlooked.

The fact is that Atlantic Canadians, like all Canadians, want their communities, towns and cities to be safe places to live, with affordable housing, good public transit and clean air and water. Atlantic Canadians also want access to education and training so they can build a good quality of life for themselves and their families and contribute to the economic prosperity of our country.

When I spoke to Bill C-43 last month, I commented on the important investments that will be made toward developing the economy of Atlantic Canada. Key among those measures was \$708 million in funding for ACOA dedicated to implementing the Rising Tide strategy in Atlantic Canada. The Rising Tide strategy, as hon. members will recall, was developed by the Atlantic Liberal caucus and is an excellent example of members of Parliament building policy from the grassroots on behalf of their constituents.

Funding under Rising Tide will mean additional investments in research and development, investments in community based development projects, investments in our youth and aspiring women entrepreneurs, initiatives to increase tourism, better access to capital, and increased trade for Atlantic businesses into key markets. These are vital investments to ensure that the Atlantic Canadian economy develops and adapts to the new economies.

Funding through my agency is only one part of the tapestry that makes this budget a truly Atlantic Canadian budget and therefore so deserving of the support of Atlantic Canadian MPs in the House.

I want to turn now and look at some of these initiatives.

There is funding for Atlantic Canadian communities through a new deal for cities and communities. This represents an investment of \$381 million for the Atlantic region for vital infrastructure. These are straight federal dollars and do not require matching funds from the municipalities or provincial governments.

There is our commitment to funding of the Atlantic accords. This represents billions of dollars for Newfoundland and Labrador and Nova Scotia.

There is \$12.8 million for defence funding in this budget. As some hon. members will know, Atlantic Canada staffs about 20% of Canada's armed forces. We are proud of our men and women in uniform, many of whom hail from our region. As a point of interest,

General Hillier, the overall commander of the Canadian Forces, comes from Newfoundland and Labrador.

I want to take a moment to congratulate all members of the House for unanimously passing the veterans charter last week. I would especially like to applaud the Minister of Veterans Affairs for her hard work on this initiative.

Also in the budget is \$2.7 billion more for the guaranteed income supplement. This again is an important measure for Atlantic Canada. With 13.4% of our region's population over the age of 65 compared to only 12.7% nationally, this will assist our citizens to live their formative years with dignity. This was reinforced yesterday with the Prime Minister's visit to Charlottetown where he met with seniors.

There is also funding for a national child care strategy. In 2000-01 a full 55% of children under five years of age were in some sort of child care in Atlantic Canada, but only 20% were in a day care program. This needs to be improved. Statistics have shown that for every dollar spent on child care, there is a two dollar benefit. Investing in our children makes good economic sense as well as good social sense.

● (1545)

The Prime Minister has signed agreements with the provinces of Nova Scotia and Newfoundland and Labrador. We look forward to deals with New Brunswick and P.E.I. in the near future and more important, to implementing these deals.

There is also funding to further improve the business risk management tools available to our farmers. This means an additional \$2 million for Atlantic Canadian farmers to enhance the agricultural cash advance program.

There is funding for the Coast Guard and for the oceans action plan. There is funding to increase immigration. There is funding for an Atlantic salmon endowment fund, as well as funding for ACOA. All of these I spoke of in my last address to the House.

With Bill C-43 our government builds on these commitments with funding for education, for the environment, for housing and for foreign aid. I would like to touch briefly on two of these initiatives in particular that ACOA has been very involved in promoting in Atlantic Canada.

The first is the environment. As the Minister of the Atlantic Canada Opportunities Agency, I believe that good environmental policy makes good economic policy. One clear example of the economy and the environment coming together to produce results can be seen in Atlantic Canada's environment industry. This industry has grown to include hundreds of companies specializing in such areas as waste management, remediation, water treatment and renewable energy.

Speaking of renewable energy, recently Industry Canada, the province of Prince Edward Island and private industry signed an agreement regarding a wind powered, hydrogen village project. It is part of an international attempt to secure an energy source for the future.

*Government Orders*

Many of our environmental initiatives have been achieved through programming such as our Atlantic innovation fund. Projects such as the Salmon River Salmon Association's project on acid rain, the University of New Brunswick's project on the treatment of biodegradable industrial waste water and the College of the North Atlantic initiative in wave powered pumping systems all demonstrate how ACOA is assisting Atlantic businesses and institutions to be innovative with environmental technologies.

I would be remiss if I did not also mention our government's ongoing commitment to the Atlantic wind test site on Prince Edward Island. It has been at the forefront of Canada's sustainable energy research for over 20 years and has the potential to provide even more leadership in the development of clean, safe and economic energy for the future.

ACOA has also been active with our education community through skills and entrepreneurial training. There is no doubt that if we want to build an innovative sustainable economy in Atlantic Canada and a quality of life for the long term, we need to make the right kinds of investments in our people today.

We have done this in several ways. One is through working with the Association of Atlantic Universities to foster innovation and skills development at our universities in Atlantic Canada. Our region is heavily populated with post-secondary institutions. Working collaboratively with these bodies is important to developing our economy.

We have also been active in skills development through training programs focused on innovation, our youth and assisting aspiring women entrepreneurs. This has allowed Atlantic Canadian businesses to increase the skills of their workers to compete in the global economy.

There are many examples of these programs in action that I can point to around the region, such as Atlantic Combustion Products of Amherst, Nova Scotia; ProfitLearn of Fredericton, New Brunswick; Unique Patterns Design in the riding of my hon. colleague from Dartmouth—Cole Harbour; or Testori Americas of Summerside, Prince Edward Island. All of them have taken advantage of our program to develop the skills of their workforces and encourage our young people to stay and work in Atlantic Canada. More needs to be done, and budget 2005 provides for this.

To recap, this budget provides funding for infrastructure for Atlantic Canadian communities; assistance for our children and our seniors; funding for skills training and education to allow Atlantic Canadians to stay and work in the region; initiatives to preserve our environment for the next generation; investment in immigration; funding for vital aspects of our traditional economy in Atlantic Canada, such as fishing, farming, defence and tourism; as well as funding through ACOA to look toward developing innovative economies in the region.

As the minister whose responsibility it is to cast an economic eye over Atlantic Canada, I know that all of these measures will help our region move forward to develop our economy, incorporating innovative Atlantic Canadian ways to build our communities and compete in the global economy.

• (1550)

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I listened intently to the member's comments.

There has been a lot of debate around the child care funding that has been announced by the government. The member alluded to the dollar amount that was going to Atlantic Canada. I am just curious. I have read newspaper reports from other provinces which said that if they invested the entire amount of money that has been promised to the communities, in some provinces it would work out to providing a national day care program to about 10% or 12% of the population. In other provinces it gets as high as 17%.

Would the member be able to tell the people of Canada how many more day care spaces than they have today this funding would allow?

**Hon. Joe McGuire:** Mr. Speaker, I do not know the number of increased spaces but I do know that each of the deals that has been signed with the participating provinces has been worked out with each of the provinces. They have been quite pleased with the amount of money that is being provided.

I know there is never enough money to do all the things that the provinces and parents across Canada would like to see done, but it is certainly a vast improvement on the status quo. It is one which has been looked forward to by many parents across the country and one which we look forward to completing and improving upon as years go on.

**Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC):** Mr. Speaker, in a fairly recent report by Don Drummond, a well-respected economist at the TD Bank who is certainly familiar with the government, he found that for the past 15 years average Canadians received little or no increase in their take home pay in real terms. In fact he said that there was a 3.6% gain over the entire 15 year period. He concluded that that is completely unacceptable and needs to be addressed.

I would like to know what the hon. member thinks the Liberals have done in this budget to actually address that.

• (1555)

**Hon. Joe McGuire:** Mr. Speaker, under the ACOA funding for Atlantic Canada and under WED funding for western Canada, there are many initiatives not only to develop programs in their communities but to assist businesses to expand at a low interest rate and to hire more people. There is more money for training in both the western and Atlantic regions to increase the education of people who are working and expanding their businesses.

There is a whole array of programs contained in the budget. It is very business friendly, whether it is assistance for youth entrepreneurs, for women entrepreneurs, or for general business, to encourage them not only to create businesses but to create businesses in their small communities in rural Atlantic Canada and western Canada.

*Government Orders*

**Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, as the minister knows, we have certain challenges in Atlantic Canada as we move from the traditional economy to the knowledge based economy. Some of the initiatives that have been led by the minister and by the Atlantic Canada Opportunities Agency have helped immensely.

The minister referred to the Rising Tide initiative which was developed by the members of the Liberal caucus. The executive responded with a certain funding increase to the Atlantic Canada Opportunities Agency which will increase the amount going to industry-led innovation, to skills training in Atlantic Canada.

Is this funding, which I believe has the support of all members of Parliament from Atlantic Canada, conditional upon this House passing Bill C-43 and Bill C-48?

**Hon. Joe McGuire:** Mr. Speaker, five years ago for the first time, through “Catching Tomorrow’s Wave”, a \$300 million fund was established for Atlantic Canadian businesses and universities to try to catch up with the R and D initiatives that were available to the rest of the country, particularly in central Canada, and to a lesser extent in western Canada. Still western Canada was way ahead in the R and D funds available as compared to Atlantic Canada.

Because that fund was so successful and the uptake was enthusiastically applied for, the fund was really too small to address the appetite of the universities and entrepreneurs in order to do what they wanted to do in the area of research and development and commercialization of that. This fund, as with all the other economic initiatives, necessitates the passing of this budget on Thursday. We look forward to all Atlantic Canadian MPs on both sides of the House supporting this budget.

**Mr. Merv Tweed (Brandon—Souris, CPC):** Mr. Speaker, I am pleased to speak on this bill. I will need to cross over between the two bills a little, if members will excuse me. Traditionally a budget is presented as one bill to Canadians, but in this case two bills deal with the Canadian budget.

I want to emphasize that I have had the opportunity to sit in a provincial legislature where when a budget is presented, it is presented as a plan, a blueprint for the future of the province. In this case, it is the country. Debate takes place. Amendments are put forward and in certain cases accepted, but more often than not, in my experience, the government moves forward with the agenda that it presented to the Canadian public as the government agenda on what should be the fiscal spending plan for the following year.

In fact, the Minister of Finance told this House many times, as did the Prime Minister and the Deputy Prime Minister, that this budget could not be stripped away piece by piece. That was particularly in response to our questions asking the government to move the Atlantic accord, which is a two-page, nine paragraph document that could be approved by all. Every day we have asked the government to do that, yet it has chosen to refuse. Instead, the Liberals want to wrap it in an omnibus budget bill with a part deux from the NDP and want to force us to vote for or against it based on the entire package.

This is interesting after having the Liberals telling us day after day that this could not be a piece by piece budget. There they were, in a

dark room, I presume, with the Leader of the New Democratic Party and Buzz Hargrove, in a dimly lit corner where no one could see them. I suspect there were people on guard outside the door. It was there that the government of the day moved to increase spending to Canadians by \$4.6 billion.

At the whim of the NDP leader and Buzz Hargrove, the Prime Minister caved and gave \$4.6 billion of new spending to his budget, undercutting the finance minister’s position, undercutting everything that the finance minister had said to Canadians about how the budget could not be taken apart, could not be dismantled and passed piece by piece. The Prime Minister did the exact opposite.

Not only did he do that, but while he was doing it he agreed to toss out the tax relief that was offered in the budget part one, which would have created thousands of jobs. In fact, many are saying that it would create hundreds of thousands of new jobs for Canadians. He did that in a matter of moments.

Yet when the Prime Minister was confronted with this and discovered that perhaps the Canadian taxpayer and the Canadian business associations that are the job creators of the country were offended by the Prime Minister allowing this to happen, he said, “No. Wait a minute, Canadians. That isn’t what I meant”. What he meant was that he was going to give the NDP and Buzz Hargrove their \$4.6 billion in new spending, and although he told them that he was going to take that tax relief out of the budget, really what he was going to do was not take it out of the budget, introduce it in a separate bill and try to please everybody.

In the short time that I have been here in the House, I have been amazed by the Prime Minister’s many changes of position. It baffles me that not all Canadians are starting to question the motives of the Prime Minister, but in reality they are. They are starting to question the willingness of the Prime Minister to make a decision and actually stand on that decision.

● (1600)

We have seen a Prime Minister who has been tagged by most Canadians as a ditherer who is unable to make a decision. When confronted by forces that suggest he might not be sure, he moves his position. He moves where he stands on the issue and tries to please all Canadians.

What we have seen in the past few months is a Prime Minister who has become desperate. He is prepared to do anything, such as cutting a deal with the NDP and Buzz Hargrove for \$4.6 billion. He is prepared to try to spend his way through Canada, at a rate of about \$1 billion a day since he made his national plea for mercy from the Canadian public. He has had absolutely no hesitation in spending as recklessly and carelessly as he possibly can.

What most amazes me is that after 12 years in government, during which the Prime Minister was the finance minister for a little over 10 years, I believe, suddenly everything that has happened in the last few weeks boils down to how “it must happen today”, how if it does not happen today and if the budget does not pass, all of Canada will come crumbling down.

*Government Orders*

I heard the child day care promise back in 1993. I heard it again in 1997. I heard it again in 2003. This is an endless story. The question I have and which I am hearing from people in my community is this: does he really mean it? Has he really committed to doing this or is this just what he is saying again today to get himself elected?

In the past we have seen a government in desperation announce all sorts of spending commitments without a plan behind them. I am going to give the House a few examples. There are more to come, which I would be happy to share. The firearms registry was a way of dealing with criminal misuse of firearms. The Liberals told us that it was going to cost \$2 million. It has now cost \$2 billion or very close to it. Again, that is spending without a plan.

We all witnessed national news television reports about the tragedy the children in Davis Inlet were facing with addiction. Without a plan, the community was moved into new housing a few miles away at a cost of \$400,000 per person, and the problems went with them. Again: spending without a plan.

Canadians are only too familiar with the Quebec referendum that shocked the nation. The Liberals and the Prime Minister responded by throwing money at it, but they had no real plan. The result is what we are hearing and seeing on television news and in the newspapers every day of the week: hundreds of millions of dollars illegally funding Liberal friends and the Liberal Party. Even worse, that reinvigorated Quebec separatism.

The list goes on and on. We have continued to see the government travelling across Canada over the last several weeks, making promises and spending commitments without a plan. It becomes very obvious that a government with a treasury to spend without a plan is a government in trouble.

I will even cite a few new examples that are part of the current government's plan. Agriculture is a huge part of my constituency. In fact, I was surprised at the number: 84% of the economy in Brandon—Souris in Manitoba is generated in the agrifood industry. I was asked that question by the agrifood retailers. I took a guess. I said the figure was about 70%. I was astounded that it was so high. It is one of the highest in Canada on a per capita basis.

The government announced a savings program for our struggling cattle producers. Unfortunately there was no plan behind the money, and today our producers are still waiting. They are still anxiously filling out forms to access the money that was announced by the government.

•(1605)

I know that governments like to announce that huge amounts of money are being given to some segment of the Canadian society, but the bottom line is that the people do not receive it. The money is of absolutely no benefit to the people it was meant to go to and again we have spending without a plan.

Recently the Prime Minister signed a deal for health care that is worth \$41 billion. It is a good plan. We supported it. Unfortunately we have yet to see how the plan will be implemented to actually shorten waiting lists. In fact, over the last several years we have seen waiting lists rise under this government's mandate.

As I said earlier, I was part of provincial government. I saw this Liberal government, this finance minister and this current Prime Minister gut health care. The Prime Minister did it all in the name of saving the economy, but unfortunately now he has to repair the sins of his past and it is a very hard thing to do.

Budgets are about the future. Budgets are about plans. Budgets are about making decisions on where to spend money, where to spend Canadian taxpayers' money, where it benefits and where it is needed by Canadians. It is not to be spent by a government at the whim of saving seats in an election, at the whim of satisfying its own personal goals. That is not what a budget is about, but that is what this budget is about. That is why I will not be supporting this budget.

**Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, my friend across the way talked about the Prime Minister changing his tune. I want to remind my friend that we had the budget tabled here in this House a couple of months ago. It was a budget that reflected the priorities and concerns of all Canadians. It talked about the environment. It talked about increased defence spending. It talked about increased funding for the cities and towns and communities right across Canada. It talked about funding for early childhood development.

It was received well by all Canadians. The first person out that door to support the budget and tell the Canadian people that it met his priorities and the priorities of all Canadians was the Leader of the Opposition. For some reason shortly after that, a poll or something told him that things had changed in someone's mind. He told Canadians that, first, he was not going to support the budget, second, he was going to make a deal with the Bloc Québécois, and third, he was going to call for an election that Canadians did not want. He subjected himself to ridicule and embarrassment.

My question for my friend across—

•(1610)

**Mr. Gary Goodyear:** Mr. Speaker, I rise on a point of order. The hon. member opposite just referred to a “deal” that he knows was made between the Conservatives and the Bloc. I would ask the hon. member if he could table that deal.

**The Deputy Speaker:** I think what we have here is a point of debate. I do not think the hon. parliamentary secretary is referring to a particular document. He is talking rhetorically, I believe, but if the parliamentary secretary would put his question so the member could answer it, I would appreciate it.

**Hon. Shawn Murphy:** Yes, Mr. Speaker, and thank you very much. I was going to get to that, but before I do I just want to point out that I was not privy to that deal. If I had been, I certainly would table the agreement.

Here is my question for my learned friend. Do you agree with the actions of your leader in this regard?

*Government Orders*

**The Deputy Speaker:** I remind the hon. parliamentary secretary to address his comments to the Chair.

The hon. member for Brandon—Souris.

**Mr. Merv Tweed:** Mr. Speaker, I would have to advise the member opposite that we were not available for the deal that was made with the NDP leader and Buzz Hargrove. We have yet to see it. All we have seen is a document that suggests there will be \$4.6 billion. We have seen no plan behind it.

In response to the question, it was his Minister of Finance who stood in this House and presented the budget. He said to all Canadians, "This is the budget that Canadians want". My thoughts are about the Minister of Finance; pardon me, not the Minister of Finance, because he did not know anything about the deal. Why would the Prime Minister go out and make a second deal?

If the government felt so comfortable and the Liberals knew their budget would pass as first presented, why did he feel he had to go out and make a second deal with the NDP? That is the real question. This is the question that is upsetting Canadians. How does a Minister of Finance stand in this House and defend a budget that he did not write?

**Ms. Judy Wasylycia-Leis (Winnipeg North, NDP):** Mr. Speaker, I know it has been a hard day for Conservatives given the developments pertaining to the member for Newmarket—Aurora, but that still does not explain how the member for Brandon—Souris is imagining and seeing things that are not real.

He has been spooked by something and it certainly should not be the open and transparent deal that occurred between the Liberal government and the New Democratic Party in the interests of making a better balanced budget for Canadians.

The member for Brandon—Souris will know that the deal which is fully available on paper in great detail is based on the principle of not accruing any deficit. It is about a balanced budget. It ensures a minimum of \$2 billion going toward a contingency fund, that means money will go against the debt. It is about transferring money that was going for another corporate tax break, to the tune of \$4.6 billion, and putting it into education, foreign aid, and pressing issues of importance to Canadians.

What part of that better balanced NDP budget does the member not like? Is it the lower tuition for students—

**The Deputy Speaker:** The hon. member for Brandon—Souris.

**Mr. Merv Tweed:** Mr. Speaker, it is very true and all Canadians should know that this is not a Liberal budget; this is an NDP budget.

However, it is not what Canadians want or what more Canadians want, it is who was left out of this picture for \$4.6 billion? There was not one word mentioned about agriculture or the lumber crisis in this new deal. There was not one word mentioned about enhancing and moving forward the spending in our armed forces. There was none of that. I would suggest that if the NDP can be bought for \$4.6 billion, how much more could it have received?

• (1615)

[Translation]

**Mr. Marc Boulianne (Mégantic—L'Érable, BQ):** Mr. Speaker, I am speaking today on this bill and the budget in general with great

interest. The Bloc Québécois opposes this bill. Our logic is quite simple. We opposed the budget right from the start, because it is incomplete and inadequate, and it does not defend the interests of Quebeckers.

However, Bill C-43 should have been the opportunity to make significant amendments to satisfy the interests of Quebec. This was not the case. Not only did the Liberal government refuse to make the recommended changes to EI but, as my colleague from Saint-Maurice—Champlain said earlier, it also refused to correct the fiscal imbalance. It even went so far as to add things that are completely unacceptable to Quebec, such as the agreements with Newfoundland and Labrador and Nova Scotia. Furthermore, it has adopted the polluter-paid principle with regard to the Kyoto protocol. Clearly, this budget does not protect Quebec.

We can name at least five reasons to vote against Bill C-43 and against all potential corrections to the budget.

The fiscal imbalance is one major reason. Even the word makes the government afraid. It cannot even say it, so it is far from recognizing it. The budget contains no additional measures to loosen the financial stranglehold on Quebec. Ottawa refuses to acknowledge this problem. Anyone who follows the political debates in Quebec City at all can see the effect of this financial stranglehold on Quebec's development and evolution. There is nothing in the budget for this.

The same goes for the agreements on health and equalization. Once again, it is clearly not enough, at the very least, to pay down the deficit.

The problem is that there is a contradiction. The federal government has the financial means to do so much more. What is lacking is the political will, or else it is acting in bad faith and directing its interests elsewhere. It has the leeway. The Liberals have enough financial leeway to do much more. Now, there is talk of \$50 billion over the next three years. This is a significant amount of money that could have been distributed to the regions to resolve the fiscal imbalance or, at the very least, alleviate it.

The second reason has to do with employment insurance, a topic we constantly come back to. A subcommittee of the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities called for a comprehensive reform. However, no improvement to employment insurance can be implemented immediately. The 2005 budget goes even further and prevents any improvement to the employment insurance system. That is the second reason Bill C-43, the Budget Implementation Act, 2005, or Bill C-48 resulting from the agreement reached with the NDP, cannot work.

*Government Orders*

There is a third major argument that we have always defended and will continue to defend: respect for jurisdictions. For some time now, regardless of what bill is being considered, the practice is to encroach on Quebec's powers.

On the issue of parental leave, an agreement was proposed. Simply put, Quebecers' money would be returned to Quebec. It is like a circle. It has nothing to do with asymmetrical federalism.

The same goes for child care, as mentioned earlier. I think that, currently, five agreements have been reached. However, in Quebec, the child care agreement is still unclear. Even the Prime Minister promised to allocate federal money for child care with no strings attached. We are still waiting. Again, even though Quebec is a model in this matter, pan-Canadian standards are still applied as well as accountability. Respecting jurisdictions is a problem that is seen not just in these bills, but also in Liberal Party legislation in general.

● (1620)

In connection with the gasoline tax, there is another important piece of evidence involving the municipalities. It concerns the distribution among municipalities, a matter also clearly under Quebec's jurisdiction. Here again, interference is systematic.

The fourth reason concerns the Kyoto protocol. A number of people have spoken of it. It is a blank cheque for the major polluters. It is a failure of the Minister of the Environment. A voluntary approach is being proposed to the major polluters. Obviously, they will stick to that. The standards are not very strict or precise. There are a few, but they are within easy reach of these companies. This way, the objectives can be reached in part, but surely not the greenhouse gas emission reduction objectives.

Under the Kyoto protocol, the public assumes the financial burden, not the major polluters. The budget penalizes Quebec in connection with its progress, the infrastructures it has set up and the model it created under the Kyoto protocol.

Obviously, there are others. My colleague for Saint-Maurice—Champlain spoke of social housing. The federal government has totally ignored the repeated calls of the Bloc Québécois in response to social consensus in Quebec, where the needs are critical. Meanwhile, it invests, as we have mentioned several times, in sectors that are not priorities of Quebec or the people of Canada.

In terms of international aid, the government's commitment is very timid. However, it may be bumped up at some point in order to attract votes, as we saw with Darfur. It was a one time thing and served the interests of the Liberal Party.

There is no new money in the agriculture budget either. We will come back to the francophone community in Canada. Based on this bill it is impossible to say whether there has been any development in economic or infrastructure terms.

As far as Bill C-48 is concerned, a new bill has been introduced. It enables the Minister of Finance to make certain payments. This is the outcome of an agreement with the NDP on this matter, but proper scrutiny will show that the agreement in question has not been respected. We wonder how the NDP could have been so taken in, and yet still support this government. First of all, the government has not done what the NDP asked. It has not cancelled the corporate tax

breaks. Second, new measures have even been presented in a new bill, which will not be effective.

Quite simply, we see this as just one more last minute addition to the true budget, which is why we were opposed to the budget. It is unacceptable to Quebecers for the reasons I have already given: fiscal imbalance and employment insurance. They are thumbing their noses at everything Quebec has developed.

In conclusion, we will be voting against this bill, just as we voted against the federal budget in February, because once again it is ignoring the priorities of Quebecers. We cannot therefore support this bill, and even less so its implementation. It is, in fact, obvious that this bill will have a negative effect on Quebec.

The federal government has, however, decided otherwise. It has decided to refuse to make any improvements to employment insurance and fiscal imbalance. Rest assured, we are going to vote against Bill C-43, that is, against the implementation of the budget and the budget itself.

● (1625)

**The Deputy Speaker:** It is my duty, pursuant to Standing Order 38, to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Saint-Bruno—Saint-Hubert, Correctional Service of Canada.

\* \* \*

[English]

**MESSAGE FROM THE SENATE**

**The Deputy Speaker:** I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed certain bills, to which the concurrence of this House is desired.

\* \* \*

**BUDGET IMPLEMENTATION ACT**

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, and of the motion that this question be now put.

**Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, I rise today to speak on the budget, the eighth consecutive surplus budget of the government.

After eight years of surpluses, it is easy to think that Canada's fiscal condition has always been this good. It is easy to think that Canada has always had a low unemployment rate. It is easy to think that Canada has always had a low interest rate. It is easy to think that the economy has always been strong, our growth so high and our future so promising.



*Government Orders*

For those under 30 years of age in Canada watching this, that thinking is forgivable. However, I am not in that cohort of Canadians. I have lived through other regimes in the history of the country. I have seen interest rates at 24%, unemployment at 12%, the annual deficit of the country rise to \$43 billion and our debt to GDP ratio rise as high as 71%. I have seen what can happen to the country when the central government loses control of the fiscal and monetary controls available to it.

If we do not pay attention to what has gone on in the past, we are bound to repeat the mistakes of the past. The fiscal mess the government inherited reminds us vividly of what happens when a government does lose fiscal control. This government took that mess and turned it around with the best fiscal track record of any government since confederation and \$61 billion has been paid down on Canada's accumulated debt.

The debt to GDP ratio has been decreased from 71% to 38%. Canadians now enjoy the highest rates of job creation and standard of living of all G-7 countries. Year after year the government has produced a sound, balanced budget. I can tell members of the House and all Canadians that this year is no different. The government is firmly in control of the fiscal and monetary levers available to it.

I first had an opportunity to speak to this budget when it was introduced in February. The budget at that time had been applauded by members of the House, private organizations and Canadians from coast to coast to coast. I congratulated the Minister of Finance and remarked at the time that the footprints and handprints of the other parties, the Conservative Party, the New Democratic Party and the Bloc Québécois, were on the budget. I stated at the time that good things happened when people worked together. This was a very good budget.

I thought that I was the first one in the House to embrace the budget, but I was not. The first person was the Leader of the Opposition, and quite rightly so. Unfortunately things have changed. For reasons unbeknownst to me, the Leader of the Opposition changed his mind. He said that he would no longer support the budget. Once he said that he would not support the budget, he said that he would make a deal with the Bloc Québécois. Then he told Canadians that he would try to use every method at his disposal to have an election called, an election that Canadians do not want.

This is a very important point to remember. Less than a year ago Canadians chose a minority government and they, quite rightly, expected that government to work. The budget that was tabled in the House and that was embraced by the Leader of the Opposition, by myself and all Canadians, showed clearly that a minority government could work, that the parties could put aside their differences for the common interests of all Canadians. That is what Canadians have, a budget that addresses their interests, values and priorities. It is a budget that the people of this country want to see passed. They want it to become the law.

● (1630)

Canadians want the budget passed so they will have a system of high quality, universal, inclusive, accessible early learning and child care. The government has committed \$5 billion over the next five years toward this initiative which aims to give all Canadian children the very best possible start on the future. Deals are already in the

works with many provinces. Ontario, Saskatchewan, Manitoba, Nova Scotia already have signed agreements with respect to this initiative.

Canadians want the budget passed so they will have modern infrastructure in their home towns through the government's new deal for cities and communities. Across the country municipalities are already enjoying the benefits of the GST rebates and are counting, and in fact it is in many of their budgets, on new allocations to meet the needs of the residents of these cities, towns and communities. They want to know that agreements between their provincial governments and the federal government, which promise much needed funds for infrastructure, will be honoured by the House.

Canadians want the budget passed so they know that their fundamental needs for clean air, fresh water and a healthy environment are being addressed. They want to know that the environment is front and centre, that it is being protected and that the serious issue of climate change is being addressed.

The \$1 billion clean fund, the action plan on climate change and the many other environmental and sustainable initiatives are all very important to Canadians from coast to coast.

Every day my office hears from Canadians, not only from my riding of Charlottetown, Prince Edward Island but from across the country telling me, writing me, phoning me and emailing me that they want the budget passed.

I have received letters from mayors and town councillors emphasizing how badly the funds promised in the budget are needed. I have heard from families who are counting on the government investing in their children. I have heard from individuals who are counting on the commitments to our environment.

I have not heard personally, but I have read about it in the media of the many premiers who are asking the House to pass the budget. The most recent spectacle is the Premier of Newfoundland who is asking all 307 of us to pass the budget. Apparently two members from his province, the province of Newfoundland and Labrador, will put politics ahead of the people of that province. People will be watching them on Thursday.

I have heard from Canadians from across the country, from all ages and backgrounds, who expect Parliament to work. Canadians have chosen a minority government. That was their decision and they had that right. We as their elected representatives need to honour that decision and ensure that Parliament continues to work on their behalf.

The budget does work on their behalf. It is for that reason I will add my voice to all those across the country calling for the budget to be passed. That is what Canadians are asking us. Therefore, I tell every member of the House, let us turn the page, let us get the job done, let us pass the budget.

*Government Orders*

**Mr. Richard Harris (Cariboo—Prince George, CPC):** Mr. Speaker, we listened to the impassioned plea from the Liberal member who asked the House to put aside differences and pass a budget that now reaches \$24 billion more than the budget presented in February, a budget that we in the Conservative Party were prepared to support because at that time it did express interest in the values and the priorities of Canadians. Unfortunately, as the NDP portion was added onto that budget plus another \$24 billion in election promises, we have now a budget that expresses the interest of a corrupt and sinking Liberal Party that will do or say anything to stay in power. That \$24 billion extra in promises may never be kept.

Let us be clear. The history that I have seen in the House is that truth has never stood in the way of a Liberal election promise.

We were prepared to support that February budget. As a matter of fact on two occasions we did when it came to a vote in this House. We kept the Liberal ship alive when the NDP and their new-found friends and bedmates, the Bloc, were prepared to vote against the budget and bring the government down. We supported the budget on those two occasions because we wanted this Parliament to work.

Then the Liberals decided they were going to start to play games with the budget. They played games with the offshore oil resources deal, the stand alone deal that was made with the Premiers of Newfoundland and Labrador and Nova Scotia, a deal to which the Liberals were committed, and we were happy with that. Then they decided to throw it into a large omnibus type bill and bury it in with a bunch of things that were unacceptable to us and that were never present when the deal was made.

I have to ask the question as have my colleagues. Given the way the Liberals have jumped into bed with the NDP, they have now reached spending of \$24 billion in pre-election promises that may never be kept and likely will not be, and given the 12 years of broken promises of the government, how on earth could any Canadian believe that corrupt Liberal government now?

• (1635)

**Hon. Shawn Murphy:** Mr. Speaker, in the last part of the member's question, he talked about getting in bed with the NDP. One thing I will never be party to in the House is to be a member of any party, like my friend across, that gets in bed with the Bloc Québécois. Never will I get in bed with the Bloc Québécois, and the member should be ashamed of that.

He talked about the \$24 billion. That is ongoing programs and initiatives. However, there is one thing the government pledges to Canadians. It will not go into a deficit. When the hon. member's party left power in 1993, the annual deficit, not the accumulated deficit, was \$43 billion. I have asked the question a hundred times. Why did things go so wrong? How could an annual deficit get to \$43 billion? I have asked them 10, 20, 30, 100 times and they have never given me an answer. All I can say is that they were totally incompetent in running the economy of the government.

**Mr. Gerald Keddy (South Shore—St. Margaret's, CPC):** Mr. Speaker, it is very clear what happened during the Mulroney years. The Conservatives inherited \$38 billion worth of deficit from the Trudeau Liberals. They managed to operate the country without cutting transfers for education and health care and they continued to deliver services for Canadians. They managed to operate the country

when interest rates were 19%. They never shut the border down to beef. They never shut the border down to softwood lumber.

If you want to take a government's record, I will put it up against the pitiful state of affairs that you have run the country into any day.

• (1640)

**The Deputy Speaker:** I would remind the hon. member to make his comments through the Chair.

The hon. member for Charlottetown.

**Hon. Shawn Murphy:** Mr. Speaker, I want to correct the member who just spoke. The deficit did not start at \$38 million. It started quite a bit lower and that party drove it up to \$48 million. I have a quick answer as to why we had interest rates at 19%. The reason is because we had a Conservative government.

**Mr. Randy White (Abbotsford, CPC):** Mr. Speaker, members opposite have been talking about universal child care, accessibility, infrastructure, environmental protection, and all those things we all talk about in this country, the big stuff. I want to talk about what is important in my area in the Fraser Valley and Abbotsford in particular. We have ridings next to each other, Mr. Speaker, and there are things that affect your area that I have not heard about in this budget.

The government has been throwing out billions of dollars, making deals here and there, and I guess that is politics. What really rankles me are the things that it still ignores, the things that affect people in my riding, for instance, clean air.

We have been fighting the issue of SE2 in my riding of Abbotsford and surrounding areas for about four or five years, and yet members on the other side have been talking about putting money into the environment. That does not resonate in my community where we are fighting tooth and nail to keep American corporations from polluting our air, which is already polluted.

We only have to look at a few harbours in this country to see how polluted they are. I was fighting for the Sydney tar ponds project in Sydney some 11 years ago and it is still in bad shape. Yet, in every budget the government says it is going to do something for the environment. It does not resonate in areas where we live.

*Government Orders*

I would like to tell the government that if it is going to do something for the environment, for goodness sake, do it where it affects people most and that is in their own communities. I do not know how many bureaucrats the government has been hiring, but they are not getting the job done. My area of the Fraser Valley has the third worst air pollution in the country and it is getting worse not better. There is not a darn thing being done about it.

Let me talk a bit about drugs which are a cancer in our society. I brought George Chuvalo into my riding in 1999 and since then George and I have been raising significant awareness of the drug problem, particularly heroin and cocaine in those days. George continues to work on this issue. Many people across this country are now focusing on drugs like crystal meth which has become a big issue. Yet, I have not heard any significant mention about it here in the House of Commons. The government had ample opportunity to deal with the drug issue after a committee was established to look at the problem.

The government came out with a solution to decriminalize marijuana. In my area, which is big on marijuana grow ops and usage, that is so insignificant to the drug issue. People are wondering why on earth the government has bothered with such a minuscule issue as compared to people's addiction to heroin, cocaine, crystal meth, pills, angel dust, and so on.

This is the second item that was supposed to be in the budget to help with education, advertising, rehabilitation. It is not there and we have brought it up many times in the House. I have headed this issue for many years here and I am totally dissatisfied with the rhetoric that I hear in the House on who did what, who said what, and who joined who.

● (1645)

Meanwhile, in my community there are hundreds of young people addicted to drugs. It is all over the place. One of the answers that the government foolishly bought into was supporting millions of dollars in an injection site, the very opposite of what we are trying to do in Abbotsford, British Columbia. Millions were put into an injection site when we have children of all ages trying to get off of drugs with no place to go.

When was the last time anyone in this country saw a decent ad on television or in the newspaper or heard on a radio that drugs are bad? When is the last time someone went into a school from the House of Commons and told kids that drugs are bad? When is the last time the government put one red cent into that? Yet, the Liberals say we have universality, accessibility, infrastructure, health care and all these things that are just globally supposed to attract people into voting for them, when in fact our problems are much deeper than the government understands. It is disappointing that in my community we have so many young people on drugs and so little being done for them other than the generosity of private industry and private individuals.

We are going to throw multi-millions into child care. We are going to fix everything that ails us and that will attract people to vote for us. I just came back from Guatemala where for 10 days my wife and I volunteered at our own expense to help people who cannot help

themselves, people who are starving, people who are handicapped, and AIDS victims who are left on their own for survival.

There was not one red Canadian cent from the government in that place. However, the Liberals throw out the message that they are so kind, gentle and caring for people. I would think that the budget might have even mentioned the places where I have been helping young people and seniors who are basically left to die on their own.

I talked many times about avian flu in the House, a serious situation that affected my area in Abbotsford, British Columbia. There are many people still waiting for justifiable compensation. There was no mention of that in the budget. There are farmers in Abbotsford. Maybe the Liberals do not get votes there because I win the election pretty handily, but people in my area listen to all the rhetoric that is flying around this place. They are wondering where in the name of blue blazes is the government anyway? Why do Liberals not deal with the issues that affect them?

I said the other day that it was my last speech in the House of Commons. I guess it was my second last because today I am back again. I have said for 12 long years that the prison system has run amok. It is poorly managed. There was nothing in the budget for a study of the prison system that does not work. Rehabilitation is much more like warehousing criminals today. We let them out too early, unprepared to be back out on the street. In many cases they undertake more crimes and go back into prison. It is a vicious circle. We have left that idea of justice on the table somewhere. That did not make it in the budget. My area has seven federal penitentiaries around it and residents wonder where is the government today? Why do Liberals not pay attention to that?

● (1650)

I am being nice. What I am portraying today is that we stand in the House to debate, fight and name call: "You did it", "He did it", "She did it", "This person went there", "We put millions there", and "We made a deal for billions there". People in my riding are asking, "What is it with you people? You do not understand a damn thing you are doing". They are saying that nothing we are doing is affecting them. They have dirty air. They have far too many drugs. There are too many people getting out of prison everyday ruining their communities. They have the avian flu. They have more hit and run cases than most other countries.

We are not dealing with those things, so is it any wonder why people in communities say that politicians are really kind of useless? That is my opinion. I do not think the government has served us well. I do not think it has addressed the issues in this budget. It certainly has not addressed the issues in this budget that affect my community. It is too bad because all of the people in the community of Abbotsford, British Columbia are good people and deserve better than what they have received.

*Government Orders*

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.):** Mr. Speaker, I appreciate that the member was being nice in his speech, so I will be nice too. I know he is passionate about the drug situation and after I make two quick comments, I will give him an opportunity to elaborate further on that.

The opposition continues to be unaware of the billions of dollars being put into agriculture. I do not know how people expect Conservatives to run the country if they cannot keep up with that. They know we have a whole list of programs being provided to the farmers. It was outlined in question period.

He made a point about Canadian aid and that a particular area he was in did not get one red cent. That is a distinct possibility. I did not hear the area.

In our new foreign policy just announced, we have rationalized aid around the world. Dozens and dozens of wealthy countries cannot give aid to every country in the world. We are actually cutting down on the number of countries, but over the years have increased the amount of aid being given around the world. We are going to increase that even more. It is only fair to outline that.

I have heard the hon. member on a number of prior occasions talk about drugs. If he were the minister responsible at the federal level, what types of actions could we take in that area to improve the situation. I agree with him because I want to improve that situation as well. I know he has thought about it and I would like to hear his thoughts on some of the things that we could do in a constructive manner.

**Mr. Randy White:** Mr. Speaker, the aid I was talking about was for Antigua, Guatemala and surrounding villages. There was not one red Canadian cent there and that is a shame.

Quite possibly, if the government had thought about giving \$1 million or so to an area like that, it could have done a lot of good, instead of giving it to its buddies in Montreal and other places. I look at it in perspective. Why give it to party hacks if it can be given to people who need it? It is embarrassing to be in an AIDS hospice trying to help people who are dying knowing full well that money that could be helping them has gone into somebody else's pocket to make rich people richer. That is my first cutting remark.

Second, money for agriculture is exactly what I was talking about. A government member will stand and say that the government has put millions and billions into agriculture. It did not put it into the avian flu. That was a real problem. Why not do something about it instead of saying it is going to mastermind a whole bunch of other programs?

Finally, what would I do about the drug problem? I would first try a national drug strategy. In that national drug strategy, I would put a minimum number of hours per year into advertising to sink it into our young people's heads that drugs are bad. Second, I would put a lot more effort and money into the education system in this country to make children at a very early age understand the consequences. Third, I would put a lot of money into rehabilitation and detox facilities to get people off drugs. I sure as hell would not put it into injection sites.

When one really gets down to it, our opinions are too far apart to get together, but then who am I? I only work on these things at the street level, which is far away from the government.

• (1655)

**Hon. Sarmite Bulte (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.):** Mr. Speaker, I am pleased to have the opportunity to speak about some of the measures contained in budget 2005.

As the Minister of Finance pointed out in his speech introducing the budget, Canada will record its eighth consecutive surplus in 2004-05, a record unmatched since Confederation. Indeed, Canada will be the only G-7 country to post a total government surplus in that year. Canada's much improved fiscal situation has allowed the government to make significant investments in our country's future.

In this year's budget, we committed substantial new funding for health care, seniors, child care, our cities and communities, the environment, while at the same time providing tax reductions and laying the groundwork for future progress.

I will focus my remarks today on the initiatives in the budget that build on our social foundations, especially the importance of the arts and culture in our society, because this sector is one which allows our country to define us as Canadians.

It should also be noted that the arts and culture form part of the government cities and communities agenda. In fact, the arts and culture are the essence of our cities and communities and they are integral to the safety, vitality and economic prosperity of our cities and communities.

I represent the riding of Parkdale—High Park in Toronto which is home to many of Canada's artists and creators. Indeed, the city of Toronto bears testament for my thesis of the role played by the arts in our cities.

In February of this year, thanks to the advocacy of the greater Toronto area Liberal caucus in supporting the city of Toronto's application, Toronto was named one of the culture capitals of Canada. The culture capital announcement specifically recognized Toronto's ongoing and long term commitment to the arts and cultural sector.

Toronto is a cultural city that truly reflects culture and creativity and showcases the work of professional and local artists of all ages from diverse backgrounds and cultures to successfully blend traditional art forms with the newest technologies.

The influence of the arts is integral to the health and vitality of our cities. Let us not forget that when the Prime Minister became leader the first thing he announced was that the cities agenda would be the government's top priority. He reconfirmed this in the Speech from the Throne where we provided for a GST rebate to municipalities. He went further than that and kept another of his promises to ensure that cities and communities would start sharing part of the gas tax.

*Government Orders*

Budget 2005 also confirmed the government's commitment for art and culture by stabilizing funding for arts and cultural programs in the amount of \$860 million over the next five years. It is the single most important investment by the Government of Canada in arts and culture ever. This investment will ensure that more Canadian artists and creators are able to display their work to audiences at home and abroad.

Specifically, for those people who may have forgotten what is in the budget, budget 2005 committed the following: \$5 million per year over five years to enhance the multiculturalism program; \$10 million per year over five years to the celebrate the Canada program for community based events and activities that offer Canadians the opportunity to share their pride in our country; \$56 million over the next five years for the implementation of a Canada for all Canadians action plan against racism; \$25 million over the next three years for commemorative and educational initiatives to highlight the contribution that ethnocultural groups have made to Canadian society and to help build a better understanding among all Canadians; and one of my favourites, \$60 million to CBC Radio-Canada in 2005-06 to help ensure high quality programming; \$5 million for the aboriginal languages initiative; and \$45 million in 2005-06 for the centre for research and information on Canada.

● (1700)

I want to underline that the CBC will receive \$60 million for 2005-06 for Canadian programming. I can assure members that we will continue to press for additional funding for the nation's public broadcaster so that it can continue to provide quality programs in all parts of the country.

I am also delighted to announce that the CBC's budget will not be reduced as a result of the government-wide expenditure review allocation exercise.

At this time I would like to remind Canadians that when we started this Parliament the Prime Minister announced that he wanted all departments to look for ways to become more effective and to look at what we could do to reduce expenditures.

Well, we looked and we found a \$12 billion saving, which was headed by the Minister of Revenue, to ensure we were more efficient and more accountable to Canadians. I am also pleased to say that in light of this government's commitment to the arts and culture and how integral it is to our communities, not one heritage portfolio was subject to expenditure review. That is a testament to this government's commitment to the arts and culture and to our communities.

One of the biggest programs, as I said, is the renewal of Tomorrow Starts Today, a renewal advocated by arts organizations across Canada and with a new ally I might add, the Federation of Canadian Municipalities, because it, too, understands the important role that the arts and culture play in our communities and cities.

Let me just go through what those initiatives under Tomorrow Starts Today are and what would be lost if this budget does not pass.

First, we have the cultural capitals of Canada program that recognizes the excellence of municipal work in supporting special activities that celebrate arts and culture and their integration into community planning.

We also have the cultural spaces Canada program. I will bet there is not one member in this House whose community has not benefited from this. This is a program that helps to improve the physical conditions that enable artistic creativity and innovation and helps ensure greater access to the arts and heritage by all Canadians.

The arts presentation Canada program is comprised of five components that aim to strengthen organizational effectiveness and to build capacity in arts and heritage organizations so that funding our arts is no longer seen as a black hole. We are ensuring their sustainability because they are important to our society and our economy.

The Canadian arts and heritage sustainability program is comprised of five components that aim to strengthen organizational effectiveness and to build capacity in arts and heritage organizations.

The national arts training contribution program supports Canadian organizations specializing in professional artistic training, such as the National Theatre School in Montreal and, one of my favourites, the National Ballet School of Canada in Toronto.

An increase in parliamentary appropriations has allowed the Canada Council for the Arts to support new areas, to enhance grants and improve the international presence and national profile of Canadian artists. In 2007, the Canada Council for the Arts will be celebrating its 50th anniversary.

A new initiative and a very innovative one called the Canadian cultural online initiative provides funding for programs that focus on making Canadian content, in both official languages, readily available on the Internet, contributing to a better understanding of Canada and its rich diversity. It has five sub-initiatives, which include the virtual Museum of Canada, the Canadian Cultural Observatory and the Aboriginal Canada Portal.

I would like to share with members that last Thursday night when I went back to my riding I attended the 10th anniversary of the Centre for Contemporary Canadian Art which received funding under this program. The Centre for Contemporary Canadian Art, through its Canadian art database, offers the opportunity to view the works of close to 500 Canadian artists. It is a great program and it is a great success.

Another initiative concerns the music industry which I think is very important because it is one of our greatest successes. We define ourselves through our artists.

● (1705)

We also have the renewal of the Canadian music fund, which FACTOR is part of. FACTOR is the Foundation to Assist Canadian Talent on Records, which is a private non-profit organization dedicated to providing assistance to the growth and development of Canadian independent recording industries.

*Government Orders*

When this funding was threatened, FACTOR initiated the save Canadian music lobby. It was successful in the fact that it was rescued in the budget. At the Junos, Heather Ostertag, the president of FACTOR, stood and thanked the minister and the government for their acknowledgement of the importance that our Canadian musicians and songwriters play. I hope Heather's thanks were not in vain.

In an increasingly integrated North American and a global environment, artists, creators and cultural industries help Canadians make their voices heard and assert their perspectives on the world in which we live. I am glad to have been part of this government that will continue to ensure that our artists and creators are heard, not only in Canada but around the world.

**Mr. Myron Thompson (Wild Rose, CPC):** Mr. Speaker, I can appreciate the member's passion for the arts. Being an old educator for many years, I understand the importance of arts and education.

One thing I think the member should likewise understand is that a number of people, particularly in rural areas, cannot afford to take in certain events any more because they are destitute and are going broke due to poor agricultural policies and no assistance.

However I want to get away from all of that. I am still looking for a Liberal to give me an answer on this. Think of these names: Gleichen, Standard, Hussar, Beiseker, Acme, Kathryn, Linden, Thornton, Caroline, Bowden, Westward Ho, Water Valley and a bunch more. These are all communities with populations under 1,000, many under 500 and most of them between 100 and 300. This is the area where I live. In addition to that there are thousands of farms. In these populations there are thousands of kids. People love families and love raising children.

Then I see this multi-billion dollar universal day care program. I am waiting for some Liberal to explain to me how these people who live in these areas, away from the big populations, other than paying out of their pockets through taxes for this multi-billion dollar program, are going to benefit in regard to raising their children, where they have to rely on family members, friends and churches. There is no funding to them for their assistance. Instead the Liberals are going to take money out of their pockets to fund all of these big programs in the major populated areas.

Could the member explain to me what the benefit will be of this program for the farmers in my area other than that the government will collect taxes to put into other programs? Why do they not leave the money in the pockets of families so they can do some things with their children?

**Hon. Sarmite Bulte:** Mr. Speaker, I am the mother of three children so I know how important child care is. I was a working mom and I wish I would have had the benefit of a lot of the things the government has committed to providing under the national child care program.

The member is in error when he thinks this will only help large communities. We are trying to help families by providing quality, universality, accessibility and development for our children. I know that across Canada, each province will be able to negotiate their agreement with the federal government. There is not one solution that fits all but this is a beginning. It will provide for those families who are not able to afford nannies or professional day care or have

the ability to have someone look after their children. This tries to put people on an equal footing.

I am so proud of this women's caucus and their input into this day care program because we have ensured that we are not going to have large American corporations come here and deliver child care the American way. We are going to ensure that child care is delivered by community organizations and that is where communities will have a say.

I applaud the government and all of my colleagues in the women's caucus who have worked long on this file, well before I came here in 1997, to finally make a national child care program a reality.

• (1710)

[*Translation*]

**Mr. Christian Simard (Beauport—Limoilou, BQ):** Mr. Speaker, I am pleased to speak today to Bills C-43 and C-48, in short on the implementation of the budget.

A budget is a government's most important political statement. Beyond rhetoric and hollow speeches, choices are made. In its budget, this government illustrates all of its duplicity. It is a government we cannot support. We cannot place any confidence in its main political statement, born of torment, in the context of a party that gave rise to this government and that, to fund itself, resorted to vile methods. Certain members and ministers, former and current, have been involved to varying degrees in this scandal.

Here, it is a question of ethics. This budget, like the government and party that created it, is not ethical. People need to believe in values and integrity. How can anyone believe in this government?

On February 23, the government presented Bill C-43, a rather conservative budget, with a view to pleasing the Conservatives so they would stay in their seats and pass it. So, an investment of \$13 billion will be made in national defence, but no provision was made for social housing, there was nothing for Quebec, nothing to resolve the fiscal imbalance, nothing for employment insurance. If they are dividing the opposition in order to rule, they are succeeding.

But that is not enough. What are they doing? They change strategy to shift slightly left. They promise bits and pieces to the left and others to the right. The government has lost its bearings, its will, its vision and its principles. It is motivated solely by the desire to remain in power and spend money as it likes. These two budgets are the stuff of future scandals and inquiries.

In fact, we cannot expect results in response to essential needs. Furthermore, it is impossible to know what this government values. Does it value the military exclusively and has it adopted almost identical values to those held by the United States, as the February 23 budget shows, or is this a mishmash of social values, like the measures the NDP threatened and begged for before offering its support to a government it has called corrupt?

*Government Orders*

This attempt, through Bill C-48, to please the NDP and purchase a kind of political virginity, to make people forget about the scandals staining this government, is evidence of its true face, its wastefulness and its lack of both rigour and will to meet the public's essential needs. Instead, it is trying to hold onto power by any means.

Even this morning's upset, when the government announced that it was changing the Minister of Human Resources and Skills Development for the third time, shows just how much this government really wants to help human resources and resolve the problems with EI. In less than one year, three different ministers have headed that department. What will the new minister, know for her leftist leanings, do at Human Resources? Once again, this government has no direction or principles.

Recently, we learned of the government's interest in Darfur. Once again, it is an attempt to buy an independent member, without consulting the Organization of African Unity or even the new Senator Roméo Dallaire, who is himself criticizing the government's position on this.

So this budget comes from an immoral government of cheaters. This budget is unethical, it lacks direction and tries to please everyone. It is not a respectable budget and it will not get any respect. Already, there is no respect for the agreement reached with the NDP, since the tax cuts are going ahead despite promises to the NDP.

What will happen with social housing tomorrow morning, when things calm down? The government had a \$3.4 billion surplus at CMHC that will increase to \$7 billion by 2008, if nothing changes. It has not done anything in the past 12 months. Now, it is promising to act, but it is resorting to blackmail. It is telling people that if they do not vote in favour of the budget on Thursday, they will get nothing.

Where is this government's heart? Where are its convictions? It is travelling around the Rockies, in the east and west, and threatening people that they will get nothing if they do not vote for the Liberal Party and the budget.

• (1715)

This is a government of petty shakedown artists. Do people want to stick with that, and to vote to keep them in office? One Montreal area MP has even said "Hold your noses but vote for us anyway, despite the bad smell, despite our disgusting politics".

Even in connection with the Kyoto protocol, there is an announcement of \$10 billion for the next 8 years. This is just one more scandal. They do not want to change the orientation of Canadian industry. They do not want to decrease our dependence on non-renewable energy sources.

All they want to do with this budget is to look as if they are doing so. This government is very big on empty show. This government looks pretty foolish with its two budgets heading in two different directions, desperately scrambling to hold on to power. They are like pallid vampires trying to find a vein. This is disgraceful behaviour.

The people watching us are entitled to ask questions. They need to know what is going on. Can anyone trust a government that changes its policy statements—the most important of these being the budget—as often as it changes its shirt? Can anyone trust a government that

promises to do something about climate change but does nothing whatsoever to force the oil and gas industry to make changes, or to reorient any sector of our economy?

People feel that climate change is important. Yet the Kyoto protocol is not about \$10 billion of baloney, of voluntary measures and the like. It is not a matter of encouraging polluters, not polluter-paid. People need to believe in values and actions, and not in announcements made just to buy some time, or in budgets created just to hold on to power, come what may.

As for this budget, and this approach to international aid, even Bono, the Prime Minister's singer friend, is ashamed to see a country as rich as ours unable to set a goal of investing 0.7% of GDP in international aid. These are also values. If there are three or four votes to be bought before Thursday, perhaps they will throw in that 0.7%, or maybe they will cut down the figure. If they want to win the vote of some ultra-rightist Conservative MP, maybe they will cut international aid.

Just how far are they prepared to go? How far are they prepared to go with concealment and corruption?

It is a government without the morality to govern or to manage public funds appropriately. It is unbelievable. It is rolling in surpluses. By giving \$1.6 billion for housing without resolving the fiscal imbalance, it is creating poverty.

It does not have money to invest in the provinces, like Quebec, for education. Nor does it have money for the health care system either. It has no money to address poverty effectively and it says it will invest a little in social housing. In addition, it has not resolved anything when it comes to employment insurance.

Contradictory measures still exist. These are measures we cannot rely on and for which there is no timeframe. It is still a petty shakedown. If we read Bill C-48 carefully, we see that something might be done provided there is an adequate surplus—at most. However, tomorrow morning, they could change their minds. It all depends on what direction the wind is blowing for this party.

I predict this party will fall apart, since it no longer has morality or ethics. We cannot trust any of its policies. It does not know how to manage public funds, it is swimming in billions of dollars, it finances its friends and abandons individuals in the provinces and Quebec. It is vengeful, does not settle anything and does not even understand the concept of the fiscal imbalance.

It is a government without governance. It is a government without direction. It is a government that is headed straight for a loss. We will be able to say the government earned that loss, that it did not steal it—which may be the only thing this government will not have stolen at the end of the day.

• (1720)

[English]

**Mr. Roger Valley (Kenora, Lib.):** Madam Speaker, I thank the House for the opportunity to speak in support of the 2005 budget implementation act. The theme of the bill is delivering on commitments. That is what the budget would do as we try to pass it.

*Government Orders*

These commitments have been designed not only to face the challenges within our nation's borders, but to meet global pressures and to support the ever increasing ambition of our nation and our people.

As the only G-7 country to post total surpluses in each of the past three years and the only nation expected to continue to be in surplus again in 2005-06, the government's sound fiscal management model offers a rock solid basis upon which these future commitments can be delivered.

Canadians expect nothing less, so we have decided to respond to such high expectations with an ambitious program promoting a marked increase in our overall quality of life 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 in our communities; and reinforcing Canada's role abroad.

The proposals contained in the bill will take major steps to deliver on all these commitments. What my opposition colleagues miss, however, is that the budget is an interrelated road map for sustained improvements to the quality of life for Canadians and not some à la carte menu with no relationship between one item or another.

The days when fiscal, social and foreign challenges facing Canada could be addressed by our government in isolation are over. The approach underlying the budget reflects this new reality. Unfortunately, our friends across from us, as they have on so many occasions, are clearly stuck in the past. I will give a few examples.

During the election last summer, barely nine months ago, the government committed to implementing the new deal for Canada's cities and communities. Canadians elected us so we could fulfill that promise, among others.

In particular, mayors and municipal councillors from across the country held forth in 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 of a way to provide for them before.

First, there is long term, stable and predictable financing. I spent nine years in municipal government. Always one of the complaints we had was the need for stable and predictable financing. This is something we will achieve.

Second is development of new working relationships between federal, provincial and municipal governments with a view to developing better long term strategies with a view to 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 from 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 among all three levels of government to begin to think about how best to move forward together.

While no order of government can be responsible for meeting these challenges alone, what has the government been able to deliver in response in less than 18 months?

In budget 2004 a GST rebate went to every municipality in the 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 each municipality for any priority it may wish. It is stable, long term and predictable financing. This is one of the issues back in my own riding. We constantly have to remember that this is new money for the municipalities. It is something on which they can count. It is something with which they can plan. It is something that is helping them to move some of their budget issues forward and take some of the burden off the local taxpayer.

Budget 2005 was a fulfillment of our pledge made during the last election, to provide 5¢ of gas tax revenue 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. It is targeted toward environmentally sustainable municipal infrastructure such as public transit, water, waste water treatment and community energy systems.

● (1725)

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 more than \$30 billion in total investments 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 of this means that the government has crafted a strategy for helping municipalities gain stable, predictable, long term funding, to the tune of \$22 billion over 10 years.

However, it is not just about the money. The funding must be accompanied by new partnerships and 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. 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.

In my own riding we had the convention of the Northern Ontario Municipal Association, or NOMA, with mayors from across the great north of Ontario. They had the opportunity to have a lengthy discussion with the Prime Minister on some of their needs and concerns. This organization has been in existence for 59 years and had never had that opportunity. The Prime Minister came to the city of Kenora, took the time to listen to their concerns and made sure that the municipal mayors and councillors were heard.



*Private Members' Business***PRIVATE MEMBERS' BUSINESS***[English]***CRIMINAL CODE**

**Mr. Mark Warawa (Langley, CPC)** moved that Bill C-293, an act to amend the Criminal Code (theft of a motor vehicle), be read the second time and referred to a committee.

He said: Madam Speaker, it is an exciting day for me in being able to have this debate on Bill C-293. I would like to thank my colleague from Wild Rose, Alberta, a good friend and a good Canadian. What we want to do is provide protection for Canadians. That is what this bill would do. The purpose of the bill is to provide direction to the courts regarding sentencing for the offence of theft of a motor vehicle.

Bill C-293 would amend the Criminal Code to provide for minimum sentencing and for fines and/or imprisonment for every person convicted of theft of a motor vehicle a first, second and subsequent time.

The bill provides for minimum sentencing whether the offence is prosecuted by indictment or punishable by summary conviction. The sentence for a first conviction would be three months of incarceration or a \$1,000 fine or both. The sentence for a second conviction would be a minimum sentence of six months' incarceration or a \$5,000 fine or both. All subsequent convictions would have a minimum sentence of one year of incarceration or a fine of \$10,000 or both.

Auto crime is a big problem in Canada and in fact in North America. This year, like last, approximately 200,000 vehicles will be stolen, at a cost of \$1 billion to Canadians. That is unacceptable.

A study that came out a year ago, and which was consistent with previous studies, indicated that the typical auto thief is not somebody out joyriding. Rather, he is a 27 year old male, addicted to drugs, who has 10 prior criminal convictions, not charges but convictions, and is stealing a vehicle to commit another crime.

These people are dangerous. There are tragic stories that go along with this and they are not about just the theft of a vehicle. As I said, the people stealing these vehicles are dangerous. Thirty-five people will die this year due to auto thieves driving stolen vehicles. I have some sad stories to share with the House to give us some examples of what is happening out there.

A couple of months ago in Maple Ridge, a driver who dragged a gas station attendant seven kilometres to his death under a stolen vehicle confessed to a friend that he had killed the man. Said a friend, "Somebody jumped in front of him and he kept going, he ran over him...he could hear the guy screaming under the car". A 16 year old Maple Ridge youth and a 15 year old Pitt Meadows youth were arrested regarding this.

Grant DePatie died on the graveyard shift trying to prevent this auto thief from leaving without paying for gas worth \$12.30. That young man stole the vehicle, then went to a gas station and stole some gas. The story goes on: "A trail of blood and flesh led from near the Maple Ridge gas station to the spot where DePatie's body was found".

That is why the finance minister met with another group of mayors from across Canada in formal prebudget consultations. That is why provincial and territorial ministerial counterparts came together in November. That is why we will continue to meet with elected and other municipal stakeholders from communities across Canada, large and small, as they advocate for a place at the cabinet table, all this of course being entirely respectful of provincial jurisdictions.

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 everyone of some of the reactions shortly after the budget was delivered. They will surely pay a price for changing their minds and rescinding their support.

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 and has been listening".

The mayor of London, Ontario, said, "Fantastic for municipalities".

The mayor of Saguenay considered it "a real godsend".

It is clear that mayors from across the country, of cities and towns large and small, respect this agreement and look forward to the budget being implemented and getting value for the taxpayers and their citizens.

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, their party 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.

In fact, who knows what they could come out with next, whether it is a further commitment to reducing the fiscal tools and productive relationships or a flip-flop.

Finally, I encourage all forward thinking MPs in the House to support this bill and support the mayors and councillors and places where Canadians live.

• (1730)

**The Acting Speaker (Hon. Jean Augustine):** It being 5:30 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

*Private Members' Business*

What kind of person could do that? He must have had absolutely no conscience. Whoever did that needs to be put away. That happened just a couple of months ago in Maple Ridge.

I have another tragic story, this one about a youth pastor who was killed by an auto thief in Richmond, British Columbia. The driver of the stolen SUV involved in the fatal accident in Richmond had an extensive criminal record, according to court records. Joseph Chan, a 32 year old Coquitlam man, was killed. He was a musician, a gifted pianist, and a pastor to young people.

• (1735)

Auto theft is a serious problem. The police, insurance companies and governments have been working on solutions. Different organizations and task forces look at the three Es, enforcement, education and engineering, to try to solve problems like this.

On education, the insurance companies have been trying to educate people on how to protect their vehicles and keep them from being stolen. They work with the police. They have town hall meetings. Through community policing offices across the country, they hand out brochures. Insurance offices hand out brochures when people renew their insurance policies. The brochures tell people how to protect themselves from auto theft.

One way we can protect ourselves is through engineering. The companies encourage people to use an immobilizer, an electronic device that makes it very difficult to steal a vehicle. It can be installed after market if the vehicle does not have it, but about 65% of the new vehicles come with an immobilizer as standard equipment. As of 2007, it will be standard equipment. That is good news.

We have looked at education and engineering. Now let us look at the enforcement aspect. We need to have enforcement to solve the problem. We are finding that people are trying to protect themselves from auto theft. They do not want to have their vehicle stolen. When they go out to get their car in the morning to go to a doctor's appointment or take their kids to school or go to work, that car should be there. It is their car and they have locked it up, but someone has stolen that vehicle and is using it for another crime, putting our communities at risk.

We have all kinds of groups and programs trying to stop this. Another program I forgot to mention until now is the bait car program. The police set up specially equipped cars in areas where they know a lot of cars are being stolen, mostly in urban areas. When people go to sleep at night they expect their car to be there in the morning, so the police are putting out these bait cars. The police are doing what they can to stop this, including, as I mentioned, education and engineering.

The enforcement component is that the police are trying to catch them and a lot of them are being caught, but the frustrating part is that when they are caught, taken to jail and found guilty, they commonly get probation. They are told to keep the peace and not to steal any more cars.

If they get caught a second time, it is breach of probation. What are they going to get for breach of probation? They are going to get probation. These people are released back into the community to steal another car. They get caught again. They get probation for

breach of probation and now this is the third time. Let us say that this time they were involved in a crash and may have killed or seriously injured someone. What do they get? They get probation for breaching their probation.

This is unacceptable. People are dying. People are being injured. There is a criminal element, a small group of people, creating the problem.

What do we need? We need to have direction from the House to the courts that this is a serious problem, not just a property offence. It is a very serious offence that is taking valuable and wonderful Canadian lives, leaving in its wake people who are hurting and lives that are destroyed. As a Parliament, we need to take on our responsibility and give direction to the courts.

How do we do that? We need deterrents. The courts also need direction. As for probation for stealing cars time after time, people charged with the theft of a motor vehicle have gone to court, come out and got into a car, which the police then check. Sure enough, they have come to court in a stolen vehicle. This is very common. They laugh at us.

We need to get tough. We need to give direction to the courts that this is a serious matter. Canadians need to be protected. We need to have minimum sentencing. I do acknowledge that we have to honour and respect the courts, but they need direction and they need to be informed about how serious this problem is.

• (1740)

A year ago, Justice Wally Opal was one of the panellists at an auto crime forum. He shared with us that these people had drug addictions and he had no place to send them. He could not send them to detox and rehab because those facilities were not available. He could not send them to jail because the federal government had instructed the courts not to send these types of people to jail. He had no other choice but to release them back into the community. That needs to change. We need to give the direction to the courts, not Liberal soft on crime direction but strong direction to support the safety of our communities that there has to be a consequence.

I want to give the courts the discretion for minimizing sentencing. Minimum sentencing is a fine or a jail sentence or both on the first offence. We need to look at detox and rehab. I support that. If people have drug addictions which fuels auto crime and break and enters into homes, then they need to deal with their addiction. Those types of facilities and options have to be available to the courts. If people continue living the lifestyle of stealing from people's homes, seriously injuring them and baiting police officers into high speed chases, there has to be a consequence. A second offence has more severe consequences.

Canadians are counting on the government to protect them. They are doing everything they can to protect their vehicles. They lock them in safe areas, they remove valuables from their vehicles and they even have immobilizers. If their vehicles are stolen, we need to provide direction to the courts.

*Private Members' Business*

I am flexible. I have met with many of the members to get input. A good compromise and a good step in the right direction is that there will be a consequence and it is progressive. The more times a person steals a car, the more serious the offence. Canadians want that. For a first offence, the sentence would be three months, or a \$1,000 fine or both. For a second offence, it would be six months, or a \$5,000 fine or both. All subsequent convictions would be a minimum of one year, or a \$10,000 fine or both.

When I have made presentations in the community, I ask people if they have been victims of auto theft. At least half the people have had it happen either to them personally or to one of their family members. It is all too common. We need to provide a deterrent and I believe Bill C-293 will provide that direction and deterrent.

**Hon. Paul Harold Macklin (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.):** Madam Speaker, I do not think there is any doubt everyone agrees that car theft is a problem that needs to be addressed.

The hon. member talks about messaging and I think it is very important that messaging exist. Right now theft over \$5,000 carries a maximum penalty of 10 years. What sort of messaging is being sent when his conviction by indictment would have a maximum penalty of five years, in other words, cutting the maximum penalty in half?

• (1745)

**Mr. Mark Warawa:** Madam Speaker, when people steal cars, they do not look at the value of the car. They do not steal a car because they think it is nice and it has shiny wheels. They look through neighbourhoods or shopping centres for cars that are easy to steal. They do not look at the value of the vehicle. We need to take this seriously. We need to protect Canadians.

The member asked about whether minimum sentencing was adequate and what was the messaging. The messaging we need to have is it will not be tolerated any more. We have a reputation of being soft on crime. Whether it is drugs, auto theft, breaking into homes or rape, we have a reputation of being soft on crime and we need to provide minimum sentencing.

The hon. member I think has interpreted what I have said as meaning this is what the sentence should be. That is not what I said. I am saying that probation is not an adequate minimum. It is not protecting Canadians. A repeat offender needs to be locked up for the protection of our communities. The message needs to be that there will be a price to pay for breaking into somebody's home, or stealing a car or causing havoc in our communities. Minimum sentencing means it could be more.

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Madam Speaker, I must say it will be my pleasure to speak later this evening in support of this private member's bill. I just want to say one thing and I will add to it when I make my presentation later on.

I come from Saskatchewan. My home town is Regina Beach. I used to live in Regina. Regina is currently, and has been for several years, the stolen car capital of Canada. The per capita car theft in Regina is higher than any other major centre in Canada, so I am very familiar with the destruction and the problems with which car theft is associated in the community.

I applaud the member for bringing forward the bill. One thing we have seen, and it has been demonstrated quite clearly in Saskatchewan, is that when possible, the Saskatchewan government insurance is able to add a deterrent on to the driver's licence of any car thieves. In some cases and some cases only, the provincial government insurance is able to put the cost of the victim's deductible on to the driver's licence of the perpetrator. It has been demonstrated that we have driven down car thefts in Regina by that very small deterrent. The member is talking about a far larger deterrent and I am here to illustrate that in Saskatchewan, deterrents work.

I would applaud the member for bringing the bill forward. I do not really have a question, it is a comment that I think this is the right approach. Does the member want to respond to that?

**Mr. Mark Warawa:** Madam Speaker, I believe deterrents work.

My son had his car broken into. The person was caught, but there was no consequence other than for him to keep the peace. The person got probation, which is a typical sentencing. However, my son had to pay \$100 deductible. He was in his twenties at the time and did not have a lot of money. He was going to college, but he had to pay the \$100. Why did the auto thief who broke into his car and stole his stuff not have to pay the deductible?

I agree there has to be a consequence, and right now there is not.

**Hon. Paul Harold Macklin (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.):** Madam Speaker, I rise to speak today to Bill C-293, an act to amend the Criminal Code, theft of a motor vehicle, introduced by the hon. member for Langley.

In summary, Bill C-293 would amend the Criminal Code to provide that everyone who commits theft of a motor vehicle is liable to a mandatory minimum penalty on the first offence of \$1,000, or imprisonment for three months or both. On the second offence the minimum penalties would be raised to \$5,000 as a fine, or imprisonment for six months or both. On subsequent offences, the offender would be liable to a minimum punishment of a \$10,000 fine, or imprisonment of one year or both.

Bill C-293 would also provide that where the offence is prosecuted by way of indictment, there would be a five year maximum term of imprisonment and where the offence is prosecuted by way of summary conviction, there would be a two year maximum term of imprisonment.

I would agree with my hon. colleague that auto theft is a serious issue for all Canadians. Having said that, I am not convinced that the manner in which it is addressed in Bill C-293 is the best way to deal with the problem. I therefore cannot support the bill in its present form.

*Private Members' Business*

To begin with, there are numerous offences in the Criminal Code to address theft of a motor vehicle. These offences include the general theft and fraud provisions carrying a maximum jail term of 10 and 14 years respectively on indictment. Furthermore, offenders who commit what is commonly known as joyriding may be charged with the offence of taking a motor vehicle without consent. This offence carries a maximum term of six months imprisonment, or a fine of \$2,000 or both.

Additionally, a person in possession of a stolen motor vehicle may be charged with possession of stolen property as a crime. Where the value of the motor vehicle exceeds \$5,000, the maximum offence, as I just mentioned earlier in a question, is a penalty of 10 years' imprisonment.

All too often, some offenders take it upon themselves to flee from law enforcement in stolen vehicles, often at very high rates of speed. If this occurs and no one is injured, the offender may be charged with the offence of flight from a peace officer and this offence carries a maximum term of five years of imprisonment. Where flight results in a death, then the offender is criminally liable to a term of life imprisonment for this terrible crime. This type of behaviour cannot be tolerated and I believe that the available sentence for this crime delivers a strong message.

In some motor vehicle thefts, the offender may cause significant danger to the public through the manner in which they drive the stolen vehicle. In this regard, if dangerous operation of a motor vehicle occurs, the Criminal Code provides that where a person is injured, the offender is liable to 10 years' imprisonment. Further, if this dangerous operation results in a death, then the offender would be liable to a maximum jail term of 14 years.

Similarly, if the circumstances surrounding the theft result in criminal negligence causing death, those convicted are subject to a penalty of life imprisonment, the most serious sentence in the Criminal Code.

We must also recognize that the theft of automobiles is sometimes undertaken in a systematic manner by organized crime. In this regard the Criminal Code provides a number of additional tools that can apply when auto theft is committed for the benefit of, at the direction of or in association with a criminal organization. These additional tools provide for the possibility of consecutive sentencing and reduced parole eligibility.

Therefore, it is clear there are numerous offences covering the range of behaviour, each carrying significant penalties including life imprisonment, which can be used to tackle the incidents of motor vehicle theft in Canada.

I would now like to outline the policy deficiencies which, in my view, are present in Bill C-293. This private member's bill provides for mandatory minimum sentences for first, second and subsequent offences.

● (1750)

As we are well aware, Canada uses mandatory minimum sentences with restraint, preferring an individualized sentencing approach that gives the court the discretion to fashion a sentence that is proportionate to the gravity of the offence and the conduct of the offender, considering also any aggravating or mitigating factors.

Therefore, the use of mandatory minimum sentences, as found in Bill C-293, could be contrary to the established Canadian sentencing principles, such as proportionality and restraint in the use of imprisonment. In addition to mandatory minimum penalties, Bill C-293 would provide for a maximum term of imprisonment of two years when the offence is prosecuted by way of summary conviction.

Currently, the highest maximum penalty for a summary conviction offence under the Criminal Code is 18 months imprisonment, which is usually for offences involving sexual assault and the infliction of bodily harm.

Therefore, a two year maximum for the theft of a motor vehicle would provide this offence with the highest summary conviction penalty in the Criminal Code and would represent a stark departure from the current sentencing regime in Canadian criminal law. Furthermore, Bill C-293 would also reduce the maximum punishment available for someone who commits motor vehicle theft.

The most frequent charge in vehicle theft cases is theft over \$5,000. The punishment for this offence is up to 10 years imprisonment on indictment. Under Bill C-293, a person committing a theft of a motor vehicle would only be liable to a maximum of five years imprisonment.

In other words, there is a serious inconsistency here in saying that auto theft is such a serious offence that it requires the use of mandatory minimum penalties but, at the same time, Bill C-293 would cut the maximum term of imprisonment for its commission in half.

As I have indicated at the outset of my remarks, I would agree with the hon. member for Langley that theft of vehicles is a serious issue. Auto theft appears, at first blush, to be single faceted, although further analysis would show that the problem is quite complex. It comprises a multitude of crimes and underlying motives, including the involvement of members of criminal organizations.

To this end, it is important that we ensure our laws are being used to their fullest potential in addressing the criminal behaviour and whether in fact there are gaps in existing legislation which need to be filled.

In this regard, in January, at the meeting of the federal, provincial and territorial ministers responsible for justice, ministers discussed motor vehicle theft and the need to ensure that appropriate penalties are in place to target those who steal vehicles and recklessly threaten the lives of others.

As a result of this meeting, all ministers agreed to have their officials collectively study motor vehicle theft to determine whether a separate indictable offence is needed and whether increased penalties would be appropriate to reflect the seriousness of the crime.

Provincial involvement in the assessment and crafting the tools to tackle this form of crime is very important. We should ensure that this federal, provincial and territorial process is allowed sufficient opportunity to properly consider the underlying issue.

Finally, education, community programming and crime prevention should also play an essential role in combating the incidence of motor vehicle theft. These tools are an important element in fully responding to the criminal behaviour in Canada.

We agree with the hon. member that this is a very important matter that needs to be debated and discussed. Hopefully, through the federal, provincial and territorial ministers, and debate in this House, we will find what is necessary to better assist us in dealing with this problem of motor vehicle theft. However, today I believe that the hon. member's bill, although well-intentioned, does not meet that threshold.

• (1755)

[*Translation*]

**Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ):** Madam Speaker, rather like the speaker before me, the member for Northumberland—Quinte West, I have a hard time linking the aim of this bill and the methods it employs. I do not know the member for Langley's experience in criminal law, but he made a number of surprising statements.

First, the fine to be imposed for an initial offence is \$1,000 or three months in prison, but not both. In the case of a second offence, the fine is \$5,000 and for a third, it is \$10,000. Is it really such a good idea to tell the judge the matter is to be resolved by fines?

I do not know who prepared that composite sketch of a car thief. I have had 27 years in the practice of criminal law, and I can say that the individuals involved in car theft vary considerably. They can be organized groups that get hold of cars, dismantle them and sell the parts. Then there is a real problem that must be dealt with in Montreal, Vancouver and near the major ports, where individuals slip luxury cars quickly into containers and sell them outside the country. The problem is many-faceted. There are also many young people who steal cars, young men, in particular. Men and women are equal, but young men are more attracted or fascinated by cars and are keen to drive them. That is another motivation.

What message is sent with the establishment of minimum fines and the reduction of the maximum sentence? That is what the bill does. Today, there are few cars costing less than \$5,000. The maximum sentence for stealing a car worth over \$5,000 is 10 years.

Must we explain to the hon. member the reasoning used by the appeal courts on the severity of crimes? Appeal courts have always held that this was the legislator's responsibility and the legislator's decision is based on the maximum sentence allocated to a specific type of crime. The hon. member says this is a serious crime, but wants to decrease the maximum sentence. So he sends the message to the legislator that it is only half as serious. I am absolutely certain that is not his intent, but that is objectively what he is doing within the current sentencing philosophy in Canada.

He then seems to move on to some magical thinking. He says that we are very soft in Canada. How can he say such a thing? What would give him an idea of the severity with which we impose

### *Private Members' Business*

sentences in Canada? If I were to give the number of people imprisoned in Canada, compared to our total population, and compared that to the ratio in other countries, would that give a good idea of how harsh our country is compared to others?

I would like you to know that, according to the most recent statistics, Canada is not one of the harshest countries in the world. We have 101 people in prison per 100,000 population. That is higher than the figure for the EU, which is 87, and France, 77. Do we really feel less safe if we are in France? There is one other possible question: do we really feel safer in the U.S. than in Canada? Their figure is 689 per 100,000 population. They have even managed to beat out Russia, where there are 673 people in prison per 100,000 population.

• (1800)

Canadians feel less secure in the United States. They are mistaken, except on one point. The fact is that the rate of homicides in the United States is significantly higher than it is in Canada. In my opinion, it is due much more to arms control—which we had already in part and now have completely—than to incarceration.

In addition, one of the countries where people are safer and where fewer cars are stolen is Japan. There, 50 people per 100,000 inhabitants are in jail, therefore, half of Canada's figure.

I think these are false impressions, but I understand them. Over the years, I have worked in criminal law as a crown prosecutor and defence counsel. I know full well that, fundamentally, the public is very badly informed about crime. For example, we all have the impression that crime is on the rise, generally. According to the statistics, however, it is decreasing.

I wanted to speak of another criterion, that of the minimum sentence which will reduce offences. Here again, if I mentioned a minimum of seven years' imprisonment, would you not consider this a significant minimum with the potential to discourage people from doing the illegal act it sanctions? Consider that, when I first started practising law, I had never heard of marijuana. It was not mentioned. That gives you an idea of my age. I was called to the bar in 1966. I learned about marijuana in the course of my duties as a lawyer. By the end of the 1960s, beginning of the 1970s, marijuana had spread in Canada. Still, no plant grown in Canada was fit to be consumed. So everything came from outside the country. The minimum sentence for importing marijuana was seven years.

First, people are not aware there are minimum sentences. Even I, a criminal lawyer, would have trouble naming the 30-odd minimum sentences in the Criminal Code. So, people are not aware of them. Crimes are committed for completely different motives. Reasonable people are discouraged by harsh legislation, but they are rarely if ever the ones committing crimes. People would commit such crimes if there were no laws at all. Reasonable people are not the ones committing crimes. Crimes are impulsive actions committed by certain segments of the population.

*Private Members' Business*

One of these days, I will tell the House about the inquiries I conducted as the Quebec minister of public safety and responsible for Quebec prisons. These inquiries focussed on the kind of people in prison. Their past is a major factor. So, it is a fantasy to believe that minimum sentences work.

The other example that should convince the House is the death penalty. This is the most radical sentence there is, right? It was the penalty for murder. Since Canada abolished the death penalty, has the homicide rate increased? No, it has decreased. So there are other factors involved.

My final example is appropriate, because it goes in the other direction. There are mandatory minimum sentences for repeat drinking-and-driving offences. These minimum sentences have not changed in 15 years. The legislation has not been tightened. Yet, in 15 years, we have made remarkable progress in lowering the number of drinking-and-driving offences. How? Through increased enforcement, in particular, and education.

Teenagers are a good example. When they have a party, they are responsible enough to choose a designated driver. When I was a teenager, this was unheard of. So education and other means have reduced the number of offences.

The member raised an important issue. Auto theft is not important solely when it is a crime committed by young people, but also when it is also committed by organized crime. However, as the member for Northumberland—Quinte West explained so clearly, there are numerous sentences prescribed for the terrible and very serious cases he described involving fatal hit-and-runs.

This is a good bill, but these are terrible ways to attack the problem.

• (1805)

**Mr. Joe Comartin (Windsor—Tecumseh, NDP):** Madam Speaker, I can only repeat what the Bloc member said, but I will do so in my own words.

• (1810)

[*English*]

I was quite impressed with his speech. I must admit I think he stole almost all of the points I wanted to make. Perhaps what I will do is make them in the other official language.

I want to recognize the spirit behind the legislation that has come from the member for Langley. I do not agree with the results he is attempting to achieve because I do not think they are going to be successful. He certainly is well motivated in trying to deal with the issue of auto theft in the country. As we heard from the parliamentary secretary, and I think as we all recognize, it is a serious issue and one that needs additional attention which obviously is to some degree under way by the attention the attorneys general from the provinces and the federal government are giving it.

As a standard position, the NDP is not in favour of minimum sentences. I want to make a few comments on that before I get to the specifics of the bill. The essential reason we are opposed to minimum sentences is that they do not work. My colleague from the Bloc pointed out a number of instances. Perhaps I am a bit more sensitive to this coming from Windsor. We can compare the crime

rate in Windsor to that in Detroit, a major metropolitan centre in the United States, in terms of the sentencing principles and practices to deal with criminal offences in Windsor, and Ontario and the country more generally, and the practices in Michigan.

Our crime rate is dramatically lower than the crime rate in the United States. Again we see it even more so when we compare Windsor as a mid-size city to a major metropolitan area. Michigan's criminal statutes have a number of minimum sentencing provisions. It has clearly not deterred the crime rate there. It has really had no impact.

**Mr. Randy Kamp:** No, it may be higher.

**Mr. Joe Comartin:** Madam Speaker, I am hearing from the opposition Conservative Party that it would be higher.

The reality is that they have gone to a number of provisions and the crime rate has remained steady. The three strikes law was supposed to be a deterrent. The crime rate in California has not declined and in a number of cases where the three strikes law was applicable, the crime rate actually went up. That cannot be argued.

If we look to the European experience in particular, more progressive approaches have been taken to deal with criminal behaviour. The Europeans have been able to drive their crime rate down as we have in this country.

It was interesting to listen to the member for Langley because he kept emphasizing that we have a serious crime problem. No one will deny that we have crime in this country but the absolute reality by any measure is that our crime rates are going down in every single area in the country. Whatever the crime, the statistics show that over the last two decades our crime rates have declined in every single area, whether it be violent crime or property crime. Every single rate has gone down.

We could pick isolated areas in the country. We could go into the core areas of some of our major cities and say the rates have gone up, and they have, but across the country as a whole in every single area the crime rates have declined. The reason they have declined has absolutely nothing to do with sentencing. I know our judges do not like hearing that but that is the reality. They have gone down because we have dealt with them at a societal level.

We have moved a strong police force in. Any time I have studied anything historically around crime rates, I have come away absolutely convinced that we lower the crime rate when we convince a person who has a criminal intent that he or she is going to get caught.

• (1815)

Since being elected, I have had the opportunity to do some travelling. Recently I was in Sri Lanka and I asked about the crime rate there. I was doing a comparison with the crime rate in Johannesburg with regard to car jacking. I spoke to police officers who had the facts in front of them, as opposed to what we usually get from the Conservative Party with regard to crime rates.

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In the capital city of Sri Lanka, which is a large city of several million people, there is minimum car jackings as opposed to in Johannesburg where it is a major problem. When we look at the comparisons, the numbers are phenomenally different, multiples of hundreds of percentage points different. Distinguishing between the two, both cities had come out of some really violent history in terms of civil war and insurrection within both countries and the only answer for the difference is the quality of the police forces in those cities.

**Mr. Tom Lukiwski:** Are you criticizing our police?

**Mr. Joe Comartin:** Madam Speaker, if the member would pay some attention to the facts, he might understand my argument.

The Johannesburg police force is just rebuilding itself. In Colombo the police force has remained reasonably intact, reasonably effective, so we do not see any corresponding levels in crime increase between those two. Colombo has it under control; Johannesburg is still trying to build its police force so it can do it.

The key is prevention and getting the message out. If we want to get a message out from government, from authority, it is that if a person commits a crime, he or she will get caught.

It was interesting to listen to the member for Langley cite some of the statistics from the insurance bureau of the stereotypical individual who commits a crime: 27 years of age, usually with some significant addiction, whether it is alcohol or drugs. A minimum fine, a minimum court time means absolutely nothing to that criminal. That person will not give one iota of thought to whether he or she will get a \$1,000 fine, as the bill proposes, three months in jail or some other penalty. It will not even cross that person's mind.

If we were really serious about dealing with this issue, we would be funding our police forces so that they had enough officers on the street to deal with this type of crime.

**Mr. Tom Lukiwski:** Get rid of the gun registry and they might be able to do it.

**Mr. Joe Comartin:** Madam Speaker, if the hon. member studied the facts with regard to the gun registry, he would realize that a good deal of money is going directly to police forces across the country at the provincial level. Those are facts that the Conservative Party does not wish to address.

The simplistic approach to what is a complex problem will not be resolved by using minimum sentences. It will be resolved by having police forces on our streets to deal with it, to convince that person who is addicted to drugs that he cannot do it because he will get caught. There is a police officer on that corner and if the person attempts to break in and steal that car, he will get caught because there is a police officer there to stop him.

There was not much mention of this from the member for Langley, but we know there are organized crime syndicates. The minimum penalty will not deter those criminals at all.

I have several more points I would like to make, but having to deal with the questions and heckling from the other side, I have not been able to cover all of them in the time allotted to me.

In summary, minimum sentences do not work and they will not work in the particular case set out in the bill.

**Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC):** Madam Speaker, as I mentioned earlier this morning when I was speaking to Bill C-43, I understand this is a very slow news day so I am glad to give that political fix to every Canadian who has not been able to find political news today and who might be tuning in to CPAC to find something of interest. This is it.

I am very pleased to speak to this bill. Quite frankly it is a bill we should be supporting. I certainly will. As I mentioned earlier in one of my questions or comments, I am from Regina, Saskatchewan, which per capita has the highest rate of auto theft in Canada and has had the highest rate for several years. In the last three or four years there have been between 2,500 and 3,000 car thefts per year. It is a serious problem that we need to address.

The problem I have with the current system, as the hon. member for Langley pointed out when he introduced this bill, is that the penalties are ridiculous. Young men and women who steal cars are getting away with nothing but a slap on the wrist. We have seen repeat offenders time and time again when it comes to car theft. Why are they repeating the offence? They are repeating the offence because there are no penalties to deter them from stealing automobiles.

I am an absolute firm believer in deterrents for any crime. I can tell everyone from experience that in Regina the rate of thefts would absolutely go down if we had some serious deterrents which would cause people who are stealing automobiles to think twice before doing it.

My hon. friend from the New Democratic Party said just a few moments ago that crime across Canada is going down. I put forward a private member's bill to include identity theft in the Criminal Code. Identity theft is the fastest rising crime in North America. By way of example, I would point out the contradiction in what my hon. friend from the New Democratic Party was saying.

To suggest that minimum sentences are not a deterrent and that we do nothing to try to address auto theft is absolutely irresponsible. We have an obligation as parliamentarians to address some of these serious crimes. If I understand the hon. member correctly, he was basically saying that minimum sentences do not work, are not a deterrent and we should not do anything.

He said we should increase the level of police officers across Canada. I would love to see that done as well, but thanks to our friends on the government side of the House, we do not have enough funds for municipalities to get more police officers out on the street, whether they be at the RCMP level, the municipal level, the city level. This is a serious problem.

We need to play the cards that we are dealt. Right now we have been dealt a hand that says car thefts are increasing. I can tell everyone from personal experience in talking to the city police in Regina and Saskatoon that in Saskatchewan car thefts are the biggest source of complaints police have to deal with on a daily basis.

*Adjournment Debate*

The real problem is not that kids are stealing cars and going for joy rides. If it were just that it would be a problem that we would have to address, in my view, by putting deterrents into the Criminal Code to make sure those kids would think twice about it before going for a joy ride. It is not just about young people taking cars for joy rides. Statistics have demonstrated quite clearly that the vast majority of individuals who are stealing cars are doing so to commit another crime.

I went on a ride-along with two city police officers in Regina a couple of weeks ago during the break. They were working in the worst section of Regina, the northwest central section, where 25% of all crimes in the city are committed. Those police officers told me that without question the biggest problem they have is car theft, bar none.

I went out with them on a Friday night, which was particularly bad because there was a full moon and it was payday. We saw a lot of action, but car theft was the number one concern the policemen had. It was not that people were stealing cars just to go on a joy ride and then to dump the car off at an abandoned warehouse or to take it out on the highway and drop it off in a field somewhere. People were stealing cars because they were prepared to commit a crime.

● (1820)

Many of the people who steal cars take them because they are going to a drug buy. They purchase the drugs, discard the car and off they go to sell the drugs on the street. Many people steal cars because they are going to commit a B and E.

The point is that people have a purpose for stealing these cars. It is not just the 1950s *Happy Days* version of a couple of crazy kids taking a car for a ride, having some fun and then dropping it off in the same condition as they stole it. That is not true. People usually take vehicles to commit another crime. Some are misdemeanours at the very least but in Regina it is a far more serious crime.

We need to set up a series of deterrents that criminals and potential car thefts would have to take a look at. When someone has been caught red-handed stealing a vehicle and then appears before a judge I find it absolutely irresponsible and unconscionable when the judge gives them a slap on the wrist, probation and a warning not to do it again. When that same individual appears back in court, whether it is a week, a month or a year later, having committed the same offence they again get probation.

Anyone who says that deterrents are not effective are dreaming in Technicolor. They are effective. I will give the House one example which I used earlier in a comment or question for one of the other speakers.

The Saskatchewan government insurance, when possible, puts a deterrent on car thieves. If a person is convicted of theft of a vehicle, the insurance company will assign the deductible of the victim to the perpetrator's next purchase of his licence or registration. The insurance company cannot do this every time, but when it can, it will. Since it started the number of car thefts has actually gone down.

We have another community based program in Regina called HEAT, Help Eliminate Auto Theft. This program basically deals with a deterrent based course of action to stop young people,

criminals of all kind, from stealing vehicles, and it has also proven to be effective.

For anyone, whether it be my hon. colleague from the NDP or any other member in this assembly who says that deterrents do not work, I say they are absolutely dreaming in Technicolor.

What is an effective deterrent? Quite frankly, I think the member for Langley has put some very effective deterrents in his private member's bill. For a first time offence an individual would receive either three months incarceration or \$1,000 or both, the choice is up to the judge.

Car thieves need to take a look at this. If they are prepared to steal a car and whip down the street to maybe see a buddy, they should be thinking twice about it. Even hardened criminals who are looking to get a ride from one location in the city to the other to commit another crime have to know they will not get away with it if they are caught. They have to know they will not get a slap on the wrist and walk away from a crime with probation because there would be minimum sentences.

I also dispute anyone who says that minimum sentences are wrong because the judge tends to give only the minimum sentence rather than a far more serious sentence. The fact is this is a joke. If there are no minimum sentences, an offender will get nothing but probation. What are we saying to society if we allow car thieves to walk away with no punishment? This is a no-brainer in my view.

We have to put something in place that will act as a deterrent for the segment of our society that feels it is their right to steal cars. They are doing it because they know they can get away with it. If we do not put a series of deterrents in place to try and stop car thieves from committing their crimes, we will only to get into worse situations.

● (1825)

I can absolutely assure members that if we adopt the private member's bill that my hon. friend from Langley is proposing, it will act as a deterrent in Regina, Saskatchewan. It will lower the incidence of car theft and I think and I hope that all members will agree that is a good thing.

**The Acting Speaker (Hon. Jean Augustine):** The time provided for the consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

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## ADJOURNMENT PROCEEDINGS

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



*Adjournment Debate*

• (1830)

[*Translation*]

## CORRECTIONAL SERVICE OF CANADA

**Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ):** Madam Speaker, the reason for this adjournment debate is that in annex B of the budget tabled in February, there is a particular measure that concerns correctional officers. The government proposes some changes to the income tax regulations that would make it possible to increase from 2% to 2.33% the maximum pension accrual rate for people in public safety occupations, including correctional officers. In addition, the budget makes this retroactive to January 1, 2005.

Here is my question from April 20, 2005, which brought about this debate. I asked why this promise had been made in the budget and why the president of the Treasury Board was refusing to negotiate with the correctional officers union, because that is what is happening now.

We have said on this side of the House that this is a very bad budget. In addition to doing nothing to correct the fiscal imbalance, in addition to doing nothing, or almost nothing, to improve the employment insurance program, not even an independent employment insurance fund was created. They propose an additional \$12 billion for National Defence, although they do not even have a national defence policy. We do not even know what the priorities are, that is to say, how this \$12 billion will be spent.

To top it off, there is a measure in Annex 8 that is very incidental, but so very important for the 8,000 correctional officers. It is a new measure that the Union of Canadian Correctional Officers—CSN had not specifically asked for, but was very much appreciated.

However, when correctional officers phone the Treasury Board, when they try to find officials to talk to, to negotiate with, to discuss the matter with, to debate it and see how they could apply this new measure, they get no answer. Their calls are not returned. They are directed elsewhere. They get the message “the number you have reached is not in service”. It makes no sense.

I must say, once again, this way of operating proves the Bloc Québécois right. This attitude does not give us any desire to vote in support of this budget. In any event, no matter what the Liberals say, it will not happen. They are travelling throughout Canada these days telling everyone, “If you do not vote in support of this budget, Canadians will get nothing”. They should also be telling correctional officers, “Even if you vote for this budget, you will get nothing”. That is how it appears to them right now.

It is a mystery to see this measure in Annex 8, but no one to see it through and make it a reality.

I want to uncover this mystery and find out how this measure ended up in the budget if there is no one willing to negotiate it.

Correctional officers work under very special conditions and do very difficult work. Among 2,600 inmates in maximum security, there were 5 murders. That is a murder rate 100 times greater than the Canadian average. Proportionately speaking, the incidence of violence is greater in Canadian prisons than in the general

population. We know this, having discussed it at length. My colleague from Marc-Aurèle-Fortin provided some reasons earlier.

Correctional officers have been demanding special measures for a long time now. Their main demand is a pension plan where 25 years of service at age 50 would entitle them to 70% of salary. In addition, the 6,000 correctional officers have been working without an agreement for three years.

I wonder what it would take for this measure to be implemented.

• (1835)

[*English*]

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.):** Madam Speaker, I am delighted to speak to this issue today.

First of all, the member will be very happy to know that negotiations are ongoing which is the question she asked. At the end of my speech I will respond to some of the comments she made about the budget.

As was stated previously, the collective agreement for the correctional services group expired on May 31, 2002. The 5,500 employees in this bargaining unit are represented by the Union of Canadian Correctional Officers.

The negotiations began in March 2002 when the bargaining agents served notice to bargain. Since then the employer has been working diligently to reach an agreement that is satisfactory to both parties. However, although the parties have been at the table for over 80 days to negotiate a new collective agreement, several major issues are still in dispute.

In light of the difficulties the parties face in reaching a settlement, the employer suggested on several occasions during the negotiation process that the parties could benefit from the help of a conciliation officer to move the process along, but the bargaining agents declined.

On March 3, 2004, after two years of negotiations, the employer asked the Public Service Staff Relations Board to appoint a conciliation officer to help the parties resolve the outstanding issues.

On November 30, 2004 the conciliation officer informed the parties of his decision to terminate the conciliation process due to the number and the scope of the issues still remaining, as well as the limited prospect that this process would lead to a settlement. Following the discussions between officials of the Treasury Board Secretariat and the bargaining agents, two series of meetings are currently scheduled for negotiations.

Let me be clear, the Treasury Board is committed to the collective bargaining process. Treasury Board's ultimate goal is to reach a negotiated settlement that is acceptable to the employer, to our employees and to Canadian taxpayers.

I was disappointed that this is one of the members of the Bloc who may vote against the budget and therefore unfairly represent Quebeckers. The budget has foreign aid and Quebeckers are very generous people. Yet, the Bloc is joining the Conservatives to vote against foreign aid.

*Adjournment Debate*

There is affordable housing in the budget which Quebeckers support. There is child care in the budget which Quebeckers have shown to lead the country. Yet the Bloc, now representing Quebeckers, is joining the Conservatives to vote against these social initiatives.

There is a huge environmental greenhouse gas reduction in the budget. There are investments in a climate change plan in the budget. Many Quebeckers are very supportive of that, yet the Bloc is voting against that.

There are a number of items for first nations people. I noticed in committee in the old days, before the Bloc joined the Conservatives in the House, that the Bloc was supportive of some first nations issues. Now it is voting against the budget that is moving these issues forward.

There are literacy initiatives in the budget. I cannot believe any party would vote against that, but the Bloc is doing just that. There is money for the cities of Quebec. Those municipalities could sorely use that money and the Bloc is voting against that. There is money for seniors. I know the people of Quebec are a warm and generous people who would want to vote for money for seniors. Yet, the Bloc is voting against that. It is unfair of the Bloc to act so uncharacteristically on behalf of Quebeckers and vote against money for the poor, the disabled and the sick.

[*Translation*]

**Mrs. Carole Lavallée:** Madam Speaker, I was very disappointed by the response of the member for Yukon. The response was exactly the same as the one I received on October 27, 2004, from the mouth of another parliamentary secretary, the one for the President of the Treasury Board. The history of negotiations with the union of correctional officers, he provided corresponds exactly to the document she read me on October 27, 2004. It is hugely disappointing.

The second reason for my great disappointment is the fact that the member for Yukon used his Liberal tape in speaking to me about the budget, but he forgot to mention that there is a special provision in annex 8 for correctional officers with respect to their pension plan.

He did not answer any of my questions. Furthermore, in his litany of provisions and so-called interesting special measures in this budget, he made no mention of this measure for correctional officers. He never answered my questions about correctional officers.

I find that hugely disappointing. The questions remain unanswered. I would be happy to ask them at another time.

● (1840)

[*English*]

**Hon. Larry Bagnell:** Madam Speaker, I did answer the question and in fact they are negotiating. It could not have been the same speech because I put in the updated information that the parties are in negotiations and have set up meetings.

It should be noted that the bargaining agents wanted to negotiate a pension regime, which is not negotiable in accordance with subsections 57(2) and 113(b) of the Public Service Labour Relations Act. The employer's negotiator informed the bargaining agents that pension regimes could not be negotiated pursuant to that act. Furthermore, Treasury Board officials informed them that Treasury Board disagreed with their requests for improvements.

We have definitely answered all her questions. I am happy that the parties are negotiating. We want them to come to a settlement. I have spoken often for the protection and improvement of pensions.

The only reason that I used the last portion of my speech on the budget is that the member used most of her speech on the budget. She still has not answered why the Bloc Québécois could become all of a sudden very conservative and vote against all these social types of things that would help the people of Quebec and the people of Canada when that is not characteristic of the people of Quebec.

**The Acting Speaker (Hon. Jean Augustine):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:41 p.m.)





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