



CANADA

House of Commons Debates

VOLUME 140 • NUMBER 117 • 1st SESSION • 38th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Thursday, June 16, 2005
Part A

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, June 16, 2005

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

•(1000)

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to 46 petitions.

* * *

•(1005)

[*English*]

COMMITTEES OF THE HOUSE

FISHERIES AND OCEANS

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, pursuant to Standing Order 109, I have the honour to table, in both official languages, copies of the government's response to the second report of the Standing Committee on Fisheries and Oceans entitled "Here We Go Again", on the 2004 Fraser River salmon fishery presented to the House on March 22.

PUBLIC ACCOUNTS

Mr. John Williams (Edmonton—St. Albert, CPC): Mr. Speaker, I have the honour to present the 17th report of the Standing Committee on Public Accounts concerning chapter 5, Indian and Northern Affairs Canada, education program and post-secondary student support of the November 2004 report of the Auditor General of Canada and, in accordance with Standing Order 109, your committee requests a government response within 120 days.

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 43rd report of the Standing Committee on Procedure and House

Affairs regarding its order of reference of Thursday, November 25, 2004, in relation to electoral reform.

•(1010)

CIVIL MARRIAGE ACT

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the first report of the legislative committee considering Bill C-38, an act respecting certain aspects of legal capacity for marriage for civil purposes.

I want to take this opportunity to thank you, Mr. Speaker, for appointing me chair of that legislative committee on February 24. I was reluctant, but it has proven to be a very interesting and enriching experience.

I would also like to thank the entire team from the House of Commons for the excellent services it provided to the legislative committee.

[*English*]

HEALTH

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, I move that the 14th report of the Standing Committee on Health, presented on Monday, June 6, be concurred in.

It is a pleasure to ask the House to concur in a report on an issue that was debated in the committee for some time. We worked on this periodically throughout the winter. It was delayed at some points along the way because of other legislation but it is a very important issue.

As far back as November last year the minister suggested in public that this issue was his top priority and that he would act on it in a significant way as soon as he possibly could and yet we have seen nothing.

What has been amazing is that we have seen the minister throw a ball in the air almost on a weekly basis to see who will shoot at it waiting for some of the repercussions around the Internet pharmacy issue. However we see absolutely no action and we are seeing more and more delays.

The report deals with how we handle the issue appropriately. The issue of Internet pharmacies has become a significant one and the report calls for legislation to be adopted that would not allow bulk sales of pharmaceuticals to be exported from Canada into the United States.

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There is a very good reason for that. One has to understand how the Internet pharmacy industry actually came into being, why it is there, how it is supported and under what mechanisms it is supported under law. First, in the United States there is a law against it. It is not legal to import pharmaceuticals into the United States but there is not a congressman, senator or politician in the United States who would stand up and say that grandma should pay twice as much for her pharmaceuticals as she is now paying. It becomes a political football and political issue more than anything else and that is why we are seeing some resistance for the United States to actually enforce the law that it has on its books.

Instead of that, we have seen the Internet pharmacy come into being about five years ago and start to progress in terms of the numbers. The intensity and the size of the industry has exploded over that time period to the point where we have sales figures of perhaps a little bit more than \$1 billion a year, although no one is exactly sure of the amount. We actually saw signs over the last year where it has subsided somewhat. The last numbers I have show a decrease of about 10% over the last year.

How come it is there? Why did it come into being? Why would we sell pharmaceuticals from Canada into the United States? I think it is important to understand how the industry is fuelled. It came into being about five years ago. It is not for all pharmaceuticals. It is more for the brand name pharmaceuticals. Brand name pharmaceuticals in Canada are dealt with under the price market review board which decides how to set the price of pharmaceuticals. It takes the medium of seven different corporations and then it sets that as a price, so it is a regulated price in Canada.

A regulated price, by the way, is quite a bit different from what we have with our counterparts in the United States. In fact, it is somewhere between 30% or 40% cheaper than it is in the United States.

The Patented Medicine Prices Review Board has actually done a very good job for Canadians. It has supported lower prices for brand name pharmaceuticals in Canada and has been working very well over the last number of years affording Canadians a cheaper price for their pharmaceuticals.

There is another thing that is at play that we have to understand and that is the differential in the price between the Canadian dollar and the U.S. dollar, so the buying power for the U.S. dollar coming up to Canada also makes a significant difference in the buying power for those pharmaceuticals.

We can see that when the prices are artificially set lower in Canada compared to the United States, which has a free market on patent medicines, there is an industry that really is exploiting the difference between those two regimes on the pricing of brand name pharmaceuticals.

All pharmaceuticals are becoming increasingly used by our populations. I would suggest that the number one driver of costs of our medicare system in Canada and in the United States is the cost of pharmaceuticals. That is not going to go away fast. In fact, if we are looking for relief with regard to the Internet pharmacy or brand name pharmaceuticals being used in our society I think we are fooling ourselves. There is no one who would project that. As the baby

boomer bubble hits our system they will be feeling their aches and pains much more as they age.

• (1015)

Our population has become quite dependent on pharmaceuticals. I am not against pharmaceuticals in any way. They have advanced the ability of Canadians to have relief from pain for a significant amount of time. In these last few decades we have seen some tremendous advancements in how we use pharmaceuticals and in the relief we have received.

I am not against pharmaceuticals but I am throwing some flags in the air because we have some problems with pharmaceuticals in Canada. In a study that came out last June, pharmaceuticals used in acute care centres were shown to be the cause of approximately 24,000 deaths per year from adverse events and mostly preventable adverse events. That is like a Boeing jet going down every week in Canada.

Unfortunately, this House has really not been too aware of the situation, which alarms me when the report proving this to be the case came out last June. However we have had few repercussions in the House or in society with regard to the problem. This is not only a problem that has been around for a significant amount of time but it is one that will only get worse if we do not address it.

Pharmaceuticals need to be used but they need to be used in appropriate ways. How we can do that and actually protect pharmaceuticals in Canada is another issue, which is the issue addressed in this committee report.

The issue was not studied intensely in committee but reference has been made to it over the last couple of years as we travelled across Canada. Last year it came up in Manitoba which is where Internet pharmacies started and where the bulk of Canada's Internet pharmacies sit. They employ over 5,000 individuals in Canada. However these Internet pharmacies are not just in Manitoba. They have expanded into British Columbia, Alberta and, to a lesser degree, into other provinces across Canada. It is a Canadian industry and it is a Canadian issue.

What we have seen over the last year is an expansion of Internet pharmacies to where they are being used more and more and, in fact, have exploded. It went from an industry with an estimated \$400 million in sales in 2003 to over \$1 billion in sales last year. When we see such a significant growth in an industry like this, it sets off all kinds of alarm bells.

However that is not really why this motion is in the House and it is not why the committee unanimously said that we should be bringing this forward. It is coming forward because of what is happening south of the border. In the United States, the senate and the congress have two or more pieces of legislation to change U.S. laws and allow Canadian drugs to legally enter the U.S., not just from the Internet pharmacy to the individual but to allow bulk sales.

We have a significant number of states in the U.S. starting to change their laws. In the last report I saw that 25 states were changing their laws or already had laws on the books to allow bulk sales of pharmaceuticals to be bought from Canada. Ten of those states have actually had that legislation passed and have them on the books at the present time.

Routine Proceedings

Why the urgency? It is because we are seeing this push for the changing of laws in the United States.

Pharmaceutical companies are starting to kick back and we are seeing advertisements in the United States at the present time saying that drugs from Canada are very dangerous and that no one can be sure the drugs are really from Canada. These drugs could be from India or even from China. In fact, most of our pharmaceuticals are not really manufactured in Canada. They are imported from other places.

● (1020)

The controls on some of the brand name pharmaceuticals are coming from places where they do not meet the same kinds of tests nor the same kinds of standards that we have in Canada.

I see no evidence of that, and it is refuted by the Internet pharmacy people, but I think it would be fair to say that most of the drugs that are manufactured in the United States and come into Canada fall under our the prices review board. The board then significantly lowers the prices on these drugs for Canadians and then they are imported back into the United States. The pharmaceutical companies are saying that is unfair. Why would they bring their pharmaceuticals into a foreign country, have them fall under a review board just to have them come back into their country and destroy the market forces that are at play in a foreign country?

As members and as Canadians our first goal should not be looking after Americans. Our first goal should be looking after Canadians. We should respect both the availability of these products and the price of these products. If either of these is compromised then this House has to act. We should act swiftly, not sitting around throwing balls in the air and expecting that something will change or something will happen.

A while back the committee told the minister not to act on the issue until it had some indication of where it was at on the matter. The committee held meetings with both sides on the issue in an attempt to understand the dynamics of the situation. There were some significant reasons for the industry being there and some very good arguments as to why it should not be destroyed.

We have three choices. First, we could very easily kill the industry by just shutting it down. What would the repercussions be of destroying the industry? First, we would destroy all the jobs and all the opportunities for those jobs in Canada. I also do not believe it would be in the best interests of the United States. Right now most of these pharmaceuticals go to individuals in the United States who are outside of a health program or a pharmaceutical program in the United States. These are the people who cannot afford the drugs and who will not be buying the drugs at any rate from the United States because they cannot afford them.

We are supplying that relief valve to the market in the United States through the Internet. That is not a bad thing. In fact, the pharmaceutical companies are saying that they can live with that.

It is when we get into the bulk sales. This is where this industry is about to grow that it becomes a significant problem.

We could kill it but I do not think that would be productive. I do not think it would necessarily be fair for a free enterprise market

which exists in Canada and the United States. I also do not believe that would be in the best interest of anyone.

Our second option is to leave it the way it is. However, if we do leave it the way it is we could see the situation explode over the next decade. We will see the numbers increasing as the laws in the U.S. change to allow these products into the United States, not only to individuals but also to states, in bulk lots. We could be looking at the situation exploding not just to a billion dollars a year, but to many billions of dollars a year. Therefore, it would destroy the industry.

This would have an impact. It would have an impact on our price market review board because it would no longer be able to control the industry. The pharmaceutical companies would say that it was foul play and they would be legitimate in saying that. Then they could say that they will not supply the Canadian market. Why would they when we are exploiting the market review in Canada and apply this rule to a foreign country.

Therefore I think the pharmaceutical companies would be quite legitimate in saying that it was not appropriate, but to leave it just the way it is, is not an option. We need to act and we need to act on behalf of Canadians because of supply and because of price.

We would either compromise the price and see the price jump or we compromise the supply and see availability drop. One of the two would happen if we were to leave it the way it is. Therefore that is not an option.

The third option would be to control it by trying to contain the industry. We could allow it to continue supplying jobs to Canadians and that relief valve to Americans but we must not allow it to grow to the place where it becomes prohibitive or an irritant and a threat to our availability and our price.

How we contain the situation becomes the magic of this argument and the magic of this whole industry. How in this House can we come together and do what is not necessarily political, whether we are a Conservative, a Liberal, an NDP or from the Bloc, but something that is in the best interest of all Canadians, which is to protect our pricing and our availability of products?

● (1025)

As I have said, as we move forward into the next decade of the 21st century we are going to use pharmaceuticals more than we ever have before. In fact, that is one of the problems we have. As a society, we have become so accustomed to using a pill every time we have a sore ankle, a sore knee or a problem of any kind that the first thing we say is "there is medication for that".

We have become a society that is dependent on this, so much so that we believe there is a pill for every problem we have. The first thing we look for in our health care system is how we fix our problem with medication. Until we become a society which also understands that every pill has a problem, we are not going to have a fair balance and enough knowledge to understand how to use those medications appropriately.

Routine Proceedings

At present, whether we look at the June study I mentioned earlier, on the 24,000 deaths per year in Canada, or at the abuses in our seniors' homes and the intensity and the amount of pharmaceuticals used there and the deaths being caused because of addiction to these medications, we are not going to be able to move forward in our health care system in the way that we should for Canadians.

Addiction to pharmaceuticals is, as I say, the other side of this. I introduced a private member's bill last session calling for any adverse events to be reported to Canadians so that we have an understanding of who is addicted and what kinds of adverse events are being created. Then we could actually deal with them. I think these are important things to look at when we see the number of deaths that are being caused because of this.

I want to close by imploring the House to consider the motion. As I have said, it comes from the health committee and has significant support. I say that because when we talked to the Internet pharmacy people, they agreed with the motion. They are saying to not let us get into bulk selling of pharmaceuticals. They are saying to stay out of it, that we do not need to go there. They say they just want to keep on with the business they have at the size they are at the present time.

They are calling for this. They are saying that this is a good move. The brand name pharmaceuticals are also saying that this is a very good move, that we need this to be able to stop the explosion of what could happen with the legislation coming in the United States.

No one on either side of the issue is saying that this is a bad motion. They are saying that it may not be totally satisfactory and it may not go far enough for some of the brand name pharmaceuticals, but so far everyone is saying that as far as shutting down bulk sales into the United States is concerned it is the way we should go.

Here is what I would say to the minister. Instead of throwing balloons into the air and trying to take his cue from the Prime Minister, who dithers on everything, as we have seen since he has come into office, instead of being Mr. Dithers too, the health minister should say, "Let us have some leadership and let us actually do something that is in the best interests of Canadians and the Canadian pharmaceutical industry". And that is to shut down bulk sales of pharmaceuticals.

I know this rubs my colleagues on the other side the wrong way, but the truth is the truth and that is exactly what I am saying with regard to a health minister who said last November that this was his number one priority and he was going to fix the system. We have seen absolutely nothing to this point.

Let us get serious about fixing the problem, we say, and let those of us in this House take a look at this motion. I dare anyone to stand on the other side and say no, this is something we should not do. We should do this. We should do it now. We should give a directive to the health minister that this is where we need to go, because he does not seem to be able to get off the fence on this one.

Every colleague in the House should consider this motion in a serious way. That is why we have brought it here: to have the House concur with what the health committee has already agreed to. I implore everyone to consider this motion in a very serious way, because it is the right thing to do for Canadians, it is the right thing to

do in the House and it is our obligation. Let us get it done and get it done today.

• (1030)

CITIZENSHIP AND IMMIGRATION

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Madam Speaker, discussions have taken place among all parties concerning the 10th report of the Standing Committee on Citizenship and Immigration presented to the House on Tuesday, June 7. I believe that you would find consent that the 10th report of the Standing Committee on Citizenship and Immigration, presented in the House on Tuesday, June 7, be concurred in without debate.

The Acting Speaker (Hon. Jean Augustine): Does the hon. member have the unanimous consent of the House to present the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

HEALTH

The House resumed consideration of the motion.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I very much enjoyed listening to the member for Yellowhead, except for the last part of his speech, but we will not go there.

I want to congratulate the health committee for a lot of the work that it has done in this Parliament. On a collaborative basis, it is one of the best committees on the Hill in terms of producing important information and reports for the House.

With regard to this matter of pharmaceuticals, I note that the report from the committee, as the member outlined, was simply to ban bulk exports of prescription drugs except for those that are in fact produced in Canada for export purposes. I am sure there is more to this, and this report probably could have been much larger. I hope members will take an opportunity to look at some of the evidence that witnesses brought forward because, as I understand it, there are bulk exports of drugs that are not supply sensitive. This in fact may be too broad or too sweeping a ban and may run into some trade problems.

I want to ask the member to comment on a couple of issues. Certainly the number one issue is with regard to the drug industry. We are talking about a business. We are talking about trade and free enterprise and why the industry is not doing anything to police itself.

Here is the view of the Canadian Medical Association, and in fact of the American Medical Association, with regard to the responsibility of physicians: it is that a physician must be somewhat in charge and responsible for the ultimate prescription of these prescription medications. These prescription medications must have, one would think, under the rules of ethics for the prescription of drugs by the medical profession around the world, a physician somewhat in charge and responsible for the ultimate prescription of these.

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I also have some concerns about the possibilities, or the impossibilities, let us say, of controlling the Internet, because there are other areas in which we have had some difficulty, particularly with regard to matters such as child porn and somehow imposing controls. I also want to specifically ask the member for an answer with regard to what I think is the most fundamental issue, and that is the seriousness of the supply situation for medically necessary drugs for Canadians and how this activity over the Internet has placed at risk the health of Canadians.

Mr. Rob Merrifield: Madam Speaker, the member has asked a number of questions. I will start with the last one about how this has placed at risk and compromised Canadians. It has in a sense, because the government's health minister has not dealt with this appropriately in a timely way, so some of the pharmaceutical companies, on their own, have started to pull back the availability of some of these products to the Internet and to Canadians. We are starting to see some shortages out there.

That is what I have always said. If it gets to the place where either the availability or the price of pharmaceuticals is comprised, we have to step in and do something. We are at that place right now. Do we need to kill it? No, we do not.

Getting back to his other comment on whether this is ethical or unethical trade, I have looked at this argument. The health committee has yet to report on it. Our report is not at all complete, but we are unanimous on this. All sides are unanimous on shutting down bulk sales. But as for the idea of whether it is unethical, the member is really saying that the patient-doctor relationship in the United States is not as valid as it is in Canada. If a doctor fills out a prescription here, people can go across the province to another pharmacy and have it filled. I do not see a lot of difference between that and what we are seeing with the Internet pharmacy. We can argue that both ways. We can say that it is illegal, that it must be prescribed by a doctor in Canada.

All of that is probably true and I have not come to a conclusion on it, but I fail to see the ethical dilemma here. I do not believe that doctors in the United States are inferior to the doctors in Canada. In fact, the other way around may even be true. I just do not think that is a fair and valid argument.

This is one of the balloons that the minister put in the air: that it is unethical. I do not think that is fair and I do not think it is accurate. Why does he not just say what the truth is? The truth is that it compromises our price and availability of product. If it does that, then let us deal with the potential growth of this industry. That is what shutting down bulk sales would do. We are not saying that it is the total solution but it is certainly a solution for the immediate term, which is what the legislation in the United States is about to compromise. We have to act and we have to act right now.

Why is it so urgent for us to be here? Because this is something that has to be done immediately. These pieces of legislation could pass in the upcoming weeks. Likely it will take until early fall before they will get through in the United States, but members can be assured that they are coming, not only at the federal level but also at the state level. It is important for us to deal with it and to deal with it now.

I think I have answered most of my hon. colleague's questions.

• (1035)

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Madam Speaker, I want to thank my colleague for bringing this motion forward and raising a very important issue for Canadians. Many Canadians' access to drugs is already compromised. We currently have a situation in which some drugs in Canada were not protected under price regulation as they were more than 25 years old. Some of these drugs have now risen in price from \$48 a month, let us say, to thousands of dollars a month. This is a very important issue for Canadians.

My hon. colleague spoke about price and supply. I wonder if he could comment specifically on the fact that we must continue to have drugs accessible by and available to Canadians and about the concern many of us have felt around the lack of transparency that Health Canada has when it considers any of this information. We have been calling on Health Canada to be much more transparent and open about its process.

This issue around Internet pharmacies is really a good example of the fact that we cannot access the kind of information that is required for us to be able to consider it in a reasonable way. This is certainly one of the reasons why many members of the health committee called on the minister to not do anything more about Internet pharmacies until we hear from Health Canada, and now we urgently need this response due to legislation in the United States.

Mr. Rob Merrifield: Madam Speaker, my hon. colleague brings up an issue that I never had an opportunity to address in my dialogue. That is the Patented Medicines Prices Review Board deals with patented medicines. The non-patented medicines side is not regulated at all in Canada.

If we ask Internet pharmacies how much of these unregulated pharmaceuticals are being utilized through the Internet, they would say just a fraction. In fact, the only reason they are there is because of convenience. When people from the United States need products, they are there for availability. It is not there because the products are cheaper product.

If we were to do a study between the price of generics in the United States and the prices of generic pharmaceuticals in Canada, we would find that ours are higher. That is of some debate, but we have looked at that as well.

Those are the facts as I see them. The reason we are not seeing the generics being purchased through the Internet validates my findings. If there was a differential in price, Americans would be capitalizing on that difference.

One also has to understand that the difference between the Canadian dollar and U.S. dollar also gives an edge. Even if they were on par, we would see pharmaceuticals being exported. However, they are not on par. We pay more for generics and less for brand name, but the bulk of the pharmaceuticals we use are brand name.

We have to do whatever we can to ensure that we stand on guard for Canadians and for cheaper pharmaceuticals. If it compromises price or availability, we have to step in. That is why this motion is so important

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Even with those lower prices, we see that pharmaceuticals are the number one driver of costs in our health care system and will be for the foreseeable future. That is the urgency and that is why the debate is taking place. I look forward to my colleagues' speeches on this throughout the day.

• (1040)

Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Madam Speaker, this is certainly an interesting subject. I know many members on that side of the House are concerned about the issue, as are members on this side. However, we believe Canadians want the government and the House to proceed to legislation to implement the budget that the government presented. Therefore, I move:

That the debate do now adjourn.

The Acting Speaker (Hon. Jean Augustine): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Hon. Jean Augustine): All those in favour of the motion will please say ye.

Some hon. members: Yea.

The Acting Speaker (Hon. Jean Augustine): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Hon. Jean Augustine): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Hon. Jean Augustine): Call in the members.

• (1130)

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

(Division No. 124)

YEAS

Members

Adams	Alcock
Anderson (Victoria)	André
Angus	Asselin
Augustine	Bachand
Bagnell	Bains
Bakopanos	Barnes
Bélangier	Bell
Bellavance	Bennett
Bergeron	Bevilacqua
Bigras	Blaikie
Blais	Blondin-Andrew
Boire	Boivin
Bonin	Bonsant
Boshcoff	Bouchard
Boudria	Boulianne
Bourgeois	Bradshaw
Brison	Broadbent
Brown (Oakville)	Brunelle
Bulte	Byrne
Cannis	Cardin
Carr	Carrier

Carroll	Catterall
Chan	Christopherson
Clavet	Cleary
Coderre	Comartin
Comuzzi	Côté
Cotler	Crête
Crowder	Cullen (Skeena—Bulkley Valley)
Cuzner	D'Amours
Davies	Demers
Desjarlais	Desrochers
DeVillers	Dhalla
Dion	Dosanjh
Drouin	Dryden
Duceppe	Easter
Efford	Emerson
Eyking	Faille
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Godin	Goodale
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Holland	Hubbard
Ianno	Jennings
Julian	Kadis
Karetak-Lindell	Karygiannis
Khan	Kotto
Laframboise	Lalonde
Lapierre (Outremont)	Lapierre (Lévis—Bellechasse)
Lastewka	Lavallée
Layton	LeBlanc
Lee	Lemay
Lessard	Lévesque
Longfield	Loubier
MacAulay	Macklin
Malhi	Maloney
Marceau	Marleau
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Martin (LaSalle—Émard)	Martin (Sault Ste. Marie)
Masse	Matthews
McCallum	McDonough
McGuinty	McGuire
McKay (Scarborough—Guildwood)	McLellan
McTeague	Ménard (Hochelaga)
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Myers	Neville
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Roy	Russell
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Simms	Smith (Pontiac)
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NAYS

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Hinton	Jaffer
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Solberg	Sorenson
Strahl	Thompson (Wild Rose)
Tilson	Trost
Tweed	Van Loan
Vellacott	Warawa
Watson	White
Williams	Yelich— 88

PAIRED

Nil

The Speaker: I declare the motion carried.

I wish to inform the House that there are 2 hours and 29 minutes remaining for debate on the motion for concurrence in the 14th report of the Standing Committee on Health.

[*Translation*]

Accordingly, debate on the motion is deferred until a future sitting of the House.

[*English*]

The House will now resume with the remaining business under routine proceedings under the rubric motions.

● (1135)

Mr. Brent St. Denis: Mr. Speaker, I rise on a point of order. I would like to ask the House for unanimous consent to revert to reports from committees. Earlier this morning the industry committee adopted Bill S-18. I am wondering if I could report that to the House.

The Speaker: Is there unanimous consent to revert to presenting reports from committees?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Paul Szabo: Mr. Speaker, due to the amount of noise in the House I know that a couple of the whips from the other parties did not hear the request from the member. I would ask for consent that the question again be put to revert to reports from committees.

The Speaker: Perhaps there could be some discussions. We are still in routine proceedings and the discussions could go on while we proceed with petitions. We are now on petitions.

* * *

PETITIONS

MARRIAGE

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Mr. Speaker, I am proud to present a petition on behalf of Albertans on the issue of marriage.

These petitioners say that marriage is an issue which should be decided by the elected people in this House and not by the courts. The petitioners want the members of this House to uphold the definition of marriage as the union of one man and one woman to the exclusion of all others. Would it be appropriate for me to read the names of all the petitioners? No, I guess not.

Mr. Russ Hiebert (South Surrey—White Rock—Cloverdale, CPC): Mr. Speaker, I stand on behalf of well over 1,000 constituents from my riding of South Surrey—White Rock—Cloverdale who are asking that I present this petition.

The petitioners call upon Parliament to recognize that marriage is the best foundation for families and the raising of children, and that the institution of marriage between a man and a woman is being challenged. The House passed a motion in June 1999 that called for marriage to continue to be recognized as the union of one man and one woman to the exclusion of all others and that marriage is the exclusive jurisdiction of Parliament.

Based on this information, they are asking that Parliament pass legislation to recognize the institution of marriage in federal law as being a lifelong union of one man and one woman to the exclusion of all others. I would seek permission to read the roughly 1,300 names in sequential order.

The Speaker: I think the hon. member knows that the practice with relation to petitions is that the member give a brief summary of the petition, which he has done in brilliant form. He is going to have to assuage his enthusiasm with what he has already done and refrain from reading out the list of names, as his hon. colleague from Vegreville—Wainwright discovered when he asked the same question.

AUTISM

Mr. Stockwell Day (Okanagan—Coquihalla, CPC): Mr. Speaker, I have two petitions. The first is from the area in and around Penticton and the second is a like-minded petition from people around British Columbia.

The first petition is from parents of very special children, children who are autistic. They are requesting, and I support their request, that Parliament amend the Canada Health Act and corresponding regulations to include certain therapies, which are identified, for children with autism as a medically necessary treatment and require that all provinces provide or fund this essential treatment.

Routine Proceedings

They are also asking for the creation of academic chairs at a university in each province to teach these very specific IBI/ABA therapies, which are proven to be very beneficial with very high success rates for children with autism.

• (1140)

FOREIGN AFFAIRS

Mr. Stockwell Day (Okanagan—Coquihalla, CPC): Mr. Speaker, my second petition is from a group of university students, with whom we held a news conference. Colleagues have tabled similar petitions.

These students, in the midst of preparing for examinations at the university level, still took the time to petition and call upon the government to push the UN and gather international support to broaden the mandate of the African Union to allow for intervention under chapter 7 of the UN charter in order to provide multinational resources in Darfur.

I congratulate these university level students for taking the time to have an effect on a very challenging situation on this planet.

MARRIAGE

Mr. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, it is indeed a pleasure for me to rise and present a petition today on behalf of the residents of Prince George—Peace River, in particular the citizens of the communities of Tumbler Ridge, Wonowon, Hudson's Hope, Charlie Lake, Baldonnel, Cecil Lake and the city of Fort St. John.

These petitioners wish to draw to the attention of the House of Commons that they believe that marriage is the best foundation for families and the raising of children. They note that the institution of marriage as the union between a man and a woman is being challenged under Bill C-38 in this place.

They also note that marriage is the exclusive jurisdiction of Parliament. Therefore, they call upon Parliament to pass legislation to recognize the institution of marriage in federal law as being a lifelong union of one man and one woman to the exclusion of all others.

EMPLOYMENT INSURANCE

Hon. Gurbax Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, on behalf of my constituents I wish to present the following petition. The petitioners call upon Parliament to build a better and fairer employment insurance system and to do so by first making the legislative reform as recommended by the House of Commons committee on February 15, 2005.

CANADA POST

Mrs. Lynne Yelich (Blackstrap, CPC): Mr. Speaker, I have a number of petitions from villages in my riding that request that the government ask Canada Post to keep their post offices open. They believe that while Canada Post spends millions of dollars advertising at such events as hockey games, it could consider keeping the presence of the post office. These post offices give a federal presence in every small community across Canada, the province of Quebec, the Maritimes, Atlantic Canada and the north. The petitioners would like their post offices to remain open.

MARRIAGE

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to present a petition on behalf of a number of Canadians, over 10,000 now, including a number from my own riding of Mississauga South, on the subject matter of marriage.

The petitioners want to make three observations. First, they believe that the fundamental matter of social policies should be decided by elected members of Parliament and not by the unelected judiciary. Second, the majority of Canadians support the current legal definition of marriage; and third, it is the duty of Parliament to define marriage.

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

Mr. Norman Doyle (St. John's East, CPC): Mr. Speaker, I want to present a petition on behalf of 300 to 400 constituents in St. John's East who wish to draw the attention of the House to the fact that the majority of Canadians support a democratic government where elected members of Parliament represent the voice of Canadians in matters of social policy in the nation and not an appointed judiciary.

The majority of Canadians support the definition of marriage as between one man and one woman. They call upon Parliament to enact legislation to uphold and protect the current definition of marriage as the union between one man and one woman.

Mr. Brent St. Denis: Mr. Speaker, I rise on a point of order. I am going to ask the House once again, now that we have had clarification. The Standing Committee on Industry, Natural Resources, Science and Technology earlier this morning passed Bill S-18. I am asking the House to revert to reports from committees for a moment.

• (1145)

The Speaker: Does the House give its consent to revert to reports from committees at this time?

Some hon. members: Agreed.

* * *

COMMITTEES OF THE HOUSE

INDUSTRY, NATURAL RESOURCES, SCIENCE AND TECHNOLOGY

Mr. Brent St. Denis (Algoma—Manitoulin—Kapusksing, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the seventh report of the Standing Committee on Industry, Natural Resources, Science and Technology in relation to Bill S-18, an act to amend the Statistics Act.

Government Orders

[Translation]

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS**AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS**

The House proceeded to the consideration of Bill C-48, An Act to authorize the Minister of Finance to make certain payments, as reported (with amendments) from the committee.

[English]

SPEAKER'S RULING

The Speaker: There are three motions in amendment standing on the notice paper for the report stage of Bill C-48. Motions Nos. 1 to 3 will be grouped for debate and voted upon according to the voting pattern available at the table.

MOTIONS IN AMENDMENT

Hon. John Godfrey (for the Minister of Finance) moved:

Motion No. 1

That Bill C-48, in Clause 1, be amended by restoring Clause 1 thereof as follows:

"1. (1) Subject to subsection (3), the Minister of Finance may, in respect of the fiscal year 2005-2006, make payments out of the Consolidated Revenue Fund up to the amount that is the difference between the amount that would, but for those payments, be the annual surplus as provided in the Public Accounts for that year prepared in accordance with sections 63 and 64 of the Financial Administration Act and \$2 billion.

(2) Subject to subsection (3), the Minister of Finance may, in respect of the fiscal year 2006-2007, make payments out of the Consolidated Revenue Fund up to the amount that is the difference between the amount that would, but for those payments, be the annual surplus as provided in the Public Accounts for that year prepared in accordance with sections 63 and 64 of the Financial Administration Act and \$2 billion.

(3) The payments made under subsections (1) and (2) shall not exceed in the aggregate \$4.5 billion."

Motion No. 2

That Bill C-48, in Clause 2, be amended by restoring Clause 2 thereof as follows:

"2. (1) The payments made under subsections 1(1) and (2) shall be allocated as follows:

(a) for the environment, including for public transit and for an energy-efficient retrofit program for low-income housing, an amount not exceeding \$900 million;

(b) for supporting training programs and enhancing access to post-secondary education, to benefit, among others, aboriginal Canadians, an amount not exceeding \$1.5 billion;

(c) for affordable housing, including housing for aboriginal Canadians, an amount not exceeding \$1.6 billion; and

(d) for foreign aid, an amount not exceeding \$500 million

(2) The Governor in Council may specify the particular purposes for which payments referred to in subsection (1) may be made and the amounts of those payments for the relevant fiscal year."

Motion No. 3

That Bill C-48, in Clause 3, be amended by restoring Clause 3 thereof as follows:

"3. For the purposes of this Act, the Governor in Council may, on any terms and conditions that the Governor in Council considers appropriate, authorize a minister to

(a) develop and implement programs and projects;

(b) enter into an agreement with the government of a province, a municipality or any other organization or any person;

(c) make a grant or contribution or any other payment;

(d) subject to the approval of Treasury Board, supplement any appropriation by Parliament;

(e) incorporate a corporation any shares or memberships of which, on incorporation, would be held by, on behalf of or in trust for the Crown; or

(f) acquire shares or memberships of a corporation that, on acquisition, would be held by, on behalf of or in trust for the Crown."

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, your having to read all of the motions was a completely unnecessary exercise, but I guess it reflects the fact that we are off to a wonderful start on the bill. I know that hon. members opposite are absolutely thrilled with the opportunity to delay government legislation.

This is actually an interesting bill. It is legislation which deals with an unplanned surplus. I am not sure that any such bill has ever been introduced in the House before, because by virtue of the fact that the government has run surpluses over the last number of years, we have had some rather happy surprises. I know members opposite prefer the opposite kind of surprise. They would prefer deficits, but it appears that the government over the last eight years has been able to run surpluses, some of which have led to a reduction in the national debt in the order of about \$60 billion. That has left us in a relatively good situation.

Going forward, the budget anticipates that there will be a further five years of surpluses. In anticipation that there will be further surpluses, and given the commitments to running a balanced budget and given the commitment that we have made in the budget and in this bill to at least a debt reduction of \$2 billion on an annual basis, the question which arises is what we would do if we had any additional moneys beyond the threshold moneys of \$2 billion. This bill attempts to address that.

The bill is novel in the sense that we as a government are indicating the areas in which we would spend money in the event that we had money beyond \$2 billion on an annual basis. It leaves quite a bit of discretion to the government as to how to time those moneys.

First of all we have to meet the threshold of meeting the \$2 billion. It could all be spent in one year, or it could all be spent in the second year, or it could all be spent in a combination of either year. Additionally we could spend the money in a fashion which mixes all of the above. There is a fair bit of flexibility.

The Conservative Party tried to introduce its own version of legislation on an unplanned surplus by directing all moneys beyond the \$2 billion or \$3 billion threshold to tax relief. While that may be an attractive alternative to a certain ideological set who think that by giving tax relief we can somehow or another attain nirvana here on earth, there are other priorities. Those other priorities are being spoken to by the government in this bill.

Government Orders

Canada's social foundations are key to our identity. There are areas in which we would have liked to have spent some additional moneys, such as affordable housing, post-secondary education, the environment and foreign aid. All of those are coherent with the original budget as presented in Bill C-43 and the preceding budgets 2004, 2003, 2002, et cetera.

Far from being as opposition members allege a deal cooked up on the back of a napkin in a motel room or in the back of a Chevy Nova—and I frankly have never understood what those hon. members have against Chevy Novas—this bill, which was entered into after negotiations with the NDP, reflects the priorities of Canadians. One example is affordable housing. I do not quite understand why members opposite have a problem with additional expenditures in affordable housing. Can they give a coherent reason as to why they would be opposed to spending on post-secondary education, or the environment, or foreign aid? Apparently they do not appreciate that Canadians have aspirations other than merely tax relief or debt reduction.

● (1150)

The Government of Canada over the past number of budgets has put significant sums of money into affordable housing. The significance of this \$1.6 billion that is going into affordable housing is that it is not attached to a matching funds regime and it also includes aboriginal housing. Previous funding has been somewhat contingent upon matching funding generally from the provinces or other entities, but in this particular case, the investment of \$1.6 billion is not contingent upon matching funding from the provinces.

This builds upon the \$2 billion that has already been put toward homelessness and affordable housing over the last number of years. For instance, in 1999 we launched a three year national homelessness initiative, otherwise known as SCPI. That constituted about \$305 million. That was to address a specific number of problems.

Madam Speaker, you and I share somewhat parallel demographic profiles in our respective ridings. Certain sections of the ridings are quite affluent and other parts of the ridings though are somewhat less than affluent.

In my riding there is what is called the strip. My riding is the easternmost riding in Toronto. Before highway 401 was built, it was the gateway to the eastern section of Toronto along highway 2. As a consequence there were a number of motels along that section of the highway. Over time they have fallen into something less than an ideal state. The consequence of that was they were available for shelters for homeless people and refugee claimants.

This was supposed to be a temporary measure, but after 10 years of temporary measures it was perfectly obvious to anyone who did an objective study on the area that it was not an acceptable way in which to house homeless people. At one point there were about 1,400 people in the riding each and every night who were either refugee claimants or homeless from other parts of Canada. We felt that something had to be done.

Madam Speaker, I know that you and other members of the caucus approached the GTA political minister at the time, the hon. David Collenette, and others to address the issue. The result was a significant infusion in cash. The hon. minister of labour took over

the administration of the supporting communities partnership initiative, otherwise known as SCPI. She poured her heart and soul into that initiative, the result of which I am happy to say in my riding has been a reduction from about 1,400 people a night down to 75 people a night.

I look to that as one of the initiatives taken by the government that has been very successful on the ground. It has addressed real and meaningful needs on the part of Canadians.

Budget 2003 provided a three year extension of the SCPI initiative at \$135 million per year which is welcome money in the community. Madam Speaker, I know that you and I and certainly members on this side of the House appreciate the efforts of the Government of Canada to address the social scourge of homelessness in our respective ridings.

In budget 2001 simultaneous with the announcement of the \$305 million was the announcement of a further \$680 million over five years for affordable housing. I just want to mention to those who might be listening, as I do not anticipate that members opposite might be listening, but at least other people might be listening, that this builds on \$1.9 billion that is already there in support for housing by the Government of Canada.

In addition, the bill proposes \$1.5 billion to increase accessibility to post-secondary education, building on a whole other set of initiatives that have been in place.

● (1155)

As well, the budget proposes a further \$900 million investment in public transit and energy refit, building again on a whole host of initiatives, particularly in budget 2005, for clean air, which was reflected in Bill C-43.

Finally, the bill contemplates the additional investment of \$500 million in international assistance, which I know, Madam Speaker, you are very keen on seeing.

I hope hon. members will support the bill and that it will be a reflection of trying to make this Parliament work.

● (1200)

Mr. Gary Lunn (Saanich—Gulf Islands, CPC): Madam Speaker, at the outset, I know the government likes to try to spin that we are trying to oppose and delay this bill. It is very true that we are adamantly opposed to Buzz Hargrove's bill.

This is \$4.6 billion worth of spending, outlined on a page and a half of paper. I do not know how the government could possibly believe we could support that kind of reckless spending. We have no idea what it will spend it on. There is absolutely not an ounce of detail in the bill. It is like giving the Liberals a blank cheque. What they have done in the last years, it would be irresponsible for us to even begin to try pursue this.

Government Orders

We will object to this at every opportunity in the interests of Canadians. We have one of the major national banks now saying that the spending is wildly out of control and it is irresponsible.

An hon. member: The CFIB.

Mr. Gary Lunn: Exactly, and the CFIB. They are lining up.

What part of this do the Liberals not get? It is very clear that there was only one motive for this \$4.6 billion in spending. It was a desperate attempt to buy power. Now they are trying to pretend this is something they believed in all along. Maybe that is their true cause with the NDP. It is not something we can support and we will oppose it at every level, at every opportunity, on a matter of principle.

How can the government expect us to support a \$4.6 billion blank cheque when the bill is barely a page and a half long? Does it not believe Canadians are entitled to just a little of detail? Do the Liberals think that their record is that great, considering what is happening at the Gomery commission, that people should trust them in the way they spend the money?

Mr. John McKay: Madam Speaker, it is amusing to have the hon. member stand up and say that they are not trying to delay this, having spent the entire morning trying to delay it. Then the bill was returned from committee as a blank bill, having been stripped of all of its contents. Of course they are not trying to delay this.

I would appreciate it if the hon. member would read the bill. That would be a good start. If he had read the bill, he would know that this is entirely contingent spending. I do not care whether the hon. member or his acolytes, or people who apparently support his position, say that this is wild, crazy and reckless spending. That is idiotic nonsense. It is contingent spending. It will not happen unless the contingency occurs. If the contingency occurs and we have a surplus, then that money will be spent. Otherwise it will not be spent.

The hon. member has just given a classic illustration of why that party has spent 12 years in opposition and it is more than likely going to spend another 12 years there.

Mrs. Bev Desjarlais (Churchill, NDP): Madam Speaker, I think most Canadians know that the government was going to put in place \$4.6 billion in tax breaks for corporations in the initial budget. In the NDP bill, we are giving \$4.6 billion of services to Canadians rather than giving the tax breaks.

It is my understanding that the Conservatives voted unanimously for the \$4.6 billion in tax breaks to corporation. Their leader was out within seconds after the first budget reading supporting those tax breaks. Now they somehow call it free and unruly spending to give those dollars back to Canadians.

I just want to verify if that is the actual situation that has taken place.

Hon. John McKay: Madam Speaker, the original budget, Bill C-43, did contemplate corporate tax reductions in roughly that amount. My recollection of the number is \$4.7 billion. As part of the arrangement with the implementation of Bill C-48, that legislation will come in on a separate track and restore those tax measures.

The hon. member needs to bear in mind that Bill C-48 and the restoration of tax relief and tax competitiveness are delinked. The

bill proposes that in the event there are moneys in surplus in excess of \$2 billion, then this will be the direction in which the government spends money: affordable housing, foreign affairs, environment and post-secondary education. All those items are perfectly consistent with previous spending initiatives that the government initiated in previous budgets and indeed, in budget 2005.

•(1205)

Mr. Monte Solberg (Medicine Hat, CPC): Madam Speaker, it is my pleasure to rise and address Bill C-48.

I want to say at the outset that the Conservative Party of Canada believes very strongly that Canada has an obligation to provide its citizens with a much higher standard of living than we have today. We think that, ultimately, Canada can become the most prosperous nation in the world. We think Canada can ultimately offer its citizens, no matter where they live in this country, an opportunity to find a job, or ensure that when parents go to bed at night, they can go to bed knowing that when their children go into the workforce, they will have the chance to live the Canadian dream of finding good, well-paying jobs. We think Canada can offer them the a higher standard of living and ultimately a comfortable retirement and strong social programs to support them if they need them. The Conservative Party of Canada believes in that.

It troubles me when the government brings forward legislation like this. I believe firmly that this takes us further away from that vision.

In fact I want to answer the parliamentary. He asked why are we opposed to some of the things in Bill C-48, like money for post-secondary education, housing and other things. We are opposed to it for the same reasons his own government was opposed to it back in February. If it is such a good idea, why did the government not include it in its budget in February? Because it is imprudent to keep recklessly spending year after year when we carry a half a trillion dollar debt, when interest rates are rising, when spending was raised the previous year by 12% in a single year and when spending has gone up 44% since 1999. The reason we oppose it is the same reason the government opposed it in February.

However, it goes beyond that. We oppose it because, as my friend just pointed out a minute ago, the bill is only 400 words long and it proposes to spend \$4.6 billion. Yet there is not one detail on how that money should be spent. Furthermore, we are having this debate in the context of the worst corruption scandal to ever grip the country, a corruption scandal brought on by the Liberal government. How could we, as parliamentarians, look at ourselves in the mirror if we allow this to go through unchallenged, in that context? That would define what it means to be irresponsible. We cannot do that.

Government Orders

When the parliamentary secretary in his sarcastic, nasty tone accuses us of wanting to block this vital spending, spending that the Liberals themselves did not support a few months ago, it really causes me to wonder about this place. It causes tremendous cynicism amongst the public today, and I cannot help but admit that it makes me pretty cynical as well.

We have a job to do and we intend to do it. We will hold the government to account on legislation that has been roundly criticized by groups, ranging from the Canadian Federation of Independent Business, the voice of small business in Canada, the Canadian Chamber of Commerce, the voice of business in Canada, the Canadian Council of Chief Executive Officers, another voice for large employers in the country, and by virtually every economist in the country. Almost nobody believes this is good legislation. They believe it is poorly crafted and they have tremendous problems with it.

• (1210)

There is a better way to do this. The answer is to have a budget process like the budget process we have always had in the past, where we hear from witnesses and then we make some judgments. The finance committee hears from witnesses and makes some judgments upon their testimony. We offer a report to the finance minister.

The minister considers this. He considers all the input he has received from people elsewhere. It is mulled over and put it into a budget document. It is brought before the House. There is debate. There are witnesses. There is testimony. Ultimately there is a budget and legislation flows from it. That is how it usually happens in Canada.

This time, halfway through the process, the government cut a backroom deal in a Toronto hotel room with the leader of the NDP and Buzz Hargrove of the Canadian Auto Workers. Guess what: we now have \$4.6 billion in spending that the government itself did not agree with even days before. When the finance minister was being quizzed about that spending by the NDP, he said that “we can't allow the budget to be stripped away piece by piece”. He said that people could not “cherry-pick the budget”.

He opposed it all. He opposed everything the NDP was proposing. Then his own Prime Minister undercut him and turned around and said they would cut that deal so they could get 19 votes. It was more vote buying by the government and we ended up with this deal cut in a back room in Toronto somewhere.

I think it is reprehensible. I think Canadians deserve better. Although it will be difficult to defeat the government on this, I think there are some things we can do to try to amend this legislation so that hopefully we can limit the damage of this irresponsible approach the government and its NDP colleagues have taken. I will move those amendments now.

I move:

That Motion No. 1 for Bill C-48 be amended by replacing “\$2 billion” with “\$3.5 billion” in subclauses 1(1) and (2).

That Motion No. 2 for Bill C-48 be amended by adding after subclause 2(2) the following:

“(3) The Governor in Council shall table in Parliament, before December 31 of every year, a report describing the payments referred to in subsection (1) that are to be made, and the report shall include, with respect to each payment,

- (a) the amount;
- (b) the expected results; and
- (c) the details of the delivery mechanism.

(4) The report referred to in subsection (3) stands permanently referred to the House of Commons Standing Committee on Government Operations and Estimates and the Senate Standing Committee on National Finance.”

That Motion No. 3 for Bill C-48 be amended by adding after clause 3 the following:

“(2) A corporation wholly owned by the Government of Canada that has been incorporated by a minister in accordance with an authorization referred to in paragraph 1)(e) or shares or memberships of which have been acquired by a minister in accordance with an authorization referred to in paragraph 1)(f)

- (a) is deemed to be a government institution for the purposes of the Access to Information Act;
- (b) is deemed to have accounts that are accounts of Canada for the purposes of section 5 of the Auditor General Act;
- (c) is subject to the Official Languages Act;
- (d) is subject to the Privacy Act;
- (e) shall annually submit a corporate plan to the Minister of Finance for the approval of the Governor in Council; and
- (f) shall, within three months after the end of each fiscal year, submit an annual report to Parliament on the corporation's activities during that fiscal year.

I look forward to questions from members.

• (1215)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I was more amused by the revisionist statements of the hon. member than the actual content of his speech. He seems to have a peculiar recollection of facts.

As I recollect the facts, the opposition leader was virtually out the door about five minutes after the finance minister delivered the budget to say that he would not defeat the government on this particular point.

Then the opposition leader apparently had an on the road to Damascus experience and thought that maybe that was not quite the best thing he had ever done in his political life. He reversed himself and said no, this government had to be put out of its misery.

We then had a difficult situation. Would we effectively collapse and show the Canadian electorate, which clearly said it did not want an election, that Parliament cannot work in a minority situation? That was not an acceptable choice, so as a consequence we entered into this particular configuration, which, I would point out to the hon. member, is a 1% change in the contingent spending profile but consistent with the fundamentals, objectives and goals of the budget.

I put it to the hon. member that his recollection of the facts on which we got here is deficient, and that the basic reason we are even debating the bill has to do with the withdrawal of the Conservatives' support prematurely of Bill C-43.

Mr. Monte Solberg: Mr. Speaker, I thank my friend for giving me the opportunity to set the record straight on what he has just said. I point out to my friend that of course when the throne speech came in and the Conservative Party was able to force the government to include in it ideas like lowering taxes for all Canadians, that ultimately was reflected in the budget. We are happy for that. We thank the government for listening to some common sense from the Conservative Party on that issue and agreeing to do that.

Government Orders

We were happy to see that in the budget. After having been in lock-up for several hours reviewing the budget, my leader came out and said that we do support the idea of reducing personal income taxes and corporate taxes and some of the spending initiatives that were in there. We thought those were good things. We liked the idea that ultimately the Atlantic accord would get paid out. We did not think it should be in the budget, but the government was making a commitment, we thought, to pay that to Atlantic Canada.

We support those things, but when it became apparent through testimony before the Gomery commission that the Liberal Party had been involved in corruption, and it was very clear that Canadian support for the government had evaporated and a lot of people thought the government no longer had the moral authority to govern, we took our cue from the public. We moved a non-confidence motion at that time.

The government stalled for a time, violated some ancient traditions of this place, and ultimately got onto the issue of the vote on Bill C-43, the budget. That is how this all came about. I would suggest that it is my friend who has a sort of faulty memory when it comes to how this all came about.

I would remind him that at the end of the day he is answerable for having to explain why it was that the Liberals cut a backroom deal with the NDP solely to hang onto power, which I think they will be judged for ultimately, and they will be found wanting.

• (1220)

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I am sure the constituents of the member for Medicine Hat are going to hang on every word and understand every nuance of what the Conservative finance critic just put forward in his rationalization about where they are at now. Nobody can understand it. It is a lot of bafflegab.

I have to chuckle at the line that the finance critic from the Conservatives is peddling here, because I do not think people are really buying it. The suggestion is that Bill C-48 is hollow, that the money is not really there, that it is financially irresponsible and there is no detail.

Come on, I say, this bill is on the same basis as Bill C-43, which the member and his party voted for. It is based on a fiscally responsible budget. It is based on no deficit. It is based on paying down the debt. It is based on expenditures that people want.

What the member cannot stomach, and maybe he could comment on this, is the fact that people out there like this bill. They want to see housing. They want to see education help for students. They want to see public transit. That is what he cannot stomach.

Mr. Monte Solberg: First of all, Mr. Speaker, I am sorry to see that my friend across the way has become so bitter about this.

Now she is laughing but she was not a moment ago.

I would say that if she does not believe the Conservative Party, and I do not expect her to, in a sense, I ask her what she says about the commentary from the Canadian Federation of Independent Business. It has said that this is an awful deal. This is the independent voice of small business across Canada and it is deeply concerned about this.

The Canadian Chamber of Commerce thinks that this is reckless spending, spending without any details, spending that kicks the doors open to more abuse, waste and mismanagement, the same waste and mismanagement that this government is famous for.

I do not understand how the NDP can support one of the most corrupt governments in the history of Canada.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the Bloc Québécois had hoped for an opportunity to introduce some subamendments to the bill before the House. Unfortunately, parliamentary procedure prevents us from doing so. Once the official opposition puts forward any subamendments, we are prevented from doing likewise on the same clauses. This is unfortunate.

I understand the Conservative Party for having taken this opportunity to put forward amendments to Bill C-48 that are consistent with its convictions. However, we wanted to introduce a subamendment to the bill, on respect for the areas of provincial—and Quebec—jurisdiction. As a matter of fact, everything in Bill C-48 falls under the exclusive jurisdiction of the provinces. Unfortunately, we were unable to put forward this subamendment.

We would also have liked to continue the battle that we, as a political party, have waged in the Standing Committee on Finance. In other words, we wanted to include the main priorities of Quebecers in the bill. Unfortunately, we could not do that, either.

We take issue with the following aspect of this bill. The NDP is patting itself on the back, saying it concluded the agreement of the century with the Liberal government. I do not understand the NDP. If it says it has this power, I do not understand why it has abandoned the unemployed. EI is not one of the concerns the NDP presented and expressed in Bill C-48.

The NDP has boasted for years about fighting to improve EI, which excludes 60% of the unemployed who would normally be entitled to it, were it not for such inhumane criteria.

From the start, the government considers the unemployed as potential con artists. Benefits have been slashed for people hit by unemployment, a problem for thousands of families in Quebec and Canada. The NDP has abandoned the unemployed. We have not abandoned them. During each stage of Bill C-48, we have done everything possible to reintroduce such consideration for the unemployed into the bill. Not so the NDP.

As far as the fiscal imbalance is concerned, all parties in opposition believe it exists. The sub-committee I have the honour of chairing has just tabled a report. That sub-committee travelled the length and breadth of Canada to hear people's testimony. They all expressed their concerns about the fiscal relationship between the federal and provincial governments and the inability of the governments of Quebec and the provinces to provide basic services like health to their populations. Regardless of last September's agreement, they still lack the funds to be able to provide health systems that operate to their full potential.

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As for post-secondary education, the provinces are faced with under-funding, since they simply cannot afford to invest in post-secondary education, although in a way investing in our youth means investing in our future.

Then there is the problem of disadvantaged families. In the provinces—and in Quebec—the funds are not there for lifting entire families out of poverty. None of these considerations exists in the bill, nothing to correct the fiscal imbalance, nothing to improve employment insurance either. Even if those lefties keep saying something needs to be done about EI, the unemployed have been abandoned.

We in the Bloc Québécois have not abandoned them. Nor have we abandoned the key priorities of Quebecers and Canadians. In fact, in the rest of Canada we heard considerable concerns expressed about the fiscal imbalance and the under-funding of essential public services. We have not given up on this, if the NDP has, so be it. History will judge them, and they will get their come-uppance in the next election.

As for the rest of us, we will continue to fight and to push for reforms. Our basic premise is consistency. The first budget was bad, and the second is a fool's bargain. The NDP is boasting of its great gains. I will read an excerpt from the bill.

•(1225)

This analysis was confirmed last Monday evening when we studied Bill C-48. A senior Treasury Board official was there. He told us flat out that this bill did not commit the federal government at all and the NDP had signed a fool's bargain. The government has not made any commitments to any of the areas in which it promised to invest. It has not really made any commitments to social housing, or education, or foreign aid, or environmental programs.

I will read some excerpts which the senior Treasury Board official emphasized: The government has not made any commitments. The government “may” invest in it. So the government has not made any firm commitments. I will read some excerpts from subclause 1(1) of Bill C-48. It says: “Subject to subsection (3), the Minister of Finance may, in respect of the fiscal year 2005-2006, make payments —”

That does not mean he is going to make them. It does not say that he must make them or that he will make them. It says that he may make these payments.

It is the same thing in subclause 1(2): “Subject to subsection (3), the Minister of Finance may, in respect of the fiscal year 2006-2007, make payments—”

We know that “may make” does not necessarily mean that he will make. There are also a lot of conditions surrounding the end of year surpluses. The government can decide to do anything else that it likes during the financial year knowing that it will have surpluses at the end of the year. It can take any initiatives at all other than those in Bill C-48. This is a real fool's bargain. Nothing is gained here. There is no commitment on the part of the government to any of these things.

In English and French, the bill says the same thing. It is “may” not “must” and there is no commitment. A real fool's bargain.

The NDP has stood the world on its head, saying that it was good, it had negotiated some things and we had not done our work very well. To that I say it has not done anything if one looks at this agreement. When there is an agreement and a bill says “may make payments”, that means the government can do anything it wants.

For all these reasons, in committee, we worked hard—which cannot be said for the other political parties—to amend the bill, to consider everyone who was forgotten in this budget bill, and by that we mean the unemployed and the sick, among others. Given the rate at which spending in health care is increasing—at the rate of approximately 7%—they will not recover the time or the resources lost in order to get the system to operate as it should. In fact, the current Prime Minister made savage cuts in this area when he was finance minister.

They have also forgotten students, who are dealing with an education system that has been underfunded for years. In Quebec alone, it would take an investment of \$1 billion a year for the next five years to catch up.

We in the Bloc have tried to get these amounts and move things along. However, the government and the other opposition parties are not interested in supporting amendments to improve EI, to help the unemployed—about 60% are excluded at the moment—and to help people who are sick and to help the students.

We also tried to get international aid increased to 0.7% of the GDP. With the amounts involved at the moment, we will need 25 years to reach this objective. We tried to help farmers in Quebec and Canada, who are facing a very serious crisis. However, the government was not interested in supporting our amendments and suggestions to improve this bill and make a firmer commitment than the one providing that the government “may”.

In conclusion, it is a fool's bargain. The amendments we had proposed were rejected. The bill is still totally unacceptable. The NDP has no reason to boast about this agreement. There is no commitment on the government side. The people understand.

•(1230)

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I always find this member's interventions in the House to be entertaining although maybe from time to time, not totally factual. I was somewhat amused by his suggestion that the word “may” in the bill in the first two clauses was inappropriate. If the member would have read the clauses, he would have seen that any amounts payable on this would not be permitted if it would put the surplus below \$2 billion.

There are limits as to what could be made. In the event that there are unforeseen circumstances, it is possible that payments may not be made here, so the word “may” is appropriate even under the language of the clauses if he would read them.

My question has to do with the question of fiscal imbalance. I know the member chaired a subcommittee of the Standing Committee on Finance on fiscal imbalance. I was pleased to join him in Ontario, when we found that even the Government of Ontario misled the committee by saying it had a fiscal imbalance. It did not include the tax points that had been extended to all the provinces including Ontario, which have the same value as cash.

The member did say that the provinces are underfunded and do not have the means to fund post-secondary education and then he went on to mention poverty. Will the member rise in his place and admit that each and every province has the same or greater authority to charge taxes, whether it be income taxes or other, as the federal government, and therefore has every opportunity to raise the money it needs to provide these services to the people of its province?

• (1235)

[Translation]

Mr. Yvan Loubier: Mr. Speaker, with all due respect for my colleague, he is rerunning the same old tape he often plays, just like his colleagues.

We have barely concluded a four-month Canada-wide consultation. From Halifax to Victoria, via Quebec City, Toronto and Regina, the Subcommittee on Fiscal Imbalance, which I had the honour of chairing, heard the same thing everywhere: the current financial relationship between the federal government and the provinces cannot continue. It is impossible to plan for the future when the federal government is generating such astronomical surpluses each year in relation to its responsibilities to the public, and most of the provinces, with the obvious exception of Alberta, do not have enough money to provide the public with the fundamental services set out in the Constitution.

These days, even Mr. McGuinty in Ontario is fighting just as hard as Quebec has fought for the past three or four years. This battle began under Bernard Landry, who was, to some extent, the father of the Séguin commission. How is it that everyone, even Ontario, recognizes there is a fiscal imbalance, agrees on the need to correct it and is aware of the lack of resources required to provide services to the public, while the Liberals, on the other hand, are still wondering if the fiscal imbalance even exists?

I would be careful if I were the hon. member because he comes from Ontario. If the Ontario government thinks there is an injustice and wants to make changes, the hon. member should watch himself during the future election because he will be held to account.

On the matter of the wording of the bill, a senior official appeared before the Standing Committee on Finance on Monday evening. He said the government had no obligation in the bill. In other words, it can do what it wants. The word “may” is not so insignificant or innocent. The government knows full well that with a bill like this, it can do what it wants. It can take initiatives during the year, get to the end of the year, not have the necessary surplus and completely

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thwart its so-called promises. I did not say that, a senior official from the Treasury Board did.

[English]

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, I attended the fiscal imbalance subcommittee meetings in Winnipeg. We had representatives from the mayor's office and from many municipalities from across our province indicating the kind of moneys needed for infrastructure and the kind of moneys needed to run the province in a way to improve the quality of life in the province for Manitobans.

There was great disappointment in the fact that the gas tax did not roll over into the provinces immediately. There was much delay from the present government. When it was spoken about, suddenly the rules were changed and that gas tax funding could not be used for infrastructure. It had to be used for green projects only.

Could the hon. member comment on the infrastructure money and how this budget has impacted in a very negative way on the provinces?

[Translation]

Mr. Yvan Loubier: Mr. Speaker, even with the policies the government has implemented, we are in a situation where ad hoc agreements of this nature need to end.

If correcting the fiscal imbalance would provide the governments of Quebec and the provinces with enough funding, then they would have enough money to transfer these provincial resources to the municipalities for infrastructure, for example.

Just by restoring the federal government's contribution to social programs and education to 25%, as was done for health last September, would give the provinces an additional \$11 billion. That money would prevent the governments of Quebec and the provinces from being choked by responsibilities such as health, post-secondary education and help for families and the poor. They would be able to make their own funding available for infrastructure.

Unfortunately, such is not the case. The current measures do not go far enough. The fiscal capacity of the federal government is much too great. Over the next six years, it will have accumulated a surplus of roughly \$100 billion. This has to change. The quality of services provided to the public depends on it.

• (1240)

[English]

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I am pleased to have the opportunity to speak in the House today to the report stage of Bill C-48.

I want to congratulate the finance critic for the NDP who did a remarkable job in the finance committee of shepherding through the bill and sitting through hour after hour as the Conservative and some Liberal members tried to frustrate the bill, which they were unsuccessful in doing. The bill is now back in the House and we fully expect it will be approved.

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After listening to the finance critic from the Bloc and after hearing the Conservative finance critic suggest that somehow the bill was not real, I just want to make a couple of general comments.

I think a double standard is being applied here. The bill is being put forward and is characterized on exactly the same basis as other appropriation bills. I would like to read some of the comments of the Comptroller General of Canada when he came to the finance committee on June 13. He said:

Similar to other appropriation bills, Bill C-48 would provide enabling legislative authority to ministers to make payments for the specific purposes approved by parliament.

Let us be very clear. What is contained in the bill and the manner in which these payments are authorized is no different than any other appropriation bill.

The Comptroller General of Canada also said:

This represents a prudent approach to fiscal management in that such fiscal dividends would only be authorized to the extent that there is a \$2 billion surplus in those two years.

I read this into the record because it clearly contradicts what the Conservatives are trying to put forward, which is that this particular budget bill is financially irresponsible, that it is not based on a balanced budget and that it is not based on ensuring that there is no deficit. This is a financially prudent bill.

We in the NDP are very proud of the bill and what it represents. It represents real work that was done in this Parliament by this party working with the government to ensure that concrete measures will be taken to address the fundamental needs of Canadians in very core areas, like housing, post-secondary education, help for municipalities in terms of an increase in the gas tax moneys that will go to public transit, help for smaller communities and foreign aid that would address our commitments in the international global community.

Those are real things that were achieved. I have to say that we thought that Bill C-43 was inadequate in that regard and we made it our business to go out, to work and to get a better deal, and that is exactly what we did.

I am very proud to stand here knowing people in local communities right across the country like this bill because they know it is real. They compare that on the one hand and look at something that is substantive against all of the other stuff that is going on in this place, all of the procedural war games, all of the wrangling that we saw the Conservative Party trying again today. It will do anything because it just wants to hold up this bill.

An hon. member: It's the people's bill.

Ms. Libby Davies: Yes, as my colleague said, they are holding up the people's bill, a bill that would put the money where it is needed, where it will be delivered to build housing units, to get public transit, to meet our commitments in the global community and to ensure that students get relief from the incredible tuition fees they have to pay.

We are happy to be here today to speak to the bill and to ensure it goes through. As the housing critic for the NDP, I am particularly happy to see the \$1.6 billion in the bill that is earmarked for affordable housing. Bill C-43 contained no new money for housing

other than a small amount for on reserve aboriginal housing which is very important but which was very inadequate. The minister responsible for housing himself has pointed out that 1.7 million households in Canada, households not people, are in need of affordable housing.

We know that people in local communities across the country do not know if they will be able to pay their rent every month. They do not know if they are going to be evicted. The streets will become their home. It is appalling to see people living on the streets, particularly in the winter months when they can freeze to death, and especially in a country as wealthy as Canada.

• (1245)

The bill is not perfect. It does not do everything we want it to do, believe me, but it takes real concrete steps, particularly on the housing question to ensure those units will be developed.

In terms of aboriginal housing, I think it is an absolute shame that we still have aboriginal people living in housing on reserve that would not meet any minimum standard anywhere. We are talking about third world housing conditions right here in Canada.

In the urban environment, aboriginal housing is a very important question. I recently met with a delegation of Inuit people who were pressing to ensure that the Nunavut Housing Corporation's 10 year plan for 3,300 units in the north would be met. Nothing has happened on that plan because of government inaction.

As a result of this bill, the funds are now available and the authority is there for the Minister of Labour and Housing to make those housing commitments. For example, with regard to housing in the north where we see the worst overcrowding conditions in Canada and high housing costs, we want to ensure that the materials to build at least 100 new units by April 2006 are delivered to the north by ship. That is a logistical issue that has to be dealt with. Literally the boat was missed this year, so no housing will be built because the time has now come and gone for the materials to be delivered.

Bill C-48 gives us the opportunity to meet those very real and pressing needs in the north. I wanted to make a special point of mentioning that because it is something that is often ignored. I want to say to the Minister of Labour and Housing that this is a commitment that absolutely has to be met and I will be pressing him at every opportunity to ensure that the materials are delivered and the houses are built.

Another critical point in the bill has to do with post-secondary education. The bill sets a very good precedent in that it would provide federal funds specifically for post-secondary education. I also hope that fund will be increased in future budgets.

We in the NDP and organizations, such as the Canadian Federation of Students, the Canadian Association of University Teachers and many other organizations, have called on the federal government to provide funding for post-secondary education. This is the first time this has happened, so it is very significant.

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What is more important is that the money in Bill C-48 is directed toward tuition reduction and help for students. If members want to know the incredible debt students have been bearing, they need only talk to the families that are trying to put their son or daughter through college or university, they need only talk to the students who, on average, have debts of \$25,000, or they can talk to graduate students who might have debts and loans of \$50,000 or even \$60,000. Many students are graduating into debt as a result of years and years of inaction by the federal Liberal government of not providing assistance to students.

Finally we have some direct measures that are directed toward students. This is a very important measure and we would like it to be used as a model of what can be done in future budgets to say that there must be an infusion of federal funds into post-secondary education to ensure accessibility for all students across the country.

We do not want to read any more reports from Statistics Canada saying that the accessibility to post-secondary education for low income people will plummet to the bottom because of their socio-economic status. That is not good enough in this country. We want accessibility across the board and that has to be done by the federal government coming to the table and making it clear that post-secondary education is accessible.

• (1250)

[*Translation*]

Mr. Robert Vincent (Shefford, BQ): Mr. Speaker, I agree with my colleague when she speaks about education, housing and everything in the bill. However, this is just wishful thinking on her part.

The alliance between the NDP and the Liberals in order to obtain something is still stuck at zero. Our colleague told us earlier that there are only “mays” in the bill. The government “may” do something and “may” make payments. Well, may and actually do are two very different things.

Today they are trying to sell this idea. But I am not so sure. I am not the NDP members. In order to sell something, you need something to sell. But there is nothing here today.

There is nothing in this bill that we are discussing today and on which we will be asked to vote. I would like to know whether the NDP is proud today of its alliance with the Liberals.

[*English*]

Ms. Libby Davies: Mr. Speaker, I do not know if the member was here earlier when I specifically read from the Comptroller General of Canada, who was at the finance committee and spoke about the fact that similar to other appropriation bills, Bill C-48 would provide enabling legislation. This is a fact; it cannot be disputed. The basis on which the bill is designed and brought forward is on the same basis as any other appropriation bill. It is no different.

If the hon. member has a criticism with that, why is it being brought up here and now today on this bill and not on all the other bills that the Bloc and other members have dealt with?

The money in this bill is as real as anything else that we deal with in the House. If the member is questioning everything we do, that is

fine, but we would rather be here and get something accomplished in a concrete way than sit in our seats and do nothing.

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, I tend to agree with my colleague from the Bloc when he calls it an empty bill. The member from the NDP referred to the bill as the people's bill and that the people support this spending, but what the people generally do not understand is parliamentary procedure. However, the members opposite understand parliamentary procedure.

I wonder if the member was here when the parliamentary secretary said a few minutes ago that this is contingent spending. It is contingent, of course, on the surplus being above \$2 billion, but the way members opposite have been spending money hand over fist, I wonder how many people will see any of the money that has been promised in this grand public relations exercise for the NDP. I am wondering if the NDP grassroots supporters themselves are disturbed by the NDP propping up Liberal corruption.

The bill, as my colleague mentioned, is only a two page bill with basically 400 words. Members opposite are talking about giving \$4.5 billion to the government without a plan on how to spend it. We have seen what happens when we give the government large sums of money without a plan. That is what leads to sponsorship scandals and gun registries that go from \$2 million to \$2 billion. That should probably be the subject of an inquiry itself. How could the government possibly spend \$2 billion to register a few guns in the country?

The Liberals have a contingency plan, of course. It is an escape plan and not a penny of this money will be spent unless the surplus remains over \$2 billion, which will probably take 18 months and we will probably be well into an election before then, I would suggest.

I am wondering if the NDP is not disturbed about creating an illusion that all these things will be met, creating a public expectation for all these noble causes, and they are worthy causes. We would like to see all of these things addressed. However, I wonder if the NDP is not concerned about creating an illusion, because ultimately illusions lead to disappointment.

Ms. Libby Davies: Mr. Speaker, it is ironic how everybody's argument and debate is suddenly focused on this one bill. Everybody wants to throw in everything but the kitchen sink. I would pick up on one point that the hon. member has made. The bill is not about an illusion. It is based on reality. It is based on real financial expenditures and on the real financial picture.

The member asks how we will know if the surplus will be there? Maybe he has not been reading what has happened over the last year. If he will remember, the Liberal government predicted there would be a \$1.9 billion surplus. Then it turned out to be \$9.1 billion. Now it is actually \$9.8 billion. That was for the previous fiscal year. The hon. member suggested that surplus will not exist. He should believe me, it will be there in the billions. He should read any financial forecast.

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That is why the bill is based on financial prudence, as reported by the Comptroller General, because that surplus does have to exist. I agree with that. I will agree with the member that it has to be above \$2 billion. He is questioning whether or not it will be there. I tell him to read any financial forecast and he will see that the surplus will be there and that expenditure will be there.

• (1255)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to participate briefly in the report stage debate on Bill C-48. I wish to remind members of the issues.

The member who previously asked a question said there are no plans on how to spend the \$4.5 billion. It would be somewhat inappropriate to come up with micro plans on every dollar and penny when in fact the spending of the \$4.5 billion is contingent upon making sure that the provisions for fiscal responsibility are respected. That means we are not going back into deficit and, indeed, keeping the \$2 billion contingency.

Having said that, the bill specifically identifies the plans. The first is in clause 2 for the environment, which the member opposite said there was nothing stipulated for, including public transit, the energy efficient retrofit program and low income housing in an amount not to exceed \$900 million. The second would support training programs and enhance access to post-secondary education and benefit aboriginal Canadians in an amount not exceeding \$1.5 billion.

The third addresses affordable housing, including housing for aboriginal Canadians, in an amount not exceeding \$1.6 billion and the fourth provides foreign aid in an amount not exceeding \$500 million. All of this, as the Bloc member tried to be critical of, is subject to the dollars being available in excess of the \$2 billion surplus.

Having said that, in terms of considering their position on Bill C-48, members have to ask themselves whether or not the priority areas for Canadians regarding the environment, affordable housing, post-secondary education and foreign aid are important to Canada in terms of additional initiatives in those areas. There is no one issue I can think of where one could do everything one would ever want in one budget. These are all incremental. They are steps and they are important.

It is going to be extremely important for those who do not support Bill C-48 to identify with which portions they disagree. Would they go out in an election campaign, for instance, saying they are not going to support the environment, affordable housing, foreign aid and post-secondary education? I do not think anybody in this place is going to tell the people of Canada that these are things they do not support, to what extent and are they fiscally prudent.

I want to address the point the member just mentioned about it not being in the budget. The member is absolutely right. Bill C-48 is an expansion of the budgetary initiative that we are prepared to support. They would have been done eventually by us, although maybe not in this budget. One has to look at a series of budgets to see the priorities.

Bill C-48 exists because we have a minority government. I would suggest to the member opposite that if we did not have Bill C-48,

June 26 would have been election day and he probably would have lost his seat.

The reality is that in a minority government, which there has not been since 1979, there is a responsibility to collaborate, cooperate and negotiate as necessary to ensure that Parliament works. Bill C-48 is the linchpin to ensuring this Parliament works. We in the Liberal Party want government to work. The NDP wants the government to work, but it is the unholy alliance of the Conservative Party and the Bloc Québécois that do not want Parliament to work.

It was through the collaborative efforts of those who want this minority Parliament to work on behalf of Canadians not to spend or misspend \$250 million to \$280 million on an unnecessary and unwanted election.

• (1300)

It is the responsible thing to do to show Canadians that a minority Parliament works. I am proud of the decisions that were taken by our party and I very much support Bill C-48.

[*Translation*]

Mr. Odina Desrochers (Lotbinière—Chutes-de-la-Chaudière, BQ): Mr. Speaker, I listened very carefully to what my Liberal colleague had to say, and he completely forgot a few details. When he said that what the Liberal Party wanted with Bill C-48 was to govern in cooperation with the NDP, it is simply not true.

The Liberals have formed an alliance with the NDP in order to stay in power. They are not interested in governing, they are only interested in staying in power. We have seen all kinds of legislative sleight of hand in the House to put off legislation, to disregard certain situations such as unemployment and the fiscal imbalance. Votes have been bought. That is the Liberals' trademark. They do not want to manage and administer ideas that are not even their own—these are NDP ideas. They have engaged in flagrant opportunism in order to cling to power.

I would not be afraid to go to my riding or Quebec and say how this government is much more attached to being in power than to really governing.

I therefore ask the member, if there was so much openness, why did the government forget the unemployed and ignore the fiscal imbalance, which is the cause of all the socio-economic problems in Quebec? Why did his government not take advantage of Bill C-48 to include these things, which are essential to the Quebec economy? Why?

[*English*]

Mr. Paul Szabo: Mr. Speaker, I reject the premise of the member's intervention. He talks about having an arrangement simply to keep power. Those are just words. It is not a matter of just keeping power; it is a matter of keeping governing. That is the difference.

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With regard to the fiscal imbalance, I discussed this in debate with his finance critic. The bottom line is that the provinces have the resources and the means necessary to raise taxes to fund their programs. Any fiscal imbalance that exists is illusory. It is a matter of the federal government properly managing the financial affairs of the country. It has a surplus and provinces, like Quebec, simply say to give it to them. That is not accountability and transparency, and it is not going to happen.

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, I want to read an article by Jacqueline Thorpe in today's *National Post*. She states:

The \$4.5-billion New Democrat budget deal, new provincial health care and side deals, changes to equalization payments and a surge in program spending under Paul Martin's Liberals have led to a crazy-quilt of programs and blurred the lines between federal and provincial responsibilities, the Bank of Nova Scotia said in a report.

She is quoting a report from the Bank of Nova Scotia. I think most intelligent Canadians would say the very same thing. This is basically a flotation jacket for the Liberal Party. The Liberals wanted a lifeline to survive on the floor of the House of Commons and they did it. They did it with a spending spree of \$4.5 billion on a plan that was sketched out on the back of a napkin in a hotel room in downtown Toronto. How can the member possibly support that type of deal?

• (1305)

Mr. Paul Szabo: Mr. Speaker, it is important to remind the member that selective media commentary does not tell the whole story in most cases.

If the \$2 billion surplus can still be provided, and the \$4.5 billion in the areas outlined in Bill C-48 can be delivered upon, the spending of the Government of Canada would still remain in the range of about 12% of GDP, which is the same level. We would remain at the same level of spending compared to what the last Conservative government was spending, which was 17% of GDP. It is clear that fiscal prudence and proper fiscal management are in place with this government.

Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC): Mr. Speaker, I appreciate the opportunity to speak to Bill C-48, perhaps not for what is in it, but for what is not in it. I also want to mention Bill C-43 because of what is in it and what is not in it.

Bill C-43 was delivered as a good news budget and everything was great, but a line item in Bill C-43 indicates that the government is going to close the agricultural experimental farms in Canada. Four experimental farms are going to be closed at a time when farmers need more help than they have ever needed before. They need more research, more help and the government is quietly going to close the farms. I was hoping that those farms would come back in Bill C-48 but they did not.

I want to talk about the farm in my riding as it applies to Bill C-48. Nappan Experimental Farm has been in my riding since 1880. It has been a cornerstone of the agricultural community. It has been part of our lifestyle in the maritime provinces. It is located in the exact geographic centre of the Maritimes. The Liberals have announced they are going to close it. What is their reason? They gave us the reason of cost saving.

Before I get into that, I want to acknowledge that the Cumberland County Federation of Agriculture has made an incredible effort to try to stop the decision to close the Nappan Experimental Farm. Those people have put the rest of us to shame. They have dropped their farming needs and all the work they have to do and have gone at this with a vengeance. They have circulated a petition on which they have obtained 2,667 signatures. I will be tabling that petition eventually.

I want to congratulate the president of the Cumberland County Federation of Agriculture, Frank Foster, the secretary, Marilyn Clark, who did a lot of the work, and board members Carl Woodworth, Leon Smith, my friend Kurt Sherman and all the other members. They have done an exemplary job. It is extraordinary what they have done in spearheading this and I take my hat off to them.

I also want to thank my local newspaper which has done a great job in raising this issue. All the media in the area have been very supportive in every way. They have helped us a lot. I also want to thank our agriculture critic, the member for Haldimand—Norfolk, for her tremendous support, and our leader for the efforts to stop the closure of Nappan Experimental Farm.

We were blindsided. We were told at one point that the farm was not going to close. It was not that long ago the government said that there were no plans to close the farm and that everybody could rest easy. Two months later in the budget, the government announced that it was closing the farm. The Liberals did not tell anybody. They did not have a press conference.

I want to compliment the *Amherst Daily News* on an article it published yesterday. In her article "Whatever happened to Ottawa's commitment to farm?" Sandra Bales describes how just a few years ago a Liberal senator came to the farm and announced that the government was spending \$500,000 and made a total commitment to the farm. She describes it as a hot day in the summer. The senator was holding a press conference at Nappan to hand out \$500,000 for the Nappan federal beef research station. She describes how communications officers were handing out press releases, and how the personal assistants to the politicians were handing out business cards.

There was a big flurry when this was announced, but in February, after the Liberals had said a couple of weeks earlier that there were no plans to close the farm, they did not come to the riding. They did not come to the farm. They did not tell anybody. They called in the staff at the Nappan Experimental Farm and gave them their walking papers while the minister was reading the budget speech. I think that was so offensive.

Sandra Bales of the *Amherst Daily News* points out how, the Liberals will come to the region in a big flurry with their assistants, business cards and press releases when they have good news, but when they are firing people, they hide in their ivory towers of Ottawa. That was the way she said it. I thought it was an excellent article and I compliment her. I could not have said it anywhere near as well.

Government Orders

First I want to talk about the decision to close the farms. Our critics and our members of the agriculture committee recently were questioning the minister who acknowledged, and it is written up in the *The Western Producer*, that the effort to centralize decision making on budget and research for agriculture is wrong and he has agreed to review it. He said, "I have asked for, and it is being done, a review of how we approach science in the department". He is already acknowledging that the system that makes decisions is flawed. Overall the whole system that makes the decisions is flawed.

● (1310)

Now I will talk about the decision regarding Nappan. I was told that they had to cut it because they needed to cut costs to maintain research. I believe them for what they say, but I made an access to information request and did I ever get a surprise when I got the information. Not only am I surprised, I am angry. The decision was made for wrong reasons. Obviously the department is in disarray, in chaos. The reasons are inconsistent. I want to read a few things from this access to information.

In an internal memo, 11 Department of Agriculture officials go through all the reasons they are going to save money and the justifications and then it says that all of this casts some doubt on the savings but scientists are saying that this will be guaranteed.

They are saying it is going to save \$250,000. It is \$250,000 and they will not do it. I noticed in the paper the other day the Liberals are spending over \$402,000 on the legal fees for Alfonso Gagliano, but they will not spend \$250,000 on research for the agricultural community in Atlantic Canada. Even internally they question the numbers and the savings. It goes on and then on another page of this document from two years ago exactly, they announced:

[The Department of Agriculture] has made a long-term commitment to the future of the experimental farm and has no intention of closing it. Last year, we invested \$800,000 to enhance [the facility].

Last year the government spent \$800,000 and now the government says it is going to save some money, but even the department doubts that.

The most offensive thing in the access to information is a memo to the deputy minister. It says:

Purpose. To inform you of an opportunity for [the Department of Agriculture] to demonstrate leadership on Expenditure Review. The department wants to discontinue the research at its experimental farm in Nappan.

And get this:

This exercise could demonstrate exemplary behaviour with respect to Expenditure Management Review (EMR) and position [the department] as a leader.

The government is closing the Nappan Experimental Farm to make the department and the officials look good. I cannot believe it. Exemplary behaviour in the Liberals' point of view is firing 14 people and closing down a farm that has been serving the agricultural community for over 100 years. To position the department as a leader is not what this is about. This is about agriculture. It is about research. It is about science and it is about the future. They are trying to impress the expenditure review committee, but on another page the expenditure review committee is reluctant to accept that position.

Some of them say they are going to save money. The department says they question that. The expenditure review says that they do not believe it, that they do not accept it, but the department wants to do it so the department looks good. That argument about saving money does not hold water.

There are other things that are totally inconsistent in this document which really make me angry. I was told that research was going to go from one place in Nova Scotia, Nappan, to Kentville in Nova Scotia. Throughout this document it says that research on forage and diets and meat quality currently at Nappan could move to Lacombe, Alberta. In another place it says:

Nappan is one of the four original experimental farms created by legislation in the 1880s. Research here could be shifted to Lacombe, Alberta.

Then in another part it says:

The beef research from Nappan would move to the University of Guelph at New Liskeard.

My point is that the department does not know what it is doing. It does not know whether it is saving money. It does not know if it is not saving money. It does not know if it is going to move the research to somewhere else in Nova Scotia, or to Ontario, or to Alberta.

The minister has already agreed that the process is flawed. I contend that the decision on Nappan farm is flawed as well.

I met with the minister today. I asked him to stop this decision, to put a moratorium on the decision. I asked him to allow the people to have input, which they were denied totally. We were told on December 8 that the farm was not going to close. There was a great big headline in the newspaper, "Nappan station to stay open". Then two months later in the budget the Nappan research station is to close.

We should have an opportunity to present a case for the Nappan Experimental Farm. It has been a key component of the agricultural community in all the maritime provinces. It is absolutely necessary more now than ever, as is the beef research more necessary now than ever. I am asking the minister to put a moratorium on this closure until he knows what is going on. I do not think he knows.

The information that I gave him this morning was the first time he had seen it. I take total, absolute exception to the department saying that this is exemplary behaviour and if it closes Nappan it will show the department as a leader.

● (1315)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I appreciate the hon. member's speech and actually found it quite interesting. Unfortunately, it had nothing to do with what we were talking about today which is Bill C-48. I am rather hoping that the hon. member has read Bill C-48. His colleagues apparently have pointed out that it is a rather short bill. I am hoping that some time prior to the delivery of his speech he read Bill C-48.

Government Orders

I want him to comment on the remarks of Charles-Antoine St-Jean, Comptroller General of Canada, who in his notes to his remarks says that Bill C-48 would provide enabling legislative authority to ministers; that Bill C-48 is unique in that this is the first time that spending authority would be provided that is subject to there being a minimum fiscal surplus; that this represents a prudent approach to fiscal management; that in addition, it provides a \$4.5 billion cap on spending; that in advance of year end, it also provides more lead time to determine the specific management framework; and that everything is subject to Treasury Board approval prior to March 31.

Having heard those comments, and I hope having read Bill C-48, I wonder if the member would think the Comptroller General of Canada is giving substantial approval to the frame of this bill.

Mr. Bill Casey: Mr. Speaker, the member says that this does not refer to Bill C-48, but as a matter of fact in every way it does. There is no community in our country now that needs more help than the agricultural community. What is in Bill C-48 about agriculture? Nothing. It is absolutely incredible that there is nothing in Bill C-48 and the only thing in Bill C-43 is that the government is going to cut back on research. It is going to cut back on its help to the agricultural community. It is not going to help the farming community. This has everything to do with it.

As far as the Comptroller General is concerned, I do not even have to go there because the Liberals' own cabinet expenditure review committee questions the decision to close the Nappan farm. It said, "we don't even think it will achieve the savings". Their own internal documents say, "we question the savings that are presented by the officials".

I come back to the memo to the deputy minister which says, "This could demonstrate exemplary behaviour". Is the member proud that this is exemplary behaviour. Is firing 14 hardworking people and closing the Nappan Experimental Farm when it is most needed what he calls exemplary behaviour?

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, I appreciate the member bringing forth an issue in his own riding and the way that Liberals are pulling back funding for projects that are important in many local communities. What is not in the budget is certainly part of this discussion. Responsible spending and responsible budgeting is what this discussion is all about.

The member mentioned the experimental farm in his riding. We certainly support the concerns that he has, but we have other ridings in this country where there is no RCMP support at the border crossings. The Liberals have pulled that back as the RCMP does not have any money for manning the border posts. Just the other day we had a big discussion about arming our border agents, but the Minister of Public Safety said that they have pepper spray and batons, to go up against guns or a speeding car coming across our border.

In my own riding we have a very serious concern. We have a concern here in Canada now about potentially 1,000 Chinese spies. A few years ago there were so-called Chinese immigrant ships, migrant ships off the coast. We have no money for surveillance services. Just in the past few weeks two ghost ships have passed by along the coast of Vancouver Island. No transponders; no

communications; no radios; no lights. When our Coast Guard officials call the RCMP and DND, is there any response? Are there any flights that go out? Worse, have they any money for their flights or money for maintenance of the aircraft?

My question to the hon. member is can the NDP not understand and does the member opposite not understand it is about productivity and it is about responsible spending? As the chamber of commerce says, they are crippling the ability to meet the very needs that they are purporting to meet in this illusion budget.

• (1320)

Mr. Bill Casey: Mr. Speaker, this is about responsible spending. In my presentation I pointed out that there are so many different points of view on the decision to close the Nappan Experimental Farm. No one agrees with it, except the people who want to make the department look good and even the people making that judgment do not agree with it.

I am glad the member brought up the RCMP because I have the same problem in my province of Nova Scotia. Top RCMP officers have told me that they do not have the funding to employ the minimum number of RCMP officers to do the minimum level of law enforcement. That is not exemplary behaviour, but apparently the Liberals think it is: cut back on the RCMP; cut back on the farming community; do not give them any money, but give Alfonso Gagliano \$402,000 for his legal bill.

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, where do I begin on Bill C-48? Perhaps I should just pick up where the member from Nova Scotia left off.

I was jotting down some notes in thinking of how to start off this debate. Government should be about addressing the real needs of Canadians as opposed to the political needs of the party it represents; in this case the Liberal Party of Canada.

The parliamentary secretary is yakking away on his side of the House. I would expect him to at least listen. When it is his opportunity to speak, I will listen and we can debate it back and forth. However, his yakking over there does not really add much to this place.

I would question whether the real needs of Canadians are being met in Bill C-48. The member from Nova Scotia set out some of the areas in Nova Scotia where a little of money could make a big difference in terms of jobs and stability in our agricultural sector, research and so on.

I want to point out some of the same issues in the province of New Brunswick where a little money could make a lot of difference.

Government Orders

Some of these we could argue are not a little money but a lot of money. For example, there is the refurbishment of Pointe Lapreau. The Government of Canada has said that it would assist the refurbishment of Pointe Lapreau. It is a \$1.5 billion expenditure. Most of it will be borne by the Province of New Brunswick and the utility, the New Brunswick Electric Power Commission. They are asking the Government of Canada to come in with some assistance. The number that is being thrown about is somewhere between \$200 million and \$400 million. We are not sure what it is going to be, but we are hoping the Government of Canada will be there.

It could have been there, but when one goes on a wild spending spree with no plan for the future, as Liberals have done, the question becomes, how much money is going to be left over for those programs and spending priorities that should have been there in the first place?

In addition to that, we have an aquaculture industry in New Brunswick. I know, Mr. Speaker, you are familiar with that, coming from the west coast which has a significant aquaculture industry as well. To restructure and get through some difficulties the industry has experienced through new fault of its own in the last number of years, it needs somewhere in the order of \$60 million is required. That is way short of a billion dollars. Just to remind the House and Canadians a billion is a thousand million.

I was making some notes before I came to the chamber because it is kind of interesting when we actually measure. How much is a billion dollars? A thousand million. How much is a thousand million? It is normally not the kind of change we are familiar with. It is a lot of cash.

I invite members to carry out this research, but they will have to believe me on this one. A million dollars is two metres high if it is being counted in \$100 bills. If we had \$100 bills stacked on top of each other, it would be just about my height. Therefore, think of this as a billion is a thousand million. Therefore, a billion dollars would be 2,000 metres high, about a mile and a half high in the sky. Talk about pie in the sky.

Therefore, when we are talking about almost \$5 billion, we are talking about a 9,000 metre high pile of \$100 bills stacked on top of each other. I believe Mount Logan is the highest mountain in Canada. It would dwarf Mount Logan. I am sure it would dwarf the tallest building in your riding, Mr. Speaker, with a lot left over to spend.

That is the point that I am making. It is a lot of money that has been just thrown out there for nothing more than political support. It is a life jacket for the Liberal Party of Canada. Basically, it bought off the NDP with a lot of money, \$4.5 billion. On top of that, it could be argued that the member for New Brunswick Southwest is on a political mission. We probably all are on a political mission.

● (1325)

I want to go back to what has been reported in the national press in terms of this \$4.5 billion spending spree. I quoted from an article written by Jacqueline Thorpe, in which she quotes what some of Canada's chief economists have said about this. She has saying that this is a deal makes no sense. I will quote another article that appeared today. She says:

The NDP deal, for example, funnels federal spending specifically to post-secondary education and training, affordable housing and energy conservation, areas that provinces would have funded through federal social transfers—if they so wanted.

The government is out on a patchwork, hodgepodge spending spree simply to get the support of a political party in order to survive a vote on the floor of the House of Commons. It boils down to the fact that the Liberals simply do not want an election. However, it is costing every Canadian and it is costing the credibility of the Government of Canada.

When this same government lost power in 1984 to the Conservatives, it bragged. I believe it was Jean Chrétien who authored these words when the Liberals left office in 1984. He said, "There's nothing to worry about, because we left the cupboard bare". The Liberals bankrupted the country when they left office, knowing it would be very difficult for the next government to get its financial house in order, given the level of bankruptcy in which they left the Government of Canada.

The Liberals brag about what they have done in terms of managing the economy. However, most Canadians know that the deficit has been eliminated. That is fine. We know how that was done and we will not argue the point today. We will give them credit for that. Obviously they did it because of the growth in the economy, because of free trade and because of the revenues flowing in from the GST.

What the Liberals do not talk about is the accumulated debt in the country, which is still approaching about \$500 billion. In terms of interest charges, that is costing Canada today, as we speak. Every time we pay interest on that \$500 billion accumulated debt, which we still are, it costs every Canadian.

This is one of the lines that our finance critic came up with and it is quite clever. I know the Liberals hate to hear this, because he is much more clever than they are. He says, "The Conservative Party will clean up government, but the Liberals want to clean out government".

That goes right back to the same old philosophy of the 1980s: "Spend it because we're in power. Forget about the future of Canada, forget about what we could be doing with that money". This is absolutely irresponsible spending at the hands of the Liberals. They simply do not deserve to be re-elected when an election takes place. This is simply a lifeline that they are throwing out in order to survive votes in the House of Commons. They basically bought the NDP. They bought 19 members of Parliament to the tune of \$4.5 billion on a plan that was written on the back of a napkin, courtesy of Buzz Hargrove, in a hotel room in downtown Toronto. That is just about as sad as it could possibly get.

● (1330)

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, first I want to acknowledge my colleague from New Brunswick. Usually he and I are a little closer on agreement on some issues, but today I cannot help but question him as to how he can somehow answer to Canadians that he supported \$4.6 billion in corporate tax cuts. Was that not spending or giving up taxpayer dollars? The NDP said that it wanted services back for all Canadians, not for the Conservatives' friends through corporate tax cuts.

Government Orders

My colleague talked about the heights of money. He had it as being 9,000 metres and he went on indepth as to how high the money would stack. Totally relevant to that comment, I have to ask him this. If the princess was on top of the money, would she have felt the pea?

Mr. Greg Thompson: Mr. Speaker, it is doubtful that she would have. That is a lot of cash.

When the member talks about tax breaks for businesses and ordinary Canadians, I guess that is where we Conservatives part with the NDP. The fact is it is businesses and individual Canadians that pay the bills around this place. We are talking about are tax breaks to companies, big and small, and individuals to help grow the Canadian economy. We believe growing the Canadian economy and spending responsibility is something the NDP simply does not understand.

[*Translation*]

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Mr. Speaker, I have been hearing speeches about Bill C-48 ever since this morning. Not long ago, we were debating Bill C-43. Even before Bill C-43 was introduced, numerous meetings were held among the various party leaders and the various finance critics.

I understand very well, although the ordinary taxpayer does not, why this government felt obliged, after all the time it had before tabling its budget, to hold these panicked negotiations with another party when it did bring in the budget and began to feel the impending threat of defeat. The NDP negotiated this agreement, partly because it too needed to avoid an election, not being able to afford another campaign, but also to build up its credibility. The bulk of its financial backing comes from the labour movement, and the workers have been totally neglected. There is not one red cent in it for the unemployed.

I have a question for the hon. member from New Brunswick whose riding is close to the Quebec border. He might in fact find it advantageous to look toward Quebec. My question: apart from the measures in favour of the oil and gas industry and the automotive industry, what else is there in Bill C-48 that is worthwhile?

• (1335)

[*English*]

Mr. Greg Thompson: Mr. Speaker, there are lots of good things in Bill C-48, provided the government can afford it. One thing one has to remember in this place is that people very seldom argue with spending money on particular programs. There are always a lot of self-interest groups. I guess we are part of them because a lot of that money will be spent in areas we like.

It comes down to corrupting the process of budget making in the House. Remember, we supported the original budget, Bill C-43, brought in by the finance minister. We believe in a minority government we have to do the best we can, put a little water in our wine and hope we can allow the government, which is about a year old, to proceed and not defeat it.

That goodwill was thrown out the window when the whole process was corrupted. After the finance minister delivered his budget, the Prime Minister flew to Toronto three or four weeks later. He made a side deal with the NDP to the tune of \$4.5 billion and the finance minister was left completely out of the loop. In most cases

like this a finance minister, with any backbone or integrity, would have simply resigned because the entire process was corrupted. That is the point I am attempting to make.

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, I appreciate the opportunity to join the debate. If I may, I would like to pick up where the previous speaker left off, although obviously I will go in a different direction, because it takes me straight into most of my points.

I find it fascinating that the previous speaker and the Bloc and Conservative members who have spoken, the Conservatives in particular, have focused on this issue that the NDP really had no moral right, and these are my words, to join in this agreement to create a better balanced budget because the Liberals are too corrupt. I think I have the argument correct, do I not?

There is a problem I have with that. There are a lot of problems with that, but one is the very amendments that the Conservative Party has tabled today, and the very first one, Motion No. 1, their own amendment. Does it say that this is too corrupt a deal and a process and that therefore the bill should be killed? No. Does the amendment say it ought to be pushed back so that it has the de facto effect of killing the bill? Is it that kind of parliamentary manoeuvre? No.

All it does is say this: instead of there having to be a guaranteed \$2 billion surplus as a trigger before the \$4.5 billion gets spent, it moves that line from a \$2 billion trigger to a \$3.5 billion trigger.

I thought your argument was that the whole thing is—

The Deputy Speaker: I would just remind the hon. member to direct his comments to the Chair. We would appreciate that for the debate.

Mr. David Christopherson: Thank you, Mr. Speaker. Some of us are slow learners. I apologize again, Sir.

The argument from the Conservatives is that the whole thing is too corrupt in terms of content, process, relationship and Gomery, and therefore under no condition should the NDP have joined in any kind of deal, yet here they are moving an amendment that amends it. It does not get rid of it. It does not kill it. It just amends it. The official opposition's arguments are specious.

My colleague has just finished pointing out that the Conservatives were in favour of a \$4.6 billion corporate tax cut, which, by the way, nobody had a mandate to bring in and nobody was lobbying for except the Conservatives. That expenditure was contained in Bill C-43, the original Liberal budget. Not only did the Conservatives support that \$4.6 billion, which, by the way—

• (1340)

Mr. Greg Thompson: Mr. Speaker, I rise on a point of order. I think we need to have some clarification here. The member is talking about an amendment to a bill, and he is absolutely correct on that, but I just want to remind him that the amendment was placed to make a bad bill better.

Government Orders

The Deputy Speaker: That is not a point of order. I thank the hon. member for his point, such as it was, but it was not a point of order.

Mr. David Christopherson: Mr. Speaker, I think they just do not care to hear these messages today and one way to kill time is to raise points of order that are not really points of order.

The fact of the matter is that the Conservatives were quite prepared to support, in the original Liberal budget, \$4.6 billion being spent. Tax cuts are expenditures. They are no different from program spending. Whether we are spending the money we receive on programs and services or whether we deny ourselves that revenue, it has the same impact on the budget and it is still called an expenditure.

The Conservatives were quite prepared to accept that, but not the \$4.6 billion that is going to help ordinary Canadians in the things that matter to their lives and to their families, things for which they are looking to this House to provide some remedy.

There are tens of thousands of young people who are going to be affected by the fact that the NDP better balanced budget will make sure that we provide direct assistance to students who are facing enormous debt loads. We know that they are the future of this country. And since the Conservatives are so concerned about the economy, let me say that the young people of Canada are also the future engine of economic activity.

You thought, the Conservatives thought, it was more important to—

Mr. Garry Breitkreuz: Mr. Speaker, I rise on a point of order. How many times does he have to be corrected on parliamentary procedure? Surely this member can learn sooner or later.

The Deputy Speaker: The hon. member is correcting himself, but I would urge him, of course, to speak in the third person or direct his comments to the Chair. That way, we will not have these points of order.

Mr. David Christopherson: Thank you, Mr. Speaker. I accept the criticism. I am doing my best.

Let me go on to talk about the Conservatives. I want to have fun with them because their arguments are the most ridiculous. The Conservatives have made the argument that it is fiscally imprudent for the NDP better balanced budget to pass.

Yet, as has already been said on the floor of the House today, and it bears repeating, on June 13 at the finance committee meeting, the Comptroller General of Canada made the point that the appropriations bill, as it is formed, meaning the wording that is in it, is enabling legislation and is just like every other piece of budget legislation that has come into this place, whether it was a Liberal budget or a Conservative budget. Get off that point, I say to the Conservatives. They need better arguments.

The Comptroller General also said this was fiscally prudent because it guaranteed that there had to be \$2 billion in surplus before the \$4.6 billion is triggered. That was deemed to be fiscally prudent by the Comptroller General of Canada.

Let us make no mistake about it. When the leader of the federal New Democratic Party entered into these negotiations, yes, the

expenditures were without a doubt foremost on our minds. Sure, we were led by our heart, no question about it, but the leader of the New Democratic Party also made sure that there were no tax increases, that the tax cuts for small and medium sized business remained, because we do support that concept, and that there would still be paydown on the debt.

An hon. member: And the budget would be balanced.

Mr. David Christopherson: And the budget would balance. I thank my colleague for that point.

This was the foundation that the leader of the New Democratic Party had when he walked in and began negotiations with the Prime Minister of Canada. I think that is what is driving those members crazy, especially the Conservatives.

They cannot argue with where the money is going, because I have to assume that their cities, like my hometown of Hamilton, need the money. The young people in Hamilton need the help. Our transit system needs the help. We need the investment in municipal infrastructure in Hamilton. We need the environmental protection. Do I need to make the point?

I have to assume that every community represented by the Conservatives will benefit. We do not hear them attacking what the money will be spent on because they dare not. It is supported by the Canadian people and for good reason. These are good investments. They are sound investments.

What we are left with is a Conservative Party that is trying to play games around procedure. It is saying that this is fiscally imprudent and that the bill is only a page and a half long. These are very silly arguments that can be knocked down in a blink.

I hear rumours that the Conservatives are planning to put up 90 speakers. They had better get their researchers working quickly because the Conservatives do not seem to be comfortable attacking money invested in homelessness. They do not seem to be interested in attacking money being invested in bringing down poverty in the rest of the world. The Conservatives are concerned about big business. The NDP is concerned about poverty around the world. We have an obligation to care about that.

The Conservatives are left trying to argue procedure and wordsmithing. That will go nowhere. The best thing they could do is shut down this debate, get off what is an embarrassing subject for them and let us get on with—

• (1345)

The Deputy Speaker: The hon. member for Essex.

Mr. Jeff Watson (Essex, CPC): Mr. Speaker, the NDP has said that it supports a national system of child care and early learning. I think it is interesting that Buzz Hargrove of the CAW, a major proponent of this, authored Bill C-48, along with the leader of the NDP and that group over here. They left child care out of the agreement.

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The CAW's estimate for a national system of child care is \$10 billion to \$12 billion a year. This is important, because the members were talking about fiscal forecasts, how many surpluses are still ahead of us and how big these surpluses will be. This national system of child care would produce a \$10 billion a year funding black hole.

Bill C-48 is going to eat some of these surpluses beyond \$2 billion or, if our amendment is successful, \$3.5 billion. That means less money available for national child care and early learning.

I have a question for the NDP and my colleague opposite. Are they giving up on national child care to get Bill C-48? Or do they want the high taxes, program cuts or deficit spending that will be necessary to pay for child care? Which principle are they giving up, fiscal prudence or child care?

Mr. David Christopherson: Mr. Speaker, this is interesting, because the Conservatives do not support either. The fact of the matter is that if we look at what happened in this place and to the finances of the country under Brian Mulroney, they should blush at the memory of it.

In terms of child care, we know that the Conservatives do not really want to have a universal child care system across Canada. They prefer their own little way of going on, where the more money one has, the more services one can have, and one can also pay less tax. That is why there is not enough money to provide a universal program that everybody can access.

Listen, I say, the fact of the matter is that once again the Conservatives do not have the guts to stand up and attack where the money is being spent.

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, the member equates spending increases with tax cuts. It seems that the most fundamental thing about the NDP is that it knows full well how to spend money, but it does not seem to understand how it is generated.

It comes down to a simple word called competition. Business creates jobs. Jobs mean employment. Employment means that people can pay taxes. We are falling behind. Canada's productivity is down. This week the finance minister sounded the alarm on Canada's lagging productivity. He was speaking in Halifax. Business groups and economists are saying:

—the Liberal government's spending promises made in anticipation of a spring election, coupled with a \$4.6 billion NDP budget deal, leave it with little or no financial room to focus on productivity enhancing initiatives.

The head of the Canadian Chamber of Commerce said:

We wished he had converted prior to agreeing to spend \$4.6-billion as part of the NDP deal...and placed the country in a straightjacket.

Canada's productivity is falling behind. We are 18th out of 24 industrial countries. If we continue this spending spree, we will not have the jobs to generate the income for the programs we would like to see advanced. What is it about this that the NDP member fails to understand?

• (1350)

Mr. David Christopherson: Mr. Speaker, not a word do we not understand. The fact of the matter is that the leader of the federal New Democratic Party entered into negotiations with the Prime

Minister of Canada and said that we want the \$4.6 billion corporate tax cut rolled back so we can make investments in the lives of Canadians in a way that will improve their quality of life.

An hon. member: You missed the point.

Mr. David Christopherson: If the member would stop heckling, I would answer the point.

The answer is that we made sure the cuts that we agreed are legitimate economic investments stayed, and that means the cuts for small and medium sized business, not the Stronachs of the world, not the other billionaires in Canada or large corporations. Small and medium sized businesses are the ones who need the tax cuts and that is why we supported this aspect staying in the original bill.

Mr. Gerry Ritz (Battlefords—Lloydminster, CPC): Mr. Speaker, it is a pleasure to speak to the second half of the Liberal budget bill, Bill C-48, that the NDP and the Liberals put together in the dark of night in a hotel room to save the government basically. It is not outside the realm that this is basically an IOU. There are only 19 people in the country who believe that IOU will ever be fulfilled and they sit at that end of the chamber. For \$260 million a vote, the government bought a little more time. That is really what Bill C-48 does.

The finance minister of the day had made statements in the media. When we questioned the original budget and said we would support it but wanted to see some amendments done in committee, and we talked about some of those amendments, the finance minister went on record at that time with a bit of a rant saying that there was no room for any amendments. This was the most complete budget. He was not going to change a thing. Nothing was going to persuade him to change or tweak anything in the budget. He is on record saying that a number of times.

Not long after that we suddenly get an edict from the Prime Minister, without consultations with his finance minister, saying that the Liberals were going to add another \$4.5 million worth of spending in programs that they already agreed with. They did not put them in the original budget but they certainly agreed with them.

There is a problem with that. If that type of thing had happened to the now Prime Minister when he was Chrétien's finance minister, he would have gone berserk. He cut the legs out from underneath his finance minister. The finance minister of the day will tell us straight to our faces that he has not got legs to spare. He is already height impaired. To cut the legs out from underneath him like the Prime Minister did to buy votes is just unconscionable in this country. That is \$260 million a vote.

Canadians will assess before the next election and during the next election as to whether that was a good use of taxpayers' money. I would argue that it was not and not anywhere close.

This is a modern day fairytale. I do not know how many years ago the old fairytale of Jack and the Beanstalk came out. The bumbling guy, Jack, on his way to town traded off the family cow, the cash cow, for a few magic beans. We have the same situation here. We have Jack bumbling on his way to Ottawa, trading off the cash cow, taxation, on a few magic beans, some promises that will never ever be fulfilled. It is an IOU, as I said.

Government Orders

If we want to talk about the Prime Minister standing behind his IOUs, then we want to talk to Premier Danny Williams. We want to talk to Premier Hamm of Nova Scotia and find out how that Prime Minister lived up to his IOUs. We can also talk to Premier McGuinty in Ontario as to how the Prime Minister and his finance minister are standing up to their IOUs. We can talk to any province across the country that had their health and social transfers cut by \$25 billion. We can ask them how the Prime Minister then finance minister stood up to their IOUs. They will all tell us that their track record stinks.

Now we have more IOUs piled up. We have 19 people here who believe this. They swallowed it hook, line and sinker and it does smell fishy. When we look at all of the things that are outlined in the bill, they are holding the so-called corporate tax cuts for big business in abeyance. They did not kick in for four to five years to begin with. We needed the cash flow from that in order to pay this type of wishful thinking, this budget that is never going to happen.

The NDP members love to rant and rave about how they stopped the tax cuts for big business. Yet we had the leader of the NDP stand in the House last week decrying the fact that General Motors, one of these big businesses, is going to pull out of Canada because of productivity. It cannot make a go of it here because the regulations and taxation are too high. Yet his own budget is the thin edge of the wedge that is pushing big companies like that out of the country.

We cannot have it both ways. When we flip a coin there are two sides. The NDP members say it is going to land on its edge and they can have the best of both. It is never going to happen.

The NDP members say that these promises that are in the bill cover everything on the NDP wish list. They completely missed agriculture. They talk about being there for the little guy. There is absolutely nothing in the Liberal-NDP budget to address agriculture.

We talked about putting amendments through on Bill C-43 to address the shortfall in agriculture. The government programs do not hit the mark and do not get out to the mailboxes on the farm. Therefore the NDP missed on that one.

•(1355)

There is nothing for shipbuilding. Members of the NDP stand here day after day decrying shipbuilding in this country while the Prime Minister gets his done in China at discount rates, yet there is nothing in here about shipbuilding. There is nothing for seniors. There is nothing in here addressing the problems we have with the equalization formula.

It is fine that the NDP made this backdoor deal in the dark of night with Buzz Hargrove and the Prime Minister, but it missed the mark. The NDP could have built on Bill C-43 and instead it is going to tear it down. The good news is that we put through an amendment that \$2 billion of the debt has to be addressed in the next two fiscal years before any of this takes place. That is the poison pill, and by putting through our amendment to make it \$3.5 billion, this will thankfully never happen.

We need to see some common sense applied in this place and it is not in this particular budget. We sat fast and allowed Bill C-43 to go to committee. That is the right thing to do. Canadians had to see what was in there. We talked about amendments. We brought it back to the House. It is better than it was. It is still not good enough for

Canadians because we also see the finance minister agreeing with us that Canadian productivity is lagging.

How do we address that? We do that by taking the boot off the necks of taxpayers, letting them do what they do best, and produce things in this country that we can export. We are an exporting nation. This bill will be regressive. I could never sit on my hands or not vote against this type of a bill.

There is good money going after bad. The government talks about money for housing. Everybody agrees with that, but we spent \$2.2 billion in the last little while with no benchmarks that there has ever been any positive effect. We are going to add another \$1.6 billion. I can hear the toilet flush now. There has to be a plan.

The finance committee brought four of the ministers who will be involved in this before the committee. None of them could say how this money will be spent. Where is the plan? There is nothing in the original budget other than a big bill for the environment, but no solid plan other than the Kyoto accord which everybody knows is a flawed document.

We are seeing good money flushed after bad in this one. Jack got the magic beans, but they are not going to grow. As I said, it is just a major IOU. We have economist after economist and all the major banks decrying this. We have the Canadian Chamber of Commerce, that represents big, medium and small sized businesses, saying this is ridiculous.

We have become a laughing stock to the rest of the world because of this type of economic action. If any of this was reasonably good to begin with, why was it not in the original budget? Greg Weston in the *Ottawa Citizen* says:

In practice, here is how the money will flow — or more likely, won't flow: First, nothing can flow anywhere until the government determines if it has a surplus—

The government is great at spending that surplus, so there is no surplus. There never will be any money to address this and these guys fell for it. They sucked it all up and said, "Look what we did". They sold themselves out for an ideal that the government will never ever respond to.

The Deputy Speaker: The hon. member will have another couple of minutes after question period to complete his speech.

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STATEMENTS BY MEMBERS

●(1400)

[Translation]

BASTILLE DAY

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, on July 14, France and its friends around the world will celebrate Bastille Day.

As the president of the Association des amis de la France au Canada, I am pleased to invite all the members of this House to join me in celebrating this important day.

On July 14, 1789, the people of France marked the start of a new period of change in France and the dissemination of new ideas around the world, such as equality, liberty and fraternity, along with new ideas on governance, which are still valid today.

Let us join France and the world as a whole and celebrate Bastille Day 2005.

* * *

[English]

TRANSPORTATION

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Mr. Speaker, after almost 12 years of Liberal government, the results on transportation policy for British Columbia are clear. The Liberals have failed. By contrast, a Conservative government will deliver real solutions for B.C.

A Conservative government will work to eliminate, not just raise, the borrowing limits imposed on the port of Vancouver, so it can continue to serve as a pillar of B.C.'s economy. We will ensure that all of B.C.'s harbours are safe and well maintained, and we will put gas taxes into roads to ease congestion, fight smog and build the communities we need.

We will cut airport rents and the air security tax to help Vancouver International Airport grow. We will eliminate needless regulations on B.C.'s smaller airports so they can serve British Columbians.

A Conservative government will help ensure that the 2010 Olympics are a success by supporting all necessary infrastructure demands. We will work with Fraser and Delta Ports to protect communities all along the Fraser River from flood danger by addressing the dredging issue. A Conservative government will work to expand commuter rail into Vancouver.

Our agenda is clear. A new Conservative government will deliver on transportation for British Columbia.

* * *

[Translation]

EDUCATION

Ms. Denise Poirier-Rivard (Châteauguay—Saint-Constant, BQ): Mr. Speaker, all too often, unfortunately, we hear that many of our young people are not finishing high school. Dropping out is a social issue as well as an educational one.

Well, in Saint-Constant, in my riding, there is a school called “Le Tournant”. As its name suggests, it marks a turning point for young dropouts between 14 and 18 and is devoted to them alone.

On May 30, several hundred people were invited to a gala organized by and for the students to mark their efforts and to showcase their many talents. It provided an excellent opportunity to show that success, although not always easily achieved, in the end rewards those who go after it. This is all the more true when it applies to young people, the future of our society.

I congratulate the school's principal, Lucie Legault, and her hard-working staff, who have given back to our youth a belief in their abilities and their future.

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[English]

ABORIGINAL YOUTH SUICIDE PREVENTION

Ms. Nancy Karetak-Lindell (Nunavut, Lib.): Mr. Speaker, I would like to bring to the attention of the House the national aboriginal youth suicide prevention walk. Six young people are making this trek and they are set to officially walk into Ottawa on Friday, June 17. These dynamic young adults have walked from Duncan, British Columbia, giving presentations, taking part in lobbying, and in general, bringing to the forefront the alarming numbers of youth suicides in our aboriginal communities.

I would like to applaud these young people for their determination in completing this walk while achieving public awareness. They would like as many people as possible to join them in their final stretch of the walk from Victoria Island to Parliament Hill beginning on Friday at 11 a.m on Victoria Island. I invite everyone to join them on the last leg of a long coast to coast journey.

* * *

DIABETES

Mrs. Susan Kadis (Thornhill, Lib.): Mr. Speaker, last Sunday marked York region's fourth annual walk to cure diabetes. Similar walks took place in 28 other cities across Canada. All funds raised will go directly to the Juvenile Diabetes Research Foundation toward finding a cure for diabetes.

This year York region's walk alone included 1,000 participants and hoped to reach a fundraising goal of \$275,000. The event was organized by Lynn Conforti, chaired by police chief Armand La Barge, Harvey Kessenberg, Brian Johnson of Monarch Development and youth ambassador, four year old Coner Doherty.

Coner is one of 200,000 kids currently living with juvenile diabetes in Canada. Diabetes strikes infants, children and young adults suddenly, makes them insulin dependent for life, and carries the constant threat of devastating complications.

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Events like this raise money to help find a cure and give great hope to the thousands of children and their families that have to live with diabetes every day. We are making breakthroughs, but we must continue to fight vigorously and never give up until we find a cure for our children, our future.

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TURNAROUND ACHIEVEMENT AWARDS

Mr. Rob Moore (Fundy Royal, CPC): Mr. Speaker, I rise in the House today to congratulate students from Quispamsis, Kingston Peninsula, Hampton, Belleisle and Sussex, who are the recipients of the Turnaround Achievement Awards.

The Turnaround Achievement Award program recognizes students in grades 6 through 12 who have demonstrated exceptional commitment and perseverance in turning around their lives. This program is founded on the principle that rewarding students for their hard work and celebrating their success is an essential part of building self-esteem.

Last month I was honoured to join these remarkable students, their parents and teachers from school district 6 in celebration of these achievements at the official awards ceremony.

This is the time of year when we recognize the accomplishments of high school, college and university graduates at graduation ceremonies across Canada.

I would like to take this opportunity to extend my congratulations to all secondary and post-secondary students graduating this spring in my riding of Fundy Royal. I thank them for the contributions they have made to their communities and the contributions they will make in the future.

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•(1405)

[*Translation*]

PAY EQUITY

Ms. Françoise Boivin (Gatineau, Lib.): Mr. Speaker, I am pleased today to salute the commitment my government has made to equity in the workplace.

As a matter of fact, it was a Liberal government that created the pay equity task force in 2000, and we are determined to implement its recommendations and make the legislative reforms needed.

The Liberal government has provided constant support through concrete initiatives, such as the employment equity embracing change support fund, in order to help federal departments meet their equity objectives.

I want to remind the House that the Leader of the Opposition asked the government to repeal what he referred to as this ridiculous pay equity legislation and said that taxpayers are being misled about pay equity, which he felt had nothing to do with gender equality.

My government is proud to have continually worked for pay equity in Canada, since the Liberals came to power in 1993.

CANADIAN CANCER SOCIETY

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): Mr. Speaker, a Relay for Life was held on June 3 in the riding of Vaudreuil-Soulanges to raise money for the Canadian Cancer Society.

Over 700 walkers and more than 250 survivors of this terrible disease were in attendance. Together, they raised over \$151,000. I thank the many donors, who doubled their contribution to this cause this year.

These funds will help finance promising research projects, provide information services and support programs, advocate for public policies to prevent cancer and improve the quality of life of those affected by this disease.

I thank everyone for their generosity and attendance. I had a lot of fun spending the night with them.

I also want to take this opportunity to congratulate the organizers on their resounding success.

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[*English*]

CONSERVATIVE PARTY YOUTH CAUCUS

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): Mr. Speaker, in March of this year, the Conservative Party, led by members of the Conservative caucus, rejected a youth wing for the party but today they announced a club for their own self-styled youthful caucus.

Did those caucus members feel threatened? Did they feel that the Reform-Alliance takeover—

Some hon. members: Hear, hear!

The Speaker: Order, please. The hon. member for Brampton—Springdale has the floor.

Ms. Ruby Dhalla: Mr. Speaker, the Conservative Party caucus members certainly were not cheering last month at their convention.

Many of the Conservative members felt that the Reform-Alliance takeover of the Progressive Conservative Party would be exposed by the Progressive Conservative youth wing and yet they have actually formed a caucus.

It is quite interesting that the Conservative Party voted against the youth wing at its previous convention. One former member of the Progressive Conservative Party youth wing actually said the following:

I'm not sure what they were thinking... It makes no sense philosophically or strategically...Every party in the western world has a youth wing—every mainstream party...We should be encouraging young people to get involved.

This was said by a Progressive Conservative Party member and I could not say it better myself.

WORLD SCOUT JAMBOREE

Hon. Rob Nicholson (Niagara Falls, CPC): Mr. Speaker, in 1955, over 11,000 scouts from 71 countries gathered in Niagara-on-the-Lake for the eighth World Scout Jamboree. It was the first major international gathering of scouts outside of Europe. In September we will welcome them back to Niagara for the 50th anniversary of this historic event.

In 1955, the local scout lodge stood on the present site of the Shaw Festival Theatre and Parliament Oak School was turned into a hospital by the Department of National Defence. Seventy-five hundred tents were set up on the commons in the old town. Governor General Vincent Massey opened the festivities and Lady Baden Powell addressed the assembled gathering.

It was a historic gathering that was commemorated by a Canadian stamp to mark the occasion. There was one uninvited guest. Hurricane Connie passed through five days before the event and created major havoc. In typical Canadian fashion, volunteers showed up in great numbers to restore the site, so many, in fact, that some had to be turned away.

Everyone wishes the organizers of this year's special anniversary tremendous success, and no hurricane.

* * *

• (1410)

[Translation]

MAGOG REGION

Hon. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, the Magog region has been experiencing a serious employment crisis for the past year. After the textile crisis, the recent job losses at SaarGummi and now the closure of Olymel have added to the bad news for workers.

I wish all my fellow citizens affected by these closures to know we have not yet said our last word on this. An industrial revitalization committee has been set up to seek solutions. All of us are working very hard to keep jobs in the Magog region and to see new ones created.

I must also thank a number of my colleagues who have supported us in this. Moreover, tomorrow the Minister of the Economic Development Agency of Canada for the Regions of Quebec will be in Magog to make an important announcement, and we will be meeting community stakeholders to discuss the economic situation in the region. All levels of government must work in close cooperation on this.

Solidarity is needed now more than ever.

* * *

WIND ENERGY

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, last week the leader of the NDP urged the federal government not to invest in refurbishing New Brunswick's Point Lepreau nuclear power plant. The federal government is prepared to invest \$200 million in this initiative, the total cost of which will be \$1.4 billion.

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The NDP is opposed to this investment, and feels that the focus ought to be on green energy instead, such as wind power, which better reflects the objectives of the Kyoto protocol.

Northeastern New Brunswick has a lot to offer, and would be an idea location for the development of wind energy. In fact, promoters in the Lamèque region have begun a project to develop a wind farm.

Another wind energy development project is being considered in the Clifton region.

This industry might create several hundred jobs in Acadie—Bathurst, as well as the Bay of Fundy area.

The NDP is environmentally sensitive and well aware of how vulnerable the environment is. This is why we are calling upon the federal government to apply the Kyoto protocol and to invest in green projects which will create sustainable employment.

* * *

[English]

KINGSCLEAR REFORMATORY

Mr. Peter Goldring (Edmonton East, CPC): Mr. Speaker, over 30 years ago, one of Canada's most horrific examples of mass pedophilia took place at Kingsclear Reformatory in New Brunswick. Hundreds of boys were systematically abused by over a dozen pedophiles inside and outside the walls of this insidious institution.

Finally, after years of protestations, the RCMP complaints division is mounting an extensive investigation, the largest in the force's history, larger even than the famous APEC inquiry.

However this past week the New Brunswick government reportedly refused to turn over important information on the Kingsclear case, once again dashing the hopes for justice.

I encourage all to embrace and wholeheartedly assist the investigation. A full and transparent investigation, leaving no bulging carpet unturned, no trail not followed, no lead not investigated, will finally bring blessed closure for the victims, the RCMP and the good people of New Brunswick.

* * *

[Translation]

DEBT FORGIVENESS

Mr. Benoît Sauvageau (Repentigny, BQ): Mr. Speaker, last Saturday in London, the ministers of finance of the G-8 countries reached a historic agreement. This agreement forgives the national debt of 18 developing countries, most of which are in Africa, and proposes to do the same in the near future for 20 other nations, under certain conditions.

The Bloc Québécois welcomes this first step, but, aware of the growing disparity between rich countries and poor countries, again calls on the government to increase its humanitarian aid to developing countries, with no further delay, in order to reach 0.7% of GDP by 2015.

Oral Questions

If this government is as outraged by poverty, child poverty in particular, as it claims to be, then maybe it should prove it and put an end to Canada's dubious distinction of being one of the least generous of the world's richest countries.

* * *

[English]

CONSERVATIVE PARTY YOUTH CAUCUS

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, I am proud to announce that today the Conservative Party of Canada officially launched the young Conservative caucus, a group of 20 Conservative MPs aged 40 and under.

Our party is young and energetic, led by the youngest leader in the House. We have the youngest caucus in the House of Commons today and one of the youngest in recent history, with over 20% of our members aged 40 and under.

We have almost as many young members sitting in the House of Commons today as all the other three parties combined. We have the three youngest parliamentarians.

Our party has been extremely successful in bringing young MPs to the House of Commons. We want to build on that success by encouraging young Canadians to be involved in politics.

This caucus will provide a forum for our party to communicate with young Canadians facing a heavy tax burden, mortgage payments, student debt, child care challenges and environmental concerns.

The young Conservative caucus is a diverse and influential group that will help shape the policy and priorities of the Conservative Party of Canada and our country for years to come.

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●(1415)

DEVILS LAKE WATER DIVERSION

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, today's news that Canada has won an agreement to delay diverting water away from Devils Lake while negotiations are ongoing is very significant.

I would like to thank the Prime Minister for consistently raising this issue with President Bush.

Hopefully, this delay finally signals North Dakota's acknowledgement of the serious environmental and political ramifications of such a project.

To divert these waters into Manitoba's rivers and lakes risks setting a precedent that would compromise the integrity of our longstanding boundary agreements with the United States.

[Translation]

I want to encourage all the hon. members of this House to join me and my Liberal colleagues, and a growing number of voices on both sides of the border, in calling on North Dakota to respect the Boundary Waters Treaty and to agree to a joint reference to the International Joint Commission.

We want to preserve water quality in the rivers and lakes of Manitoba while maintaining good relations with the United States for future generations.

* * *

LOGILYS

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, I want to congratulate the entire staff of the firm of Logilys in Victoriaville, which was recently recognized for the quality of the French in its ProDoc software at the Gala de la Francofête.

It was cited in the category of information technology, application and software for small and medium organizations.

Logilys, whose president is Pierre Brochu, is an example of the importance of developing regional economic diversification. It is a computer company with acknowledged expertise in consultation, analysis and the development of specialty applications.

It serves manufacturers, engineering consulting firms, companies providing rental services for facilities, halls and sports fields, and charitable organizations.

The Bloc congratulates the entire Logilys team on its work and its concern for the quality of the French language in an ever changing field.

ORAL QUESTION PERIOD

[English]

NATIONAL SECURITY

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, for some time there has been growing evidence of a large spy network being operated in Canada by the Chinese government. Today the former head of the CSIS Asia desk confirmed reports from defectors that close to a thousand Chinese government agent spies had infiltrated Canada.

The Prime Minister has been evading answering this. I want to ask him very directly. Did the Prime Minister explicitly raise this violation of our sovereignty when he met with leading Chinese government officials in Beijing earlier this year?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I dealt extensively with Canada's interests. I dealt extensively with Canada's sovereignty and the need to respect state sovereignty between countries.

It is also well known that Canada maintains a vigorous counter-intelligence program to safeguard Canada's security. It is also very clear, and Canadians can rest assured, that we maintain a very strong law enforcement and security system that will enable them to be assured of their own protection and security.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, judging from that answer, the Prime Minister did not explicitly raise this issue. Not only does a foreign spy network undermine our security, it is in this case damaging our economic interests.

Oral Questions

Today the former head of the CSIS Asia desk has said that the Chinese government is engaged in industrial espionage that costs our economy \$1 billion a month.

Would the Prime Minister tell us whether he or anyone in his government has ever issued a formal protest of any kind for this type of activity in Canada by the Chinese government?

Hon. Pierre Pettigrew (Minister of Foreign Affairs, Lib.): Mr. Speaker, we always take all these allegations very seriously. Clearly, we enjoy a very constructive dialogue with China. We work with the Chinese. We expect from them respect for our sovereignty. When they are here, they are meant to respect our Canadian laws.

When things are brought to our attention, we refer them to the appropriate authorities in our country.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, those are non-answers to a serious question of security and national sovereignty. We should be getting answers and they should be coming from the leader of the country.

It is a matter of public record that a foreign government is spying on the activities of Canadian citizens and engaging in industrial espionage. Would the Prime Minister tell us whether his government plans to do anything at all about this in the future?

• (1420)

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, let me be absolutely clear, as I was yesterday. CSIS and the RCMP are engaged in an ongoing basis in ensuring that the collective security and economic interests of our country are protected.

I have said before that I will not discuss operational detail. I can reassure the hon. member that CSIS and the RCMP do everything that is necessary and required, based on the circumstances of any given situation, to protect the collective security of Canadians.

* * *

BORDER SECURITY

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, it is appalling that the Prime Minister will not get up and answer a question about this file.

Yesterday the Senate committee issued a scathing report about the Liberal government's inaction on securing key border crossings. Among the problems, border crossings remain vulnerable because of the lack of pre-clearance or reverse inspections. It will be six years after the signing of the smart borders declaration before a pilot project on pre-clearances will begin, let alone be completed.

The report says:

At that pace today's children will have grey hair before reverse inspection is the norm across the country.

When will the government introduce an implementation plan for pre-clearances at the border crossings as—

The Speaker: The hon. Deputy Prime Minister.

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, this government is very serious about security, which is why we have been working so closely with our American neighbours to ensure

that we identify low risk goods and low risk people so they can cross the border in an unimpeded fashion.

The hon. member talks about getting serious about security. We have spent \$9.5 billion since September 11, 2001. Another \$433 million has been committed in the last budget to ensure the CBSA has the resources to do the job at our borders.

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, the all party Senate committee, including Liberal senators, said that the government was not serious about security. In fact, they say that security is failing.

Over 1,600 vehicles ran the border last year. RCMP detachments are being closed. In most cases police officers cannot respond in a timely manner to border calls because they are either not there or they are not close enough.

Our border officials have bullet proof vests, but they do not have sidearms to stop dangerous travellers. The Senate committee said they should.

When is the safety of our border officials going to come first? Why have firearms and the appropriate training not been made available to our front line security officers in our country?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, first, let us go back to the whole question of running the border. I wonder if the hon. member knows how many border crossings there are every year between Canada and the United States. There are 71 million and all but a handful are legal crossings where either the American customs people or our customs people are interacting with those individuals.

In relation to the question of firearms, this is an issue of long-standing debate. I certainly understand the demands of the union in question. We have done numerous job hazard analyses and all those analyses have indicated that—

The Speaker: The hon. member for Laurier—Sainte—Marie.

* * *

[Translation]

OLDER WORKERS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, since the program for older worker adjustment was eliminated in 1997, no permanent measure has been put in place since. However, on June 14, a Bloc Québécois motion calling for the creation of an income support program for older workers passed unanimously in the House. The Prime Minister has another chance to help older workers.

Will he finally walk the talk and create an income support program for these workers?

*Oral Questions**[English]*

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, we were very happy to agree with the need to have a strategy in place for an older worker program. We recognize we must help older workers, not only to upgrade their skills to stay in the workforce, but we must work together to monitor the pilot programs that are in place. We will take those evaluations into consideration when making our strategy.

We do recognize the need to have an older worker strategy in place and I am doing so.

● (1425)

[Translation]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the minister may be happy, but I would like older workers to be happy too.

Instead of talking vaguely about the need for a strategy, can she say what real action will be taken? Will the government proceed and create a permanent income support program for older workers, not pilot projects, for those unable to upgrade their skills and stay in the workforce? That is what workers want. They are not all millionaires.

[English]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, we invested \$50 million five years ago in pilot programs. We have extended those programs for a year because we do take this seriously. We understand the need to invest and create programs so older workers can develop their skills to stay in the workforce.

We used to have programs that enabled workers to retire. These programs are there to enable those workers who wish to continue to work to do so. We are studying them. We will take the evaluations into consideration and ensure we adopt, adapt and make the right program for older workers.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, what is important is that the existing measures to help older workers have been seriously lacking since this government cut the former assistance program, POWA. The needs of some categories of workers are urgent.

How can the government refuse to re-establish a benefits program that would allow workers aged 57 or 58, for example, who have worked their entire lives for a company that is closing, to get by from the time they are laid off until they get their pension? In my opinion, this is a matter of social justice.

[English]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, let me say again that we understand the need to help older workers, not only to stay in the workforce, but to ensure that we evaluate these pilot programs properly. We have extended the pilot programs. We take them seriously. We will take the outcomes of those pilot programs into consideration when we develop our strategy in tandem with the provinces.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, the minister must distinguish between an adjustment program and an assistance program.

The government has raided the EI fund to the tune of \$47 billion. But coming to the assistance of workers who are victims of a plant closure would only be fair and compassionate.

Why is the government, which itself cut the former POWA, refusing to put in place a new income support program for older workers unable to find work, so they could survive once their EI runs out until their pension begins?

[English]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, the current programming we are looking at will enable workers to develop their skills to stay in the workforce, not just to retire. There is temporary income support through EI, but we are also looking at active measures that will teach workers to develop and improve their skills with technology. We are working together with the provinces to ensure we develop the right programs to enable workers to stay in the workforce longer, if they choose, to have economic freedom and the choice to do so.

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HEALTH

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, my question is for the Prime Minister. One week ago the Supreme Court delivered its ruling on our health care system and it was a wake up call to protect and to improve public medicare.

Rhetoric will not cut it. We have had 12 years of that and the Supreme Court essentially has said it does not work. The health care accord signed last fall will not cut it either because it does not mention privatization, not a word.

We need a plan. The country is waiting for it. Where is the Prime Minister's response to the Supreme Court ruling?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, the very important federal-provincial conference, which led to the spending over a 10 year period of \$41 billion, was in order to deal precisely with the issue with which the Supreme Court dealt. That is the issue of waiting times and the need to reduce waiting times, to increase the number of health care providers, to ensure the needed restructuring that will allow our hospitals to be more efficient and to set up a transition fund to focus on wait times.

We have dealt with all of that. It is now very important that it be put into place.

Oral Questions

●(1430)

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the Prime Minister did not address the point. It has to do with protecting public medicare and the non-profit delivery of our services. There was not a word about that in his answer.

The Prime Minister wants to talk about serious issues, yet we saw yesterday the tabling of *The South Beach Diet* for heaven's sake. I am sure the patients are still laughing.

Let us talk about tabling something. Will the Prime Minister table, by the end of the day, the minutes of the meetings that he has held in the past week on the Supreme Court decision so we know he is actually working on the issue and not just talking about it?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, what the hon. member does not seem to understand is eight months before the Supreme Court decision the federal government took the initiative to convene a federal-provincial conference to deal specifically with the issue of wait times.

The fact is we are working with the provinces. There have been extensive meetings, phone meetings and meetings of officials face to face across the country over the course of the last week, since the Supreme Court decision was handed down.

We take this very seriously. What is important to understand is what we are doing is strengthening the public—

The Speaker: The hon. member for Cypress Hills—Grasslands.

* * *

BORDER SECURITY

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Speaker, my constituency borders the United States for 150 miles. The RCMP is closing five detachments along that border. The result is that 100 miles of the international border will be left unprotected.

Why is the government deliberately abandoning my constituents and Canadian border security?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, the province, as the hon. member is probably aware, establishes the level of funding for provincial police services in the province.

In relation to the detachments in question, it is my understanding that the provincial government, the attorney general of the province of Saskatchewan, is in agreement with the approach being taken by the force.

These are matters that are left up to the force in discussion with the provincial government because they are in the province under a contract with the government of Saskatchewan

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Speaker, this is not a provincial issue. It is happening all the way across Canada. This is a populated area of 5,000 square miles left without a single permanent RCMP officer or detachment. It will have 100 miles of unprotected border.

In the last two months the government has spent money like drunken sailors. The other night it just approved another \$65 million for a useless gun registry.

With all that spending, why is there not enough money to provide my constituents with the same basic services that are granted to other Canadians?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I suggest the hon. member perhaps talk to the provincial government in Saskatchewan. These decisions, as it relates to the deployment within the province where they are policing under contract, are dealt with in conjunction and consultation with the provincial government.

The hon. member should probably talk to the government of Saskatchewan.

* * *

TRANSFER PAYMENTS

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, yesterday the Bank of Nova Scotia released a report arguing that the “financial arrangements between Ottawa and the provinces are in a mess and need a major overhaul”, and that the government needs to take a holistic approach to solving the issue of the fiscal imbalance.

The Conservative Party has long argued the need to reform the equalization formula and address the fiscal imbalance with a national vision. When will the Prime Minister finally admit that a fiscal imbalance exists and that his government's continuing denial of this serious problem is undermining the relationship among all orders of government?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, in fact the decisions taken by the government over the last number of months have led to commitments that will see an incremental \$100 billion transferred to support the provinces over the course of the next 10 years.

It is interesting that the report the hon. member refers to argues for increased tax cuts instead of transfers to the provinces. I wonder if the hon. member agrees with that.

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, the Bank of Nova Scotia report clearly states that the fiscal imbalance needs to be addressed for the good of our nation and the benefit of our provinces and our municipalities.

The Conservative Party of Canada is the only federal party that is listening to the provinces and municipalities and working toward solutions to rectify the fiscal imbalance. When will the Prime Minister admit that his approach to federalism is failing and is undermining the ability of provinces and municipalities to meet the needs of Canadians?

●(1435)

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the premise behind the question is horse feathers. The fact of the matter is that the report the hon. member refers to argues for tax cuts instead of support for the provinces. I gather the hon. member agrees with that.

It also takes issue with detailed reporting requirements and targets for waiting times in health care. Do those members across the way also disagree with reporting requirements and targets for reducing waiting lists?

Oral Questions

[Translation]

INTERNATIONAL TRADE

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, currently, only companies are authorized to file complaints with the Canadian International Trade Tribunal to protect themselves from unfair competition. Unions are calling for this same right.

Does the Government of Canada realize that not only companies but also unions need the right to file complaints in order to defend jobs threatened by dumping or other unfair trade practices?

The Speaker: The hon. minister—

Some hon. members: Oh, oh!

The Speaker: The very popular and honourable Minister of International Trade obviously wants to respond.

[English]

Hon. Jim Peterson (Minister of International Trade, Lib.): Mr. Speaker, if there are problems being caused in this country by unfair trade practices, we have our remedies under the NAFTA and we have our remedies under the WTO. We will work as we have in the past, such as with softwood lumber, in order to protect the rights and the jobs of our workers.

[Translation]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, the world has changed and the Liberals are confused. It is the Minister of Finance who is responsible for the Canadian International Trade Tribunal. Clearly, trade legislation in Canada is outdated. These days, companies here often outsource part of their production.

Will the government admit that some companies sometimes refuse to file a complaint simply because it suits them not to and that the workers who do not have this right are left powerless to do anything in situations that may mean loss of jobs?

[English]

Hon. Joe Fontana (Minister of Labour and Housing, Lib.): Mr. Speaker, I beg to differ. The unions and workers in this country and those working for foreign companies have the opportunity to lodge any complaint against unfair working practices. It is this government that protects workers' rights. They do have the right to complain. We have an agreement with NAFTA. We have agreements with other countries to protect working conditions, working standards and labour standards.

* * *

[Translation]

FOREIGN AFFAIRS

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Mr. Speaker, a jurisdictional dispute, which has been going on for two years now, is preventing Quebec parents wishing to adopt children from Vietnam from doing so. As it happens, the President of Vietnam will be visiting Canada in late June.

Ottawa has been dragging its feet on this matter for two years. Does the Minister of Foreign Affairs intend to at last sign an agreement during the President of Vietnam's visit to Ottawa later this month?

Hon. Pierre Pettigrew (Minister of Foreign Affairs, Lib.): Mr. Speaker, the negotiations have intensified and considerable progress has been made in recent days. I hope that this difficult situation can be resolved, for the sake of those wishing to start or expand their families, and for the sake of these Vietnamese children, whom their government is anxious to protect with an international treaty having the effect of international law. I very much hope that we will be able to conclude the negotiations within days.

Ms. Francine Lalonde (La Pointe-de-l'Île, BQ): Mr. Speaker, using China as an example, the federal government had signed a comprehensive agreement, but the appendix on adoption mechanisms was signed by Quebec, since it has exclusive jurisdiction over adoption procedures.

Why is the Minister of Foreign Affairs hesitant to use the same procedure here? Why not sign the comprehensive agreement with Vietnam as soon as possible, and then let Quebec integrate its own agreement on adoption mechanisms subsequently, particularly since Vietnam and Quebec reached agreement on that two years ago?

• (1440)

Hon. Pierre Pettigrew (Minister of Foreign Affairs, Lib.): Mr. Speaker, Vietnam requires its children to be protected by an international treaty with the legal effect of international law. We must respect that reality.

We do, of course, respect Quebec's jurisdiction over adoption, but we have succeeded in reaching agreement with all the provinces and territories of this country. We will also be successful with Quebec, for the sake of the adopting families in this country and the children in Vietnam who need to be adopted.

* * *

[English]

MACKENZIE VALLEY LAND AND WATER BOARD

Mr. Jim Prentice (Calgary Centre-North, CPC): Mr. Speaker, on February 9 the Minister of Indian Affairs and Northern Development appointed Mr. Todd Burlingame to the position of chair of the Mackenzie Valley Land and Water Board. The board is critical to the approval of the Mackenzie Valley pipeline. Internal board correspondence in my possession confirms that this board is now in crisis.

Specifically, the new chairman is engaged in personal vendettas, board business has been unilaterally suspended, and other members say the board chair has subverted the fairness, independence and transparency of the board. Will the Deputy Prime Minister intervene and remove this individual?

Hon. Ethel Blondin-Andrew (Minister of State (Northern Development), Lib.): Mr. Speaker, Mr. Burlingame's appointment is based on merit. He is absolutely the right person for the job. Reports today say that the board has had unanimous approval from its members to go forward with an integrated resource management strategy which will be needed for the Mackenzie Valley pipeline.

Further to that, no approvals on permitting and licensing have been delayed as the member opposite indicated. Everything is going—

The Speaker: The hon. member for Calgary Centre-North.

Mr. Jim Prentice (Calgary Centre-North, CPC): Mr. Speaker, that would be bull feathers.

This appointment has inspired anger across the north. This individual was not recommended by the board following a public nomination process. He was not recommended by the department. He did not even make the short list of candidates. The Minister of Indian and Northern Affairs, who appointed him, has said he did not even know who he was.

The view in the north is that this person was appointed for one reason only, because he is a friend of the junior minister, the Minister of State for Northern Development.

Will the Prime Minister explain why he allowed the junior minister to circumvent the government's own—

The Speaker: The hon. Minister of State for Northern Development.

Hon. Ethel Blondin-Andrew (Minister of State (Northern Development), Lib.): Mr. Speaker, I would have assumed a much higher level of professionalism from the member opposite.

I am confident that Mr. Burlingame is ensuring that the board is operating in its usual professional capacity and that all business is being addressed in a timely and expeditious manner. There are no delays to ongoing development projects.

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GOVERNMENT APPOINTMENTS

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, last year during his “mad as hell tour”, the Prime Minister promised to condemn to history the politics of cronyism and patronage.

Now we learn that the industry minister's official agent in the last election campaign, Mr. Bracken-Horrocks, has been appointed to the board of directors of the Business Development Bank of Canada. Why did the Prime Minister break his promise to end patronage and cronyism?

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, this is a classic example of where an appointment that is made purely on the basis of merit is brought into disrepute.

Mr. Bracken-Horrocks is one of the top accountants in this country. He has never been a federal Liberal. He is regarded by the chairman of the board and the board of directors of BDC as one of the best appointments made to that board.

Mr. James Rajotte (Edmonton—Leduc, CPC): It is unbelievable, Mr. Speaker. The fact is that this appointment clearly demonstrates that the Prime Minister broke his promise. The industry minister appointed his own official agent, according to Elections Canada, his top volunteer, the person who signs off on his election returns, to the Business Development Bank of Canada, a government bank that reports to the minister himself.

Does the minister not see anything wrong with appointing his own official agent to a bank for which he himself has responsibility?

Oral Questions

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, some of the members opposite could learn a few lessons from the practices that we have applied here. We brought in one of the top accountants in this country, an accountant I met through my professional associations on boards of directors, an experience, I am sure, that none of the members opposite have had.

We brought pure competence into the political process to make sure it had integrity.

* * *

● (1445)

NATURAL RESOURCES

Ms. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, Canadians are impressed by the leadership that the Prime Minister is showing to avoid the water diversion from Devils Lake to the Red River and the Lake Winnipeg watershed without a proper environmental assessment.

My question is for the Minister of the Environment. Could he tell the House what support he has received from outside the border on this issue?

Hon. Stéphane Dion (Minister of the Environment, Lib.): Mr. Speaker, first let me acknowledge the support given on this issue by both the House of Commons and the Senate's standing committee on the environment.

Indeed, we have a lot of support from our American friends who share our view that Lake Winnipeg must be protected, along with the Sheyenne River and the Red River. I want to mention especially, in addition to various environmental and aboriginal groups, senators from Minnesota, Ohio and Indiana, governors from Missouri, Minnesota and Ohio, the mayors of the Great Lakes, including the mayor of Chicago, and various U.S. house representatives.

* * *

MARRIAGE

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, today the justice minister is saying that Bill C-38 will not make it through. I would like to ask a question of the government House leader. This debate on equal marriage has been going on now for almost three years. Last June the Prime Minister promised, “Your fundamental rights don't belong to a political party. They belong to Canada and we're going to protect them”.

Why is the government selling out on human rights? Where is the commitment to pass Bill C-38?

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it is unfortunate that the hon. member begins to play politics with such an important piece of legislation. Our approach on this bill has been consistent right from the beginning. Our commitment is to get the budget bills passed and pass as many other pieces of legislation as possible, like Bill C-38. We have demonstrated our commitment by extending the sitting hours to midnight so that we can have more legislation debated in the House.

Oral Questions

It is the Conservatives who do not want to allow Bill C-38 to come to this House and who will not allow for the democratic process to proceed.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, whether—

Some hon. members: Oh, oh!

The Speaker: Order, please. We cannot possibly hear the member for Vancouver East with all the noise. I know that all hon. members want to hear her question. The hon. member for Vancouver East has the floor.

Ms. Libby Davies: Mr. Speaker, the government House leader cannot hide behind politics. A majority of MPs support equality. A majority of citizens support equality. Eight courts have ruled.

The Prime Minister does not have to duck and hide on this one. His responsibility is not to Liberal MPs who want to act like the Conservatives. His responsibility is to human rights.

I ask again, where is the leadership and the commitment to get this bill through? It has been around long enough. Where is the commitment?

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I need not take any lessons from the hon. member. Our commitment and responsibility are to Canadians. That is why we are in the House. That is why we put forward legislation. That is why we debate legislation.

The real question is why the Leader of the Opposition continues to delay the debate on Bill C-38, and why the Leader of the Opposition continues to put forward procedural motions instead of debating budget bills and debating other issues that are important to Canadians.

* * *

[Translation]

WHISTLEBLOWER LEGISLATION

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): Mr. Speaker, as it stands, the Liberals' whistleblower legislation does more to discourage than to protect whistleblowers.

Without an independent commissioner to hear their disclosures, whistleblowers have no protection.

The Conservative Party has a challenge for the Liberals. Give us an independent body to protect civil servants, or the bill will die in committee. Will the minister choose independence or death?

• (1450)

[English]

Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, if the member will be patient for another 40 minutes he will have his answer. He knows full well that I will be going before the committee to discuss that very issue.

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): Mr. Speaker, the Conservative Party, along with every stakeholder and expert, has consistently demanded an independent office to protect whistleblowers and investigate their disclosures.

The dithering has to end now. I have an ultimatum for the minister: either he amends his bill to create an independent commissioner who reports directly to Parliament, or the Conservative Party will make sure the bill dies in committee. Independence or death, which will it be?

Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, that is exactly how those who would govern conduct themselves. The reality is that the other parties in this House have struggled hard to make a bill that is the best possible protection for public servants while that party has played games. We will talk at the committee.

* * *

[Translation]

HEALTH

Mr. Colin Carrie (Oshawa, CPC): Mr. Speaker, yesterday we learned that 120,000 Quebeckers are on surgical waiting lists and 43,000 of them have waited longer than is medically acceptable.

What concrete measures is the government going to provide to resolve the waiting list problem highlighted by the Supreme Court?

[English]

Hon. Ujjal Dosanjh (Minister of Health, Lib.): Mr. Speaker, as the Prime Minister has said, we recognized this issue over eight months ago and provided \$41 billion. I understand each of the provinces is engaged in reducing wait times. Whether it is in Saskatchewan, in Quebec, in B.C., in Alberta or in Ontario, all the provinces are worried about this, which is why the first ministers of the country got together to deal with this issue last September.

[Translation]

Mr. Colin Carrie (Oshawa, CPC): Mr. Speaker, thanks to the Minister of Health, Canadians have access to waiting lists, but not to medically required care. The minister has said in this House that the health care system would be judged by waiting lists.

If more than one in three Quebeckers waits longer than is medically acceptable, how does this compare with other provinces?

[English]

Hon. Ujjal Dosanjh (Minister of Health, Lib.): Mr. Speaker, the fact is that this side of the House has been busy for the last eight months trying to find solutions to this particular problem. The fact is that the Leader of the Opposition and that opposition party are interested, not in strengthening health care but in privatizing health care. We will fight them every time they stand up to support private health care.

Oral Questions

[Translation]

NATIONAL DEFENCE

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, we have learned that an American company has decided that Goose Bay, Labrador, would be an appropriate site to establish a radar station, which could play a role in the American missile defence shield project.

Are we to understand that the steps taken by this company in Canada indicate a change in the government's policy on the missile defence shield?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, as I responded to the press this morning, the government was not approached. It has not changed its policy. No request was made of our government.

An American company is in fact speculating about the possibility of setting up a radar base in various places. We will see what happens. We cannot, however, react to something that does not exist.

• (1455)

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, and yet it was he, the Minister of National Defence, who said in April, "If X-band radar facilities were built in Labrador, it would extend radar coverage of the coast, which could be useful to some extent for the missile defence shield".

Is this statement not proof that the government already has had its arm twisted and is preparing to present us with a fait accompli regarding its participation in the missile defence shield?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, what I said, I said. Still, I come back to this. No request was made of the government, so we cannot say that anything has changed. A request has to be made at least, before we can contemplate any sort of a response.

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[English]

NATURAL RESOURCES

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, the Devils Lake water diversion project in North Dakota will soon open and flow contaminated water into Manitoba's water system.

Now some members of the House are taking the position to impose trade sanctions against the U.S. as a threat which will further damage Canada-U.S. relations.

When will the Prime Minister put a stop to further damaging Canada-U.S. relations and make sure this matter is immediately referred to the IJC?

Hon. Pierre Pettigrew (Minister of Foreign Affairs, Lib.): Mr. Speaker, the longstanding first course of action that the government has been supporting has been to refer the matter to the IJC.

However, in parallel, the White House has been seized with the dossier and with its own environmental analysis that it is doing on the United States side. We are now sitting down with the Americans and looking at how we can absolutely protect the integrity of the water system in Canada.

We have placed our demands out there but we want the boundary waters treaty to be respected in every way.

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, after listening to the earlier comments by the environment minister, he actually is gullible if he thinks North Dakota's decision to delay the pumping of water from Devils Lake is due to outside political pressure.

The North Dakota delay is all about the high level of the Red River Basin which makes that diversion operation outside of the project's parameters. Once the river level drops, North Dakota will start pumping contaminated water into the Red River Basin.

What is the government's plan of recourse after North Dakota starts diverting bad water into Manitoba later this summer?

Hon. Stéphane Dion (Minister of the Environment, Lib.): Mr. Speaker, I think the official opposition is wrong to give up. Very intense negotiations are going on right now with the White House's council on environmental quality thanks to the Prime Minister who insisted on having that with the president.

I wish to hear that the official opposition will support the Government of Canada, the Government of Manitoba, the Government of Ontario, the Government of Quebec, countless environmental groups and the House and Senate committees on the environment, instead of always being negative and trying to undermine what Canada is doing.

* * *

[Translation]

AGRICULTURE

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, my question is for the Minister of Agriculture and Agri-Food.

The egg and poultry industry contributes some \$13 billion per year to the Canadian economy and provides about 72,000 jobs.

In negotiations with the World Trade Organization, is the government prepared to protect over-quota tariffs at their current levels to discourage further imports beyond the level of market access already negotiated at the WTO?

[English]

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, obviously, in our WTO negotiations, as we move toward negotiating improved market access, one of the things that we have said clearly is that individual countries need to have flexibility in how they achieve that. That includes allowing our producers to choose their domestic marketing schemes and that includes supply management.

The government very much supports supply management. We have for 35 years in the past and we will continue to do so in the future.

*Oral Questions***FIREARMS REGISTRY**

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, there is an even bigger scandal waiting for Justice John Gomery to investigate.

The government has spent hundreds of millions of dollars on computer contracts to implement the gun registry and plans to spend hundreds of millions more on computer contracts in the years ahead.

To put this spending into perspective, we can register 40 million cows for \$8 million.

Will the minister please explain why it has cost \$1 billion to register only seven million guns?

• (1500)

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, this program has an \$85 million cap. The operating budget for the entire program in 2005-06 is \$82.5 million.

As it relates to the gun registry component of the program, we imposed a \$25 million cap in 2005-06. In fact, the registry component of the program will cost only \$15.7 million. In fact the costs of this program, since 2000, have gone down consistently.

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, it is pretty obvious that the minister still refuses to take responsibility for her role in this federal firearms fiasco.

The cattle industry can locate a cow in any barnyard in Canada in seconds. The gun registry still cannot locate hundreds of thousands of gun owners and is still missing millions of guns.

How many lives could have been saved if we had spent this wasted billion on DNA analysis, cancer research or more police on the streets?

The gun registry is either a huge scandal or gross incompetence. Which is it?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, as I just indicated, the costs of this program are under control and going down.

Let me also share with the hon. member that since December 1, 1998, more than 13,500 individual firearm licences have been refused or revoked. The program is accessed over 2,000 times a day by front line police officers.

In spite of the ongoing protestations of the hon. member, it is time he pulled his head out of the sand and understood that—

The Speaker: The hon. member for Haute—Gaspésie—La Mitis—Matane—Matapédia.

* * *

[Translation]

NATIONAL DEFENCE

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Mr. Speaker, last week, when I asked the Minister of Defence simply whether he would finally decide to meet with the people in charge of the Cap-Chat cadet camp to reassure them about

their future, he provided nothing more than a very general, vague and totally unclear reply.

The question is clear and requires a clear answer. Will the minister be meeting soon, as promised, with the people in charge of this cadet training centre, yes or no?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, I am always prepared to meet with people to discuss ways of having the best program for our cadets.

We believe camps provide cadets with optimum learning opportunities as well as the chance to meet Canadians from other backgrounds. That is the case in Quebec, where we have a program of which I am very proud.

Once more, I am always prepared to meet people if that is what the hon. member wants.

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[English]

FISHERIES

Mr. Don Bell (North Vancouver, Lib.): Mr. Speaker, the Minister of Fisheries and Oceans made an important announcement today on the management of the Fraser River fishery for this season.

Could the minister tell the House what investments the government is making to ensure fishery compliance this year?

Hon. Geoff Regan (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, earlier today I announced a \$5.2 million action plan in response to the standing committee reports on the 2004 Fraser River fishery.

We are moving quickly and decisively with a comprehensive plan to address the complex situation on the river. These resources will increase compliance and conservation and facilitate change in my department.

* * *

FOREIGN AFFAIRS

Mrs. Carolyn Parrish (Mississauga—Erindale, Ind.): Mr. Speaker, four million Palestinian refugees have been living under dire conditions for over 50 years. They subsist on voluntary yearly donations from some UN countries. This year's budget of \$350 million is grossly inadequate.

As a signatory to the 1951 Geneva Convention on Refugees, is Canada willing to initiate talks at the UN to ensure Palestinians get the same treatment as convention refugees, guaranteeing basic human rights, adequate funding and international protection until such time as UN resolutions, such as 194, are implemented?

Hon. Pierre Pettigrew (Minister of Foreign Affairs, Lib.): Mr. Speaker, the Palestinian refugees are in a unique political and humanitarian situation.

The United Nations Relief and Works Agency for Palestinian refugees, the UNRWA, was established prior to the refugee convention relating to the status of refugees. It was given specific authority to provide assistance to Palestinian refugees.

Reflecting this unique political situation of the Palestinian refugees, the international community, through the UN General Assembly, requires UNRWA to continue to provide humanitarian assistance pending a political situation.

* * *

• (1505)

BUSINESS OF THE HOUSE

Mr. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, I am sure Canadians and certainly we on the opposition benches would love to know what the government intends to call for legislation for the remainder of this week, on into next week, and indeed into July if that is where we are going.

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, our principal legislative objectives continue to be Bill C-43, the third reading vote of which will take place after question period, and Bill C-48. The government believes these bills reflect public interest and the enactment of both of these bills is required before the House adjourns for the summer. As the hon. member mentioned, if the House does not pass Bill C-48, we will be here in July and August. Consequently, we will continue to give these bills priority until they are disposed of.

We will then consider report stage of Bill C-38, the civil marriage bill; Bill C-25; Bill C-28; Bill C-52, the Fisheries Act; Bill C-47; Bill C-53; Bill C-55, the bankruptcy bill; and Bill C-37, the do not call legislation.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION ACT, 2005

The House resumed from June 15 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 third time and passed.

The Speaker: It being 3:07 p.m., the House will now proceed to the taking of the deferred recorded division on the motion at third reading stage of Bill C-43.

Call in the members.

• (1515)

[*Translation*]

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

(*Division No. 125*)

YEAS

Members

Abbott
Adams

Ablonczy
Alcock

Allison
Anders
Angus
Bagnell
Bakopanos
Batters
Bell
Benoit
Bezan
Blondin-Andrew
Bonin
Boudria
Breitkreuz
Broadbent
Brown (Leeds—Grenville)
Byrne
Carr
Carroll
Casson
Chamberlain
Chong
Coderre
Comuzzi
Crowder
Cullen (Etobicoke North)
Cuzner
Davies
Desjarlais
Devolin
Dion
Doyle
Dryden
Easter
Emerson
Eyking
Fitzpatrick
Folco
Forseth
Fry
Galloway
Godfrey
Goldring
Goodyear
Graham
Guarnieri
Hanger
Harrison
Hiebert
Hinton
Hubbard
Jaffer
Jennings
Julian
Kamp (Pitt Meadows—Maple Ridge—Mission)
Karygiannis
Khan
Komarnicki
Lapierre (Outremont)
Lauzon
LeBlanc
Longfield
Lunn
MacAulay
MacKenzie
Malhi
Mark
Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)
Masse
McCallum
McGuinty
McKay (Scarborough—Guildwood)
McTeague
Merrifield
Minna
Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)
Murphy
Neville
O'Connor
Oda

Government Orders

Ambrose
Anderson (Victoria)
Augustine
Bains
Barnes
Bélanger
Bennett
Bevilacqua
Blaikie
Boivin
Boshcoff
Bradshaw
Brison
Brown (Oakville)
Bulte
Cannis
Carrie
Casey
Catterall
Chan
Christopherson
Comartin
Cotler
Cullen (Skeena—Bulkley Valley)
Cummins
D'Amours
Day
DeVillers
Dhalla
Dosanjh
Drouin
Duncan
Efford
Epp
Finley
Fletcher
Fontana
Frulla
Gallant
Godbout
Godin
Goodale
Gouk
Grewal (Fleetwood—Port Kells)
Guergis
Harper
Hearn
Hill
Holland
Ianno
Jean
Johnston
Kadis
Karetak-Lindell
Kenney (Calgary Southeast)
Kilgour
Kramp (Prince Edward—Hastings)
Lastewka
Layton
Lee
Lukiwski
Lunney
MacKay (Central Nova)
Macklin
Maloney
Marleau
Martin (Winnipeg Centre)
Martin (Sault Ste. Marie)
Matthews
McDonough
McGuire
McLellan
Menzies
Miller
Mitchell
Myers
Nicholson
Obhrai
Owen

Government Orders

Pacetti	Pallister
Paradis	Parrish
Patry	Penson
Peterson	Pettigrew
Phinney	Pickard (Chatham-Kent—Essex)
Poilievre	Powers
Prentice	Preston
Proulx	Rajotte
Ratansi	Redman
Regan	Reid
Reynolds	Richardson
Ritz	Robillard
Rodriguez	Rota
Russell	Saada
Savage	Savoy
Scarpaleggia	Scheer
Schellenberger	Schmidt (Kelowna—Lake Country)
Sgro	Siksay
Silva	Simard (Saint Boniface)
Simms	Skelton
Smith (Pontiac)	Smith (Kildonan—St. Paul)
Solberg	Sorenson
St. Amand	St. Denis
Steckle	Stoffer
Strahl	Stronach
Szabo	Telegdi
Temelkovski	Thibault (West Nova)
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tilson	Toews
Tonks	Torsney
Trost	Tweed
Ur	Valeri
Valley	Van Loan
Vellacott	Volpe
Wappel	Warawa
Wasylcia-Leis	Watson
White	Wilfert
Williams	Wrzesniewski
Yelich	Zed- — 242

NAYS

Members

André	Asselin
Bachand	Bellavance
Bergeron	Bigras
Blais	Boire
Bonsant	Bouchard
Boulianne	Bourgeois
Brunelle	Cardin
Carrier	Clavet
Cleary	Côté
Crête	Demers
Deschamps	Desrochers
Duceppe	Faille
Gagnon (Québec)	Gagnon (Saint-Maurice—Champlain)
Gagnon (Jonquière—Alma)	Gaudet
Gauthier	Guay
Guimond	Kotto
Laframboise	Lalonde
Lapierre (Lévis—Bellechasse)	Lavallée
Lemay	Lessard
Lévesque	Loubier
Marceau	Ménard (Hochelaga)
Ménard (Marc-Aurèle-Fortin)	O'Brien
Paquette	Perron
Picard (Drummond)	Plamondon
Poirier-Rivard	Roy
Sauvageau	Simard (Beauport—Limoulou)
St-Hilaire	Vincent- — 54

PAIRED

Nil

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

The Speaker: I wish to inform the House that, because of the recorded division, the period provided for consideration of government orders will be extended by 11 minutes.

● (1520)

[English]

AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed consideration of Bill C-48, An Act to authorize the Minister of Finance to make certain payments, as reported (with amendments) from the committee, and of the motions in Group No. 1.

Mr. Gerry Ritz (Battlefords—Lloydminster, CPC): Mr. Speaker, it is a pleasure to continue with my speech on Bill C-48.

The Liberal government has had 12 years to implement a lot of the wish list that the NDP put forward in Bill C-48. I am wondering how the NDP feels assured that any of this is going to happen. The timeframe speaks to the fact that there will be an election before any of this actually comes to pass, so how does that party feel that this is going to carry over?

Daily we see the leader and other members of the party rising and questioning the Prime Minister and ministers on the front bench as to the very issues that the NDP are asking for in Bill C-48. I do not think the New Democrats feel reassured that they ever will come to pass. There was a kind of deathbed conversion by the Prime Minister to stay alive, at least until the summer recess and into the fall by buying the NDP favour over there.

Those members make a big thing that we sat on our hands at second reading of Bill C-43. I feel a lot more content sitting on my hands than using my hands like the NDP members used theirs to prop up the most corrupt government in Canadian history.

The papers are now saying that \$5.4 million ended up in the Liberal Party coffers and the Liberals have set up a \$750,000 trust fund to pay that back. That has not happened since the loaves and fishes. They are going to have to pony up a lot more money than \$750,000, if it ever did show up.

I guess there is going to be a fairytale ending to this. Canadian taxpayers will be relieved to see that none of this is going to come to pass. An election will put an end to all of this and we will get on with a government that will use taxpayers' money in a proper way, that will rise to the challenges that face governments in this country.

Mr. Gary Carr (Halton, Lib.): Mr. Speaker, I would say to the hon. member that people believe we will do it because of the things that we said in the last election, things like health care, with \$41 billion, and the child care program with \$5 billion, which we said in the election campaign we would do and we have. Tomorrow there will be an announcement in Richmond Hill, close to my area of the country. The Prime Minister will announce the money for the gas tax. That is what we said we would do in the election. Those are three of many things.

Government Orders

What part of Bill C-48 does the member not agree with? Is it the \$1.6 billion for affordable housing? Are you against affordable housing? Is it the \$1.5 billion going to post-secondary education? Can you tell me how you can go against giving \$1.5 billion more to post-secondary education? There is \$1 billion for the environment. Is the member opposed to helping the environment? Finally, there is the \$500 million for foreign aid. I say very clearly to the member and all members, what part of that do you not agree with?

● (1525)

Mr. Pierre Poilievre: Mr. Speaker, on a point of order, the member repeatedly directed his comments straight over to the member over here without going through the Chair. We would urge all members to follow the Standing Orders and direct their comments through the Chair.

The Speaker: I quite agree with the member for Nepean—Carleton. I did not hear the remarks. I was having a discussion with someone else and missed it. When I listened in after seeing him rising on a point of order, I only heard one such error and it was the word “you” which I assume, of course, was not directed at me.

Mr. Gary Carr: Mr. Speaker, as the hon. member may know, I was Speaker of the Ontario legislature. I definitely know the rules and I was going through you, Mr. Speaker, to the hon. member. I will always say “through Mr. Speaker”.

Mr. Speaker, through you, I ask the member, and I want to be very clear, Mr. Speaker, through you, what part does the member not agree with in Bill C-48?

Mr. Gerry Ritz: Mr. Speaker, the rookie member over there realizes that rookies do make mistakes and of course the leader of the NDP, as a rookie member, made a huge mistake in trusting the Liberal government to deliver on any of this.

As to what part of it we like or do not like, it is really a sidebar agreement. The member talks about putting money back into health care. Excellent. Nobody disagrees with that. The problem we have is that it is never going to happen because we have seen the reality of \$25 billion in cuts over the last 10 years under the Prime Minister as the former finance minister. The government can throw a few dollars back at it but it will never catch up. Provincial ministers and premiers are saying to the federal government that they cannot operate on what the federal government is providing.

Let us talk about child care. The \$5 billion allocated for child care is over a number of years. Studies prove it would take \$10 billion to \$12 billion per year to come up with any sort of a plan that is being floated out there. When the government talks about a 40% increase in child care spaces, the reality is that we are going from 7% capacity, 7 out of 100 kids, to 10 out of 100 kids. It is nowhere near good enough for a program that throws \$5 billion at something without any kind of a plan. I guess we have a problem with that.

When we talk about the gas tax, this is about the third year we have heard those promises. We heard about GST rebates to the municipalities. It is not happening. We have seen the gas tax and the vast majority of that is going to go to downtown Toronto. Good for Toronto, but there is a lot of country besides downtown Toronto, so I guess I have a problem with that.

We have spent \$2.2 billion over the short term on housing. What has been done? There are no benchmarks to show that there has been any kind of positive reaction to any of that and now another \$1.6 billion is being allocated with no specified plan and no specified term involved.

The groups that have studied what the government proposes on education with its NDP sidekicks say that students would save at this rate about \$200 and it would cost them \$5,000 when they go to pay it back. There is a little bit of short term gain for some serious pain.

I have a real problem with the environment in my area. There are no credits for what my farmers have done and will continue to do. The government is going to buy credits from the Russian mafia and the Chinese triads instead of coming up with a made in Canada solution for Canadians.

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I want to reflect on one part of what my colleague mentioned. He seems to be very critical of Chinese immigrants coming to Canada and the whole issue around that, but we in the New Democratic Party have been absolutely amazed that when it came to selling Canada's natural resources to China, the Conservatives were supporting it. We are kind of at a loss as to where they are coming from.

Mr. Gerry Ritz: Mr. Speaker, there is absolutely no validity in what the member just said. I did not say anything against Chinese immigrants. They are great people if they come here and do not jump the queue.

I talked about buying credits from the Chinese triads. We are going to finance the crime and corruption in China by buying carbon credits so that we can offset and everybody keeps polluting. China does not fall under the Kyoto accord, and the member well knows that, and it is building 500 and some coal fired energy plants. That flies in the face of what we are trying to do globally. China just rejected buying a Candu reactor. In fact, we could probably argue about whether it paid for the one it has. Let us clean up the globe if we are going to have a global solution. Kyoto does not do it.

● (1530)

[*Translation*]

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I am particularly pleased to have an opportunity to speak to Bill C-48, which the NDP, in this corner of the House, gave rise to. It is important. Indeed, after two years of Liberal inaction and budgets causing despair among Canadians, it is thanks to the NDP that we have a better, balanced budget.

I would like to begin by talking for a few minutes about some of the important aspects for Quebec. It is quite clear, in our opinion, that neither the Liberal Party of Canada nor the Bloc Québécois has defended the interests of Quebecers. For many years, in this House, we have been aware of the pressing needs of Canadians. However, neither the Liberal Party nor the Bloc Québécois has proposed anything in response.

Government Orders

I would first like to read remarks by a few Quebecers who think what the NDP did is important. They come from all parts of Quebec. It is very important that Quebecers be heard. Through the changes the NDP has made to the budget, we have touched on a few aspects that, we hope, will improve the situation in Quebec.

That said, I would like to read from a letter from the Centre d'alphabétisation de Villeray in Montreal. This is only one of the many comments we have received from people in Quebec. The centre's representative wrote:

After some people have waited more than 10 years for decent housing at a price they can afford, we feel it is essential to tell you it is high time for you to show some common sense and help one part of the population recover some of its dignity.

That is only one of the many comments we have received showing the importance of this budget for Quebecers.

Here is another from the Front d'action populaire en réaménagement urbain or FRAPRU. It is a well known organization in Quebec, as you know. François Giguère, FRAPRU's president, appeared before the Standing Committee on Finance. He said that Quebec had exhausted its funding under the current initiative—he was speaking about housing, of course—and really needed the additional funds promised in Bill C-48.

It is obvious, as FRAPRU indicated, that when the Bloc Québécois opposes this bill, it is opposing something that the most experienced people in the area of housing in Quebec are promoting as a solution to the current situation in the province.

The Liberal Party of Canada has done nothing to solve the housing problem there. The Bloc Québécois is trying to block a bill that will make a difference. FRAPRU clearly stated that the interests of Quebecers are well served by Bill C-48, for which the NDP is responsible.

I will read a third letter. I could read them for half an hour or even two hours, but I do not think that I would be allowed to continue like that. This letter is from Gabrielle Vena, president of L'Ombre-Elle, which is a home to assist and shelter women who are victims of spousal violence. She wrote:

We are writing this letter to ask you to rapidly adopt the NDP's amendment to provide \$1.6 billion over two years for new social housing and \$0.5 billion to make affordable housing more energy efficient.

As you know, in recent years, there has been a rental housing crisis in Quebec, and low-rent housing is even harder to find than before.

This is particularly evident in shelters for victims of domestic violence and their children. These women stay longer because they cannot find affordable housing, which in turn means that there are fewer beds for new admissions. Women and children are at risk, while others just need housing in order to leave. This situation is intolerable.

● (1535)

There is another indication. By opposing this bill, the Bloc Québécois is not working in the interest of Quebecers. And the Liberal Party of Canada, by ignoring the needs of Quebec, is doing exactly the same thing.

I have one last letter. It is from the Association des personnes handicapées Clair-Soleil in the Laurentians, in north-central Quebec. Danielle Harbour-D'Anjou, who is the director of this association for the disabled, wrote the following:

We are writing this letter to ask you to rapidly adopt the NDP's amendment to provide \$1.6 billion over two years for new social housing and \$0.5 billion to make affordable housing more energy efficient.

Based on all these examples, Quebecers are sending the House a very clear message. Furthermore, by writing to all the members of this House, they are telling the Liberal Party of Canada that, finally, thanks to the NDP, here is something that has some effect on the lives of Quebecers and that the Bloc Québécois should not try to oppose this bill.

[English]

I would also like to speak for a few minutes about the whole issue of effective management of our resources.

I spoke yesterday in the House about the deplorable record of the Conservative Party and the Liberal Party of sound fiscal management of the collective resources of Canadians. The fact is 85% of Liberal government budgets between 1981 and 2001, if we take both provincial and federal governments, were in deficit, the worst record of any Canadian political party. Two-thirds of the Conservative budgets at the provincial and federal levels were in deficit as well.

I mentioned as well the appalling record of the Conservative governments in the 1980s, the record deficits that have never been matched. I should mention as well that in the last federal election campaign, we saw the Conservatives come forward with a platform that was the most expensive in Canadian political history, even before we throw in the aircraft carrier which the leader of the Conservatives threw in at the last moment.

We have seen both Liberal and Conservative mismanagement of finances. A member of the Conservative Party talked about the level of corruption in the Liberal Party before I rose to speak. In this corner of the House, we are waiting, with great interest, for Justice Gomery's report so we can move to take action. Meanwhile, we will continue our work in this corner of the House.

It is important to contrast the corruption of the Liberals with the corruption of the Conservative Party. As we know from Stevie Cameron's book, *On the Take: Crime, Corruption and Greed in the Mulroney Years*, the Mulroney Conservative years were just as bad as the years that we are seeing now.

In both cases what we see is corruption at regular levels and bad fiscal management. Over the past 12 to 15 years, we have seen a decline in the quality of life for most Canadians because of program cutbacks. We have a lack of health care and longer wait lists. We have a crisis in post-secondary and housing. We have longer and longer food bank lineups and more and more child poverty. We also know the average Canadian worker earns 60¢ an hour less and that there are fewer and fewer full time jobs available, less than half of what is created. Most jobs are temporary or part time in nature.

Government Orders

We have seen this steady decline in the quality of life. The NDP budget amendments are designed to stop that decline and to start the country moving forward. We will continue to work, in this corner of the House, for a better balanced budget. We have been pushing this forward. We will continue to work to get a health care policy that stops privatization, which is rampant in this country, and brings a decline in our waiting lists.

Rather than spending money on pharmaceutical products through the evergreening provisions, which means Canadian taxpayer dollars for health care are instead spent to profit the most profitable industry in North America, we will be pushing for home care. We can reduce health care costs that way and channel more money effectively into patient care and reduce waiting lists. We will continue to work for all of these things.

• (1540)

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, the NDP member covered quite a bit of ground. However, I would like to point out to him, when he talks about corruption, that he makes a serious error when he uses the words “Liberal” and “Conservative” in the same sentence. I do not think he is being at all honest. I do not know how else I can say that in a parliamentary fashion.

There was never before in Canadian history a scandal of the magnitude we face in the country right now. Not only are the members and the leadership in the governing party, but also the frontbench of the actual government, in collusion in funnelling money from taxpayers into the coffers of the Liberal Party. That has never been seen before in Canadian history.

The fact that those members would collude to prop up that totally corrupt government is a total affront. I will not say that any government, whether it is an NDP government in British Columbia, Saskatchewan or Ontario, or whether it is one of the other governments in one of the provinces or in this place, was ever perfect. That is an unattainable goal. However, the depths to which the government has sunk has indeed set new records. I wish that he would acknowledge that and be a little more careful when he uses the words “Liberal” and “Conservative” in the same sentence. I am challenging him on that part.

Mr. Peter Julian: Mr. Speaker, I am equally concerned about the use of public funds for private fundraising purposes, which we have seen through the sponsorship scandal and through the Liberal Party's mismanagement of public resources. These are public resources that belong to all Canadians and they were misused for private fundraising purposes of the Liberal Party of Canada.

However, where the hon. member errs is by saying that it is without precedent. If he reads the hundreds of pages of documentation that Stevie Cameron put together for her book *On the Take: Crime, Corruption and Greed in the Mulroney Years.*, he will see, through the PC Canada fund, the Mulroney Conservatives did the exact same systematic thing by using public funds for private party fundraising purposes. That is what was so deplorable about the Mulroney government, about the Conservative government in power. That is why the Conservatives were virtually wiped out afterward.

Now the Conservatives are coming back and saying “we have changed”. It is up to the Canadian public to determine that. Very clearly in both cases, Conservative and Liberal, we had a systematic use of public funds for private fundraising purposes. Whether it is the Liberal Canada fund for the PC Canada fund, it is the same dirty money. We in this corner of the House oppose both approaches.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, the member talked about the affordable housing initiative. I wanted to point out to the member that this is a problem from coast to coast. In my riding, Nanaimo—Cowichan's Working Group on Homelessness recently did a study. It took a look at the number of homeless in the streets of Nanaimo. Fully 50% of those people on the street are women and many of them had young children.

In addition there was a recent study in the Statistics Canada Daily. It talks about the number of women who are in shelters. Seven out of ten women are reporting physical abuse in shelters. One of the things that contributes to this is the lack of affordable housing.

Could the member specifically comment on how important this better balanced budget will provide affordable housing to women and children in this country?

• (1545)

Mr. Peter Julian: Mr. Speaker, I would like to praise the member for the tremendous work she has been doing as an advocate on behalf of all the people of Vancouver Island on the housing crisis which we are currently experiencing in British Columbia.

In my area of Burnaby—New Westminster we have seen a tripling of homelessness. We are seeing record levels of child poverty and people having to go to food banks to get through their month. It is a real tragedy. The Gordon Campbell government has worsened a situation that was already bad enough through federal government neglect. We have the federal Liberals eliminating funding for housing and we have the provincial Liberals doing even worse things, particularly when we talk about single parents, women and children who have been abandoned by the system.

I compliment her on all the work that she has done. She has been a fearless advocate on housing issues in the House. I agree with her that this problem is widespread across the country resolved—

The Deputy Speaker: The hon. Parliamentary Secretary to the Minister of Fisheries and Oceans.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I rise today to join the debate on Bill C-48 which would authorize the Minister of Finance to make certain payments.

However I believe in this debate we cannot just look at this bill by itself standing alone. It must be seen in the larger context of the entire budget, Bill C-43, the budget presented by the Minister of Finance. From everything I have seen, read and heard, it is a budget that meets with almost the unanimous approval of Canadians from coast to coast to coast.

Budget 2005 is this country's eighth consecutive surplus budget. It is a good budget, a solid budget and a budget that Canadians want this House to pass.

Government Orders

For almost four months now, Canadians have been telling us three things. First, they have been saying to pass this budget. Second, they have been saying that they do not want an election. Third, they have been saying that they do not want a Conservative government. Those are the three things that Canadians have been telling me and other members of this House.

Canadians have been saying that this budget addresses not all aspects, that it is not perfect, that it is not 100%, but, by and large, it addresses their values, their concerns and their priorities. Canadians have also been saying that they want their elected officials, each and every one of them, to work together in committee, in this House and in the Senate to get together to get the budget through.

I cannot stress how important these two budgets, Bill C-43 and Bill C-48, are to Canadians. They contain major initiatives that people all across the country have applauded. Canadians expect and have every reason to expect these initiatives to be put into place, such as a national system of high quality, universally inclusive, accessible and developmental early learning and child care. This government has committed \$5 billion toward this initiative which aims to give all Canadian children the best possible start on their future.

There is the gas tax revenue sharing initiative which will be worth \$5 billion over five years, with \$6 million of that due for this year alone. This is a much needed investment that will help Canada's cities, towns and communities to meet their needs with long term, reliable sources of funding.

Much has been said in the House about the so-called notion of a fiscal imbalance. I personally do not agree with it. We have two levels of government. We have the federal level and the provincial level. The provincial level of government has more taxing powers than the federal level. If the provincial level needs additional sources of revenue, it is very easy for them to raise taxes, if that is their desire or their wish.

When I analyze the situation I see a fiscal imbalance that is here and is growing between the federal and the provincial government on the one hand and the municipalities on the other hand. By the municipalities I mean the cities and towns. These incorporated communities do not have the capacity to raise taxes. I see that as a true imbalance. This provision would go a little way, although I will not say all the way, but it takes one step to help correct that imbalance.

I would also like to highlight this government's commitment to regional economic development. In 2003, I chaired the Atlantic caucus subcommittee on regional economic development which produced the Rising Tide report. This report, among other things, emphasized the need for the creation and growth of a knowledge economy in Atlantic Canada. I was very pleased that this government responded with a \$708 million investment to the Atlantic Canada region.

• (1550)

The Atlantic initiative will include a renewed \$300 million Atlantic innovation fund that will support university research, commercialization and innovative companies. The Minister responsible for the Atlantic Canada Opportunities Agency will be making a further announcement on this initiative a week from Friday. It will

also be supported by a \$41 million permanent increase in ACOA's annual budget, totalling \$205 million over five years.

Atlantic Canadians have even more to look forward to in this budget. For example, there is the new funding of \$110 million over a period of five years to the National Research Council of Canada. In my home province of Prince Edward Island, construction is underway on the National Research Council Institute for Nutriscience and Health, which will anchor a worldclass research cluster. This is an investment not only in the region but in Canada.

Prince Edward Island is also recognized as a leader in alternate energy sources, most notably wind power. There is an existing facility in North Cape, Prince Edward Island and there is a second facility being planned for construction in the eastern part of the province. That is why I am especially pleased to hear of a \$200 million investment in wind power, which includes the government's promise to quadruple the wind power production initiative.

The government has also been responsive to the needs of seasonal workers with significant and meaningful changes to the employment insurance program being tested by pilot projects. These include taking the 14 best weeks of work or since the start of the last claim, whichever is shorter. This will mean that for individuals with sporadic work patterns EI benefit levels will be more reflective of their full time work patterns. It removes a certain disincentive in the system and will not only help seasonal workers but also some of the seasonal companies.

Pilot projects are also testing an increase in the working while on claim threshold that will allow individuals to earn the greater of \$75 or 40% of weekly benefits in an effort to work without reducing benefits. These changes were called for and needed. As long as we have seasons in this country we will have seasonal workers and these changes were fair, equitable and, in my view, took out of the system a certain disincentive that existed.

When we look at the entire budget package, Bill C-43, Bill C-48 and some of the announcements that precluded the last budget which took place last fall, there are issues I want to speak briefly to because they are all part of a continuum and are vital to Canadians living in every region of this country. The two I want to speak to are the accords on health care and equalization, which of course, as everyone in the House knows, continue to be priorities for all Canadians.

Canadians stand to benefit tremendously from the new deal on health reached between the federal government and the provincial first ministers. This historic agreement was reached last fall just a few months into this government's mandate.

Government Orders

Over 10 years more than \$41 billion of new funding for health care will go to the provinces and territories, which in turn have committed to produce information on outcomes so that Canadians can be assured their money is being spent where it should be. The new deal recognizes the need for flexibility by allowing provinces and territories to target specific provincial health care needs.

Provincial and territorial needs are also being met through a new framework for equalization that will see an increase in payment by over \$27 billion over the next 10 years. This represents the most significant improvements in this program in the history of it. It introduces and provides stability, predictability and increased funding which will assist the provinces and territories in meeting their social and economic development needs.

• (1555)

Last June, Canadians chose a minority government and they expected that government to work, and rightly so. This government, I submit, has worked. I have said before, when the budget came out in February, that the handprints of all parties were on it. It contained elements from every party.

The leader of the official opposition supported the budget. However, for some reason, whether it was a poll or some other development external to this House, he and his party changed their mind and they indicated that they would defeat the government on the budget.

However the government continued to work. It continued to work with everyone and with the NDP to bring about improvements, which is what Bill C-48 before the House is. It is an example of the type of cooperation that Canadians expect from their government here in the House of Commons.

However, when the Liberals and the NDP started working together for Canadians, suddenly the other parties did not like that.

It is unfortunate that I do not have more time because I could go on about the whole issue of the allegations from the other side about fiscal irresponsibility, but Bill C-48 is a good bill. It is very much part of the budget package, part of the continuum, and I urge every member of the House to support it.

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, as I listened to the hon. member's speech I did have some questions. I know that it has been quite an unusual year when there are two parties blended here: the Liberals and the NDP. There is a very blurred line between the two parties. They are much the same.

We have had a terrible experience with the Gomery commission in terms of having to get to the bottom of a scandal that is bigger than any we have ever had in the history of Canada. We are now looking at two budget bills. Normally speaking, we would be looking at one budget because a ruling government party usually puts forward a budget and it is passed in the House of Commons based on the credibility and the confidence of the House of Commons.

In my riding of Kildonan—St. Paul in the province of Manitoba, we had a very big surprise when the Liberal government came with great fanfare to our province and made grand announcements about infrastructure. When I was on the fiscal imbalance committee sitting in the province of Manitoba, I listened very carefully to Manitobans'

dismay at the fact that the gas tax money had not been put into place so they could utilize it. Suddenly the rules were changed with the gas tax money. It was the intention of our province to use it for roads and bridges.

Could the member opposite please explain why the money cannot now be used for the damaged roads and bridges that need to be repaired, as had first been promised by the Liberal government? Why have the rules changed and what is the government going to do about it?

• (1600)

Hon. Shawn Murphy: Mr. Speaker, the first item I want to address is this allegation of two parties blended. I have seen no more disturbing development in this House since coming here four and a half years ago than the alliance that has occurred between the Conservative Party and the Bloc Québécois. We can see it in the House of Commons, in committee and in the corridors.

To give an example, we are talking about Bill C-48, which is about six paragraphs long and which is good legislation that talks about affordable housing, public transit and access to post-secondary education, but when it went to committee, the Conservatives and the Bloc Québécois got together as an alliance, a very unholy alliance I should add, and they voted out every article in that act and returned the document with nothing in it.

I say shame on them and shame on the agreement. What part of this do they not agree with? Do they not agree with affordable housing? Do they not agree with public transit.

We also hear them talk about fiscal irresponsibility. Well I say to them that in 1993, when Brian Mulroney was incurring an annual deficit of \$43 million, were they arguing fiscal irresponsibility? No, they were not. We are still paying that money back and that has put this country in a mess. We are finally getting out of it. We are starting to be able to spend money on programs and priorities that Canadians want, and that is why I urge everyone in this House to pass Bill C-48.

Ms. Diane Finley (Haldimand—Norfolk, CPC): Mr. Speaker, I find it interesting that the member is refusing to answer this question about infrastructure money flowing from the gas tax because that was one of my questions as well.

I live in an area southwest of Toronto. It is a beautiful area. It has been dependent upon farming and agriculture for years. However, because of these Liberal policies, many of our farmers are losing their farms. Unfortunately, we do not have the infrastructure that would attract alternate jobs.

While the minister was gloating across the aisle a moment ago about all of the rural and economic development money that the government claims to have put into its budget, absolutely not one penny of it has been allocated to southern Ontario where it is also needed.

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I am wondering why the minister is so proud of this budget, in terms of Bill C-48, because the government did not even bother to overcome that shortage. How can he be so proud of it and so proud of the infrastructure efforts if no money that was promised is actually getting delivered and no money is going to help revitalize areas that really need it because of that party's failed economic and agricultural policies?

Hon. Shawn Murphy: Mr. Speaker, the so-called gas tax money is a program that is meant to, in some small way, help the fiscal imbalance between the towns, cities and communities and the federal and provincial governments.

However, because of the jurisdiction of the cities, the matter has to be negotiated with the provinces, and in the member's case, that would be of course the province of Ontario. That agreement, and I understand it was only signed yesterday, would dictate how this money would be spent. That would be an agreement made between the federal and provincial governments, with input from the federation of municipalities. However, it is a small amount of money now, over five years, but it is meant to continue on and the priorities of all Canadians will be taken into account as we go forward.

• (1605)

Mr. Dale Johnston (Wetaskiwin, CPC): Mr. Speaker, we are talking about Bill C-48 and I would like to remind members that the title of the bill is "An Act to authorize the Minister of Finance to make certain payments".

It is a pretty short title and it does not tell us a whole lot. It does not tell people across Canada whether this means that we are going to pay the power bill or that it includes \$4.6 billion. It is a deal that was written up on the back of a napkin between the government and the NDP.

The member who just spoke prior to me talked about the unholy alliance between the Conservatives and the Bloc Québécois. Let me point out to him and to Canadians watching that there is no such alliance on this side of the House. There is, however, one on the other side of the House and it is the NDP propping up a corrupt government that does not deserve to be propped up.

The goal of a Conservative government would be to provide Canadians with the highest standard of living of anyone in the world. We would do that by reducing taxation. Taxation has brought us to the place where we are today.

The last surplus forecast was \$1.9 billion. It turned out that whoever was looking after the books was dyslexic because it happened to be \$9.1 billion and what did the government do with that surplus? In the face of an impending election it ran around the country and tried to run the cupboard completely bare. That is the whole idea behind running these large surpluses.

I will get back to the unholy alliance, or the shotgun wedding perhaps, between the two parties over there. I do not know which one of them is the bride and which is the groom. I would suggest that the smaller party be very wary of doing business with the Liberals because they have a practice of not following through with their promises.

I would refer that party to the long gun registry where the Liberals said to trust them because this was a bill that was going to reduce crime. It was going to take the guns out of the hands of the people in Canada who should not have guns and it was going to make us all a lot safer in our homes. It was going to reduce gang violence, it was going to do all these wonderful things, and it was only going to cost Canadians \$2 million. Guess what? We are at \$2 billion and counting and today we heard the Deputy Prime Minister vow, and brag actually, that the annual payments into the long gun registry are going to be capped at a mere \$68 million a year. What wonderful news. I am sure that all Canadians are going to be thankful that they will be safer now because of the \$68 million.

A Conservative government would put more decisions into the hands of the people who actually pay taxes. How would we do that? For one thing we would tax fewer dollars away from them. I have a daughter who is teaching school in Edmonton. I have another daughter who is married and has two young children, and they are scraping to get by in order to put a few dollars away for the education of their children. The children are two years and six months of age, but the parents are doing their best to put some money away to ensure that those kids get a college education if that is what they want.

How are they trying to do that? They are both working, so that one of them can pay the bills, the mortgage and put groceries on the table, and the other one works to pay their taxes. While we are talking about taxes, why is it that there was no tax relief in the budget? Why is it that there was no debt reduction in the budget? Why indeed was the budget ever written up?

• (1610)

It is pretty obvious that the reason it was written up was to save the political skin of the Prime Minister and his corrupt party. It was pretty obvious also that if all of these things were such wonderful Liberal ideas, they would have been included in the original budget. They were not.

I again warn my colleagues in the NDP to be very cautious of who they are dealing with here. If people want to do business with someone or invest in a company, they should have a look at the prospectus and the track record. I think the NDP members have been here long enough that they should know the track record of the outfit they are dealing with. I just say to them *caveat emptor*, let the buyer beware.

We talked about the huge reserves that have been built up over the years. I find it passing strange and difficult to comprehend how this thinking goes. Here is a government that has in the neighbourhood a \$10 billion surplus in its last budget. There was no mention of help to agriculture in Bill C-48 at all.

At one time I believe I do remember people such as Stanley Knowles and Tommy Douglas saying that they were the friends of the farmer. As a matter of fact, the birthplace of the CCF, the forerunner of the NDP, was Saskatchewan, a province famous for its agriculture. There is no mention whatsoever of agriculture in this napkin budget.

Government Orders

I want to remind people that in 1994 the previous government made a commitment to upgrade the military helicopters. The Conservative government had made a deal to buy some EH 101 helicopters, so that the military would have machines that would fly when required, and the military would not have to go to the archives to obtain parts for these machines.

The helicopter deal was scrubbed, as everyone knows, at a cost of \$600 million. Thanks to the Liberal government the taxpayers of Canada were on the hook for \$600 million just to get out of the deal. We still do not have those helicopters.

That was a big commitment. Former Prime Minister Chrétien said that the government was working on that. I believe the terms he used were ones that the Deputy Prime Minister likes to use, “without further delay” or “in due course of time” or whatever. It did not happen. We still do not have the helicopters.

It is now 12 years after the promise was made to upgrade the helicopters for our Canadian military. We still do not have those helicopters. Today we have helicopters that require 30 hours of maintenance for every hour of flight. That is the kind of deal that the NDP has entered into. This is the type of party that it has entered into with this deal. It is a party that is notorious for not keeping its word. I do not know if it is parliamentary for me to say so, but I think that the Liberal Party is being duplicitous about this.

I have been here since 1993 and the government has continually racked up surpluses. The government has done very little, although it has made token payments on the debt, about \$3 billion a year. In this budget and actually in Bill C-43, I did not see any payment on the debt.

I know that if the government were paying down the debt, it would reduce the \$40 billion a year that we pay out in interest. That money, that we pay out for the party that we have had, is money that could be returned to the taxpayer in the form of just leaving more money in their pockets. I am a great believer that a dollar left in the hands of the taxpayer is far better used than a dollar that is sent here for the government to squander.

•(1615)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I am amused by this line of argument by the hon. member and his party opposite which says that Bill C-48 is propping up the government and, of course, propping up a corrupt government. Only an hour ago we voted on third reading of Bill C-43. Bill C-43 is a complete budget document in and of itself. I do not know what the hon. member was doing when he was voting for Bill C-43, or what his party was doing voting for Bill C-43. If he truly believes that he is propping up this corrupt government, then he should not have voted for Bill C-43.

Would the hon. member enlighten me? Why would he vote for Bill C-43 which props up a corrupt government, but not vote for Bill C-48 because it will prop up a corrupt government? It does not make any sense.

Mr. Dale Johnston: Mr. Speaker, it is really quite simple. Because we voted to support Bill C-43, we did not vote to prolong the life of the government across the way. We voted for Bill C-43

because it contains some measures we supported, some measures of which we were actually the instigators.

Some things in Bill C-43 came right out of the Conservative policy book. For instance, although the gasoline tax rebate is watered down somewhat in Bill C-43, that was a Conservative plan some eight or nine years ago. I know that the hon. member who asked the question will recall that my colleague Mr. Morrison, from Cypress Hills—Grasslands in Saskatchewan, put forth a private member's bill suggesting exactly the same thing.

The other reason that I personally voted for it was that it gave Newfoundland and Labrador and Nova Scotia control over their natural resources. This is also a policy that we have long advocated and are glad to see come in.

Why did we vote for the bill? Because we were not in a position to separate out the things we like about Bill C-43 and vote for them, and separate out the things we do not like about Bill C-43 and vote against them. Therefore, we had to vote to support the entire bill, because it did contain at least two measures that we both instigated and support.

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I have a question for my colleague. Did the Conservatives at any point attempt to get some changes to the budget? Did they go to the Liberals and say they would support it if the Liberals put in this or that or did they just sit back?

Wait a minute, I actually do not have to ask that question, because once again I recall the leader of the Conservatives, right after the budget was announced, with that great big smile on his face going out to the media and saying that he loved it, that it was the best budget the Conservatives could have, that it was a Conservative budget.

They did not bother going for anything else because they had their budget.

Mr. Dale Johnston: Mr. Speaker, I certainly appreciate the hon. member's hyperbole, but that is exactly what it is, hyperbole.

What my leader said was that this is not a budget with which we are thrilled, this is not a budget that we feel is sufficient to bring down the government, and this is a budget we can live with.

Just for the sake of the people who are watching and for the sake of *Hansard*, let us not confuse the budget that the hon. member is talking about, Bill C-43, and this back of the napkin or back of the envelope budget, whichever we like, Bill C-48, which was cobbled together at the last minute by the Liberal government, the finance minister, the NDP and of course Buzz Hargrove. I do not know how they could ever have managed to get this just right without Buzz Hargrove. Apparently that is what it takes.

That is what we are discussing here today. They are two separate and completely distinct bills. Bill C-43, on which I have answered the previous questioner, is the one that we did support, and Bill C-48 is the one we do not support.

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• (1620)

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I am pleased to have the opportunity for more time to make some comments on the budget bill, Bill C-48. Obviously the New Democrats are very happy with the budget.

I know that my colleagues on the Conservative benches keep insisting this was a budget that was done on a napkin or the back of an envelope. The reality is that this budget resulted from the NDP meeting with a number of groups that wanted to see changes and improvements within the budget.

We knew what Canadians wanted. We knew where there were faults within the first budget and where we wanted to see changes made. A number of days stretched into evenings and late hours of the night while we were negotiating changes and improvements to that budget. It was not done with a quick snappy "this is what we want" attitude. It was done seriously and with a focus on maintaining what our leader has said from day one: a belief in a balanced budget.

I have supported that. As someone who has been involved in municipal politics as part of a school board, I know it is important to stick within budget mandates. I totally support that. Our leader supports it and this is what we have followed through on.

Part of the criteria for this change was that we wanted these changes made but we still wanted to see a balanced budget. That is what we have. This attitude that somehow it is going to put us grossly in debt and is the downfall as a nation is just not accurate. I think the Conservatives do themselves an injustice by suggesting this, because it is not the case.

There is one fact that I cannot seem to understand. I do not know where the Conservatives are coming from on this. It is in regard to how it is somehow awful that NDP is getting \$4.6 billion that is going back to Canadians in services.

There will be \$4.6 billion going back to the Canadian taxpayers for affordable housing, which is absolutely crucial to the nation, not only in my riding and first nations communities, where it is desperately needed, but throughout the nation. Seniors need affordable housing as well. Even in smaller rural communities housing stock has reached a point where changes are needed.

We need a type of independent living arrangement whereby seniors can move out of their own homes but still have a focus on independent living. They may need additional types of housing to support that situation. Under affordable housing they may be able to get that type of housing. It is a crucial need. Somehow the Conservatives expect that as a New Democrat I should feel shame that we fought for this within the budget, but it is not going to happen. I take great pride in the changes that were made to the budget, affordable housing being number one.

The second area is the additional dollars for education. How many of us stand on numerous occasions saying that it is crucially important for us to have a trained and educated nation? The Conservatives do it as well. Then, when we work within the budget to provide additional dollars to support students and educational facilities, somehow we should feel shame that we obtained that for Canadians? It is not going to happen. I take great pride in the fact that we obtained additional dollars for education support.

There are additional dollars to assist developing nations. Again, this is greatly needed. All opposition parties sent letters to the Prime Minister indicating the need for additional dollars and now somehow that was wrong thing to do? I do not think so.

There are additional dollars for Kyoto and improving on the environment. I have received comments from around my own riding and from the municipalities stating appreciation for those dollars as well as the dollars they are going to receive from the gas taxes. Why would we feel bad about that?

Who should be feeling bad? It is the Conservatives who should be feeling bad. They are saying that it was somehow okay to give \$4.6 billion in tax cuts to corporations.

I want to add something to that. Part of the deal was as well to ensure that small and medium sized businesses would maintain their tax breaks. Those are the businesses in each and every one of our small towns throughout the nation, in every rural and remote community. They are not the large corporations that can take a lot of their assets offshore and skirt around our tax rules, which a number of them do already. They are not the banks, which make billions of dollars. A lot of them are not even paying taxes.

• (1625)

We are not there to ensure that they get corporate tax cuts. Over the years they have had a number of tax cuts. There were already tax cuts in place for those corporations and they are still going to proceed. These were additional tax cuts for corporations. Somehow as New Democrats we should feel bad that we said no, we are not going to accept \$4.6 billion in corporate tax cuts while the Liberals do not give back services to Canadians? That is not acceptable.

It is beyond me how the Conservatives think Canadians will be fooled by their attitude that somehow by giving back to Canadians in services we in the NDP have brought the country down and we are not going to have businesses investing in anything. We all know already that businesses, in spite of getting numerous tax cuts, were still moving offshore and were still finding loopholes to take their taxes out of this country. That is not acceptable.

Built into the plan was a balanced budget, a balanced approach. If the surplus is not there, then there is no flow. That is acknowledged. My colleague from the Conservatives said there is probably a \$10 billion surplus. We are talking about \$4.6 billion. We all know and expect that in reality the surplus is even greater because the Liberals have made so many cuts and have not followed through on many programs. We are going to try to make sure this happens. The way to do it is as a group of parliamentarians insisting that it happen, so that all Canadians benefit, not just corporations benefiting from tax cuts.

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If the surplus is not there, we acknowledge that the dollars will not flow, but the reality, and we all know it, is that the surplus is there. I will be the first to admit that although this is a better balanced budget than what was there before, it certainly is not everything. The sure way to make it everything for Canadians is to put people in charge of the government and the country who are going to follow through on their word and make sure those things happen.

We know that is not going to happen with the Conservatives. They agreed with the Liberals that \$4.6 billion in tax cuts to corporations was the first route to take. They supported it. They still insist they supported that first budget. We came along and said no, that is not acceptable, and the government is going to give back to Canadians. The sure way of ensuring that Canadians get the dollars flowing for them is to put more New Democrats in the House and put them in charge. Ideally that is when we will see the best results for Canadians.

When my colleagues say there was nothing extra for agriculture, they are absolutely right. Of course we would have loved to see additional supports for agriculture, but again, in negotiations there is give and take. We were following a plan of what we had to work with. We said we would maintain a balanced budget, but absolutely there should be more assistance for agricultural producers throughout the country.

Absolutely there should have been changes with EI and dollars flowing to workers who have lost numerous benefits over time, but again, I did not see the Conservatives getting in there and saying they wanted money for agriculture after the first budget. They did not say they wanted money for workers. They were accepting that budget with nothing in it. We went in with a minority negotiating position, we accept that, using what we had to get something better for Canadians.

There is an ideal way to get even more for Canadians and to ensure that what comes into the tax coffers in Ottawa means fairness in our tax system and fairness and balance in how those dollars go back to support our nation and Canadians overall. That is to put others in charge who are going to follow through, who are not just going to make up stories and promises for 12 years as the Liberals have done.

I admit it. I have to wonder if Liberals are going to follow through. We are putting our trust in them to do so, but that trust is based on the fact that they are in a minority position. They know Canadians are already questioning their integrity. They know that if they do not follow through on this, they are done for with Canadians, because on top of the scandal with Gomery, Canadians will know they were not going to follow through on a budget that Canadians have told us they want.

The municipalities have told us that and individual Canadians have told us that. People in my riding have told me that. Only one person in my riding wanted an election and wanted the government to fall. All the rest of them said they wanted us to make it work and that we were doing a fantastic job. They said they wanted us to make Parliament work and they wanted the budget we have worked out to pass because it is the budget that is going to help them out.

● (1630)

The Deputy Speaker: It is my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Simcoe—Grey, China; the hon. member for Cumberland—Colchester—Musquodoboit Valley, Agriculture.

Mr. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, I appreciate the hon. member's comments but she is a member of the opposition and I would have expected that as a member of the opposition she would be doing her job in this chamber by opposing the government, as opposed to attacking us.

It astounds me that the NDP consistently attacks the Conservatives when in fact we are the opposition in this House and we are not in control of the levers of government. It just astounds me why she would go out of her way to attack us, as opposed to holding this government to account. I would suggest to her that she ought to do that.

However she made a number of statements here that cannot go uncountenanced in this House.

The real issue she needs to understand is that the \$4.5 billion side deal that was cooked up in a hotel room is fiscally irresponsible and, more important, the way in which this money is to be spent is even more irresponsible. The spending increase in this budget represents the single largest spending increase over the last two or three decades in this country.

Furthermore, the Liberal government, over the last five years, has increased program spending on a per capita basis by 5%. It therefore is a fiscally irresponsible deal.

Furthermore, the way in which this deal was cooked up is completely ad hoc and does serious damage to the confederation. This deal is on less than two pages in Bill C-48 and it is totally vague on what it will do for the country. These side deals do serious damage to confederation.

When we look at these side deals, such as \$1.6 billion for this, \$500 million for that, \$900 million for that and \$1.5 billion for that, these are not part of any ongoing program arrangements or part of the equalization formula. These are simply one-off deals. These one-off deals do serious damage to confederation and the member's party has agreed to this.

In agreeing to this damaging deal, a deal that does serious damage to confederation, is the member also in agreement with her colleague and ally at the Canadian Labour Congress allowing the first non-leader of the NDP, the first separatist leader ever, to appear at this convention? Does the NDP agree in allowing the first leader from a party other than the NDP to address a tri-annual convention at the Canadian Labour Congress? Does she agree with that?

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Mrs. Bev Desjarlais: Mr. Speaker, first, the Canadian Labour Congress is an independent body. We are in a democratic country. It can choose to have whomever it likes to come and speak at its conventions. It was in the province of Quebec. I would think if it chose to have the leader of the Bloc appear that is certainly its choice. As I said, we are in a democracy. Although there are some who kind of switch between accepting democracy and not, that is not the case with us. It is not our call. It is an independent body that does a fantastic job on behalf of workers in this country.

In regard to speaking today in support of Bill C-48, it is our bill. It would be a bit ridiculous for me to stand up here as a New Democrat and say that I will not support Bill C-48 when it is our deal. Of course I will support it, in the same way that I supported the government's bill on corporate manslaughter. It came out of my private member's bill. The government finally brought it through but I supported it because it was the right thing to do for Canadian workers. I support this budget because it is the right thing to do for Canadians.

Just being in opposition does not mean we have to oppose everything. It means we have to make sensible decisions based on benefits for Canadians, and that is what is happening here today. That did not come from the Conservatives.

With regard to the bill being on a page and a half or two pages, quality is much more important than quantity. We got all those improvements for Canadians on a page and a half, and maybe the member should take that to heart.

• (1635)

Mr. Gary Schellenberger (Perth—Wellington, CPC): Mr. Speaker, I appreciate the chance to speak in the House today and address the chamber and all Canadians concerning Bill C-48, the Liberal-NDP budget deal.

I know how the government operates after having dealt with various departments trying to get money that has been promised for a long time.

Hon. John McKay: Do you need help with the big numbers?

Mr. Gary Schellenberger: I do not need much help with big numbers because it states in clause 1, "the Minister of Finance may, in respect of fiscal year 2005-2006", and he may not, "the Minister of Finance may, in respect of fiscal year 2006-2007" and he may not "shall not exceed". It does not say "will" not exceed. It says "shall not exceed". It means that there is no minimum.

My point is that Bill C-48 has nothing for Canadians. I have dealt with affordable housing issues for the longest time and \$360 million have been stuck in the affordable housing market for I do not know how long. The money cannot get out because the government attaches strings to it so it cannot be spent.

When I came to the House, \$1 billion was put into infrastructure. Today there is still roughly \$1 billion and it has just started to be paid out in this last little while. It sat there for over a year.

Do we feel that this \$4.6 billion will ever be paid out. I doubt that very much.

I want to speak to the bill today because it speaks to one of the fundamental reasons for all of us to be here. The most important reason for any member to come to the House should be out of the desire to help make families' lives better. That is my goal and I know it is shared by my colleagues in the Conservative Party of Canada.

We need to strive to bring forth legislation that helps Canadians make our country the most prosperous nation in the world. Canadians deserve the highest standard of living in the world. We want an environment in which each and every Canadian may have a job. Economic growth and opportunity should not just exist in certain pockets of the nation but should be a reality in all areas and all regions of Canada.

Canadians should not have to move from their place of birth in order to chase opportunity. Canadians should not have to abandon their traditions and local culture as well as their family ties in a region simply to chase a dollar.

The Conservatives want for Canadians what every mother and father all across Canada want: for children to get a good quality education that eventually leads to a good job in a safe and secure environment, to perhaps start their own business, to own their own home, to put away some extra money to secure their future retirement and be able to go out for the occasional pizza or afford tickets to a ball or hockey game.

If we do a good enough job maybe Canadians can have those things but it will only happen if we as parliamentarians make sure governments spend within their means and do not overspend and do not overtax.

My biggest problem with the bill is that it calls for additional money to be spent without a clear plan. My problem is not with the money for affordable housing, for the environment, for foreign aid, for post-secondary education and for aboriginal housing. Everything that is in the bill is good quality but there is no plan on how it is ever going to be spent. I cannot support the bill because it is just vague.

Mr. Speaker, please forgive me for this, but I have trouble trusting the government. We have seen from the government in the past that it cannot be trusted with blank cheques. Whenever we let the Liberal government spend taxpayer money without a plan, it is an absolute blueprint for waste and mismanagement.

The Deputy Prime Minister said, "This is not just a Liberal budget. It is a Liberal-NDP budget". If all this increased spending is such a good idea, then why did the Liberals not have it in their initial budget.

• (1640)

Canadians see this budget for what it is: a bad deal by a desperate Liberal government to cling to power no matter the cost and with no consideration for the crushing burden this may place on young Canadians.

What about those who actually believe some of the Liberal government's promises and who actually believe it will follow through with them? We will just see more broken promises, more plans made that are never completed and more undelivered goods.

I have spoken before in the House about the terrible shame of false hope. Bill C-48 is another sad example of the terrible effects of false hope. The Liberal government should stop letting down those in society who most need government assistance and services.

This is very troubling because I and my colleagues in the Conservative Party recognize that the Liberal government is not currently able to offer Canadians the kind of social assistance they require. Often it is because the Liberals, as in Bill C-48, choose to write cheques with taxpayer money without first having a plan in place. This can be envisioned in the various agricultural plans that have fallen on their face in the last two years.

Why would we throw more money at a problem when the current policy is not meeting the objectives? As Conservatives, we have tried to be constructive and to assist in the budget process. At committee, however, the Liberal-NDP-Bloc coalition defeated attempts by my Conservative colleagues to restore principles of prudent fiscal management and real solutions for Canadians in this budget.

This leaves us in somewhat of a difficult position. Canadians see this money being offered and they view votes on the budget as Christmas eve, but once the budget passes, they are surprised the next morning after they wake up and there are no presents waiting for them under the tree.

In my own riding, the council of the municipality of Stratford even passed a motion asking me to vote to pass the budget. I have tried to make everyone in my riding aware that the Conservatives would honour Liberal promised tax revenues being returned to the city. In fact, it was a Conservative idea to begin with.

We on this side understand that there will not be any actual presents for Canadians, just promises, and we will not play that game. The assumption that tax revenues will not be directed to Canadian municipalities with the defeat of the Liberal government is simply not true.

The Conservative Party of Canada has clearly indicated it will honour the deals that have been previously negotiated by the Liberal government, including such initiatives as gas tax transfers, the Atlantic accord and the child care agreements between the federal government and the provinces of Saskatchewan and Manitoba, even if those child care agreements do not cover everyone.

As a businessman and as a parliamentarian, I have always believed that the workers are the most important asset of any business. Supporting the workers of this country is one of the reasons that I support the corporate tax cuts that were announced in the original budget. It was estimated that these tax breaks could produce as many as 300,000 new jobs. I find it surprising that the New Democratic Party would oppose such a measure that would generate jobs for hardworking Canadians.

The Conservatives have presented an amendment to clause 1 that would raise the amount of surplus that would be set aside for debt

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paydown. It is easy to overlook the importance of this but the savings in interest would be massive and allow future governments the flexibility to increase money offered to Canadians in key areas of social spending.

Our amendment to clause 2 would force the government to table a plan by the end of each year outlining how it intends to spend the money in the bill.

My Conservative colleague's amendment to clause 3 would ensure that important accountability and transparency mechanisms were in place for corporations wholly owned by the federal government. All government programs should be accountable and transparent so that Canadians may judge them for themselves.

I take my work at committee very seriously and very much appreciate the good work of Conservatives on the committee. It is a shame that the government routinely ignores the good work done at committee.

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, in regard to the concern that there are no details in Bill C-48, I am curious as to whether or not there were any more details in Bill C-43. My understanding is that both budgets were written with the same sort of process. It is just that in this case, Bill C-48 is an NDP budget and Bill C-43 was the Liberal government's budget.

My colleague seems to have an objection to the fact that there are no details in Bill C-48. Could he tell me whether or not there were more details in Bill C-43 and, if so, what they were?

• (1645)

Mr. Gary Schellenberger: Mr. Speaker, I do not think there were a lot of details in Bill C-43. I have dealt with affordable housing issues. We have heard the minister stand over there and tell us that there is \$1.5 billion in Bill C-48.

If I were negotiating a deal, I would have put some teeth into it to ensure that the government spends the money. I sat and listened to stakeholders in my riding. The stakeholders in my riding heard one thing and then when the bill came out it was something different. I would have hoped that Bill C-48 would have had some teeth in it. It is \$4.6 billion sitting there for the government to spend at will whenever it feels like it. That is where I stand.

Mrs. Bev Desjarlais: Mr. Speaker, we now have an admission that there were no more details in Bill C-43 than Bill C-48, yet the Conservatives supported Bill C-43 even though they do not trust what they say is a corrupt government. When one takes Gomery into question, there certainly is that attitude.

If the government is not spending those dollars for Canadians, the teeth that we now have is a minority position. Canadians know that the dollars are there. They are going to go to the government and so are we. If we want the teeth, then let us have all the teeth from across the way, from the Conservatives and the Bloc, on the government as well to ensure that those dollars do go to Canadians.

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Mr. Gary Schellenberger: Mr. Speaker, it is about time that maybe we all work together to make the government hold to what it says. One difference between Bill C-43 and Bill C-48 is that there were tax cuts in Bill C-43. They were not all exactly outlined. When would they come into effect? We are not sure, but they were at least there. The member talked earlier about companies going offshore. Why do they go offshore? They go offshore to get a better tax rate. That has been admitted in the House. Why not keep those companies here by cutting taxes?

Mr. David Christopherson (Hamilton Centre, NDP): Mr. Speaker, the member seems to have a lot of advice for the NDP on what we should have done in the negotiations and how Bill C-48 could have been so much better than the job that we did. If the opposition believes that it could do such a good job and such a better job than the NDP then why did the opposition fold the hand it held before the budget speech was even presented?

We saw the Leader of the Opposition roll in and advise the Canadian people that the Conservative Party was going to support the budget as is. Why did the opposition members not hold the government to account and have their own negotiations, and come up with the perfect budget the way the member said they could have done?

Mr. Gary Schellenberger: Mr. Speaker, I have listened for the last two or three weeks to the members in the corner over there slam dunking the Conservatives all the time. The Conservatives have not been in power for the last 12 years. It has been the Liberals. We are slam dunked every time. That is exactly what the Liberals have done any time that we have come forth with any amendments, whether it be in committee or the House. Our amendments are shot down. I guess that is going to be my answer.

• (1650)

Mr. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, I oppose Bill C-48, the NDP-Liberal budget, because it is fiscally irresponsible and creates a danger to the federation. It creates fiscal arrangements that are a tangled web and lays some very dangerous markers down for future years.

For example, Bill C-48 is full of one off deals. There are one-off deals for affordable housing, foreign aid, the environment and post-secondary education. This is not the way to approach financing the federation. This is not a way to provide long term, stable funding for program spending. This is completely irresponsible. This was a deal that was cooked up as an act of desperation and something that is going to do some serious long term damage to this country.

The other problem with this bill is that it represents one of the largest increases in government spending in the last three decades. In the last five years alone, government spending has increased 20% on a per capita basis. This too is fiscally irresponsible because it provides a risk that in future years, when the economy slows down or enters a period of either zero or even negative growth, we will face increasing difficulties in balancing our budgets.

All these problems, with the large increases in spending and the tangled web of fiscal arrangements that the government has managed to find itself in, point to the fact that the government has no focus. It has no plan for the fiscal arrangements of Confederation. Another

area this budget fails to address is the needs of small town and rural Ontario. These municipalities face huge infrastructure costs.

I will give two examples in my riding of Wellington—Halton Hills. The township of Centre Wellington has a population of about 22,000. It has over 100 bridges. In that township alone, we are facing a bridge repair cost of about \$15 million over the next several years. That is a huge number for a rural township with a population of only about 22,000 and an annual operating budget of about \$15 million. In Halton Hills, I have been told that there is a backlog of about \$57 million in roadwork and other infrastructure. That is an equally big number for a community with only about 50,000 people and with an annual operating budget of about \$20 million.

While these numbers may seem small to those in this House, if one were to extrapolate them to a large city such as the city of Toronto with a population of about 2.5 million, one would get an infrastructure backlog of about \$1.7 billion to \$2.9 billion.

Rural communities, with their scattered populations and their huge infrastructure, face the same kinds of challenges that are faced by more densely populated areas. We in this House should not forget these rural communities that are the lifeblood of this country. However, that side of the House has forgotten rural and small town Ontario as well as rural and small town Canada.

The government's gas tax plan forgets rural communities in small towns. Under the government's plan, smaller communities will get less of the gas tax than more densely populated areas. Witness its approach to the gas tax for towns and cities. The city of Toronto, with only 20% of the population in Ontario, is getting 50% of the gas tax money. Toronto is getting \$1.1 billion of the \$2.2 billion in gas tax money, even though it only has one-fifth the population. Rural areas with small towns desperately need this money.

• (1655)

The lack of detail and action means more closed bridges, more deteriorating roads and, ultimately, higher property taxes because the money for rural townships, cities and towns must come from somewhere. It means that seniors in my riding, like Maria Kurath and Margaret Alexander in Rockwood, may have to sell their homes because they cannot afford to pay their property taxes. These are the real life stories of what happens when a government only addresses the needs of half the country.

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People in Wellington—Halton Hills and across rural and southern Ontario pay just as many taxes as those in more densely populated areas. In fact, they pay more in gas taxes because of the longer distances involved in travelling these rural ridings. Yet the government is siphoning money away from these areas to more densely populated areas, despite the fact that these rural areas face the same kind of infrastructure challenges that are faced by the more densely populated areas.

The areas of Wellington County, Simcoe County, Halton region, Peel region, Dufferin County, York region, Oxford County, Brant County, Niagara region, Waterloo region and Hamilton-Wentworth, just to name a few, are being shortchanged by the government's budget .

The problem with this budget is its ad hoc asymmetrical approach to the fiscal arrangements of the federation. It has created a Canada of haves and have nots. Witness the government's approach to equalization which is an ad hoc approach with side deals for some provinces, pitting one province against another and one region against another.

Witness its approach to child care which is a two tier system, one for families who can afford to access locally licensed day care and nothing for those for whom there are simply no locally licensed day cares or who choose to stay at home. A child care system that creates only 120,000 fully subsidized spots for six million Canadian children aged 12 and under is not a universal system and is not fair.

Witness its approach to the gas tax for towns and municipalities in this budget. The city of Toronto, with only 20% of the population in Ontario, is getting 50% of the money. Toronto is getting \$1.1 billion of the \$2.2 billion in gas tax money even though it only has one-fifth the population. This is simply not fair. We need a fair formula for the distribution of the gas tax money based on a per capita basis. If we were to give additional moneys to public transit, and I support public transit, we should do so, but through a separate formula from general government revenues, so that small towns and rural areas in Ontario and across the country are not shortchanged.

I support more money for cities, but I do not support creating an unfair formula that leaves half the country behind. I support a fair formula so that both rural areas and cities in this country can move forward together in the 21st century.

I have ridden the TTC. I have lived and worked in the city of Toronto for many years and I appreciate the challenges the TTC faces. The government has neglected the TTC for over 10 years. Ridership is down, the number of buses on the road are down, and the number of subway trains running are down despite the fact that the city has exploded in population. The government finally reacts with an ad hoc formula that leaves half the country behind and only addresses the needs of the other half.

I reiterate the point that we need a fair formula for both cities and rural areas in this budget. We have problems addressing infrastructure in both cities and rural areas, but the government leaves half the country behind in this budget. For these reasons, I am opposed to the NDP-Liberal side deal as evidenced by Bill C-48.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I am

curious about the member's definition of fiscally irresponsible. We are dealing with Bill C-48 and talking about \$4.5 billion over two years for public transit, access to post-secondary education and affordable housing, with the clear caveat that we are not going into deficit.

However, when the party of the member opposite was last in power, the annual deficit was not \$4.4 billion. It was \$43 billion. Interest rates were 11%, unemployment was around 10% or 11% and the country was basically bankrupt.

My question for the member opposite is this. What is the basis and rationale for calling this small bill, a bill with this relatively small amount of money, fiscally irresponsible and the results of the last Conservative government, when the annual deficit was \$43 billion, as being fiscally responsible? I am having difficulty with coming to a conclusion as to how the member can call one responsible and one irresponsible.

● (1700)

Mr. Michael Chong: Mr. Speaker, I will try to explain it to my hon. colleague opposite.

It is fiscally irresponsible because it represents a spending increase of 20% over the last five years. This is part of this government's runaway spending that will come back to haunt us when the economy slows, whenever that may be. The government has spent 20% per capita extra over the last five years. It is simply not sustainable.

It is also irresponsible because it represents ad hoc side deals that have become the modus operandi of the government. Whether it is a side deal on health care for one province and another deal for the other provinces, or whether it be a side deal with the NDP for this budget or whether it be a side deal on equalization, pitting one region of the country against another, it is completely irresponsible to do these ad hoc side deals.

I do not know if the government has taken a new approach on federalism. Maybe the Liberals really do believe in asymmetrical federalism. These kind of arrangements do serious long term damage to Confederation. That is why this budget is irresponsible.

The hon. member opposite mentioned the previous Conservative government. He should know that the previous Conservative government was operating in a global climate, where members of the G-8 were all facing difficult fiscal and monetary challenges, of high interest rates and a high inflation. What he should also know is, operationally, that government ran a surplus. That is the most important thing he should keep in mind.

I might also add that government faced challenges directly resulting from structural problems given to them by the previous Liberal government.

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Let me also add that this government likes to tout loudly about its accomplishments on fiscal prudence. What they need to realize is the two reasons for the balanced budgets of the late 1990s were the GST and free trade. Free trade led to a boom in manufacturing in Ontario, which led to a growth in government revenues.

More important, he should know that the GST accounts for about \$40 billion in the government's revenues or 22% of government revenues. It has a \$9.1 billion surplus. However, the Liberals, who fought tooth and nail against the GST, would find themselves in a \$31 billion deficit today if it had not been for the far-sighted leadership of the Conservative government.

I hope these facts will help clarify the hon. member's confusion about where we are today and how we got here.

Mr. Russ Hiebert (South Surrey—White Rock—Cloverdale, CPC): Mr. Speaker, it gives me great pleasure to rise at report stage to address Bill C-48, an act to authorize the Minister of Finance to make certain payments.

This bill is somewhat historic. This is the first federal-NDP budget in three decades. Of course our Conservative Party cannot support this NDP budget. Canadians did not vote for an NDP budget. They did not send the 289 MPs who are not NDP members of Parliament to Ottawa to vote for this. Even the Liberal MPs across the way who are now supporting this bill are not doing so for the right reasons.

If the kind of irresponsible and reckless spending contained in Bill C-48 were a good idea, then that spending would have been included in the budget original, but it is not.

Liberal MPs are now indistinguishable from their NDP coalition partners on matters of financial policy.

Let us all recognize Bill C-48 for what it is. It is a brazen and desperate attempt to hold onto power by a regime that has been exposed as corrupt, arrogant and untrustworthy. NDP MPs have paid a price to gain their budget. Because they have actively maintained this corrupt regime in power, they are now tarred with the same brush.

However, Bill C-48 is also something else. It represents higher taxes, a return to deficit spending and a deepening of the national debt that we had recently begun to get under some control. That kind of fiscal irresponsibility and recklessness has real consequences for working families and taxpayers across Canada. Ultimately, the ability of the government to spend money depends exclusively on taking money away from the average Canadian. For some folks, it means the loss of music lessons or sports camps for their kids. For others, they may have to cancel their vacation, the one that they were looking forward to all year long. Some Canadians are going to have to work that many more hours to pay this tax bill, but those hours are hours not spent with family and friends, enjoying life.

We have a very different vision of Canada. We believe in fair taxation, individual responsibility and limited government. We recognize that government is not always the best institution to address and solve every societal problem.

For example, in my riding of south Surrey—White Rock—Cloverdale, we have a private organization called the Peace Arch Community Services, or PACS. PACS helps thousands of people in

my community every year, with everything from helping the unemployed find a job or helping the hungry with food to counselling for those addicted to drugs and alcohol.

PACS does receive grants from various levels of government to help provide some of these services, but it also raises a significant portion of its funding privately. Indeed, there is great support for PACS in my community, and that is amply demonstrated by the generosity of those who fund it.

Of course PACS is just one of many private organizations, from service clubs to faith-based organizations to community groups, that provide or fund services in the community to help the weak and the vulnerable in society.

My fear is that as the government ratchets up the spending and takes even more money from people's discretionary income, there will be less left in people's pockets to give to groups like PACS that is making a real difference in the lives of Canadians.

Our Conservative vision includes a significant tax reduction that would allow Canadians greater freedom to support such worthy causes. I have no doubt they will. I am excited about the possibilities for our great land if Canadians are given such freedoms.

We had some votes late Tuesday evening of this past week where a couple of facts became apparent.

The first is that our Conservative Party is keeping its commitment to work constructively within this minority Parliament. As an example, we supported Bill C-43 at report stage, despite our misgivings about several elements in the main budget. We want to make this Parliament work and our actions speak louder than mere words.

The second and unmistakable fact is the failure of the Liberals to pay anything more than lip service to making this Parliament work. We continue to see arrogance in action as the Liberals reject reasoned amendments put forward by my party to bring the budget and its spending in line with the commitments the government made in its throne speech.

• (1705)

I want to review some of those commitments. They were proposed by our party and endorsed by the Liberals in a vote in the House. We called upon the government to do the following: to ensure that the employment insurance fund would only be used for the benefit of workers instead of balancing the federal budget; to reduce taxes for low and modest income Canadians; to tell the truth in government budget forecasting; to make the electoral system more fair; and to give Parliament a real voice on key foreign and defence policy issues such as missile defence.

As we examine these points in order, we can see from this budget legislation that the Liberals have repeatedly broken their promises to Parliament and to Canadians.

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EI premiums have not been lowered to the level where revenues are commensurate with expenditures. Instead, the government continues to run a huge EI surplus to help it balance the budget. This is doubly strange because in the years that the Prime Minister was finance minister, he explicitly stated that payroll taxes killed jobs. It is true that payroll taxes kill jobs and excessive Liberal payroll taxes under the Prime Minister have certainly killed tens of thousands of jobs. Promise made, promise broken.

The Liberals committed to reduce taxes for low and modest income Canadians. In fact the measly tax reduction offered by the Liberals works out to one cup of coffee a month or just \$1.33 starting next year. That rises to \$8 a month for an individual by the fourth year of the budget. How generous. By comparison, during the last election, the Conservative Party offered the average taxpayer savings of \$1,000 annually by the fourth year.

The Liberals committed to reduce taxes, yet their pennies a day tax reduction is virtually meaningless for most working families struggling with rent or a mortgage or buying school supplies or clothes or food. One might also consider the fact that the government has done nothing to reduce the high cost of gasoline, a large component of which is federal taxes. Again, promise made, promise broken.

As for truth in budget forecasting, we have already seen backtracking on this commitment. We can easily add up the more than \$26 billion in additional new spending commitments the government has made since introducing the budget in February. Nearly \$5 billion of that total, contained in the legislation we are debating now, was to obtain the common support of the NDP. That works out to about \$260 million per vote if we add it up and divide by the number of MPs in the NDP. Yet we have the spectacle of the government standing in the House day after day in question period denying that its spending spree is going to send us back into deficits and debt.

Business groups agree that the government has been less than forthcoming with the truth in budget forecasting. According to Nancy Hughes Anthony, President of the Canadian Chamber of Commerce:

Without a fiscal update, we are flying blind when it comes to Canada's finances with only vague assurances from the government that it will be able to balance budgets in the future....Until Canadians are given all the facts and figures, we have every right to fear that we are flirting with future budget deficits given the government's excessive spending.

Promise made, promise broken.

As for making the electoral system more fair, there are 57 different bills the government has introduced, including the bill we are debating today, yet not one of them addresses electoral reform. Promise made, promise broken.

The government promised to give Parliament a real voice on key foreign and defence policy issues such as missile defence. Yet earlier this year Parliament was totally excluded by the Prime Minister when he unilaterally decided to opt out of the U.S. missile defence system. Once again, promise made, promise broken.

In that same throne speech the government claimed "parents must have real choices" when it came to child care. Where is the choice?

The fact is the government continues to discriminate against single income families in the tax code. It simply does not value the work of the parent who stays at home. If parents are to have real choices, it is critical to reduce taxes for all families with young children.

●(1710)

In our amendments to the other budget bill a couple of days ago, we gave the government the opportunity to meet its promise to give parents a greater choice in child care and it chose to vote against its own promise.

As we have seen with other Liberal promises, the throne speech amounted to all talk and no action. In this budget, once again it is promise made, promise broken. The Liberals have proven themselves untrustworthy promise breakers. Soon they will have to provide an accounting to the Canadian people for this.

In the meantime I will conclude my speech where I began, and that is to say that we cannot support this NDP budget implementation bill, Bill C-48.

●(1715)

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, earlier today the House, with the support of the Conservative Party, the Liberal Party and the New Democratic Party, passed Bill C-43 dealing with approximately \$180 billion of program spending. We are now dealing with Bill C-48 which is an additional \$2.25 billion per year over the next year with the clear caveat that the government will not go into a deficit.

The bill was referred to a committee. I would have thought that if there were any concerns, problems or difficulties the committee would have worked on the bill, improved it, enhanced it and set it back to the House. However, the Conservative Party in its alliance with the Bloc Québécois voted all the paragraphs down.

Given the relatively small amount of money we are talking about in Bill C-48, why was it not dealt with at the committee level? Was this action at the committee controlled by the Bloc Québécois?

Mr. Russ Hiebert: Mr. Speaker, my hon. colleague knows that I am not a member of the finance committee, so he would also know that I was not at the discussions that occurred in that committee when the amendments were put forward.

I do want to draw to the attention of the member and the House that none other than the Canadian Chamber of Commerce suggested that this budget bill is a huge mistake for the country. This is a respected organization that has the admiration of economists and Canadians across the country. It is saying that this is a huge mistake. Nancy Hughes Anthony, president of the Canadian Chamber of Commerce, said:

Without a fiscal update, we are flying blind when it comes to Canada's finances with only vague assurances from the government that it will be able to balance budgets in the future. Until Canadians are given all the facts and figures, we have every right to fear that we are flirting with future budget deficits given the government's excessive spending.

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That is exactly what is happening here. It is excessive spending. If the Liberals thought this spending was necessary for the country, why did they not include it in the February budget? It is absolutely clear to all Canadians that the only reason we are even debating the bill today is that the Liberals, in a desperate attempt to stay in power, were propped up by the NDP. The NDP and the Liberals are in bed together, propping up their own, call it what we may, form of power. It is ironic that they look to the other side of the House every now and again and suggest that we are in collusion with some other party when that is clearly not the case.

The NDP-Liberal-Buzz Hargrove budget, however we want to describe it, is an atrocity for the country. I hope that the people listening at home will begin to understand as more and more Conservatives stand up and make that point clear.

The Conservatives are here to get things done. We are here to work hard for Canadians. Part of our job as the official opposition is to oppose things that we think are harmful for the country. The bill is a prime example of something that will cause damage to the country. This bill, which is a page and a half long, is making large promises, some \$4.5 billion, with no real fiscal spending priorities or plans whatsoever. This is basically another slush fund. The Liberals, and the NDP who are cooperating in propping up the Liberals, get to pull out of the hat whatever they want, whenever they want.

That is not what Canadians sent us here to do. Canadians sent us here to be responsible. Families in my riding work hard. They budget. They count their pennies and spend money according to priorities and plans that they have put together. Those priorities could be violin lessons, buying hockey equipment or taking vacations. There is a host of priorities that Canadians have on which they spend their money. They work hard to raise that money and they take care in how they spend it.

Yet the Liberals and the NDP members think the money comes from nowhere. They always forget the fact that it is hardworking Canadians who gave them the money in the first place, and they spend it as if it was nothing. They spend like there was no tomorrow.

It is time for the NDP members and the Liberals to wake up to the fact that Canadians will not stand for this any longer. Canadians are sick and tired of people wasting their money, as we have seen in the sponsorship scandal. They do not have any confidence in the government any more. They have seen \$300 million wasted on programs that went to prop up the Liberal government, money that the Liberals used to re-elect themselves. They have seen \$1 billion wasted on the gun registry.

My colleague beside me is the expert on the gun registry. He could tell the House where that money could have gone had it not gone to that wasteful project called the gun registry. Think of all the policemen, the MRIs, the benefits to health care, the people in my riding who are looking for shorter wait lists for hip surgeries and that sort of thing. That money could have saved those people a few days or a few months of waiting to get the treatment they need.

Yet the NDP members and the Liberals think they know what is best for Canadians. They are telling Canadians what their priorities ought to be when that is not the case at all.

I stand and testify to the fact that if there is anything we can do to stop this budget bill from passing, we will do exactly that, because we know that Canadians do not want it to pass.

• (1720)

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, I am rising to add my voice in objection to the NDP budget Bill C-48. I want to begin by saying that we as Conservatives believe that our goal should be to give Canadians the highest standard of living possible. In fact, we should aim to have the highest standard of living in the world and this budget flies in the face of that goal.

We as Conservatives would like everyone in this country who wants to have a job to be able to find one. We would like every region of the country to be treated equally. I will come back to that point. That is an essential point that we need to look at in evaluating this budget: treating every region of the country equally. We as Conservatives want economic growth and opportunities to be available to all people in this country. That is our aim. When we form government, every budget will meet that goal.

Every mom and dad under a Conservative government would know that at the end of the day their children will be able to fulfill their goals, live out their dreams, get an education, get good paying jobs, start a family, buy a home, save for their retirement, enjoy a vacation and start a business if they wish.

Our goal should be to tax families as little as possible. That is the opposite of what is happening with this NDP budget. Our goal should be to tax families as little as possible so that they can afford the day care of their choosing. If one parent wants to stay home and take care of the kids, we want that parent to have the option of doing so because taxes would be low enough for that to be affordable.

On a personal note, I got into politics to try to turn things around in this country. I saw how our country was going into decline because of what was happening here in Ottawa with regard to the policies. I want my children and grandchildren to have better lives. That is where I am coming from in evaluating this budget. I want my children to be able to live in freedom and security.

I look at what is happening in the community of Springside, the larger community of Yorkton in which I live and in Melville. Neighbours of mine see things constantly in decline. Agriculture is in crisis. There is absolutely nothing in this budget that addresses the concerns of rural Canadians.

My friends and neighbours are in waiting lines for health care. The NDP claims to be concerned about health care in this country. There is nothing in this budget that really addresses that issue.

The NDP, in writing a budget, is going to bring this country to its knees. Look at what happened when it was in government in Ontario. Look at what happened when it was in government in B.C. Look at what is happening as it is in government in Saskatchewan. My home province of Saskatchewan should be at least as well off as Alberta. It has every advantage, but it has had a government that has been choking the province to death. Now the same mentality is being displayed in this budget. We do not need this. This is exactly the opposite direction in which we should be heading.

The key point I want to make in my speech today is that this budget is dragging on rural Canada and western Canada. It is giving a disproportionate amount of money to large cities. It is not treating all areas of this country equally.

An example was given, and somebody did that math, that a large city with 20% of the population gets 50% of the money in this budget. Rural cities, towns and municipalities get proportionately less in this budget than large cities because of what has been put forward here, but rural areas face the same challenges as the cities.

• (1725)

They are expected to provide the same services as large cities are providing, but with much less. Very often those services cost more in rural areas. What is going to happen? This is going to create even more of a disparity between our rural and urban areas in Canada. This is unfair. That is why this budget is unacceptable.

I challenge the residents of this country to take a look at this budget and determine whether, if we had taken the money the Conservatives proposed in the last election and put it into infrastructure, we would not be a lot better off right now. There is no doubt in my mind that the answer would be yes. Yes, under a Conservative government we would be much better off.

We do not have the fair treatment for rural areas and families with children that we should have in a budget. One example that just jumps out at me is that the government is creating 120,000 day care spots. The Liberals do not know what the cost is going to be, but they say that this is what they are going to do. We have six million children in Canada. Let us look at the disparity, the unequal treatment, in just that budget item proposal for a big cross-Canada day care system. People in rural areas will get virtually no benefit out of this child care scheme.

I am frustrated when I look at the philosophy behind this. We as Conservatives feel very strongly that we have to start cleaning up government, as one of my colleagues has said, but instead we have the Liberals and the NDP with the opposite mentality.

I remember reading a quotation from former Prime Minister Jean Chrétien in about 1984. He said, when he was voted out of office, that it was okay, they had “left the cupboard bare”; they had cleaned everything out and they would let the Conservatives take care of the mess.

This is the Liberal-NDP attitude: bankrupt the government so that when we as Conservatives come in we will have a huge problem in that we will have difficulty making ends meet. I do not appreciate having that problem. I have to strongly oppose a budget that is going to make this happen.

When times are good we should be paying down our debt, not spending money on open-ended programs. I wish I could disseminate this budget, although it is really not a budget. If we take a look at what the government and the NDP are calling a budget, it is the most pathetic thing we could ever imagine. As we read through it, we see that it states:

—make payments out of the Consolidated Revenue Fund up to the amount that is the difference between the amount that would, but for those payments, be the annual surplus...

Private Members' Business

There is no determined amount. It is like a slush fund. The government will spend “up to” this amount of money.

The Liberals and the NDP have four items in the budget itself. Those items are so brief that they are just a few lines. It says they are going to make “payments” for the environment. They are going to make payments for training programs and post-secondary education for aboriginal Canadians. They are going to provide affordable housing, including housing for aboriginal Canadians. They are going to put in more for foreign aid. That is the budget. That is it. That is the whole deal. I need more time to explain to Canadians how empty and bare this is.

As we go on, we see that it provides for the governor in council to make all of the decisions. The next line states “develop and implement programs”. That is creating more bureaucracy. It states “make a grant or contribution or any other payment”. Those are code words for slush fund. I ask Canadians to just look at this budget. I cannot believe that we are being asked to swallow a budget like this.

It goes on to say that that more crown corporations are going to be created. We should be moving in the opposite direction.

• (1730)

I beg Canadians to take a look at this empty budget. I cannot believe that we are asking people to approve this. The NDP members are always saying that we must make Parliament work. That is their mantra. Do we know what this budget does? It actually provides for bypassing Parliament.

The Acting Speaker (Mr. Marcel Proulx): 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

[*Translation*]

CRIMINAL CODE

The House resumed from March 8, 2005, consideration of the motion that Bill C-275, an act to amend the Criminal Code (failure to stop at scene of accident), be now read the second time and referred to a committee.

Mr. Serge Ménard (Marc-Aurèle-Fortin, BQ): Mr. Speaker, this is another private member's bill aimed, once again, at increasing sentences by setting very high minimums. It aims to increase the minimum sentences for offences that are certainly serious. Basically, it concerns the offence of leaving the scene of an accident that might have caused physical injury or death. They hope once again to solve a problem, which has not grown especially worse in Canada over the last few years, by imposing minimum sentences of seven years.

What kind of a model is being used? I would remind the House again that experience proves that high minimum sentences are not effective. Every time I raise this matter, though, I have the feeling that I am talking to a blank wall, except when I talk about it informally with members of my own party. Sentences of this kind are of no use. The only possible result is longer trials.

Private Members' Business

Nevertheless, we have a striking example here in Canada of the uselessness of minimum sentences. When I was young, I had never heard of marijuana. In fact, I never heard of it until I took my bar exams in 1966 and was starting to work in the crown attorney's office. It was around then that people started to use marijuana. The marijuana that could be found growing wild in Canada did not have any hallucinogenic effect. So all the marijuana that people consumed came from abroad. Do you know what the minimum sentence was for importing marijuana? Seven years. That should have dissuaded people. But instead, we had flower power and marijuana consumption steadily increased.

In 1982, I think, the Supreme Court decided that a minimum of seven years for importing marijuana was so severe that it was unconstitutional. So the minimum sentence disappeared. There was no particular increase in marijuana use at that time, though. It just continued.

First, people do not know what the minimums are. Then, they want minimum sentences, because they think everyone is like us and generally obeys the law. Most of the prison population, however, is totally different. When I was minister of public security, I asked that sociological studies of the type of clientele we had be redone. We could talk about a lot of things. I do not want to arouse sympathy needlessly, but these people can be described for the most part as social misfits.

In addition, I ask the hon. members whether they know what the minimums are. Do they know what they are for failure to register a firearm? Even we the legislators do not know what the minimum sentences are. How can they have an effect on the people in our prisons, who are for the most part unaware of these things and likely to commit such crimes.

A minimum sentence in any case would have an impact on a hit and run. Most people who lose it after hitting someone—because it is pretty traumatic—and flee the scene, later turn themselves in to the police. However, when they realize the minimum sentence is seven years for this kind of offence, I am not so sure they will do that.

The other example we have in Canada is the death penalty. Since we abolished it, the homicide rate has gradually declined. This shows clearly that other factors affect criminal behaviour.

There is another success in Canada. Not a total success, but still a success. It is the rate of drunk driving offences. There are far fewer today than there were 20 years ago. Nothing has been done about minimum sentences for this sort of offence. But roadblocks have been set up. The Supreme Court has determined that the Constitution permits it.

● (1735)

So roadblocks began to appear. These, of course, made it possible to test a goodly number of drivers. I remember, when the roadblocks first started, sometimes 10% or 12% of drivers were nabbed for impaired driving. Now thousands are stopped at roadblocks, but I recall two recent ones in Montreal where only four impaired drivers were detected.

People's attitudes have changed. For instance, when my children go out partying with friends, there is a designated driver. I never

heard of such a thing when I was young. Attitudes have been changed through education.

I am focussing particularly on roadblocks because these stop people before they commit crimes. Again, most of the time people are far more concerned with being stopped than with the sentence they might end up with. Most of the time they do not expect to get caught.

I found a striking historical example in the case law of the British Columbia Appeal Court. The judge referred to the time when pickpockets were hanged in England. Their fellow pickpockets were at their busiest during the hanging. What a deterrent that was, don't you think? People may be deterred by fear of punishment, but are far more likely to be deterred by the likelihood of getting caught than by the imposition of a minimum sentence.

So the only effects this has are to fill up our jails and force judges to impose minimum sentences. I do not get the point, frankly. The people who propose these sentences seem to totally mistrust judges. They feel Canadian judges are the worst and are liable to give criminals who appear before them nothing but a slap on the wrist. They are absolutely determined to force minimum sentences on the judges in order to get them to take action.

This is not the case. It does force judges to impose sentences they feel are unfair, because they are locked in and must impose the minimum sentence.

Before imposing minimum sentences, further reflection is needed. This tendency to impose minimum sentences is very popular in the United States. Does anyone here think that the crime rate is much higher in Canada than it is in the United States? The more minimum sentences are imposed, the more the crime rate increases. Just check the statistics. The crime rate in Canada is comparable to that in the United States, except for homicide. The homicide rate is three times higher in the United States than it is in Canada. For the rest, the statistics are quite similar. Do you know how many people are in jail in the United States compared to Canada? Roughly seven times more people are imprisoned in the United States than in Canada.

The most recent statistics I found that are available internationally date back to 2001. From memory, the incarceration rate in the United States is 686 per 100,000 population, compared to 101 per 100,000 population in Canada. Do you want other global comparisons? For the European Union it is 89 per 100,000 population and in Japan, 50. In fact, the incarceration rate per 100,000 population in most civilized countries, except the United States, is around 100. If I recall correctly, it is slightly higher in England and Portugal. In some cases, the rate is as low as 50. Yet these countries have similar crime rates.

Private Members' Business

• (1740)

I understand that it is an easy way to gain popularity, and lord knows the United States overdoes it, which is what gives that country an incarceration rate similar to Russia's or some other such country that we would never want to live in. Minimum sentences have absolutely no effect on the crime rate in these countries.

It is obvious—perhaps because it is easy for me to convince my colleagues—that we will not support such a bill which, once again, is unnecessary and will create injustices and will certainly not resolve the problem it claims to address.

[English]

Mr. Art Hanger (Calgary Northeast, CPC): Mr. Speaker, I am pleased to rise today to speak to Bill C-275, an act to amend the Criminal Code regarding failure to stop at scene of accident. This bill is commonly known as Carley's law and proposes stiffer sentences for those convicted of hit and run crimes. I would like to commend the members for Cariboo—Prince George and Abbotsford for bringing this bill forward.

I am sure many of us in the House know of someone who has been injured or killed by a hit and run driver. I know that we have seen many headlines. It does not matter what area of the country we are from, we have seen headlines, much like those that I am going to read here, especially for my colleague who just spoke from the Bloc. I think he misunderstood the purpose behind this bill.

These are the headlines: “Student killed in hit and run”, “Teen dies after hit and run accident”, “Hit and run driver still sought”, “Fatal hit and run driver gets slap on the wrist” and “House arrest for fatal hit and run”. Those are some of the headlines across the country dealing with hit and run accidents. Many of them, of course, have been fatal.

For the benefit of my friend in the Bloc, and I listened to his presentation carefully, the incident that brought this bill into being dealt with an offender in British Columbia that had 11 driving prohibitions and citations since 1997. In other words, he had been charged numerous times with impaired driving. He did not learn a lesson. It did not matter how many times he was charged, how many times he was convicted, he did not learn from any of those incidences. That is what brought this about.

The crowning matter was when he ran over and killed a young girl by the name of Carley Regan, a 13-year old girl. She lost her life unnecessarily at the hands of this driver. I can tell the House and the member from the Bloc who thinks this is an absurd bill that this story is being repeated and repeated across the country in just about every city. I am sure that the member of the Bloc can attest to similar types of situations that have occurred in his own province.

That is what concerns us here. It is not the fact that there are these occurrences taking place, it is the fact that they are not being addressed adequately for the seriousness of the crime, and that is the taking of someone else's life or the serious injury of another person. This bill hits those two particular points right on the head. It is a seven year minimum for loss of life and four years for severe damage or personal injury. This is what is happening here.

I will mention one other incident dealing with a Calgary situation. A young father had just come into my office last week. His daughter was killed by a hit and run driver on March 17 of this year. That hit and run driver, in spite of the low penalties associated with this crime, decided to make a run for it and he got out of town because he knew the law was on his heels. He made it all the way to Toronto and he climbed aboard a plane after dispensing some of his personal belongings. He was heading to England when the police walked on to that plane and slapped the cuffs on him. There is no question, when it comes to extradition for a charge such as this, that he would have gotten away scot free. That is how close it was. As it turns out, he is now before the courts in this country.

• (1745)

This family of which I speak is totally devastated by the loss of their daughter at his hands. I know from speaking with the father that he has serious concerns, as do many of us, vis-à-vis the penalties meted out to those who kill someone in a hit and run accident.

This family shares the view of a growing number of constituents and taxpayers in this country that these offenders are getting off far too lightly. The number of families is growing across this land. They are watching issues such as this come forward. They want to see parliamentarians address the matter. They know that there is a political answer to this particular problem. It is all in the legislation.

These people would like to see their concerns addressed in this House. I commend my colleagues, the members for Cariboo—Prince George and Abbotsford for bringing this matter forward. These members took some action. We are encouraging members in other parties in this House to support this particular action. It is not frivolous and not unreasonable.

If we think of it in our own situation, it may be one of our sons or daughters. I have been there. I have had fathers crying in my office over issues such as this. There was one particular case where a father's son was run over. The culprit got out of his car. The child had been eating an ice cream cone and the ice cream cone was splattered on the windshield of the car that hit him. The driver got out; he was drunk. He looked at the young boy on the pavement. He then got back in his car and ran over him again.

Tell me, is that a reasonable course of action? If the answer is no, and it should be no, then the person that is responsible should pay a price and not, as we have seen in the headlines in this country, receive a slap on the wrist or house arrest. There must be a minimum sentence brought into this picture. It has been far too long that we have not addressed this matter in the House including many other cases of drunk driving.

I beg to differ with the comments of my colleague from the Bloc that drunk driving numbers are down. If the statistics are recorded as being down, I will tell the House why they are down. It is because police departments across this country do not have the resources to put these programs forward.

The challenges in the courts for entrapment and all other charter arguments are outrageous. They are causing police departments to withdraw. It takes a great deal of effort and resource to reconstruct a hit and run accident. Bill C-275 also deals with the issue of plea bargaining on hit and run charges and it seeks to eliminate it.

Private Members' Business

We could not ask for a better bill to deal with all of the backroom negotiations that take place in a courtroom. I ask my colleagues on both sides of this House to support this bill. We owe it to Canadians to do everything possible to ensure that those who flee the scene of an accident will receive just punishment.

• (1750)

Hon. Gerry Byrne (Parliamentary Secretary to the Minister of Intergovernmental Affairs, Lib.): Mr. Speaker, I am sure that everyone in this House will agree that leaving the scene of an accident where there is death or bodily harm is truly and utterly despicable. In fact, that is precisely why Parliament, in 1999, created a maximum penalty of life imprisonment for leaving the scene of an accident knowing there is death and a maximum penalty of 10 years imprisonment for leaving the scene of an accident knowing there is bodily harm.

These penalties are indeed severe and, quite logically, they parallel the maximum penalties for manslaughter, criminal negligence causing death or bodily harm, and impaired driving causing death or bodily harm. These are all of course very serious offences.

Even if one were to agree with the minimum penalties proposed in Bill C-275, it would be inconsistent to propose minimum penalties for these offences of leaving the scene of an accident without proposing minimum penalties for the other offences that I mentioned. We cannot make seven year and four year minimum penalties for certain serious offences without ensuring that all other similarly serious offences have the same penalties. This bill fails in that regard.

I want to make it very clear to members who have spoken in favour of Bill C-275 that the opposition which they are hearing toward this bill from all other parties in the House has nothing to do with partisan politics. The opposition to Bill C-275 has everything to do, however, with the extremely serious matters of principle and of constitutional law.

In the first hour of the debate, some speakers noted that leaving the scene of an accident was unacceptable behaviour and it must remain a crime. No one condones it. However, speakers from all parties, except speakers from the Conservative Party, appear to agree with the proposals in Bill C-275 that these principles fail the principles of fundamental justice which are part of the Canadian Constitution, like it or not. These are important principles. They are not minor details or troublesome technicalities that could be legislated out of existence with the blink of an eye.

Frankly, the Supreme Court of Canada simply could not uphold in good conscience the validity of this bill. In my view, voting in favour of Bill C-275 would, or could, become a cynical or thinly veiled effort to manufacture a circumstance where it could then be said that the Supreme Court of Canada was thwarting the will of Parliament.

The proponents of Bill C-275 would have us believe that eliminating the requirement of a guilty mind, or *mens rea* is an easy matter. However, the reality is that when creating a criminal offence there must be an act that is accompanied by a guilty mind. Unlike a regulatory offence where the act in itself is a sufficient trigger, with a criminal offence there must be a mental element that accompanies the prohibitive behaviour. This is a bedrock principle of criminal law and fundamental justice. Bill C-275 proposes to

eradicate this fundamental principle when it comes to the offences of leaving the scene of an accident knowing there is death or bodily harm.

There seems to be an underlying theme in some of the speeches supporting Bill C-275 that if we suspect but cannot prove impaired driving causing death or bodily harm by a driver who has left the scene of an accident, we should make it harder on the suspect by throwing out the requirement for the prosecution to prove the mental element of the offence of leaving the scene and get the driver on that issue instead. The prosecution would only need to prove the act of leaving the scene of the accident and the driver would be guilty regardless why he or she left the scene. This is exactly what the bill says as it is drafted.

However suspicious a court might be, our present Constitution tells us that unless the prosecution proves an offence beyond a reasonable doubt, there would be no conviction and no punishment.

The bill appears to be an attempt to punish without having to prove a guilty mind. In cases where the prosecution cannot prove beyond a reasonable doubt, the offence of impaired driving causing death or bodily harm against a driver who left the scene of an accident appears.

• (1755)

Certain members wish to eliminate the fundamental principles of justice in criminal cases, such as proof beyond a reasonable doubt and the guilty mind requirement. If that is their option, the only true option to seek is an amendment to Canada's constitution. Until there is a constitutional amendment, they will not succeed.

When it comes to sentencing an offender for leaving the scene of an accident, knowing that there was death or bodily harm, the judge has the task of setting the penalty from within the range of penalties that Parliament has enacted. The judge must weigh all circumstances of the offence and the offender. All aggravating and mitigating circumstances must be taken into account and if the defence or the prosecution is not satisfied that the sentence is fit and proper, then either may appeal the sentence.

In cases of leaving the scene knowing there is death or bodily harm, the accused has a right to choose to be tried by a judge sitting alone or by a judge and jury.

Back in the era of capital punishment, there was often a suspicion that juries sometimes would look beyond the evidence in proof of a crime to the penalty that would apply upon conviction and sometimes they might refuse to convict.

There is nothing to suggest that judges are incapable of examining the evidence and registering a conviction, regardless of any personal view they may hold about a particular penalty range set by Parliament. I have every confidence that if the minimum penalties proposed in Bill C-275 were enacted and found to be constitutional, then judges would convict where there would be proof beyond a reasonable doubt and they would not hold the prosecution to an impossible standard of proof as a way to avoid imposing the minimum penalty.

Private Members' Business

I would not speculate on what juries might do. However, I can say that it is their duty to apply the same test of proof beyond reasonable doubt to the evidence, regardless of the penalty that would flow.

I do want to express my opinion that the minimum penalties proposed in Bill C-275 are somewhat troublesome. If the courts were confronted with these proposed minimum penalties, coupled with the elimination of a mental element for the offence, they would have no choice but to find that the provisions could not withstand constitutional scrutiny.

Let me be very frank. Even if I agreed that the proposed minimum penalties were justified and I were voting for them, I would not be so optimistic as to believe they would significantly reduce the incidence of leaving the scene of an accident. People leave the scene of an accident not because they carefully evaluate the penalties at that moment, but because they think they can completely avoid detection and prosecution or they are gambling that they can avoid detection and prosecution.

In closing, I have two things to say. First, I would ask the rhetorical question. Is leaving the scene of an accident, knowing that there is a death or an injury, deplorable behaviour? Of course it is. Second, does Bill C-275 respect existing constitutional principles that apply to criminal legislation? It does not, and I will be voting against it.

• (1800)

Mr. Mark Warawa (Langley, CPC): Mr. Speaker, it is an honour to speak to Bill C-275, and acknowledge the wonderful hard work that we have seen from the members for Abbotsford and for Cariboo—Prince George.

Every driver's worst fear is to accidentally hit a child who runs between parked cars and chases a ball out into the road or on a dark rainy night hitting someone who darts across the road instead of crossing at a crosswalk. These scenarios could happen to anyone. No one would like to go to jail after experiencing such a horrific event. These drivers are not the ones that Carley's law is targeting.

Carley's law targets the driver who hits someone and then makes a conscious decision to leave, possibly leaving the victim to die. Carley's law would protect Canadians from the driver who makes a choice to flee in the hopes that no one saw the licence plate. Carley's law would protect Canadians from the driver who has an accident and also had a few drinks that day and is more afraid of the penalties of the drunk driving conviction than they are for a hit and run and they choose to flee the scene. Carley's law would protect us from the dangerous drivers who already have a number of convictions and they are afraid of one more and they choose to run. That is who Carley's law will target.

On January 6, 2003, Carley Regan, a 13 year old Langley girl, lost her life when she was struck from behind by a hit and run driver. Carley was rollerblading. Her sister and her friend were bicycling right beside her when all three were hit. The two younger girls were knocked into the ditch, but thankfully were not injured. Carley died on the road.

At the time of the fatal hit and run, driver Paul Wettlaufer was under a driving suspension. On the night of the accident, Wettlaufer maintains he was not drinking or speeding and did not see anyone on

the rural road. He said he did not realize what he had struck. When he did realize what had happened, he panicked and fled, leaving the dying girl on the road. Despite him leaving the scene and removing the licence plates from his vehicle, Wettlaufer said he was not trying to cover up the incident. Wettlaufer had 11 previous driving prohibitions and citations in six years.

Carley's law is close to my heart. Carley Regan lived and died in my riding of Langley, B.C. January 6, 2003, is a day that I, too will never forget. Before I was elected as a member of Parliament for Langley, I was the road safety loss prevention coordinator for the Insurance Corporation of British Columbia. I wrote the report on all Langley traffic fatalities. All fatalities are tragic, but I remember this one vividly because it involved such a young life, such a beautiful girl and a cowardly act.

As anyone who became involved in this case, I became emotionally involved and grieved the loss of that young life.

I had been to the roadside memorial in Carley's honour. In fact, after the accident, I drove that road regularly for a month at different times during the day and evening trying to figure out what had happened. Carley's death was a tragedy that affected many people, and it should not have happened.

To keep our sanity, police officers, health workers and others like myself who work on cases like, we try to keep an emotional detachment. With Carley Regan it was impossible to detach oneself. I would think about what if it was my child, what if it was one of my loved ones? The tragedy was that she lost her life. The tragedy was that the driver should not have been on the road that night. The tragedy was that Paul Wettlaufer had a choice to stop but he did not. He left Carley there dying.

Bill C-275, Carley's law would require a minimum of seven years to life for a hit and run causing death; a punishment less than murder sentences but greater than manslaughter. It would also equate hit and run causing bodily harm with attempted murder, a punishment of four years to life. Carley's law would prohibit plea bargaining cases of hit and run.

Wettlaufer was committed to trial to face charges of dangerous driving causing death. Crown counsel however plea bargained the case with Wettlaufer subsequently pleading guilty to three counts of hit and run and one count of driving while prohibited. He was sentenced to 18 months in prison, three years of probation and 10 years driving suspension. He served 12 months in prison and was released.

Private Members' Business

•(1805)

Carley's law, if passed, will prevent for the first time in Canada crown counsel from plea bargaining the charge of hit and run so that those who hit and run must face the charge. A message needs to be sent that it is unacceptable to evade responsibility by fleeing the accident site.

Bill C-275 is name for Carley Regan, but she is by far not the only victim. We have heard of others from members who previously spoke. In my riding of Langley right after Carley's death there was another Langley hit and run.

A Langley father of two, David Slack, was left to die on the shoulder of the Fraser highway. The person who hit him left him to die. He should have stopped. Right after that in Vancouver there was an elderly gentleman hit and left to die on the side of the road. This happens all too often and they flee with the plan that they will get away and not be caught, and often they are not.

Carley's law would make Canadians aware that if a person hits someone with his or her vehicle, the person must stay at the scene. Carley's law will save lives.

Mothers Against Drunk Driving are asking us for sentencing reform. MADD says that current practices are making a mockery of the Canadian judicial system. MADD Canada wants conditional sentences eliminated for the crimes of impaired driving causing death and impaired driving causing bodily harm. Canadian courts have been frequently handing out conditional sentences for violent crimes, which were never intended by Parliament.

In an impaired driving crash where a person has been killed or seriously injured, there needs to be appropriate sentences handed down that reflect both the seriousness of the crime and our value of life.

Every driver in Canada is aware of the punishment drunk driving. As we have heard, fear of a drunk driving conviction can be an impetus for a person to commit a hit and run, which is just as serious a crime, if not more so. Therefore, if we establish penalties for one crime, we must keep them in line with others. We need Carley's law to keep drunk drivers from simply leaving the scene of an accident to avoid an impaired driving conviction.

MADD Canada wants an active commitment from all members of Parliament to initiate a comprehensive plan that will answer for the loss of lives and the social cost of these crimes.

I am one MP who will do that very thing. I believe legislation like Carley's law needs to be part of a plan. For a justice system to promote public safety and generate public safety confidence, it must place a premium on truth.

Canada's current sentencing system does not promote truth in sentencing. In section 245 of the Criminal Code, 25 years can mean only 15 years and 15 years does not really mean 15 years when we consider parole eligibility: clock running from the point of arrest, not the point of sentencing.

Federal law now permits conditional sentencing, intermittent sentencing, suspended sentencing, merged sentencing and sentence

administration. Truth in sentencing means when a judge issues a sentence that is what one will serve.

Carley's law shows the need for complete sentencing reform in Canada. Carley's law highlights the need for truth in sentencing.

The official opposition has been calling for a complete overhaul of our sentencing legislation for many years. Opponents of mandatory minimum sentencing say that it gives unwanted direction to judges who, some fear, have too much flexibility in sentencing. In reality judges are so hemmed in by the current restrictions on sentencing that they have no room to impose the higher sentences that the public demands. We never see maximum sentencing.

Canadians want sentencing reform. We need to bring forward sentencing reform. We need to follow guidelines and principles of minimum sentencing. We can start that right now with Carley's law. We have heard the tragic stories. It is not adequate. My riding of Langley demands better and Canadians demand better. It is our responsibility, each of us in the House, to provide that.

•(1810)

Let us allow Carley's law, Bill C-275, to proceed to committee. If amendments have to be made, the drafters of the bill are open to that, but it will be a good start to providing accountability and eliminating the ability of people to flee from their responsibilities.

Mr. Wajid Khan (Mississauga—Streetsville, Lib.): Mr. Speaker, Bill C-275 aims to toughen the penalties for leaving the scene of an accident where there is death or injury. It also aims to make it a whole lot easier for the prosecution to obtain a conviction in death or injury situations. I am certainly not in favour of persons leaving the scene of an accident and escaping liability. However I am also not in favour of Bill C-275. I take note that the Minister of Justice is also not in favour of Bill C-275.

The bill would keep the maximum penalty at life imprisonment for a driver who leaves the scene of an accident where there is a death. It will also jack up the maximum penalty from 10 years to life imprisonment for a driver who leaves the scene of an accident where there is an injury.

I want to note that the maximum penalty for criminal negligence and impaired driving causing death is life imprisonment, just as it is for leaving the scene of an accident that results in a death. However the maximum penalty for criminal negligence and impaired driving causing injury is 10 years. Why is it then that Bill C-275 proposes life imprisonment as a maximum penalty for leaving the scene of an accident where there is injury? I find this part of the bill inexplicable.

Private Members' Business

Bill C-275 also proposes to toughen sentencing by creating a minimum penalty in death and injury. There would be a minimum penalty of seven years imprisonment for death and four years imprisonment for injury. Here again it is important to look at the fact that for manslaughter, criminal negligence causing death, dangerous driving during a police chase causing death, impaired driving causing death and impaired driving causing bodily harm there is no minimum penalty.

Why is it that the death and injury cases of leaving the scene would have a minimum penalty of seven years and four years respectively, while the other offences of similar gravity have no minimum penalty?

The proposal in Bill C-275 appears to be widely disproportionate compared to the penalties for similar offences. I can think of no rational explanation for this.

I see that Bill C-275 aims to make the task of the prosecution easier. This also sounds very noble until one realizes that the bill proposes to eliminate the mental element of the criminal offence of leaving the scene of an accident in death and injury cases.

Upon careful reflection, we appreciate that the requirement to have a mental element within the definition of each criminal offence is a very fundamental aspect of our criminal law. The purpose of such a requirement is to ensure that purely accidental acts will not be criminalized. I find it of more than passing interest that people who are so ready to rail against the charter as shielding offenders are likely to be quite happy to stand upon these same charter rights if one day they are facing criminal charges or need other charter protection.

The truth is that although most of us will never be charged with a criminal offence, the charter is there to ensure that we can sleep well at night and assure us that we will not be deprived of our liberty without respecting principles of fundamental justice. In Canada we take our freedom for such treatment as this for granted. It is only because the courts so carefully protect these fragile freedoms that we take so much for granted.

Often enough, the prosecution cannot prove all elements of a criminal case, including the mental element, beyond a reasonable doubt and the court must find the defendant not guilty as charged, however suspicious the court may be. Most of us will agree that this is the price that we must pay in order to have a system that awards unfairness and wrongful conviction.

●(1815)

Bill C-275 does not share this view. It would throw caution and fundamental principles of justice to the wind and would say that if drivers commit the act of leaving the scene, they are guilty, regardless of whether the prosecution can prove that there was an intention to escape liability and regardless of whether the prosecution can prove that there was knowledge of death or injury. The mental element would no longer matter.

Even if this did not violate the charter, which I believe it does, surely our sense of basic fairness would tell us that we should not be criminalizing every person who leaves an accident scene in which there was death or injury. Given the wide range of reasons that might

exist for leaving, surely the existing mental elements within the definition of the offence serve the purpose of ensuring such fairness.

To jump upon the bandwagon of Bill C-275 would be like saying that we should eliminate the mental element of an intention to kill for the crime of murder and charge even cases of accidentally causing a death as a criminal offence of murder because it would make it so much easier for the prosecutor to get a conviction.

I would imagine that people who do flee the scene of an accident with the requisite mental intent do so because they fear that if they remain they will be liable. Therefore they take a chance that they can escape any liability and they leave the scene. The thought process would remain the same, even with the harsher penalty of Bill C-275. The drivers who would leave the scene fear liability and they choose to flee the scene in the belief that they can avoid liability. The question that they are asking themselves is whether they will get caught, not whether the maximum or minimum penalties have been increased.

I will be voting against Bill C-275. It just goes too far because it proposes penalties that do not logically fit with the penalties for similarly serious Criminal Code offences. It goes too far because it proposes to eliminate the mental element for the most serious situations of leaving the scene of an accident, namely, death and injury situations.

Mr. Myron Thompson (Wild Rose, CPC): Mr. Speaker, I must be one of the luckiest fellows who ever walked the face of the Earth that I have to get up and speak behind the nonsense that I just heard coming out of the mouth of the member across the way. Just in case he does not think about it, Carley's family, the survivors of this victim, will be suffering for life.

In those types of accidents, whether it is through negligence or whatever, we do not know if the individual would have survived if the hit and run driver had stopped to lend a helping hand. However, what we do know is that when an accident like that happens we have a responsibility to stop and do everything we can to attend to the situation confronting us.

Most of these events are usually caused by someone who is impaired. We heard that several times in the justice committee. Drunk driving is common in a hit and run. There is no way in the world there should ever be any excuse for anybody to leave the scene of an accident. If we want to use alcohol impairment as a state of confusion or that the poor guy did not realize what he had done, we are really doubling the injustice that happens in this country. There is no excuse first of all for an individual to even be behind the wheel when he is in that condition.

Apparently, the individual in the case of Carley, as I understand it, was a suspended driver. He was not even allowed to drive. His licence was gone. I think the only reason that an individual like that would leave the scene is for his own sake. He was not respecting anything about the victims he may have created because of his decision to do what he did.

Private Members' Business

This morning I was a little surprised to find out that many of the people responsible for, not only hit and run accidents but accidents that cause death or injury, do not even do any jail time. House arrest, community service and probation have become far too much of a common practice under the Liberal government. It has become worse in the last 12 years than I have ever seen it in the past.

If we continue to sit back idly and say, in these particular cases, such as the case with this young Carley, that we do not need to do something about it, that it is too scary or whatever the last speaker was trying to say, that it is too hard on the perpetrators, the law-breaking individuals, that is just getting to be so commonplace in the country and I am really getting tired of it, as are most Canadians. They are absolutely sick and tired of the fact that we do not take some of these things a lot more seriously. The only way that we can really show that is to enforce the laws by making certain that the penalties reflect the crime.

This was a little girl who lost her life through someone's total negligence and ignorance, or whatever we want to add to it. She and her family received a life sentence, while her perpetrator, from what I understand, served only about eight months of the intended four or five year sentence. He was out on parole in a short time and living a good life.

What kind of message does that send? Should we not be very concerned about protecting society? Is not one of our most elemental duties as members of Parliament to come to this place and make laws that concentrate on protecting the honest, law-abiding people of our land, instead of listening to that cry towel baby over there talking about the poor perpetrator and asking what will happen to him and to future ones if we get too tough on these guys.

●(1820)

By the way, it might not meet the charter test. That is what they will say. I do not think the charter was invented to protect those kinds of guys to that extent. That is not the purpose of the charter. That is another excuse and another lawyer's haven to have some kind of an opportunity to defend someone and make more money.

When are we going to get serious in this place? I have been here for 12 years. I have been waiting for some things to happen in here that will make it safer for society out there. We have to make people realize that if they are not going to be responsible for their actions, they will wish they had been. We have to give people cause to think before they do such activities.

There are so many of these cases now. This is not a one time event. We need only listen to the news and we will hear of people all across the country who are being injured or killed, with the individual responsible being a hit and run driver. Sooner or later we have to wake up to the fact that if we do not get serious about correcting the situation by making laws that reflect our intent, it will never happen.

I could probably stay here until midnight, and I will, I imagine, wondering why in the world an individual would get up and make a speech like that, but then maybe I should not be too hard on the individual because I know that most Liberals who come in here to make a speech on any bill usually have a canned speech that some

bureaucrat wrote. They go and pick it up. It is their chance to give a little talk, whether they know what they are talking about or not.

There was no compassion in that speech at all, except compassion for the criminal, the person who caused the crime. That is what I heard throughout the speech. I heard that we cannot be so tough on these guys who do these things. I heard no compassion for the victims.

A victim testified recently at the justice committee. He asked the justice committee if we would please reflect a little more on the victims of these crimes when we make laws. This person was referring to an accident that happened to him. He was struck by a drunk driver. He has been forced to live with an artificial leg ever since that particular tragedy. It has changed his lifestyle completely.

The focus was never on this person and his accident. The focus was always on the perpetrator, who was able to walk away and live happily ever after. Meanwhile, this guy is living in torture and misery because he wears an artificial leg. I see members of the justice committee in the House tonight. They will remember him. He simply asked that when we make laws if would we please reflect a little more on the victims and quit reflecting so adamantly on the rights of the person who committed the crime.

Carley's family is suffering for life. They have a life sentence. They have no choice as to whether they can serve it or not. They do not have a parole hearing to go to some time in the future to ease them of their pain and misery.

However, we could help future families. We can take on these kinds of cases and remember that no family should ever feel that justice has never been served as a result of a tragedy that happened to their loved one.

One day we will have someone sitting on that side of the House who will have the courage to invoke these kinds of things that will bring a little more sanity to this justice system and which will concentrate a little more on the victims and their rights and not so heavily on those who continually break the law. I understand that the perpetrator in Carley's law had broken the law and was convicted several times. That is why his licence was suspended.

●(1825)

We just keep allowing this to happen until one day the event that happens is so tragic we wonder why it has happened. Leniency is one thing; stupidity is another. I think we have almost reached the point of stupidity when we make the decisions that we make in this place with regard to the rights of the victim compared to the rights of the criminals and those who break the law and put our society at great risk.

I encourage people to start thinking about that in this place and to stop thinking about what some liberal bureaucrat wrote on some piece of paper for some fellow over there to give a speech on when he probably does not even know what he is talking about. I encourage people to start thinking about it seriously, from the heart, and to support these kinds of initiatives and start making society a little safer.

Perhaps one day we will wipe the grins off the faces of those Liberals who like to come in here and say, "There is that Wild Rose man on the rampage again". Let me say that this Wild Rose man will be in the defence of victims forever before I will ever give in to criminals.

• (1830)

The Acting Speaker (Mr. Marcel Proulx): It being 6:30 p.m., the time provided for debate has expired. Accordingly, the question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Marcel Proulx): All those in favour of the motion will please say yea.

Private Members' Business

Some hon. members: Yea.

The Acting Speaker (Mr. Marcel Proulx): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Marcel Proulx): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Marcel Proulx): Pursuant to Standing Order 93 the division stands deferred until Wednesday, June 22, immediately before the time provided for private members' business.

[For continuation of proceedings see Part B]

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CANADA

House of Commons Debates

VOLUME 140 • NUMBER 117 • 1st SESSION • 38th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Thursday, June 16, 2005
Part B

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, June 16, 2005

[Continuation of proceedings from Part A]

GOVERNMENT ORDERS

[English]

AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed consideration of Bill C-48, An Act to authorize the Minister of Finance to make certain payments, as reported (with amendments) from the committee, and of the motions in Group No. 1.

Mr. Deepak Obhrai (Calgary East, CPC): Mr. Speaker, it is a pleasure for me to rise to speak on Bill C-48, a budget bill that was introduced by the Liberal government.

What is important about Bill C-48 is the backroom deal that was made by the NDP and Liberals for the government to stay in power. Originally, Bill C-43, the budget bill, had a lot of sense to it, but when the Liberal government felt threatened it suddenly made a deal with the NDP in Bill C-48, which committed \$4.6 billion extra as demanded by the NDP.

Without thinking, without consultation and without any kind of plan, the deal with struck. Now we have a bill before the House that has an additional \$4.6 billion for expenditures. It is causing concern across the country because we do not know how the money is going to be spent.

Of course there are vague ideas such as housing, foreign aid and things like that, but there is absolutely no concrete plan because this was struck very quickly. Neither did the NDP members ever have an idea about what they wanted to spend the money on, but because there was an opportunity presented to them they signed a deal and said they wanted \$4.6 billion to be spent on certain areas, which they identified.

Now Canadians are stuck with it. Today we are debating the bill. It is not possible under any circumstances for any person who is fiscally responsible to support the bill, because this bill, in its generalities, is just about spending money.

Of course one of the areas that has been targeted is foreign aid, which the NDP keeps thinking is its domain. I have been in Parliament for almost eight years and have constantly heard from the NDP that it wants to increase the foreign aid budget to 0.07%, because this was a figure that was pulled out of the air and now the

United Nations is committed to it. I think that is a substantial sum of money.

But the dynamics have changed. I come from the continent of Africa, which has been a recipient of the largest amount foreign aid for years and years and I have seen the effects when foreign aid is given without a plan and how it becomes a completely ineffective tool of development. Today, Africa and Latin America have not—and I repeat, have not—borne any fruit from the money that has been poured into these countries with good intentions. Today Africa has the highest levels of HIV and poverty. It has an education system and a health care system that are collapsing. So does Latin America.

People have the idea that if we throw money at this, which is what this budget is all about and what the NDP came up with, for some reason or somehow the extra money will solve the problem and we do not need to have a plan.

Even this week Mr. Lewis was crying that there needs to be 0.07%. What I do not understand about the 0.07% issue is how the money is going to be spent for these people. As a former critic of international development, I have gone round the world. I have been to Europe and I have seen the foreign aid budget for Ireland and for the Netherlands and the foreign aid budgets for all these countries that are pouring in more and more money, but for what and how are we going to use it?

Let me give a small example. When the tsunami disaster took place, the world responded with generosity. Suddenly there was all that money coming in, but there was no plan for how to spend it. The money was there, but how would we spend this money? That today is the issue of foreign aid.

● (1835)

The finance ministers at the G-8 have just wiped out the debts of all these poor countries. I do not see anything wrong with that because those countries were being burdened by their debts. They could not spend money on education and social services that were required in their countries because they were paying this heavy debt. There was no tangible economic benefit received for the money that had been borrowed because nobody was interested in seeing how development took place in these countries.

Government Orders

Now we have the same scenario. We have cleaned up the debt. Fine, but what have we really done? We have changed the fundamentals. Let me explain. Yesterday, even the World Bank president admitted there was a serious flaw. Unless we correct the fundamental flaws that cause poverty in these countries, we can throw as much money as we want at them but nothing much will happen. Let us talk about these fundamental flaws that are causing concern around the world.

Trade barriers to these countries are the largest impediments to development. Farmers in these countries cannot sell their products to us at all because we put artificial barriers on them. The subsidies that we give out, the thousands and thousands of dollars to agriculture, are hurting all those farmers in those countries. If they cannot sell their products, they will remain beggars. We come along and throw a couple of dollars at them and call it foreign aid, but it does not work. That is a fundamental flaw. We need to change that. The WTO is saying that change is required if we want to take Africa and Latin America out of poverty. That is one of the critical factors.

Another factor is good governance, responsible governance. NEPAD has come into place in Africa to provide good governance to Africans. That is fine. One can understand that we would support NEPAD. If Africans can police themselves well and bring in good governance, we would be happy with that, but the case of Zimbabwe shows that NEPAD has a serious flaw. No one is holding Mr. Mugabe accountable for the simple reason that Mr. Mugabe fought for independence in that country when it was under white rule. Out of courtesy to him and out of courtesy for that war that he fought in the bush, nobody is willing to hold him accountable despite the fact that every factor indicates that Zimbabwe is going down.

How could we expect that these kinds of people will be brought to justice? Mr. Mugabe did his job but it was time for him to move on and he did not. These examples keep going on and on. It does not take long for countries that are not sound to fall down. We need to stand behind the African countries and tell them they have to have those institutions. We need to support those institutions.

Only recently, CIDA narrowed its focus to 25 countries. Prior to that we were in 106 countries giving a few dollars and doing what? I do not understand what we were doing. Today my colleague questioned the Minister of International Cooperation as to why we give aid to China. China itself is giving foreign aid to other countries and Canada gives foreign aid to China. Somebody needs to knock their heads here. In answer to our questions we hear, "No, we do not give aid to China. We give it to the other institutions to help them". They have the money for their institutions to move forward. WTO negotiator John Weekes is working to help China in the WTO.

● (1840)

I could go on and on about foreign aid. It is difficult to support this budget because there is no plan. There is no plan on how we want to spend this thing out here. Hopefully, somebody will hold the government accountable because these are Canadian taxpayers' dollars that we are talking about.

Mr. Jeff Watson (Essex, CPC): Mr. Speaker, I salute my colleague on his comments about foreign aid and good governance. I have to say that there is almost a sense of irony. I am a rookie here. I am just finishing up my first year as a member of Parliament. We

hear about the government of the day and the political party, the Liberal Party of Canada, passing around envelopes and suitcases full of cash. It is a government steeped in corruption. Two properly framed motions of non-confidence in the government passed in the House and the government said, "We will pencil you in for what we think is a confidence vote, sometime after the Queen leaves, maybe a week later". That same government is exporting its concept of good governance around the world.

Does my colleague think that is the kind of governance that countries around the world actually need? Could there be a better government to replace the Liberal government and provide true good governance, not only to Canada, but around the world?

Mr. Deepak Obhrai: Mr. Speaker, my colleague has raised an excellent point. It has become shameful for us in Canada. He is absolutely right. We have been going around talking about good governance and telling other countries how they should handle their affairs when we do not look at how we handle our own affairs.

We only need look at what has come out of the Gomery inquiry, and let us not mince words about it. The way the Liberal Party operated in Quebec on the sponsorship scandal with all this money, one would think one was reading a novel about some dictatorship in a third world country where money was flowing around to buy things. Under no circumstances would one expect something like that in a country like Canada. We would expect that people who are in public service would have honourable intentions and would not take the Canadian taxpayers to the cleaners.

What we have heard is extremely shocking. No wonder Canadians are angry. Let us not even worry about what the foreign aid people in other countries are saying, we Canadians ourselves are angry. When I go out in my riding and talk to my constituents, it is unbelievable the amount of anger that exists.

The Prime Minister of Canada went on national television and stated quite clearly that he was sorry. It is not a question of being sorry. What kind of a message are we giving to our children? What kind of a message are we giving to anybody on what has happened here?

One of the good things about this whole issue is that we do have certain safeguards. One safeguard that brought this issue to light was the Auditor General. I am very happy to say that it was the Auditor General's investigation that brought this issue right out in the open. I have been speaking in Parliament about all the government waste that is going on and nobody listens, but when the Auditor General brought it up, that was the safeguard we had. I am happy to say that part of the Conservative Party's platform is to strength that institution to ensure there is accountability and never again will something like that happen in Canada.

● (1845)

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Speaker, in his excellent speech, my colleague mentioned that the government has no plan. That is very clear in a number of areas. One of the big issues in my riding right now has to do with safety and security.

Government Orders

We just found out in the last couple of days that five RCMP detachments in the southwest corner of Saskatchewan are going to be closed. These are detachments along the border. We have about 150 miles of border with Montana. The RCMP have decided that they are not going to put resources into that area any more. They are going to pull out.

There will be 100 miles of border that will be basically undefended. There will not be an RCMP officer stationed within 50 miles of the border. Each of the three points have multiple intersections to highways and as people come away from the border, it is a long time before they get to a place where there is an RCMP detachment. I just wanted to point that out.

In terms of no plan, it is kind of interesting as I have called around and brought this up in the House. The Liberal government said, "It is not our fault. We do not have anything to do with this. It is the province's fault". When I called the provincial justice minister, he told me, "It is not our fault. We work with the RCMP, but it is really their fault. They allocate the resources". I spoke to the RCMP and they said, "We really don't make those decisions. We kind of leave that up to the local detachment". I pointed out to them that I was sure that the detachments could make the decisions to reduce staffing but they sure could not make decisions to increase staffing.

A large area of our province is being left completely unprotected along the border. It is interesting that the Liberals seem to have no plan there, but they do have pretty specific plans in other areas.

We heard this afternoon in question period that the industry minister's official agent has been appointed as a director of the Business Development Bank. It seems the Liberals were able to plan that very well. I have been involved in Wheat Board issues. It is interesting that the campaign manager of the minister in charge of the Wheat Board has been appointed as the lobbyist for the Canadian Wheat Board.

I would like the member to comment on why the Liberals seem to be so well organized and so able to plan when it is to their own benefit, but they are so unable to plan when it is to Canadians' benefit.

Mr. Deepak Ohrai: Mr. Speaker, I would like to thank the member for pointing out what is going on in our federation. We are blaming each other. The federal government blames the province, and the province blames the federal government. This playing goes on all day.

When I go out in my riding Canadians are saying, "We don't care who you are. Get the job done". It is as simple as A, B, C. We have provincial agreements and we could easily sit down and talk with each other to find solutions. Our duty is to help Canadians.

This afternoon a colleague asked a question regarding the fiscal imbalance. The federal government keeps taking in money but how much money is it putting back into Canada?

During the election campaign, we saw all the expenditures. The Liberal government says that it is giving money to the cities, but it was the Liberals who starved the cities. The Prime Minister was the finance minister for how many years? Today as we look around, the cities, infrastructure, defence, everything everywhere is crying for money.

My colleague from Saskatchewan has pointed out another example where I am sure that the government decided to take the money out to save the expenditure. Of course, that was not part of the NDP deal and that is why the RCMP does not have the money now. After all, this budget bill is \$4.9 billion for the NDP so the Liberal government can survive.

The common sense approach that the member was asking about, I would not expect that from the government side.

● (1850)

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I am very pleased to participate in the debate on Bill C-48, which in this corner of the House we refer to as the NDP's better balanced budget bill. I want to stress that we take the balanced part of that short title very seriously.

Nothing in this budget bill, proposed by the NDP, will do anything to further the federal deficit in Canada. In fact, we are very committed to the balanced budget aspect of the legislation. We will not see a deficit resulting out of the investments proposed in the legislation, and that is the NDP way.

We have a strong tradition through our provincial governments and through other municipal governments of maintaining balanced budgets and caring about deficit financing. We do not go that way and that is our history, unlike in the federal House where years of Conservative and Liberal deficits have put us in the debt position we are in today. That is not the NDP legacy in Canada. We are not prepared to go that route with this legislation either.

In my own community of Burnaby, the NDP municipal party, the Burnaby Citizens Association, has been in power for almost two decades. It has maintained that tradition of no deficits in that period as well. In Burnaby we are known for our record of responsible financial leadership. That is what the people of Burnaby have come to expect from New Democrats and that is what they continue to get, even with the legislation before us.

This money will come from surpluses. Last year we saw a predicted surplus of \$1.9 billion turn out to be a surplus of \$9.1 billion. Given that kind of surplus and given that kind of inaccuracy in prediction of the surplus, I am very confident that the financing in the bill will go ahead without any problems.

Where we make ground on this was to remove from the corporate tax cuts to large corporation that were proposed in the government's original budget bill. No one was expecting those. The Liberals did not campaign on that. No one was promised those in the last federal election. Canadians did not vote for those billions of dollars of corporate tax cuts in the last election. Therefore, that is something easily removed from this budget.

Government Orders

We know as well that corporate profits are away up in Canada in the past year. Even in this current quarter, they are up significantly, 10%, 15% over last year. Last year they did pretty well. Some analysts have said that the large corporations in Canada are awash in cash. Clearly, another large billion dollar corporate tax cut is not necessary in Canada.

We recognize the importance of small and medium business to Canada. That is why those corporations and corporate interests are not affected by this tax cut. We are saying that the large profitable corporations are in good shape and they do not need this extra corporate tax cut.

Where will we spend this extra \$4.6 billion in investment? On the issues that the NDP campaigned on in the last election and on which I campaigned in Burnaby—Douglas.

Bill C-48 proposes to invest \$1.6 billion toward increasing affordable housing for Canadians, including aboriginal Canadians. That was an area of almost complete deficiency in the original Liberal government budget. When the budget came down from the finance minister, the New Democrats were shocked to see nothing for affordable housing.

In a community such as mine, affordable housing is an absolutely crucial way of addressing issues of poverty. It is a way of addressing issues of health in my community. The fact that there was nothing in the Liberal budget was a huge deficiency.

I am glad that our leader seized the opportunity to seek some improvements to the Liberal budget to get that included.

There was nothing in the original Liberal budget for post-secondary education except debt forgiveness should a person die. The only way a student could get assistance was to pass away. That is slim comfort I am sure to the students who are in massive debt and who have faced tuition increases of 160% over the last 10 years. We are glad that we have managed to secure \$1.5 billion in additional funding for post-secondary education and training to cover that deficiency which existed in the original Liberal budget.

● (1855)

There is also \$900 million for the environment, including an extra one cent per litre in the gas tax over the next couple of years. That money will go to public transit and an energy retrofit program for low income housing.

Again, we know that the Liberal commitment on the environment was not what it should have been in the last budget. The Liberal commitment on Kyoto is lacking. This goes toward improving that commitment and improving public transit in our cities. We know that public transit is a significant way of reducing smog. We know it reduces congestion. We have traffic problems in a community like Burnaby. Lots of commuters transit through Burnaby to get to the downtown core of the city of Vancouver. Increased public transit will go a long way to solving those problems.

Also there is about a \$500 million increase in foreign aid to help push us toward the target of 0.7% of GDP for foreign aid. We know how crucial it is to help our neighbours and our brothers and sisters around the world with some of the very severe problems of poverty and with development.

That is a commitment the Liberals made. They needed an extra push and we are happy to have provided it.

Housing is a crucial issue in my riding. The high cost of housing on the Lower Mainland of British Columbia and poverty in my community are also an important issues. Almost 27% of people in Burnaby—Douglas, which is a fairly well-to-do, middle class, suburban community, live in poverty. It was a surprise to many of the folks living in Burnaby because it is so well hidden. These folks live in substandard housing and pay far too high a percentage of their income for it. That means they have to cut back on other things like food and other requirements for healthy living.

We need affordable housing in Burnaby—Douglas. We know that Burnaby—Douglas many years ago did very well with the cooperative housing program, which was a significant boon to our community. It set up some very interesting and successful communities where people of mixed incomes lived very well together, communities like the Norman Bethune Co-op. The co-op is almost 30 years old and is in danger of collapse. It cannot get the assistance it needs from the federal government to do the repairs that are necessary to its aging building.

There are problems with the mortgage and there is no help from CMHC which seems more intent on acting like a major financial institution rather than an institution dealing with housing concerns. These people are struggling to maintain their community and a very successful small co-op in my riding. They are getting very little help from the federal government.

I hope some of this money will go to alleviate problems for co-ops, problems like those of the Norman Bethune Co-op. If we could free up and shake loose some of the huge amount of money that CMHC has socked away, we could put it back into solving some of the problems of housing and co-ops, like Norman Bethune.

I have also been contacted by the McLaren Housing Society and JoAnne Fahr, the executive director. She talks about the housing problems that are faced by many people living with HIV in the Lower Mainland. I just want to quote from her note. It says:

Please understand that here in the Lower Mainland I have a wait list of 250 HIV+ men, women and children in critical need of adequate, affordable and safe housing. This wait list has grown by 50% in my three years on the job. Many of these folks are living in deplorable conditions having to share filthy bathrooms and having no kitchen facilities in which to cook nutritious meals, so important to their health. McLaren Housing Society was Canada's first housing program for people coping with HIV and began in 1987. Since then it has grown from one 5 bedroom house to multiple programs which currently has enough funding for 94 clients. Still, 250 people wait. And I have to tell them to continue waiting whilst they impose on friends and family or worse, couch surf, live in a vehicle or in the worst Downtown Eastside hotels you can imagine.

You can assist in this basic determinant of health by recognizing how important social housing is and applying money to this critical shortage. Please put housing first. We should not have a homelessness issue in Canada.

Government Orders

●(1900)

I am happy the NDP has fought hard to see there is something in this year's budget for affordable housing to assist people like the people that Ms. Fahr describes, who are living with HIV and who require decent housing, and to assist them not only in living a happy and productive life but also in living a healthy life.

A recent survey indicated that homelessness had tripled in my riding of Burnaby—Douglas. That is just not acceptable in a society like ours.

I am proud that this budget has increased investments in post-secondary education. Simon Fraser University and the B.C. Institute of Technology are in my riding, and students need that kind of support to pursue the education that will help them be successful and productive in their careers.

I am glad that the NDP negotiated, fought hard and worked hard to seek improvements to the Liberal budget. I look forward to voting in favour of this important bill in the very near future.

Mr. Brian Pallister (Portage—Lisgar, CPC): Mr. Speaker, I want to ask the member for his comments on this no-tell motel budget that they have concocted.

This budget is an insult to thinking people. It is a disrespectful budget in the sense that it disregards the fundamental principles of money management, but then I do not blame the NDP members for disregarding principles they have never abided by and do not understand. These are rules that are much too complex for the members of that socialist community to understand.

It is evident they have not read the bill. The fact that it is a very expensive bill has escaped their attention, over \$2 billion per page. The fact that they have been basically promised very little by the Liberals and sold out for it tells us their price. Also, the member did put some factual inaccuracies on the record that should be cleared up. It reveals his lack of logic and a logic that never seems to enter into NDP money management discussions.

First, he said that the elimination of corporate taxes would pay for the NDP promises. The member probably is not aware that those corporate tax cuts do not occur until 2008 and the promises are starting earlier than that. Therefore, I am not sure how he will do that. Maybe there will be some deficit financing in the interim.

Far be it from me to defend the Liberals, but I have to on this one. He said that the budget proposes to do nothing about housing. I would encourage the member to have a look at the budget book.

There is a good section on aboriginal housing, first nation housing on reserve. On page 96, if the member would like to refer to it, the government provides an investment of \$295 million over five years. According to the NDP finance critic, the whole NDP-Liberal budget is a trivial amount at \$4.6 billion, so maybe \$300 million or so is chicken feed to the NDP. I am not sure.

However, the fact of the matter remains that in spite of the NDP-Liberal pretend commitment to aboriginal people, the sad truth is not one aboriginal person will own those houses. They are just houses, not homes. That is a disappointing thing for aboriginal people and aboriginal people care deeply about the issue. They will walk out

tonight, look up at the same sky as us and see the same stars. The problem is on the ground where the on reserve aboriginal people live, they do not have the same rights as the rest of us and that is a shame.

Mouthing little platitudes about caring for aboriginal people and then not voting for the amendments the Conservative Party brought forward to support aboriginal people, shows a bit of a contradiction.

I invite the member to comment on how he feels about the fact that in Canada on reserve aboriginal people are not subject to matrimonial property rules, which means an abused aboriginal woman is supposed to give up everything in our country if she walks away from the home that she does not own. The rules do not protect her. Would the member care to speak to that?

●(1905)

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I will respond to the hon. member's comments, although I hope I will not be as patronizing as he has been. I understand that the last issue he raised has been addressed by a committee of the House and that there is a report prepared on that issue that goes some way to addressing those important issues. I acknowledge that those are important issues.

I do not need to be lectured by the hon. member about aboriginal housing. The NDP does address the issue of aboriginal housing and includes aboriginal housing needs in the proposal that we made and negotiated. I recognize that is a crucial thing.

The amount of \$295 million in the original budget does not go a long way to addressing the third world conditions that exist on reserves in this country. We need a far more significant commitment to that. I am glad that in negotiating \$1.6 billion for housing that we included the needs of aboriginal Canadians within that as well.

It is with some unmitigated gall that a Conservative member would stand up and lecture a New Democrat about deficit financing, given the Conservative record in this country. Given the Mulroney government of deficit after deficit, it added to the debt that we are still trying to pay off in this country. It was not the New Democrats who were responsible for that debt; it was the folks in that corner of the House who piled up those years of deficits in this country. For them to suggest that we do not understand the importance of financing, and that we do not understand the importance of a balanced budget, is the absolute height of hyperbole and unmitigated gall.

I will not take any lessons from that corner of the House on how to finance government because over many years New Democrats have shown that we clean up the messes left by the capitalist parties in this country. We put things in order and we restore people's confidence in government financing in this country.

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, it is a pleasure tonight to put some comments on the record because I have sat here all afternoon listening to speeches from members opposite. The creative ways I have heard of balancing budgets and providing programs for Canadians have left me a little puzzled as to the reality of Bill C-48.

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The Conservative Party of Canada believes that every person in this country has a right to the highest standard of living possible. Every Canadian in our country should proudly have a job. Every Canadian should have a future and a vision for their families. When we talk to families, what do they want? They want violin lessons. They want hockey lessons. They want to go on family vacations. They want to have opportunities.

If we look at the stats, particularly among women, the small business entrepreneurs in our nation are growing at a great rate. It has been one of our greatest contributions to our nation's economy.

It is about giving families the ability to have the post-secondary education of their choice, to go to summer camps, and to develop their lives in the direction that they so choose. It is about giving Canadians a choice, a choice to live the way they want to live in the highest possible standard. It is imperative to talk about the differences between what our party stands for and what the members opposite stand for.

At this point in time there is such a blurred line between the Liberals and the NDP that they have become almost like one party. Ordinarily speaking, when we come to the House of Commons, the government in power puts forth a budget and we vote on it, and we put our points across. There has been the most unusual experience of the Liberals and the NDP getting together to put forth a quick put-together budget that has a horrendous amount of promises in it with no plan behind it. When ones spends these horrendous amounts of dollars, there has to be a plan attached to it.

There is one thing that also occurred to me as I was listening to the speeches. In our democratic society, we stand for democracy. That means that Canadians have a right to vote for whomever they want to be in government. There was nothing before the last election to suggest that Canadians voted for the Liberals and the NDP to run the finances of this country. This country was very afraid to put things out because there was a lot of fearmongering before the election and the fearmongering was all based upon the scandal and what would happen with the Gomery commission.

Just to review, the Gomery commission was shut down, just left there and neglected until after the election. I can see now that the present government did that for a very good reason. If that kind of information had come out about the scandal and about the misuse of dollars, about how bags of money were handed to Liberal friends, about how taxpayer money was spent on the last Liberal election, the Liberals would never have been elected.

In retrospect, it was probably a very clever, though devious, political move to push that election forward before the Gomery report was allowed to come out and actually addressed what was happening in Canada.

It is very unusual that another party would prop up a government that has a proven scandal. To this extent, it is the greatest scandal that our country has ever experienced at this high level of government. We have the NDP shoring up the government. It is agreeing with it.

•(1910)

Originally, our side of the House supported Bill C-43. It was simple. On our side we saw some aspects of the budget bill that we could live with. We did not like everything, but we thought of

Canadians. We were thinking about the fact that Canadians did not want an election. We were trying to be considerate. We were trying to work together and then all of a sudden in the dark of night in a hotel room in Toronto, there was another deal done. All of a sudden there was another budget bill to deal with.

It is difficult to support this kind of underhanded manoeuvring by the Liberals and the NDP. We thought we had one corrupt party in Canada, but now we have two. We cannot shore up this kind of thing in spite of the fact that originally we had the full intention of shoring up the government for as long as we possibly could for the good of Canadians, so that no Canadian family had to go into another election.

We not only have the budget, but we have another issue as well. There is legislation that is absolutely irresponsible, and totally injurious to the population. The redefinition of marriage is one of those issues. There is no need for this bill. In a conversation the other night with some of my constituents, one of my constituents said that this bill had been presented for one reason and that was to deflect the attention off what was happening with this horrendous scandal, and it certainly did that.

We have had great debates here because we on this side believe that the definition of marriage is the union of a man and a woman with equal rights given to same sex couples. Every same sex couple in the nation has the choice to live the way that they want with all the benefits. This is the democratic choice. In a democratic country people have the right to choose who they want to live with, how they want to live within the parameters of the law, and what church to go to or not to go to. There are certain things, as long as the laws are abided by, that people in our nation can do.

What the NDP and the Liberals are also doing is shoring up the decriminalization of marijuana. This legislation that is coming forth is nothing short of appalling. We are talking about the budget, we are talking about corruption, we are talking about this irresponsible legislation, and people across our nation are totally flabbergasted by the lack of responsible government, the lack of democratic government, and the sort of godfather type of thing that says that the government will do business the way it wants to do business, whether Canadians like it or not.

The problem is that this is all done with taxpayers' money. When there is a tax and spend government, like the Liberal-NDP alliance, with no plan in place as to how that money will be spent, we have a horrendous problem in this country. Families need to grow, and families need to make decisions about their own spending, but in the House of Commons, the Liberals and the NDP are taking control of Canadian families.

We heard it across the way in terms of the national day care program. On this side of the House we believe that families should have a choice of whether they want to send their children to day care, whether they want to have their children at home, or whatever they want to do. That should be out of government hands.

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On this side of the House we have tried to put forth a very responsible policy that allows families to make their choices. Today, standing in the House of Commons, I am appalled at what has happened here with the NDP members hitching their wagon to the corrupt Liberal government and not only liking it, but promoting it and putting all their wrath on members of the Conservative Party of Canada because they want to rule. I ask, what backroom deal was done to make this happen?

●(1915)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, the hon. member makes her argument based upon corruption, waste and mismanagement. I do not know how many times she repeated that phrase, but apparently the Government of Canada is corrupt for the purposes of Bill C-48. However, for the purposes of Bill C-43, it is not corrupt and her party supports it.

The hon. member and her party cannot have it both ways. Either the Government of Canada is in fact corrupt for Bill C-43 and Bill C-48, or it is not corrupt at all. Why did the hon. member vote in favour of Bill C-43 which apparently keeps a corrupt government in power?

Mrs. Joy Smith: Mr. Speaker, in answer to the member's question, members on this side of the House always look at each piece of legislation in a very responsible manner. We do not just say something is bad because it comes from the governing party. What we do is take a look at the legislation to see what we can take out of it, how we can make it good and how we can help.

Indeed, in the House I think our first consideration should be the people of Canada. I think it behooves any government to clean up its act and make sure Canadians are well taken care of.

Mr. Jeff Watson (Essex, CPC): Mr. Speaker, it has been interesting to be in the House to listen to New Democrats talk about fiscal prudence. I am trying not to laugh because I remember the Rob Rae days in the province of Ontario where I could not visit my doctor some days because there was no money to support doctors. There were deficits in the billions of dollars.

On the issue of fiscal prudence, in the last election I remember a Conservative platform that had deep tax relief, plus further investments in necessary programs. We were loudly criticized over there as being fiscally reckless and having a \$40 billion black hole. It is interesting that the \$40 billion black hole forms the basis of surplus projections that the NDP keeps talking about in this room available for Bill C-48.

Looking back, there have been \$90 billion in surpluses since 1997. They were actually larger than that because there was a lot of year end spending to whittle it down so that taxpayers would not get sticker shock.

As the NDP crows that this is fiscally responsible, that it will be great and it will get what it wants, are the Liberals likely to fritter away the money before it ever gets to them? Are they actually going to get anything in the end even though they are up here crowing about it? It has supported a corrupt government but will get nothing in the end.

●(1920)

Mrs. Joy Smith: Mr. Speaker, Bill C-48 is heavy on the public purse and very light on details. I have to say that is the whole problem. It is very hard to believe that the money will flow.

Regarding the member's point about what happened a decade ago, the current government has been in power for over a decade. When we look at the health care question and what the member is talking about in terms of going to see his doctor, I can say that balancing the budget over a decade ago was on the backs of the health care system in every province. As a result, we now have very long waiting lists. People are waiting in lines for tests. We have a real problem in health care.

It has been very puzzling as to why any party would ever prop up a government that has shown this kind of fiscal irresponsibility.

Mr. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, my colleague has laid out a very strong case for why Bill C-48 is actually a recipe for disaster. As I travel around my riding and indeed across the country, I hear the same things, that it will be just like the agricultural program known as CAIS, the gun registry and the sponsorship scandal. When we look at Bill C-48 and the fact that there are \$4.5 billion with no details, I wonder whether the member would not agree that this is simply another recipe for disaster for the Canadian taxpayer.

Mrs. Joy Smith: Mr. Speaker, the member's point is extremely well taken. In actual fact, the only way that programs can be paid for is through tax dollars. Canadians across this nation are very happy to pay fair taxes. They want to build the economy and ensure that social programs are put in, as we do on this side of the House, but in actual fact there is no plan and there are only so many dollars. How are those programs going to be paid for? What tax level does the ordinary family have to meet in order to sustain this ill-gotten bill?

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, it is my pleasure to speak tonight to Bill C-48, the second budget bill produced by the government, the Liberal-NDP budget.

It probably will come as no surprise to anyone to find out that I am strongly opposing the legislation for various reasons, which I would like to lay out before the House.

It should be noted that what the government has done to the budgetary process in Canada has basically thrown every parliamentary tradition surrounding budgets out the window. The Liberals have taken every fiscal framework in this country and thrown it out the window.

In the last election the finance minister from Regina stood up and said that there was no way we could afford these Conservative promises because we only had a \$1.9 billion surplus. Months later, it turned out that the forecast was actually a \$9.1 billion surplus. Obviously the government was not revealing the accurate figures.

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In that respect it is nice to know that people like the member for Peace River, vice-chair of the finance committee, has actually rectified this by having some independent experts provide some forecasting so we can have some confidence in the numbers the government is producing.

It is so amazing to see a government in which a Prime Minister, without even phoning or consulting his own finance minister, meets with the leader of the NDP and Buzz Hargrove in a hotel room and rewrites his own budget that he presented in the House on February 23. The finance minister found out later on that the Prime Minister had completely rewritten the budget.

Imagine if the former prime minister, Jean Chrétien, had done that to the present Prime Minister when he was finance minister. This is a man who was ready to resign over the fact that his friends at Earncliffe were not getting enough contracts. Imagine what he would have done if the prime minister at that time had changed his own budget.

It is unprecedented for a government to introduce a budget, saying that it is the budgetary document that has been worked on for a year, and then, a month later, say that it made a big mistake and that \$4.5 billion of tax cuts will be taken out and put back in another budget.

As the member for Peace River pointed out, the Prime Minister stood in the House and said that we could not tinker with the budget because it was perfect and it was the ultimate document, but then a month later he stands in the House and says that it was a \$4.6 billion budget but, "oops, I missed the \$4.6 billion. We will put it into a new piece of legislation".

That brings me to my second point. This legislation is the worst legislation I have ever seen and that has probably been produced in the history of this country. It contains no fiscal framework whatsoever.

Just for the reference of members, the 431 page budget plan 2005 lays out a lot of specifics as to where money goes. We could debate the specifics all we wanted. Then the government introduced Bill C-43, the budget implementation bill. Again we could debate the pros and cons of the legislation

Let me read some specifics: Increase the amount that Canadians can earn tax free; increase the annual limits on contributions to tax deferred retirement savings plans; extend the scientific research and education tax incentives; amend part 6 of the Excise Tax Act. Another good one is that part 2 amends the air travellers' security charge to reduce the air travellers' security charge for domestic air travel to \$5 for one way travel and to \$10 for round trip travel, for transport air travel to \$8.50 and for other international air travel to \$17, applicable to air travel purchased on or after March 1, 2005.

Why am I saying this? It is because this is how we introduce a piece of legislation. We can debate it, but all Canadians know that if they go to the website and pick up Bill C-43 they can see where their money is going. They either like it or they do not and they can debate it.

Bill C-48, with \$4.5 billion on two pages, is the most ridiculous piece of legislation ever introduced. This is what it says, "This enactment authorizes the Minister of Finance to make certain

payments". That provides a lot of solace to those taxpayers working till June to fund the government. He will make certain payments. What will he fund? He will fund things for students. What will he fund for students? I do not know. The Liberals do not know. They will just fund things for students. They will go to universities across the country telling students that they will not have to pay as much for education. How will the Liberals do that? They do not know but they will do it because they will ensure there is a contingency fund of a few billion dollars.

● (1925)

They are going to fund foreign aid with \$500 million. Where is that going to go? It does not say. This piece of legislation, at the very least, after they threw out the entire budgetary process of the Parliament of Canada and the Government of Canada, ought to have stated exactly where the \$500 million would be going so we could have actually debated something, rather than debating a nothing piece of legislation.

I encourage all Canadians watching the debate to go to the parliamentary website or pick up Bill C-48 and read what an absolute farce it actually is.

Thirdly, the bill is fiscally irresponsible. The Government of Canada has been on a spending spree like no other in our history. From 1999 to this fiscal year, we have seen a 44.3% increase in spending that is unsustainable in the long term. It has completely forgotten about the debt. We have a \$500 billion debt in this country. We have debt payment charges on a yearly basis of about \$35 billion to \$40 billion. I believe it is the largest outlay every year by the Government of Canada from a fiscal sense and the government is not even addressing that.

What that means is that the government is basically mortgaging our children's future to pay for present programs. That is fundamentally wrong and it is unjust to future generations of Canadians. The debt ought to receive the proper attention. We need a true debt retirement program over a 20 year period.

Another point is that this does not respect taxpayer dollars. It is very easy for MPs, especially on the left side of the spectrum, to stand up and say that we should spend more and more and that there are wonderful areas that need to be addressed. In fact, as members of Parliament we could all stand and say that this is a very good initiative so we should spend more on it.

However the counterbalance to that is that we in the House do not produce this money. We do not generate the wealth. We do not generate the jobs that generate the wealth across the country. It is Canadians working hard until June. Canadians work until June to fund the government's activities and yet it seems so little in the House do we hear from the other side any recognition of the fact that very moderate Canadians of modest means work until June to actually fund the activities that we fund.

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It is very easy to spend other people's money. This is very sensitive to me. I want to indicate that I was raised in a very middle class home by two parents who were school teachers. They never made more than \$65,000 per year, most of the time on one income, whether it was my mother or father working. They raised four kids and were paying 40% of their income in taxes and paying more and more in taxes and user fees each year. That is where the money is coming from.

All the NDP talks about is corporate tax cuts. Fine, let us not debate that right now, let us debate the fact that we are taking money out of the pockets of average Canadians who cannot afford the little things in life that they would like some money to actually afford, whether it is for music lessons or a two week holiday that year. What the government and the NDP is doing is taking money away.

We ought to rephrase the way we actually talk about taxes in the country. We are not taking taxes. We are taking people's life energy because what they are doing each and every day is getting up, going to work for 8 to 12 hours a day, pouring their life energy into something. What the government does, without respect for any of that hard work, is it takes away that life energy and spends it indiscriminately, wastes it on all sorts of programs, whether it is Kyoto, the firearms registry or whatever one wants to say.

That is why the whole paradigm, the whole shift needs to occur. We cannot just say that money grows on trees and that we will spend it in whatever way we please. We actually have to start realizing that taxpayers are working hard to produce this money and we should treat that money as funds in trust. This is not our money to spend. It is money to divert to the priorities of Canadians but at the same time we must have respect for the fact that they work until June for the government to even fund all these activities. It is fundamentally wrong and it needs to change but it will only change as a result of a Conservative government in Canada.

• (1930)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I listened to the hon. member's speech. He kept talking about whether this is unusual legislation. In truth, it is unusual legislation. We are in a happy circumstance where we anticipate, over the next five years, surpluses.

What would the hon. member rather have? Does he want to be in a situation where there is no plan on the part of the government as to how to deal with surpluses? Or would he prefer to be in a situation where we are actually saying to the people of Canada that in the event of a surplus this is what we would spend the money on?

I put it to him that he should review the remarks of the Comptroller General of Canada, who said, first, that this is enabling legislation, not mandatory but enabling. Second, he said it is the first time that spending authority will be provided once there is a minimum fiscal balance, in this case, \$2 billion. Third, he said that it is a prudent approach. Fourth, he said that there is a cap on the amount of money being spent, namely, \$4.5 billion. Fifth, he said it gives some lead time to the government and the people of Canada to determine the ways in which such a measure should be approached. Sixth, he said that all initiatives will require Treasury Board approval.

It is unusual legislation, it is novel legislation and it is unplanned surplus legislation, but I put it to the hon. member that in fact it is well within fiscal guidelines and is an intelligent, reasoned approach to unplanned surplus.

• (1935)

Mr. James Rajotte: Mr. Speaker, I have a lot of respect for the member. I know that he has a fine mind, but he is twisting himself into a pretzel to defend this legislation.

The fact is that he and his colleague, the Minister of Finance, defended the first budget bill as a perfect bill and a month later they are twisting themselves into pretzels, saying, "Whoops, we missed \$4.6 billion. We are going to have to put this in". It is a perfect budget now, they say, after they have changed it by \$4.6 billion.

He talks about the issue of unplanned surpluses. The reality is that the finance minister in the last election stood up and criticized our party when he said that there was no way we could afford those things we talked about because the surplus was \$1.9 billion. We all know what he said after the election. He said, "Whoops, I got that wrong too. It is actually \$9.1 billion". Maybe he is dyslexic and he got the numbers mixed up, but that shows what this government is doing with its own surpluses. It has no idea. That is one of the concerns: it has no idea in terms of fiscal forecasting.

Second, on the whole issue of "enabling legislation", that is a euphemism. This is a \$4.5 billion slush fund. That is what this is. After closely watching this government operate for 2000, I have absolutely no confidence whatever in its ability to manage or spend taxpayer dollars.

I will give another example of that. In the budget of February 23—

Hon. John McKay: Eight surpluses in a row.

Mr. James Rajotte: Because the government has been overtaxing Canadians.

In the budget of February 23, the government said that if it spent \$5 billion it would implement the Kyoto protocol. Three weeks later, the government said it was sorry, but it got that wrong and it was going to have to spend \$10 billion.

At the environment committee, I know that the member for Essex and the member for Red Deer looked at where the money is going. They cannot find out where the money is going. It has gone off into various programs. We cannot find out where it has gone. While the government has actually spent about \$2 billion, emissions have gone up.

That is the fiscal record of this government. It is absolutely disastrous. The only reason it has surpluses is that it has been overtaxing Canadians.

That is my final point. The Liberals have no concept of the fact that average Canadians are working harder and harder, even according to Don Drummond, and there is no increase in their take-home pay. That is fundamentally wrong and it needs to change.

Government Orders

Mr. Charlie Penson (Peace River, CPC): Mr. Speaker, I thought the member for Edmonton—Leduc really hit the nail on the head when he talked about the irresponsibility of this Liberal-NDP coalition budget. It is really illegitimate.

I was on the finance committee during the prebudget hearings. We heard from a lot of Canadians about what they wanted. We thought the budget in Bill C-43 set out the priorities that government thought important. We thought that was its agenda for the year. Then we found out that they had an illegitimate meeting in that no-tell motel room in Toronto and produced an illegitimate budget as a result.

The member for Edmonton—Leduc was talking about the debt. I would like to ask him a question. Was it not the irresponsible spending during the last coalition of these two parties, the NDP and the Liberals, that ran up this massive debt and cost interest charges of \$35 billion to \$40 billion per year, which Canadians are having to pay?

Mr. James Rajotte: Mr. Speaker, I will address the last issue first. It was the debt; it was the increase in spending that started in the Trudeau years, from 1968 until about 1984, that caused the increase. There was a \$200 billion debt at that time because of the way the system was set up.

An hon. member: Mulroney figured it out before that.

Mr. James Rajotte: The member knows there is a lag in terms of when economic policy is implemented and it actually takes effect.

The fact is that the Liberal-NDP coalition set it up so that the Conservatives had a very difficult time in office. Operationally there was a surplus in terms of incoming money, but the problem was what I referred to earlier: the debt was so big at that time. The yearly payments to service that debt were so large that it caused an increase in the debt up to \$400 billion.

Those members created the problem and they are making it worse with what they are doing right now.

Mr. Barry Devolin (Haliburton—Kawartha Lakes—Brock, CPC): Mr. Speaker, I am pleased to have the opportunity to participate in today's debate on Bill C-48. I have listened to presentations that have been made here today and in the past.

As members know, I am a rookie member. As one of my colleagues pointed out, I am approaching the end of my rookie year. It is my understanding that Bill C-43 is actually the budget, that the government goes through a budgetary process every year, and this year when that document came forward, it was named Bill C-43.

The Minister of Finance spent months working with his officials and stakeholders to develop a fiscal framework that would serve as a budget for the country for a year. Bill C-43 is called "An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005". First reading was on March 24.

It is important for Canadians who may be watching this on TV tonight to remember that there is one budget, Bill C-43. That is the budget and it has been passed. I might add that when this was brought forward in the wintertime both the Bloc and the NDP quickly said they were going to vote against the budget. It was very clear to us as the official opposition that if we opposed the budget we would actually trigger an election in the wintertime.

While we did not support everything in the budget, and while there were several provisions we liked that did not go far enough or fast enough, we concluded that we did not want to defeat the government and cause an unnecessary election at that time. We abstained on that bill.

Subsequently there have been a couple of changes made to Bill C-43. That has caused our party to vote in favour of it. As we have said all along, it is not perfect, but it takes several steps in the right direction and we can live with it. That is really what it boils down to. Some of my caucus colleagues had to hold their noses when they voted for it, I think, but at the end of the day we did vote to support Bill C-43.

Bill C-48 is not the budget. It is not a budget, it is not the budget, it is not part of the budget, it is not an amendment to the budget and it is not a supplement to a budget. It is an illegitimate child conceived in a hotel room in downtown Toronto between the Prime Minister and the leader of the NDP; I can picture the two of them sitting there on the ends of two beds talking about what they were going to do.

They drafted Bill C-48. It would be interesting for Canadians to actually see a copy of Bill C-43. It is 110 pages long and filled with all kinds of complicated language and references to other supporting documents. If they were to see a copy of Bill C-48, they would see that it is only two pages long.

The rigour that went into the budget and the legions of bureaucrats who spent time knitting this together as something that could work for Canada were not in that hotel room. There were only two people in that hotel room and they wrote something that even in both official languages is only two pages long.

I have had some debate with my colleagues about whether this was initially written on a napkin; we debated whether it was and then whether they had to use both the front and the back of the napkin to get it all down. We all know that not so many years ago the previous prime minister presented what was essentially a handwritten note on a napkin and suggested that it had legal status and the people of Canada should have believed that it was a legitimate document.

Bill C-48 was a deal cooked up between the Prime Minister and the leader of the NDP and it served no purpose other than trying to defend the Prime Minister and keep him in power for a few more months. That is the bottom line. I would argue that the brevity of this document, the fact that there is almost nothing here, is proof of that point.

● (1940)

I remember when this came out. The leader of the NDP crowed that it was a great deal for Canadians. He crowed that it was a great victory for his party. He threw that \$4.6 billion number around. He crowed about the fact that the corporate tax cuts he disagreed with had been removed.

Since that time it has been interesting to watch the government backpedal on this, saying that it is not really \$4.6 billion, that the government will only spend the money if there is an unexpected surplus. Given that the government is setting the budget, one would think if it was being honest with Canadians and there was going to be surplus, it would know about it in advance.

Government Orders

Presuming that the Minister of Finance actually intends to deliver what he said he was going to deliver in the budget, there will not be an unintended surplus, in which case this will never happen. It raises the question as to whether the Prime Minister was being disingenuous with the leader of the NDP, whether the Minister of Finance was being disingenuous with the people of Canada, or whether it was the leader of the NDP who was being disingenuous with the people of Canada. That is on the spending side.

On the tax cut side, the leader of the NDP crowed that he had killed the corporate tax cuts. One of the parts of the original budget that we supported was the idea that there were corporate tax cuts. We thought they should have been introduced more quickly and that the cuts should have been deeper, but we at least agreed with the principle that we needed to move in that direction. We thought it was something we could work with moving forward.

The NDP ideologically disagreed with that at the time and that was to be expected. The leader of the NDP puffed up his chest and said that the NDP got the corporate tax cuts killed. Now we hear the Minister of Finance saying that is not really true, maybe they will be taken out and maybe they will not, but even if they are, they will be reintroduced later.

Again I ask the question of who is not telling the truth in this story. When we consider what the leader of the NDP has said, what the Minister of Finance has said, and what the Prime Minister has said, they do not add up. Somebody is being misled. Either this is meaningful, it means something and real consequences will come as a result of this bill, which is what the NDP suggests, or as the government now suggests, nothing very substantial will come as a result of this, "We will put the tax cuts back in somewhere else. We were honest with Canadians when we laid out our initial budget. We are not expecting an unexpected surplus and we can only spend these dollars if there is an unexpected surplus, so it actually does not meaning anything".

In conclusion on this point, I say to Canadians that Bill C-43 is the budget. Bill C-48 is not the budget. It is a deal that was cut later. It is a piece of legislation before the House. Many of my colleagues today have argued very eloquently that their problem with this bill is that there was no due diligence, that there is no plan. There is \$4.6 billion in proposed spending with no provisions for how that money is going to get spent. That is a very legitimate concern.

At the end of the day this bill is a political convenience, a piece of politically convenient politics. The two principals that negotiated it are arguing almost the opposite outcomes of what it is going to mean. It behooves all members of the House, in particular those in the opposition, to exercise their due diligence. It is part of our responsibility as members of the House, as watchdogs on the government, to make sure it is spending our money properly and doing things in the proper way.

It is inconceivable to me that anyone would suggest that Bill C-48 was developed through any appropriate or reasonable process or that there was ever any due diligence or anywhere close to the amount of due diligence that was necessary. The irony, of course, is the actual title of Bill C-48, "an act to authorize the Minister of Finance to make certain payments". Someone should have put in brackets "the

Minister of Finance who was not even there when the deal was done".

• (1945)

My last point is that all Canadians know that there was great stress between the previous prime minister and the previous minister of finance, but I do not think the previous prime minister ever took the feet out from underneath his finance minister the way the present Prime Minister took the feet out from under his finance minister with this shoddy piece of legislation.

• (1950)

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, I was going to sit back and just let the Conservatives go back and forth at each other and enjoy the humour of a lot of the comments, but I cannot help but make a few comments through you to the self-pronounced rookie.

It is crucially important for him to recognize, as I pointed out to one of his colleagues earlier, that the same process which is in Bill C-48 is in Bill C-43. Bill C-48, whether he likes it or not, is a piece of budget legislation as pronounced by the government, because until we get rid of the Liberals as a government, they get to make that decision. We have to work and try to come up with the best possible solution for Canadians, but it is a bill. As I pointed out to his colleague earlier, the same process in Bill C-48 is in Bill C-43. Bill C-43 does not give any more of an indication of how the money is going to be spent. It does not say that this amount will go to Regina for this and this amount will go to Saskatoon for that. It does not do that. That is not what budgets are about. Bill C-43 follows the same process. It is probably something he will understand in time.

The other comment I want to make to the self-pronounced rookie, through you, Mr. Speaker, is on the innuendo that two people were holed up in a hotel room and were writing on napkins. The reality is that a good number of hours were spent working and negotiating a deal. While the Conservatives were wallowing somewhere around Canada, not representing Canadians, a deal was being made to make sure that Canadians, not just corporations, benefited from that budget.

Everybody in this Parliament who has been around for any length of time knows that there is more of a surplus. One would have to be without a mind to not know that there is more of a surplus right now. We know the government has fudged those figures. If there is more money for the government to come up with some other dollars to spend on things, so be it. The reality is we got \$4.5 billion or \$4.6 billion to go back to Canadians.

Mr. Barry Devolin: Mr. Speaker, I am a rookie. It is not self-professed. I have been here for less than a year, so I am not a self-professed rookie; I actually am a rookie, for at least two more weeks.

In response, I want to clarify two points. The first point I was making was on the kind of deal making which led to Bill C-48, the notion that people sit in a room and make a deal and before they come out, they not only agree to what they will put on paper, but they agree on what both parties will say, "You say this, and then we'll say that we made an offer" or they did not make an offer, but I guess that is another story.

Government Orders

It is the same as when Dalton McGuinty, the premier of Ontario, came to Ottawa with great fanfare. He spent many hours behind closed doors with the Prime Minister. Quite frankly, I think that is what delayed the Prime Minister from actually getting to Europe in time for the VE Day celebrations in Holland. It is the same thing. The two came out thumping their chests about \$5.75 billion. Before Premier McGuinty got back to Toronto, the Liberals here in Ottawa were already backpedalling, saying, "It really is not \$5.75 billion. We were already going to spend this. We were already going to spend that".

That is my first point and the first part of my answer, which is that it is so disingenuous the way that this was presented to the Canadian people. Either it is a lot or it is not a lot. It cannot be both at the same time.

In terms of the way that Bill C-48 was conceived, my point is, it is not whether there is detail around implementation. My point has to do with before the fact, rather than after the fact. There was no due diligence. It is impossible to believe that there was a sufficient amount of due diligence that would require many experts, many bureaucrats and ironically, the Minister of Finance himself to decide whether a \$4.6 billion expenditure was prudent and reasonable, could be afforded and was structured properly.

That is what I am referring to. When I say there is no detail, this very thin piece of paper is proof that it was a deal cut by two guys in a hotel room one afternoon.

● (1955)

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, as I make my comments on Bill C-48, I would like to recognize the fact that on a the bill which seems to be so generous and the Liberals as a government seem to be so keen in supporting, we have seen so few stand up and defend this bill and defend the spending that they have done.

As my colleague once said, it is a deal made in a hotel room over a glass of wine, I suspect with a candle. It must have been quite an interesting night with the Prime Minister, the leader of the NDP and Buzz Hargrove. It would be interesting to see who played the server and the servant, the towel boy.

The bill that we are debating is the same as Bill C-43 that we talked about earlier. It depicts a government that continues to spend and spend, with agreement from the New Democratic Party, without a plan. We have seen so much of this happening in so many ways. It is interesting that the people of Canada are being told how much more spending there is and what a great deal this is going to be.

When I sat in on the first budget, I read the book that the Minister of Finance put out. He stressed to Canadians that it was an all encompassing budget, a budget that included all Canadians and served the needs of all Canadians. It could not be changed or cherry-picked to help different areas. He assured Canadians time after time that all of that was included. He assured Canadians that the Liberals had done their due diligence, that they had done their homework. They had presented a budget that was for all Canadians.

Then, in a blink of an eye and in a deal of desperation, the Liberals committed to spend \$4.6 billion more. I do not have the facts, but having some history in the province of Manitoba, I suspect that \$4.6

billion is larger than some provincial budgets. In a matter of a heartbeat they spent that money.

I have looked through the bill. I have tried to come up with a plan of how they intend to spend this money. Normally there would be an indication as to what areas it would go to and how it would help to improve the lives of Canadians.

I think back to my previous life in business. I can imagine any of us, and I suspect most on this side have experienced it, but I doubt very much that they have on the government side. Imagine going to a bank with a three page document that lays out a rough idea of where the money will be spent, if the bank gives the money. We have to remind taxpayers that they are the bank. The taxpayers are the people who give the government the money for it to spend to help all of Canada.

What the government has done is it has said to Canadians, "We are going to spend a certain amount of money, an amount in the billions, in this area, but we really do not have a plan. You have to trust us. You have to take our word for it that we know how to spend it and we are going to spend it in the best way we possibly can".

That is not good enough. I do not think that any financial institution, and in this case the Canadian taxpayer, is being served by a government that would do that to the public. I do not understand why the government reduced a job creating measure, the tax cuts for businesses which would create employment, which would create job opportunities for hundreds of thousands more Canadians, and instead turned it into a job killing measure.

It is not me saying that. It is the business community of Canada that is saying it, the people who employ the people who pay the very taxes, the bank, that the government collects to spend. The government has said to the public, "You can forgo your tax decreases. We will forgo the job creation that those tax decreases would create, and instead we are going to spend \$4.6 billion of your money with no plan".

● (2000)

We have certainly seen the government in the past come forward with spending plans without an implementation plan. We only have to look to the firearms registry. It is interesting that we were talking about it today. When I first heard of the firearms registry, it was going to cost Canadian taxpayers \$2 million. Where are we today? We are at \$1 billion plus, and continuing to spend and still there is no plan to implement it.

There is no plan that tells Canadians how the government will tax their money and how it will spend it. All it has told Canadians is how it will tax them. It has not provided a plan. This is done on a knee-jerk reaction in response to a situation to which the government reacts, but fails to have an implementation plan.

We have talked about Davis Inlet, where a whole community was moved. Unfortunately, because it was a knee-jerk reaction, hundreds of thousands of dollars were spent, but the problem was not resolved. Nothing was ever dealt with.

Government Orders

It has been in the news and I do not think it is a secret to anybody, particularly to most Canadians, but we have certainly seen what happens when we start throwing money at an advertising plan without a plan to implement it and no way to check if the money is being spent properly. It leads to corruption and to the charges that we have seen and the charges that will come.

My experience has been in the province of Manitoba and I have seen what New Democratic governments can do when they get their hands on the public purse. They spend without a plan. They tax people. They find ways of increasing service charges and fees and at the end of the day, are we better off? That has been summed up many times by our colleagues. If we look at the way spending increases have happened in the government and where the taxpayers are today, the two do not balance out. We have seen huge increases in spending and very little to increase the quality of life for Canadians.

We on this side of the House believe that Canadians want the best life that is possible. We believe that a government should allow those people to make their spending decisions for themselves. They have a far better chance of being successful and have a far better chance of creating a family environment where everyone in the family is encouraged to succeed and do better. That, in turn, creates a better Canada.

What we have today and what we have seen in the last several weeks is a government that continues to believe that it can spend our money, taxpayers' money, far better than we can. Our party just does not believe that. We believe in a policy and a system where people who are left with an extra dollar in their pocket will choose where they want to spend it, how they want to spend it, and more than likely will choose a way that improves the quality of life for their families.

Another example we have seen recently is the child care program. The government has committed \$5 billion. It is not that it is shielding a plan from us. The minister has clearly stated there is no plan. He is not sure if it will be \$5 billion, \$10 billion or what the cost will be at the end of the day. However, come hell or high water, the Liberals will implement a plan because they feel they know what is best for families across Canada.

A budget is about opportunity. It is about generating a future for Canadians. It is about optimism. With the present budget Bill C-48, we have seen a deal that was made late at night by two people, one of whom was trying to save his political skin. At the start of Bill C-43, the original budget, we had agreed that we would not defeat it. The Prime Minister, in a fearful mood of where things were going in his political career, made a choice to spend \$4.6 billion without consulting anybody, even his own finance minister.

● (2005)

I suspect the finance minister is kind of like the Maytag repairman. He is the loneliest guy in town right now because decisions are being made that affect his department and how he manages the department. He is not even at the table to make those decisions.

I will not be supporting Bill C-48. It has been foisted upon Canadians by an irresponsible government and supported by an irresponsible New Democratic Party. I hope that Canadians will see

it for what it is. It is an attempt by the Prime Minister to maintain his grip on power, nothing less.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, this is so political and some time soon we are going to get a chance to vote on this, but I want to ask the hon. member a question for clarification.

We are talking tonight about \$4.6 billion. That is really over a two year period, not one year, so if we are talking about a one year budget it is \$2.3 billion. That involves about \$800 million for affordable housing, \$750 for education, \$500 million for the environment, and \$250 million for foreign aid. That works out to roughly 1% of the \$180 billion the government spends every year. I do not think it is irresponsible at all.

We are going to be dealing with some of this spending in the future supply votes next December, next June, and in the December that follows from that. It is not irresponsible. The OECD and the International Monetary Fund are saying that Canada is the only G-7 country that is going to remain in surplus in 2005 and 2006, precisely the periods that this budget is covering.

Mr. Merv Tweed: Mr. Speaker, it is interesting how the Liberals always portray their spending habits. What the member forgets to tell Canadians is that in the past 10 years, government spending on programs has gone up 50%. The Liberals neglect to tell people that. It seems like such a small amount when talking about percentages, but if we look at the actual increase in the spending of the government over the past several years, it is atrocious. It is reckless spending. It is spending without a plan.

If it is so important and if it is so great for Canadians, why was it not in the original budget? What caused the epiphany that night in that dimly lit hotel room that would drive the Prime Minister to increase spending by \$4.6 billion?

What he also does not mention is that a lot of the spending that is talked about in this \$4.6 billion is contingent upon other provinces and other governments spending money as well. That triggers an inflationary cost that is not even talked about, so I do not think that the member or the government can give anybody a lecture on good budgeting and good management of spending. It has been out of control for a long time and today Bill C-48 continues that process.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the member across indicated that he saw firsthand the consequences of an NDP government. I saw firsthand the consequences of a Conservative government that was in power between 1984 and 1993. I have seen the amount of debt that was added. I have seen how the annual deficit was increased by the party of the member opposite in the last year in power, not by the \$4.5 billion that we are talking about tonight but by \$43 billion.

That government lost control of monetary and fiscal responsibility, interest rates were at 12%, unemployment was at 12%, debt to GDP ratio was at 73%, and the country was bankrupt.

Government Orders

How can we as parliamentarians ensure that the policies and the programs of the government are never ever visited on Canadians again?

Mr. Merv Tweed: Mr. Speaker, I suspect that the member is talking about the free trade agreement that brought wealth and employment to Canadians at a record level. But I ask the member, if he is so committed to his budget and to this added piece of legislation, why is he not standing on his feet to defend it? Why does he just question members on this side? It is because it is indefensible.

● (2010)

Mr. Brian Pallister (Portage—Lisgar, CPC): Mr. Speaker, I want to compliment my colleague from Brandon—Souris. He is doing a great job and the constituents of his area should be very proud to have him here. I am certainly proud to have him next door to Portage—Lisgar. He is an important member of the House.

There was an editorial piece on Monday that described this as “[The Prime Minister’s] folly”, the son of Paul Martin, Sr. is who the editorial was referring to. It said it was a great government garage sale and give away.

I believe that this budget deal is an insult to the organizers of garage sales coast to coast. Those people organize, they plan, they take time, and they look at the system of display. They work hard to price appropriately. They ensure there is an accountability regime. They ensure that they can keep appropriate track of everything at the end of the day. None of that was done in the no-tell motel. I want to ask the member for Brandon—Souris, does he think, as I do, that this budget is just an insult to organized people and prudent fiscal management in this country?

Mr. Merv Tweed: Mr. Speaker, as I said, if we were to take Bill C-48 to a bank, the only thing we would hear is the door slamming as the banker asks us to leave because he would not lend us a penny. The government is asking taxpayers to foot a bill with no plan and no organization. It is not a business plan. It is two pieces of paper with a little bit of scribbling on it that adds up to \$4.6 billion of taxpayers’ hard earned money being spent recklessly by the government.

Mr. Werner Schmidt (Kelowna—Lake Country, CPC): Mr. Speaker, I want to recognize that this debate has been labelled a budget debate, but I do not think that is what have. We have a debate on legislation but not budget legislation. The title of the bill is “An Act to authorize the Minister of Finance to Make Certain Payments”. It is not a budget bill at all. It is simply an authorization for the Minister of Finance to spend some money.

Let us compare that to the title of Bill C-43. I notice the hon. Parliamentary Secretary to the Minister of Finance has already recognized the significance of this difference. He recognizes that this is merely a bill to give him carte blanche to spend some money. If the hon. parliamentary secretary would listen, he would understand. Bill C-43 says, “An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005”. Notice that in the titles we have a complete differentiation between the legislations.

I would like to make a further comparison. This is a complete copy of Bill C-48. There is one good thing about this. At least it conserved paper. It has exactly one page printed on both sides, but four pages are blank.

An hon. member: A \$4 billion page.

Mr. Werner Schmidt: We have a \$4 billion budget on one page. Let us compare that with Bill C-43, which is 110 pages. There obviously has to be some major difference between the legislations.

I agree that Bill C-43 probably represents something just under \$200 billion. Bill C-48 represents \$4.5 billion. Bill C-43 goes into all kinds of details, saying what will happen, where it will happen, how it will happen, who will be responsible for the spending, what the objectives are and how it will be accounted for. We can measure the purposes that have been set, how that money will be spent and then determine whether the results have been achieved. If we compare that with Bill C-48, there is absolutely nothing even close to that in the bill.

Let me read a couple of the sections. It is amazing. The Minister of Finance has the authority, according to Bill C-48, in conjunction with the governor in council, to “develop and implement programs and projects”. It does not say what programs, it does not say what plans and it does not say anything about the projects.

Second, he can “enter into an agreement with the government of a province, a municipality or any other organization or any person”. He does not have to; he may.

Third, he may “make a grant or contribution or any other payment”. Subsection (e) says he can “incorporate a corporation any shares or memberships of which, on incorporation, would be held by, on behalf of or in trust for the Crown”. That means that the Minister of Finance can set up corporations, the Government of Canada will own them and there is absolutely no recourse. He just buys a company.

However, it goes beyond that. The Minister of Finance can “acquire shares or memberships of a corporation that, on acquisition, would be held by, on behalf of or in trust for the Crown”. That means under this bill the minister can now buy a corporation which at the moment is privately owned or owned by an organization and transfer that ownership from an individual to the Government of Canada. He is authorized to do that. He is also authorized to make expenditures for affordable housing, foreign aid and training programs.

● (2015)

I do not think there is anyone in the House who is not aware that education and training programs, education in particular, is the jurisdiction of the provinces. Yet we have the Minister of Finance authorized to get into what is a jurisdiction of the provinces. He may make arrangements with the provinces covered under another section, but he is not obligated to do so. He can unilaterally move into the situation.

My colleagues have indicated so clearly where this agreement took place and how it was actually formulated. I do not know. I was not there. However, I will say one thing for sure, I do not know how they can make Canadians think they are being responsible by writing on a single piece of paper the expenditure of \$4.6 billion of our hard earned money without any particular plan or direction and with only vague generalities, except let us spend the money here and there.

Let us go into some of these areas.

Government Orders

The Liberals will do training programs. What kind of training programs? Will they be university training programs? Will they be training programs of a technical nature in a technical institute? Will they be partnership type programs where industry is part of it, or where a university may be a part of it or a technical institute may be a part of it? Will they be apprenticeship programs? Will they be new kinds of programs where innovations, technology and new development take place? None of that is described in any way, shape or form.

Let us go into the housing area. What kind of housing will the government be building? It does not give us any indication. Will it be aboriginal housing? It is supposed to be affordable housing. Will it be affordable housing in Swift Current? What is the criteria of affordable housing? There is no indication as to who will do it, whether it will be done through one of the agencies that exist in Canada now or whether it will be done through the Canada Mortgage and Housing Corporation or any other organization. There is no indication as to how this will be done.

Therefore, how could we hold the government to account? There is no way. It cannot be done, not according to this bill. It is simply a blank cheque deferred into the future some time and it can spend the money.

Guess what. This money is supposed to come out of the surplus. First, we take \$2 billion off the top and devote that to debt repayment. Then if there is anything left, we can spend another \$4.5 billion. We know the budget that currently exists will have at least that kind of money, so I think the money will be there to do that. However, if it is not there, then the minister is unable to spend this money.

Therefore, it creates a real problem. It creates a problem for us as taxpayers. We are being asked to fork over \$4.6 billion and we have no assurances as to how this money will be spent. It hurts us because we are being asked to put that money forward. Then we have a group of people who are expecting something for this money. People who do not have affordable housing now think that it will be provided. People who do not have adequate training now think that will be provided but it may not happen. There are no assurances.

I want to compare this with what happened under Bill C-43. I am only going to deal with two parts and how different Bill C-43 is from Bill C-48.

I will read only one part of it. It has to do with the Asia Pacific Foundation of Canada. This is one particular provision. It is only one part of 24.

For Canadians who are listening, there are 10 pages essentially of detailed information as to how the Asia Pacific Foundation will help the development of economic development through our relationships with Asia-Pacific countries. That is one area which really becomes very specific.

Then we can go on to another section, which is every bit as significant to us. That is the section that deals with Nova Scotia and Newfoundland and Labrador additional fiscal equalization offset payments. We also have 10 pages of detail as to how the money will be spent, what it will be spent on, how the organization will be set up

and its responsibilities and how it can be held to account if it does not spend the money it was asked to spend.

• (2020)

Those are only two sections of the 24 in Bill C-43 that are specific. There are some things in it that obviously we would have some questions about, but at least we have a direction and at least we have a clear indication of what is going to happen. That is not the case with Bill C-48.

In Bill C-48 there is no accountability. There is no responsibility. It is simply a blank cheque deferred into the future. The Liberals are going to spend \$4.5 billion of Canadian money and they are going to spend it the way they want to on any particular day.

That is not the way to run the country. That is not the way to spend \$4.5 billion. Canadians should feel insulted by this kind of behaviour.

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I quite appreciate the hon. member and his contribution to this chamber. I know when this Parliament ends sometime in the far distant future, this will be his last session in the chamber. He has contributed mightily to the workings of this chamber. That is the last nice thing I am going to say about him.

I want to direct the hon. member's attention to the phrase "enabling legislation". The hon. member misses the fundamental point that this is enabling legislation. He made a big point of saying that the minister may spend in these particular areas. However, if he goes back to Bill C-43 or to the 2004 budget, Bill C-33, he will see exactly parallel language. The minister may spend in these particular areas. It does not mean that the minister shall spend. It does not mean that the minister must spend. The minister may spend because it is enabling legislation.

I put it to the hon. member that in language Bill C-43 is identical to Bill C-48.

Mr. Werner Schmidt: Mr. Speaker, I love that question. That is absolutely fantastic. This word "may" is great. Coming from the hon. parliamentary secretary that is doubly great.

I thank the hon. member very much for his very kind and complimentary remarks. However, I really cannot help but build on the word "may".

The finance minister may spend money either under Bill C-43 or Bill C-48 or both. Does this then mean that this budget may happen or it may not? Is this another one of those promises that will never be realized? Is that really what this is all about. We have a Liberal government that may do what it says it will do? That is an insult of extreme proportions. Talk about a vacuous statement, "May do something, but we probably won't".

Government Orders

● (2025)

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Speaker, I want to build a little on what the member just said. The bill actually does talk about how the government may spend. Does he have any comments about how the NDP has been sucked into this? We have talked all night about this cute little deal that they made in the no-tell-motel. The parliamentary secretary stood and basically said to the NDP, “You don't have the deal you thought you did”.

Would the member talk a little about the integrity, not only of the government but of the NDP for being so foolish as to get into bed with a corrupt Liberal government.

Mr. Werner Schmidt: Mr. Speaker, that question gives me the opportunity to use another word. It seems to me that not only is this a question of integrity, it is a question of gullibility.

Is it really possible that the NDP members, after the history they have seen of the Liberal Party, would believe that this kind of thing could actually happen? I think that is really what is happening here.

In a sense I would wish that their gullibility is not necessarily rewarded, but maybe it will be and they will get nothing.

Mr. Jim Gouk (British Columbia Southern Interior, CPC): Mr. Speaker, I listened with great interest to my colleague from Kelowna—Lake Country, eloquent as always. I listened in particular to what he said about how we had \$4.8 billion or \$4.6 billion—

An hon. member: It's \$4.5 billion.

Mr. Jim Gouk: Whatever the figure is, with the Liberals, it is “What's a few hundred million?”

There is no detail whatsoever. As the parliamentary secretary says, this is enabling legislation and they can spend this money as they wish.

Would the hon. member comment on the fact that is exactly what they did with the Quebec advertising scandal. They created a pool of money and then they spent it the way they saw fit.

Mr. Werner Schmidt: Mr. Speaker, that is true, they did indeed spend it as they wanted to, but the other interesting thing is that they did not even spend it in terms of the intent of the program itself.

The intent of the program was to promote federalism in Canada but what they really did was take about half of it for that program and it actually was spent in advancing the cause of federalism and the other roughly half of it went to their friends. That was not just having the freedom to do something but that was actually fraudulently using money in a way that it was never intended.

Mr. Brian Pallister (Portage—Lisgar, CPC): Mr. Speaker, it is an honour to follow the member for Kelowna—Lake Country. I also wish him the very best in the future as he moves on to new challenges in a couple of years.

I want to give my colleagues in the House the four top reasons, as I see them, why they should not support the bill. The first reason would be that this is nothing but broken promises.

I just want to read from the actual Liberal budget because it is fascinating. It states:

A commitment to sound financial management is never easy and it is never over. It is not something to be done once or just for a while and then set aside. It requires the steady, unrelenting application of rigorous discipline and vigilance....

That lasted a few weeks and then in the motel we found out what the threshold of rigorous discipline and vigilance was. That was over quick. Who lit whose cigarette after it was over?

Then we have this gem. This is another broken promise. “Debt reduction is not something we do...”. Now we know in this bill of course they capped debt reduction. They cut it down immensely in favour of throwing money at general categories without specific plans or measurable goals, nothing achievable there that the Auditor General could audit or to which we could hold them accountable.

Here is what the finance minister said in the budget speech, and boy, to some it rang true that day. He said:

Debt reduction is not something we do to please the economists. It's something we do to benefit Canadians. Reducing debt in a reasonable and measured way relieves a big burden on future generations. It saves billions of dollars in servicing charges, facilitates credit rating, lower interest rates, rising standards of living and most importantly this is something the vast majority of Canadians believe is the right thing to do.

I guess they did the wrong thing when they changed their mind and broke that promise.

There is a second reason. “Haste makes waste”, my grandma used to say and she was right and she was a lot smarter than the people who signed this deal because what it does is make waste. The best example of wasteful haste I could give in recent years is the following.

In December 2001 the Auditor General released an examination of the relief for heating expense program. Parliamentary oversight was weakened as a consequence of this, it said. It said that only about \$250 to \$350 million of the over \$1.4 billion that was paid out in that program actually went to the people it was supposed to go to but the government had to get it out as quickly as possible. Heaven knows, there was urgency, there was power to be held on to.

The government threw money at the problem which is exactly what it is doing here. However only about 15% to 25% of that money actually went to the people it was supposed to go to. The 600,000 low and modest income Canadians who needed it received nothing but 4,000 Canadian taxpayers who did not live in Canada got it, as did 7,500 dead people, which is where Liberal ideas go. I think it has been estimated that 1,600 prisoners in federal institutions also received a subsidy cheque from the government. That is what vote buying is. That is all that it is and that is what it is again.

Government Orders

Those were a couple of reasons but let me give another reason. One cannot teach old Liberal dogs new tricks. What I mean by that has to do with the way in which the government throws money at a problem. It does that because it thinks it demonstrates compassion. However it is called conspicuous compassion when the government throws money at a problem saying that it cares because it is throwing someone else's money at the problem.

The Liberals signed a deal with the NDP because, as they say, they care so much about aboriginal kids who need post-secondary education.

This does not take a long term memory to know. Last November the Auditor General, after having examined the post-secondary education program run out of the Department of Indian Affairs and Northern Development, released a report stating:

—significant weaknesses exist in the Department's management and accountability framework for the program. The Department has not clearly defined and documented its roles and responsibilities, the way that it allocates funds to First Nations does not ensure equitable access to as many students as possible, and it does not know whether the funds allocated have been used for the purpose intended.

That is what the Auditor General said, “throw money at the problem”. That money will never get to the kids who need it. There is not a chance. There is anecdotal evidence that fewer aboriginal children in the country are getting these funds now than was the case five years ago. Now we are going to throw more money at the problem.

● (2030)

That is the kind of idiocy we have been presented in the budget bill. I will not stand for it and I know my party will not stand for it. This is not the way we look after aboriginal young people. This is not the way we look at the health care needs of Canadians. This is not the way we look after the environmental priorities and the housing priorities of Canadians. It is not going to happen.

The big problem with this is the blank post-dated cheque that the government and the NDP, working together in isolation and overnight, decided they wanted to lure Canadians with. The finance minister is embarrassed by this legislation or he would be here defending it. Every time I ask the parliamentary secretary about it at committee, he just says “you made me do it”. It reminds me of the comedian Flip Wilson who always said “the devil made me do it”.

The Liberals say that the Conservatives made them sign that deal. They will not defend it because they know it is wrong. Governments through the generations in this country have tried diligently to get a handle on bureaucratic growth and excessive expenditure. Without constraints, every bureaucracy grows and so every government has systematically put in place expenditure review processes that manage the money, that try to manage it down and get a handle on it and get control over it. It is hard to do. It is like a ratchet. It is hard to ratchet it down but it is easy to ratchet it up.

When these guys promised overnight to send \$4.6 billion more out, the message they sent was a bad one. I have to say that the Prime Minister's legacy is being trashed by this bill. I have to give him credit for leading an exercise in expenditure review with no end runs allowed. Every department had to do their share. John Manley tried to run out and run around the end. He tried to escape but he could not

do it. Everyone was going to do their part. Even with all the work and effort they put into over months and months, they still could not get the cuts they wanted because they did not have the support of the bureaucracy.

What kind of support are they going to get from the bureaucracy now? They will not get any support to cut but they will get lots of support to spend.

They have to ratchet up because most of the commitments they are making require municipal and provincial partnerships.

When I go home my friends keep reminding me that I always talk about federal government spending, but they then go on to tell me that it all comes out of one pocket. They tell me that it does not matter whether it is their school stuff, their property stuff, their provincial stuff or their federal stuff, all the money comes out of their pocket. They tell me that they work half a year to pay taxes and that they would like us to do a better job of getting control on our spending. This bill does not do it. The bill does the opposite. It sends the message that it is okay to vote the old-fashioned way.

The biggest heartfelt objection I have to the bill is the false hopes that it sends to the people who care about these issues. When it tells aboriginal people we are going to spend more money on houses and no one is going to own them, we have not addressed the real problem. Most houses last less than half as long as the average housing stock because no one owns them. Aboriginal people are smart people. They understand that. They know we have to have a system brought into this country, and 62 reserves I know of have done it, but the other 95% have not because there is no leadership here.

What those guys do is insane. Insanity is best defined as doing things the same way we always have in the past and expecting different results, and that is what the Liberals are doing here yet again.

The false hopes of people who care about young aboriginal people, who care about the environment, have been inflated with these bold and airy promises. It is vacuous, it is phony and it is false, and the Liberals should be ashamed of themselves for entering into the agreement.

However I know, as Benjamin Disraeli used to say, the Liberal Party is an organized hypocrisy dedicated solely and exclusively to the pursuit of power, so I expect nothing different from them.

I will conclude by saying that what I find most objectionable about the conduct of the government has been defined clearly for me in this last number of days and weeks. The difference between the Conservative Party and the Liberal Party is that the Liberal Party thinks that everyone can be bought, that everyone is for sale. They believe everyone has a price tag and we, on this side of the House, believe in principle. We will stand for the principles we believe in and we are standing for them now. I do not know where the Liberals are but they may be hiding under their desks.

Government Orders

The fact remains that when the Liberals try to buy their way out of a vote buying scandal, one of the worst in Canadian history, by buying more votes, that is a shame. When they try to buy their way to power by buying the NDP with bold general promises that they will not fulfill, that is a shame. When they buy a billionaire, ladies and gentlemen, I guess they think all of us can be bought.

● (2035)

Mr. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, I sit on the finance committee with the hon. member. I cannot help but feel the degree of bitterness that he shows toward our Liberal Party and probably to the majority of Canadians.

We have a bill here that states that if there is a surplus exceeding \$2 billion that money will be allocated for some very noteworthy and very good purposes, such as housing, post-secondary education and training, public transit and foreign aid.

It is disappointing to hear the adjectives and the nouns he used in describing the bill. Most of us come to this Parliament looking for hope and looking at a vision for this country. He seems to be looking backwards to some other attribute that he wants us to strive for.

Would the member give us an indication as to which of those four noble ventures in the bill he opposes? Is he opposed to post-secondary education, housing, public transit or foreign aid? Which ones does the member want to cut out?

Mr. Brian Pallister: Mr. Speaker, I do not believe the member was listening. I think he was readying himself for a response unfortunately,

What I have tried to make clear to him is that the flaws, which are so numerous in this bill, are flaws largely of ignorance on the part of the government. For example, we have the promise to spend more money on aboriginal housing which no one will own. We have the lack of willingness on the part of the government to address the absence of matrimonial property rights. Every other Canadian enjoys the property rights that we have all taken for granted in our lives, except aboriginal Canadians.

The member refers to my comments as bitter. I am bitter on behalf of my aboriginal constituents who feel they deserve the same rights as he enjoys and takes for granted.

Yes, I want to very vocally and very enthusiastically support the position of our party that matrimonial property rights should be brought to bear on reserve. Why does that matter? It matters immensely because if the government proceeds, as it proposes, to build more houses and housing stock and so on in the absence of those rights, then women and men will occupy them as houses but they will not own them as homes.

The fact is that if they happen to go through a marital breakup, what normally happens, unfortunately, in a patriarchal society, which is what most of the reserves are today, is that the woman loses everything. She loses her home. She may lose her family. She loses her possessions.

If the member does not think these are serious issues then he should stand up and tell me why he does not think that. If he thinks

they are serious he should stand in this place and join with us and oppose this silly piece of legislation.

● (2040)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I was not intending to speak to this but I heard a member of the Conservative Party talk about principles and I could not resist a jab or two.

I am wondering if those are the same principles he is talking about when the Conservatives were out here on Parliament Hill with pigs and complaining about the pension plan saying that any member of Parliament who took a pension plan was a pig and a porker? Now I notice that their party is in the pension plan.

Is that the same principles as when they talked about Stornoway saying that they would turn Stornoway into a bingo hall? Is that the same principles they had when a member of their own party has a concealed tape in a discussion with the minister? Is that the same principles they have when someone makes an agreement with someone from a political party and then breaks it to join another political party?

I am wondering if those are the same principles that he anticipates all of us as Canadians to appreciate and understand?

Mr. Brian Pallister: Mr. Speaker, I do not choose to respond in the same manner as the member because I do not wish to denigrate the members in this chamber.

An hon. member: You already did.

Mr. Brian Pallister: I did not and I think it is important for the member to understand. I am not going to refer to jewel thieves nor am I going to refer to shoplifters in this place. I will not do that because I do not believe that would be fair or right.

I will ignore the historical accuracy of those charges which may be levied against socialists who formerly resided in this place but I will not go there.

What I would do instead is say that I think the member should understand that he specifically addressed the issue of money management in terms of the pension and changes came about as a result of the MPs pension, which his party deserves absolutely zero credit for achieving. In fact, his party said nothing in regard to those issues.

The people who pushed for those changes and the people who deserve credit for achieving those changes in reducing the amount of the MPs' pensions and making it a much more reasonable plan reside right now in this caucus. They are the former members of this caucus who on principle, many of them, sacrificed greatly. They sacrificed greatly financially. It is a price that the member should respect and should understand that those people were willing to pay to achieve changes.

Change is hard to achieve. Again, I would invite the member to join with us in supporting matrimonial property rights for aboriginal people. I would invite him to stand with us and support a home ownership program for aboriginal Canadians so that they do not have to live as tenants for life on their own land.

Government Orders

I would encourage the member, rather than engaging in the diatribe and rhetoric which he is known for, to join with us rather than buying into a silly deal which promises him much but will deliver little. He should abide by those principles that he himself holds dear rather than accusing others.

Mr. Jim Gouk (British Columbia Southern Interior, CPC): Mr. Speaker, I would like to start this evening with a quote from Scott Reid, the Prime Minister's communications director: "But we can guarantee that we will play no part in compromising one bill for another".

Further to that, the government House leader is reported to have pounded his fist on the table at the caucus meeting yesterday and stated that he had made no deals with anyone over any legislation.

Maybe he has not, but his party certainly has. In fact, that is the very reason we are here tonight debating Bill C-48, which is nothing more than a deal made by the Liberals on legislation. That deal includes the creation of this bill and the modifying of Bill C-43 to remove some of the previously promised tax relief measures. Once again the Liberal Party has been caught red-handed in stretching the truth to the breaking point.

We have a lot of serious things being said tonight, but I want to talk about the tax side because we have many members who are going to speak on many issues of this bill. Removal of tax relief was one of the things the Liberals did in order to create a window of money to buy the NDP to support them. In fact, the leader of the NDP was not actually bought, as I heard someone suggest one time; he was just rented for a short period of time.

Some time ago an article appeared in the Salmon Arm *Lakeshore News*. It was an article written by a local financial adviser, who is a regular contributor, to try to put taxes and tax relief in perspective in terms of how they work in Canada. This is something that the NDP in particular might want to listen to. The article as written by this individual states:

I was having lunch at PJ's with one of my favourite clients last week and the conversation turned to the [provincial] government's recent round of tax cuts.

"I'm opposed to those tax cuts," the retired college instructor declared, "because they benefit the rich. The rich get much more money back than ordinary taxpayers like you and I and that's not fair."

"But the rich pay more in the first place", I argued, "so it stands to reason they'd get more money back."

I could tell that my friend was unimpressed by this meagre argument. Even college instructors are a prisoner of the myth that the "rich" somehow get a free ride in Canada.

Nothing could be further from the truth.

Let's put tax cuts in terms everybody can understand. Suppose that every day, 10 men go to PJ's for dinner. The bill for all ten comes to \$100. If it was paid the way we pay our taxes, the first four men would pay nothing; the fifth would pay \$1; the sixth would pay \$3; the seventh \$7; the eighth \$12; the ninth \$18. The tenth man (the richest) would pay \$59. The 10 men ate dinner at the restaurant every day and seemed quite happy with the arrangement until the owner through them a curve.

"Since you are all such good customers," he said, "I'm going to reduce the cost of your daily meal by \$20."

Now dinner for the 10 only costs \$80. The first four are unaffected. They still eat for free. Can you figure out how to divvy up the \$20 savings among the remaining six so that everyone gets his fair share?

The men realize that \$20 divided by 6 is \$3.33, but if they subtract that from everybody's share, then the fifth man and the sixth man would end up being paid to eat their meal.

The restaurant owner suggested that it would be fair to reduce each man's bill by roughly the same amount and he proceeded to work out the amounts each should pay.

And so the fifth man paid nothing, the sixth pitched in \$2, the seventh paid \$5, the eighth paid \$9, the ninth paid \$12, leaving the tenth man with a bill of \$52 instead of \$59. Outside the restaurant, the men began to compare their savings.

"I only got a dollar out of the \$20", declared the sixth man, pointing to the tenth, "and he got \$7!"

"Yeah, that's right," exclaimed the fifth man. "I only saved a dollar too. It's unfair that he got seven times more than me!"

"That's true," shouted the seventh man. "Why should he get \$7 back when I got only \$2? The wealthy get all the breaks."

"Wait a minute," yelled the first four men in unison. "We didn't get anything at all. The system exploits the poor."

● (2045)

The nine men surrounded the tenth and beat him up. The next night he didn't show up for dinner, so the nine sat down and ate without him. But when it came time to pay the bill, they discovered something important. They were \$52 short!

And that, boys and girls and college instructors, is how Canada's tax system works.

The people who pay the highest taxes get the most benefit from a tax reduction. Tax them too much, attack them for being wealthy, and they just may not show up at the table anymore. There are lots of good restaurants in Switzerland and the Caribbean.

And we know where a certain Prime Minister has all his cruise ships, do we not?

Let us talk about this legislation. Tax cuts were proposed and then yanked out in order to pay the NDP to rent its leader for a few weeks so he would support the Liberals.

First, that affects job creation. When the Liberals loads taxes on businesses, that is one of the expenses businesses have to meet in order to do business. Businesses will operate only when they can make a profit. If they cannot make a profit, they have to do one of two things.

They have to add that cost on so the consumers pay more. In turn, they also fund the government in yet another way by the consumer prices they pay, never mind paying their taxes, and then the businesses from which they buy their goods can pay the taxes this government extracts from them.

Then there is the alternative. If their competitors can do better, particularly with foreign trade, then our companies start closing down. We cannot compete with the United States, let us say, which has much lower taxes than we do, both at the corporate and the individual level. Our companies start closing down. They start cutting jobs. Canadians end up out of work. This is just like what is happening in the car industry right now.

Government Orders

The government has sold out Canadians. It could have taken the tax cut, which could have helped job creation. It could have reduced costs for consumers on necessary goods. Instead, it used that on a wish list for the NDP. What is really a crime is that, having cut out the tax reductions from the government's bill, the parliamentary secretary himself just a few short minutes ago admitted that this is money that may never get spent, which the NDP should be taking note of.

Let us talk about the NDP members and their priorities, because they were the ones who laid out the priorities on this particular bill. I had a group of NDP MPs, including one sitting in the House right now, come to my riding.

I could be mistaken, but I believe that all the elected NDP members of Parliament from British Columbia came to my riding. They said they were there because they wanted to find out what the people of my riding wanted, and they wanted to know the priorities of people in every area. I was at the meeting they held, an open house with wine and cheese. I said I was very happy to see them because I work very hard to get the things that are necessary for the people of my riding. I said that in a minority government in particular we would be looking for help and we would certainly welcome their help. I said we were glad they were there to find out the priorities of the people of my riding.

The NDP members negotiated \$4.6 billion worth of changes to the budget with the Liberal government. How did those changes affect my riding?

One of the really big things that has hit my riding is the softwood lumber dispute. It is devastating. We are a very forest dependent riding. When they had a gun to the heads of the Liberals, did the NDP members put anything in their budget to provide compensation for individuals, companies and communities affected by the softwood lumber dispute throughout British Columbia, where a large majority of NDP members come from? Not one dime. It was not a priority for them. Foreign aid was a priority, but not B.C. aid, not aid for B.C. communities and aid for forestry workers. It was not on their agenda. It was not their priority.

They also found out in my riding that it was very important for people to get some help with the BSE problem with cattle. We have a lot of ranchers in areas of my riding. What did the NDP ask the Liberals for on that? Not one dollar. The NDP asked for money for housing, which the parliamentary secretary to the minister said may never get spent, but not for one dollar to help the cattle industry in my riding and throughout British Columbia, particularly through the rural area where they claim they have strong support. There was not one dollar asked for there.

We have a bogus budget that the parliamentary secretary to the minister says may never get spent. We have the priorities of the NDP that do not meet the priorities of the area they claim they most represent.

• (2050)

This whole thing is a sham. It should be shut down. It should be stopped. That would be the best thing we could do for the taxpayers of this country.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I want to question the member across the way about one of the specific provisions that is set out in Bill C-48.

As the member knows, Bill C-48, assuming that the surplus funds are available, deals with specific funds for affordable housing, public transit, access to public education and foreign aid. The specific issue on which I want to question the member is public transit. As the member knows, there were certain amounts of funds allocated to increase and enhance the public transit systems in all provinces across Canada.

In the province that I come from the amount announced was on a per capita basis. It was very favourably received by all people in the province, it seems. That seems to be the case in other provinces. The first part of my question is whether the people in his province have that broad level of support and acceptance which I certainly found in my province.

However, right now the people who support this increased funding for public transportation are met with the spectacle of the Conservatives here in the House arguing against it and attempting to defeat that provision.

My question is twofold. Is there any support at all in his province for this increased funding for public support? Second, why is his party so opposed to the Government of Canada funding increased support for public transit?

• (2055)

Mr. Jim Gouk: Mr. Speaker, I was trying to understand his first question. He asked if there is any increased support for public support. I am sure he got his words mixed up in trying to figure out some kind of intelligent question to ask.

With regard to public transit, one of the things that the fuel tax rebate is going to address is public transit. The government would like to say that this is one of its great brainchildren.

In actual fact, I am on record as far back as 1996, not in *Hansard* but in committee evidence, and we still have the transcripts of that, questioning in a meeting the then finance minister who is now the Prime Minister of the country. Back then I was trying to get a commitment from the government to give back some of the revenue from the fuel tax the government imposed on people, to help pay for public transit, highways and things of that nature.

With regard to the bill, if that is what the member was trying to get out in his stumbling way, if that is he wanted to ask with regard to this particular legislation, then I refer him back to the parliamentary secretary, who asked a question of my colleague from Kelowna—Lake Country, wherein he said very clearly that under the terms of the bill some of this money may never be spent.

The minister may spend it or may not. He may spend it here or he may spend it there. If the member is really concerned about funding for public transit, why does the government not write a document that clearly spells out where the money is going, when the money is going and how much people are getting?

Government Orders

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Speaker, I want to thank the member for his last 12 years in the House of Commons and also for the speech he gave tonight. I think the example he gave in his speech was remarkable. It was great and it really brought home the point.

As we talk about budgets, I think most Canadians understand that we have to live within a framework of what we earn or make and we have to make sure that the money going out matches the money coming in. We prioritize the basics in life, the food, clothing, shelter and all those things. Canadian families understand that.

However, we have a government that has over many years prioritized things such as the gun registry, has defended scandals such as the HRDC boondoggle, and has defended on a daily basis the sponsorship program and its \$250 million. We have a government that is getting bigger all the time. I want to quote the former president of the United States, Ronald Reagan. He said that government, especially big government, "is like a baby. An alimentary canal with a big appetite at one end and no sense of responsibility at the other".

Could the member comment on the huge appetite for taking in tax dollars that this government has and on exactly where the other end is pointing?

Mr. Jim Gouk: Mr. Speaker, I would like to thank the hon. member for his very enlightened question. I would just point out a couple of examples of the irresponsibility of the government.

First of all there was ad scam. Never mind the scandal of what the Liberals did with the money; they could not even get that right. They budgeted \$250 million and now we find out from the forensic auditor that they spent \$350 million. There is the firearms registry. They budgeted that one at \$2 million and now it is approaching \$2 billion. Finally, the biggest scandal of all, when we hear those guys talking about the deficit that they inherited, I would like to remind them that the largest deficit for current dollars ever hit in this Parliament was under a Liberal finance minister by the name of Jean Chrétien.

• (2100)

Mr. Dave MacKenzie (Oxford, CPC): Mr. Speaker, it gives me pleasure to rise in the House tonight to talk about Bill C-48. I think that Canadians should know how much information there is in the bill about the \$4.5 billion that it covers. I will read it out so that Canadians understand the lack of detail. It states:

- (a) for the environment, including for public transit and for an energy-efficient retrofit program for low-income housing, an amount not exceeding \$900 million;
- (b) for supporting training programs and enhancing access to post-secondary education, to benefit, among others, aboriginal Canadians, an amount not exceeding \$1.5 billion;
- (c) for affordable housing, including housing for aboriginal Canadians, an amount not exceeding \$1.6 billion; and
- d) for foreign aid, an amount not exceeding \$500 million.

There is no detail. It is a blank cheque. Canadians should understand that there is no detail. Why would we support something of that nature?

The Conservative Party of Canada believes that every Canadian can live in a country with the highest standard of living in the world. Our goal is that every Canadian who wants a job should be able to

get a job. Our goal is that every region of the country will enjoy economic growth and new opportunities for the people of those regions. Our goal is to make Canada the economic envy of the world. We want every mother and father in Canada to be able to go to bed at night knowing that their children will have the chance to live the Canadian dream. They will be able to get post-secondary education, find a good, well paying job, afford to start a family, buy a house, save for their retirement, and ensure that they can have a bit left over for summer camps and vacations. One can only do that if the government does not overtax Canadians and then recklessly spend their tax dollars.

Instead, in most Canadian families, both parents need to work, one just to pay the taxes. In my opinion, a dollar left in the hands of the family household or entrepreneur is more beneficial than a dollar left in the hands of a bureaucrat or a politician.

As the Conservative member of Parliament for Oxford, I am offended by these gross budget surpluses. They are nothing more than poor forecasting and overtaxing. If the finance minister had \$4.5 billion left over after he created the original budget in Bill C-43, why did he not apply it to the national debt? Why did he not use it as a tax break for middle income families?

Bill C-48, which we have come to know as the \$4.5 billion NDP budget, is a prime example of how not to govern a country. We have before us a budget bill that in effect promises money to be directed to social programs, contingent on the fact that there is a budget surplus in 2006.

This fairytale deal was born in a hotel room by a Prime Minister desperate to survive the Gomery inquiry testimony of Liberal Party scandal and corruption. His partner, the leader of the NDP, chose to ignore the stench coming from the Gomery inquiry and instead chose to improve his own public profile by making a deal that nobody, including the Minister of Finance, wanted. Today we find ourselves debating a bill that has no specific plan. I just read it out loud. It has no details, just pie in the sky promises on how to spend \$4.5 billion.

Let us take a moment and think what \$4.5 billion would have done for farmers in this country. In the main budget we have to use a microscope to find a mere mention of Canada's agricultural sector. In this add-on budget it aims to take away experimental farms that are vital to serving the different regions of the country. That is the Liberal way, cut here and spend it there.

What would \$4.5 billion have done for the development of more doctors in this country? The Conservative Party has consistently opposed the Liberal approach to spending without an adequate plan, which is reflected in Bill C-48. The Liberal approach is cruel not only to taxpayers, but more importantly to those who depend on promised services.

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Think of what we could have done with that money to address Canadians' concerns with waiting lists. How many more MRI machines could have been purchased to alleviate the wait for those who are suffering? No, instead we needed to earmark \$4.5 billion to the ideals of the NDP. In turn, what Canada received was another 10 months of governing by a party that lacks vision, leadership and integrity.

● (2105)

Just because we are opposed to this budget of convenience does not mean my party lacks a social conscience. The Conservative Party wants to ensure the social needs of Canadians are met. We recognize that many Canadians are not receiving the level of assistance from the federal government that they deserve. This is a direct result of the Liberal government's approach to problem solving: throw money at problems without an adequate plan to ensure the level of service actually gets delivered and meets the targeted results it was created for in the first place.

It would be irresponsible and cruel to Canadians in need to know that more money is being thrown at programs that are not meeting their objectives. The responsible Conservative Party approach would be for the government to first ensure that existing money is spent effectively to improve programs and services to ensure that nobody is left behind.

At the finance committee the Liberal-NDP-Bloc coalition rejected Conservative Party efforts to restore prudent fiscal management, to include real solutions for Canadians, such as matrimonial property rights for aboriginal women and to ensure accountability and transparency.

At report stage the Conservative Party has tried once again to move amendments to make the spending in Bill C-48 more accountable to Canadians and to reflect a more prudent fiscal approach.

The Conservative amendment to clause 1 would raise the amount of surplus that would be set aside for debt paydown. The interest saved as a result of additional federal debt paydown is needed to prevent cuts to social programs as a result of the impending demographic crunch.

The Conservative amendment to clause 2 would force the government to table a plan by the end of each year outlining how it intended to spend the money in the bill. Spending without a plan is a recipe for waste and mismanagement. It is cruel not only to taxpayers but more important, as I said, it is cruel to those who depend on promised services.

The Conservative amendment to clause 3 would ensure that important accountability and transparency mechanisms were in place for corporations wholly owned by the federal government. Accountability and transparency should be paramount to any government, especially in this case, considering Bill C-43 advocates spending an additional \$4.5 billion of taxpayers' money. Accountability and transparency, as I said, are important. We have lost that in the government and what we end up with is wasteful spending of taxpayers' money.

There has been a lot of discussion in the House today from the NDP and the Liberals questioning what it is that we do not like about

Bill C-48. I would like to make it clear that it is not so much what is in Bill C-48 that we do not like, but has more to do with what it lacks. There is no concrete plan on how that money will actually bring reality to the promises made.

I would like to give some examples of why my party has no faith in the promises made by the Liberal Party. The Liberal record on spending without a plan should strike fear into any taxpayer in this country. Since 1999-2000, program spending has gone from \$109.6 billion to \$158.1 billion, an increase of 44.3%, a compound annual growth rate of 7.6%, when the economy itself managed to grow by only 31.6%, a compound annual growth rate of 5.6%. Once the Liberals had our tax dollars, they could not resist spending them even faster than the economy was growing.

It is not surprising there is so much waste with the government. Often the Liberal government responds in a knee-jerk way by throwing money at problems. The Liberals confuse spending money with getting results, such as throwing money at a firearms registry as a way to deal with the criminal misuse of firearms but with no explanation of how this would prevent criminals from getting and using guns. The registry was to cost \$2 million. Reports now indicate that the actual cost is close to \$2 billion.

Not long ago the Canadian public saw television reports of children high on gasoline and the Liberals simply threw money at Davis Inlet without a plan. The community was moved to new housing a few miles away at a cost of \$400,000 per person but the problems went with them.

The Quebec referendum shocked the nation. The Liberals responded by throwing money at it but without a real plan. The result was the sponsorship scandal, a \$350 million waste of money with \$100 million illegally funnelled to Liberal friends and the Liberal Party. Even worse, it has reinvigorated Quebec separatism.

This bill will do nothing for Canadians. It has no information in it and no plans for spending.

● (2110)

On behalf of my constituents in Oxford, I believe that if there is a budget surplus in this country, Parliament should have a say on how it will be spent, not two leaders looking to advance their own political agendas. We need to keep in mind that this is actually Canadian taxpayers' hard earned dollars, not Liberal dollars, not NDP dollars, but Canadians' dollars.

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I was listening to the hon. member's speech and I rather liked his speech. I was wondering why I liked the speech and then realized that I had heard it before. I suppose a repetition of nonsense kind of wears on a person after a while. Maybe it has a certain amusement factor.

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I want to ask the hon. member, what part of Bill C-48 does he not like? Does he not like the notion of putting money into affordable housing that is a priority of Canadians? Does he think that throwing money at the environment is not something that Canadians appreciate? Does he think that throwing money at foreign aid is not something that Canadians want done? Does he think that throwing money at students is not something that Canadians want done?

We could go through the list of the four items which we have identified as spending priorities in this bill. We have to wonder why the hon. member characterizes this as throwing money at those items. Why does the member think that it is fiscally irresponsible to throw money at something less than 1% of the budget of the Government of Canada?

Mr. Dave MacKenzie: Mr. Speaker, we have to tell the Liberals over and over before it finally sinks in that they are wasting Canadian taxpayers' money. We are tired of hearing their questions about what part we do not like. What we do not like is the lack of detail. Money cannot be thrown out there and expect it to stick to the problem. That is all this bill does.

We would ask where the government went from Bill C-43 to get to Bill C-48 and some of the commitments that the government made in its throne speech. They are now non-existent. With all due respect to the parliamentary secretary, there is lots we do not like and the government will hear a lot more of the same thing.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I too thought it started off as a pretty good speech until I realized I had heard it before as well. I realize that we all have to rely on good solid researchers. Even I have to rely on researchers here.

The hon. member referred to the growth in program spending. There might be a reason why there might be a blip in the increase in program spending. I will ask him to confirm whether or not he agrees with this or not.

After the Liberal government of 1993 had to face program review and get rid of that \$42 billion deficit and the \$580 billion debt, there was a huge cut in program spending. I remember the average in 1995 and the cut across the board average was 15%, and that was huge.

All of us in this House had to carry that on our backs at that time. Canadians realized they had to do some belt tightening and they did it. We went through that period. After that there had to be some increases.

The member has criticized the increase in program spending. However, Canada's program spending as a ratio of GDP is away below the G-8 average and was the third lowest in the G-8. According to the OECD this will continue in both 2005 and 2006. Why is he complaining about the growth in program spending? We are almost the leader of the pack.

• (2115)

Mr. Dave MacKenzie: Mr. Speaker, the hon. member kindly forgets that the deficit period that was there when you came in was actually inherited by the government that you also followed. It was a government that was led by a Liberal Prime Minister named Trudeau. Perhaps you will recall him.

The Acting Speaker (Mr. Marcel Proulx): May I remind the hon. member. Thank you.

Mr. Dave MacKenzie: I am sorry, Mr. Speaker.

The problem with increased program spending is the effect of increased program spending. The program spending was increased in Davis Inlet and there is no question about that. It did not help anyone. The program spending increased in the firearms control. It did not help anyone. It is the increase in program spending that is of little or no value that we are concerned about.

Mr. Art Hanger (Calgary Northeast, CPC): Mr. Speaker, I am pleased to debate Bill C-48. It is interesting to hear the rhetoric from the other side of the House, on the Liberal side. The Liberals have accused some of our members of repeating ourselves on the issue of fiscal responsibility, accountability, excesses and scandal. I think those are the terms that have been used on our side and certainly does bear repeating.

However, if we all think back to 1993, when the Reform Party came into this House, the issues at that time were just as paramount on issues of accountability and fiscal responsibility as they are today. In fact, they are worse today, and there is only one government that has been in power and that is the Liberal Party. It has been in power since 1993.

At that time, the debt was somewhere in the neighbourhood of \$25 billion. The servicing of that debt was somewhere in the neighbourhood of \$40 billion to \$45 billion every year. That was a huge amount of debt and debt servicing. In 1995 this country almost hit the wall fiscally and economically. It was so close.

In the first two years that the Liberal government was in power, how much did it add to that debt? It was \$525 billion or \$520 billion. It bounced up to near \$550 billion. In fact, if it were not for the Reform Party back in those days, there would have been no control exhibited on the other side of this House on expenditures. That is how serious the matter was back in those days.

If it were not for the efforts of the members on this side of the House, the issue of smaller government would not have even entered the mind of the Liberal Party. In fact, it was pretty much embarrassed but had to cut back on the size of the bureaucracy for a while. The Liberal Party was embarrassed because it had to deal with the deficit spending that it was so engaged in and could not control. It was only because of members on this side of the House which brought that about. We had a message to deliver from the ridings to the government. It was not the other way around.

Up until that particular time, the government of the day was the messenger to the outlying areas. The representatives went back there to tell the constituents what was good for them. We are fast approaching that kind of scenario again. In fact, it never really changed. However, we did manage to dampen that ridiculous spirit that the Liberal Party had in trying to turn things around and tell people in this country what was good for them.

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Since that time, in the last two, maybe two and a half years, the bureaucracy is again on the rise. It has increased somewhere in the neighbourhood of 25%. That side of the House does not understand what it means to prepare for those days when things may not be as lucrative as they are now. We will come upon those days. It is a matter of course.

• (2120)

No doubt the majority of us came to the House to make things better in this country. At least that was my intention and I know that was the intention of many of my colleagues on this side of the House. We wanted to make things better for the whole country, not just for part of it and it was certainly not to line our own pockets or that of our friends. We did not have those intentions.

It is an embarrassment to say that has happened in this nation. We have had one scandal after another and they never stop or slow down. They are always there just below the surface and every so often they bubble out and we get a scandal involving an abuse of taxpayers' money.

What has changed? To be honest, I have not seen the rate of decay as significant as it has been over the last few months. There is the deal with the NDP to prop up the government. That is the only reason why it took place. It was not to make things better because this so-called deal has a thousand holes in it. It was just to prop up the government when it deserved to fall.

We are dealing with an eleventh hour deal to keep this corrupt government alive. Liberals included this strange little package in the budget to do it. Really, it is very deceptive to say the least. There is an old saying "desperate times call for desperate measures" and that is exactly what has happened with this arrangement between the NDP and the Liberals.

Bill C-48 commits \$4.5 billion of taxpayers' money to NDP spending initiatives. No one really knows what they are. There is no plan and no accountability. When I think back to 1993, I came here for fairly significant reasons. There was no accountability with government. All we heard were messages out of Ottawa telling us this is what is good for us. There were no significant plans and proposals that would make a person in the outer reaches of the country very comfortable. The other issue was the massive debt that had accumulated over time which started under the Liberals and just went sweeping on through and the Liberals expanded on that debt.

The other issue that brought many of us into the House in 1993 was the fact that we were looking into the future of what our kids and grandkids were going to have. It was very bleak. We had a debt with massive debt servicing. We had a government that was not accountable to the people and it continued. It listened in no way, shape or form to anyone out there apart from those who were touting the Liberal message. The Liberals were spending then like drunken sailors and they are still spending like drunken sailors.

Looking at Bill C-48, how far does \$4.5 billion go? Can the average taxpayer really understand that? If we were to look at it from the point of view of every man, woman and child, they would each have to fork over \$140 to pay off this NDP arrangement. That is significant. Looking at it from the point of view of a family, it would be somewhere between \$550 and \$600. Maybe that does not sound

like a lot to Liberal members, but \$550 to \$600 will do a lot of good in the hands of the average taxpayer in this country.

• (2125)

The other thing we recognize clearly is that if one puts a dollar into the hands of the average taxpayer in the country, he will make better use of it than any politician or bureaucrat. It is well known. That typifies everything that has gone on in here because the money that has been squandered over all these years is inexcusable.

I could go on and on about how we could address these issues when it comes to expenditures where they would be better placed and the like, but I have to say that Bill C-48 is a bad piece of legislation, to say the least. What makes it even worse is that it was a cooked up deal between two parties, and in fact the finance minister was not even part of it, and it has been sold in a very false way to the people of this country.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, certainly no one would accuse the member that that speech had been made before.

I am confused in that the member talked about when he came to the House in 1993 and how bad things were. I want to remind the member that his party was in power in 1993. I want to remind him that the annual deficit at that time was \$43 billion. I want to remind the member that in Bill C-48 there is a clause that the government will not go into a deficit. It is so unfortunate that when his party was in power someone had not thought of putting in a clause when the deficit was going to \$43 billion.

When the Conservative Party was in power and it accumulated a debt of \$43 billion, why did someone not think to put in a clause and show some fiscal responsibility? What happened to the Reform Party? Is there any chance of bringing the Reform Party back to the House?

Mr. Art Hanger: Mr. Speaker, I will tell the member that I am very proud of my roots, believe me. I have a very solid foundation when it comes to these issues that we brought to the House. I have nothing to be ashamed of. I do not believe there is one single person sitting behind me who has anything to be ashamed about regarding our position not only on fiscal matters but on social conservative matters as well. We have nothing to be ashamed of.

As we have heard in the speeches tonight by members of my party, we are continuing the legacy of fiscal responsibility, smaller government, transparency and accountability. What more would one want? That is still what we represent.

Let us look back to 1993 when there was a \$43 billion deficit. The member is absolutely right in that there is no running away from that. How did the Liberal government straighten it out? The Liberals did it on the backs of the workers who paid EI. That is what they did. They brought in high premiums that paid down the deficit on the backs of the working people in this country. Shame on the Liberals.

• (2130)

Mr. Myron Thompson (Wild Rose, CPC): Mr. Speaker, it is a bad day for a guy like me to have a Liberal cheering because I have no use for them.

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I think the member realized as I did in 1993 when we came here that some very serious problems existed. For 12 years in a row we listened to budgets being presented from that front bench, all saying the same things year after year. The Liberals were going to deal with child poverty. They are still saying that. They were going to fix housing. That is still the same thing. I hear it again and again. In every budget for 12 years they are going to do these wonderful things.

The Liberals say they are going to take care of post-secondary education. They do not even talk about the real problems with post-secondary education. They talk about paying tuition, but they do not even talk about what it costs to live, about housing, furniture, eating and everything else on top of that. Every year it is in the budget. Every year the same things are in the budget. If it is in the budget every year, does that not tell the member, as it tells me, that the Liberals have accomplished absolutely nothing?

Mr. Art Hanger: Mr. Speaker, the member for Wild Rose certainly comes from the same background as I do politically. We want to see fiscal responsibility. We want to see some accountability, smaller government, programs to honestly and legitimately help other people and security in this nation. I could go through a list of things that have fallen apart, which I and most of the members sitting in this chamber behind me have experienced over the last 12 years.

Yes, the same programs and the same issues keep coming up time and time again. No one seems to know where all the money goes. Every so often we hear about a scandal over the way some of the programs have been handled. We hear of friends of those who are sitting on the other side benefiting in a substantial way from contracts. By the time we add it all up, we are looking at billions of dollars. That has gone on for 12 years.

I do not know how members on that side of the House can live with themselves without addressing some very, very significant moral questions. I do not understand it, but the issues are real and they have to be addressed.

Fortunately, there are some members on this side of the House who want to hold the members on that side to account, and we will continue to do that.

Mr. Jim Gouk (British Columbia Southern Interior, CPC): Mr. Speaker, earlier tonight the member for Scarborough—Rouge River asked a question with regard to the pension plan. He said there was no integrity on this side because members opted out and then they opted back in.

The reality is many of us opted out and we had no guarantee of getting back in. But what was the result of the sacrifice made by the members on this side? The pension plan that was 5% is now 3%. There is now an age requirement. Double dipping has been removed. There was integrity on this side of the House. The sacrifices were made on this side so that costs could come down in this Parliament. We did our part.

Could the hon. member tell us what, if anything, he has ever seen the Liberals do to cut—

The Acting Speaker (Mr. Marcel Proulx): The hon. member for Calgary Northeast.

Mr. Art Hanger: Mr. Speaker, I am pleased to address that point. Certainly, I was one of those members who had opted out and later stepped back into the pension plan. At that point it was at a reduced rate.

In all fairness there were members on that side of the House who felt the same way about that pension plan. There were members in the NDP who felt the same way about the plan. There were some in the Bloc who felt the same way.

It took initiative to do something about it, because these things do not happen on their own. Somewhere, somehow, someone has to sacrifice something. We were prepared to do that. I believe our action benefited all members of the House, not just ourselves. I will not, and many of my colleagues will not, take full credit for what happened. However, somewhere along the way someone has to stand up and stop the bleeding and make it more accountable. It is not hard. It just takes the will to do it.

We often talk about the will not just in matters of fiscal restraint, but in other areas as well, such as supporting security measures in this nation. If we had the will to do it, we would do it. We would support it, but it takes more than that politically. Someone has to sacrifice something.

I am still prepared to do so for my part in this whole initiative as a member of Parliament.

• (2135)

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, I am rising today to speak to Bill C-48, which has been described as a New Democratic-Liberal budget bill, notwithstanding it is described as an act to authorize the Minister of Finance to make certain payments.

It is a very strange bill. Normally when the finance minister prepares a budget, the finance minister holds hearings. The finance minister could have his people go all over the country and listen to Canadians as to what should be in the budget. The finance minister receives correspondence and briefs from different groups around the country. The finance minister listens to committees. Then the finance minister finally prepares a budget, which could be quite thick, and makes a presentation giving in very specific detail what is in the budget.

This document, which I say is not a budget, is the most vague piece of legislation that we have seen in this place for a long time. I am repeating some of the things that have been said but I hope the Liberals will finally get it. The word “may” is used throughout the bill.

The bill says that for the fiscal year 2005-06, payments may be made. There is no guarantee that those payments are going to be made. It is the same for 2006-07, that payments may be made. We do not know whether they are going to be made. They may be made; they may not be made.

Then the bill gets into what the allocations are going to be. It says that payments shall be allocated for the environment. What in the world does that mean? It does not say how much. It does not say what they are going to do specifically. It just says “for the environment”.

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Then it says “including for public transit”. That is the same thing. What does that mean? The question of public transit has been talked about. Most of the gas money for public transit that has already been given, which is outside this amount, has been given, at least in the province of Ontario, to the city of Toronto. What about the rest of the province? Why can the rest of the province not receive moneys for transit? Why is it all being allocated to the city of Toronto? I live in an area where there is minimal transit, albeit, but the fact is I do not think we are going to see one dime for transit in my riding of Dufferin—Caledon. I do not think we are going to see it under Bill C-48.

The bill states, “For an energy-efficient retrofit program for low-income housing, an amount not exceeding \$900 million”. Again, we have no idea what that means. We know it is going to be up to \$900 million, but we are not sure.

The bill goes on and on. It talks about training programs and enhancing access to post-secondary education.

Of course those are wonderful things. Why can those people not tell us what they are going to do with the money? Why can they not be specific and outline the programs that they are going to spend on? Why be vague? Why be cute about it?

The bill talks about foreign aid. There is a blanket statement, “for foreign aid, an amount not exceeding \$500 million”. What does that mean?

All these statements are vague and really, I think, designed to dupe us. The NDP members of course have been duped. They think they got something. They do not have anything. They have no idea what this bill means. They really do not know. Furthermore, they say, “If you pass this budget, if you pass C-48, the cheque will be in the mail tomorrow”.

Do members remember when the 2004 budget was approved in this House? It was approved after the introduction of the 2005 budget.

Maybe they are going to get the money, maybe they are not. Whatever it is going to be, if it is anything, it is going to be a year from now.

It is a very deceptive bill. As I said, the word “may” is used, “The Governor in Council may specify the particular purposes”. Then it talks about all these other programs that the government may get into. It is may, may, may.

• (2140)

Why do they not use the word “shall”? Why do they not outline the programs? Why are they being so deceptive?

The other issue I would like to talk about is that it appears the moneys will be paid out of surplus. The bill says it will make certain payments out of the annual surplus in excess of \$2 billion. I must confess that I find this whole process of making payments out of surpluses very strange.

There was a surplus set aside for 2004 and a huge surplus set aside for 2005. Then the government almost failed a few weeks ago. Does everyone remember when the government made all the commitments of payments? It was an enormous amount of money, something like

\$1 billion in a very short period of time. That is strange. I thought this place decided the specifics of how we would vote on certain programs, but the finance minister and the Prime Minister decided how this would happen.

The leader of the New Democratic Party thinks he has decided. He met with the Prime Minister in a hotel room in Toronto, wrote the budget out on the back of a napkin and that was okay, but that is not the way it is done. That is not the way it is supposed to be done in our country. That is one of the many reasons why I am voting against Bill C-48. It is the most inappropriate way to deal with the finances of our country, on the back of a napkin. What a strange process.

There is no plan whatsoever in this budget. It was done on a wing and a prayer. We expect better from the government and we are not getting it.

I would like to look for a moment at a trend set by the government when it comes to spending Canada's tax dollars without a plan.

Since the 1999-2000 program, spending has gone from \$109.6 billion to \$158.1 billion, an increase of 44.3%, a compound annual growth of 7.6% when the economy itself managed to grow by only 3.1%, a compound annual growth rate of 5.6%. Once the Liberals had our money, they could not resist spending it even faster than the economy was growing. It is not surprising that there is so much waste by the government with little planning. Bill C-48 is a prime example. I groan at the waste that will come out of this bill.

Often the government responds in a knee-jerk way by throwing money at programs and it confuses spending money with getting results. This is one of them. Bill C-48 is a prime example. The example has been given over and over about the firearms registry. There is absolutely no plan to deal with that. Originally it was estimated that it would cost \$2 million. Now it is around \$2 billion. It has crept up to that.

The government does not like us to talk about that because it has been a complete failure. Bill C-48 will be a complete failure.

The public saw children high on gasoline on television reports and the Liberals threw money at David Inlet without a plan. The community was moved into new housing a few miles away at a cost of \$400,000 per person but the problems went with them.

The Quebec referendum has been referred to by many people on this side of the House. The Liberals responded by throwing money at it but did not have a plan. The result was the sponsorship scandal, this thing that has consumed the government and this place the entire session. There were \$250 million of wasted money and \$100 million illegally funnelled to Liberal friends and the Liberal Party. Even worse, it reinvigorated Quebec separatism. The Liberals claim they are trying to solve the problem, but they have created the worst problem the country has ever seen.

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● (2145)

I could go on and on talking about matters that have been brought up here tonight. The fact is this not the way we should be spending the public's money, simply on the back of a napkin. I hope that there is opposition in the House to defeat this bill.

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, the hon. member spoke rather eloquently about Liberal theft, Liberal corruption, Liberal bribery and Liberal fraud, all of which have been a great cost to Canadian taxpayers. He is right.

I would like to ask him about what I believe will prove to be one of the most spectacular acts of government waste the government will ever engage in, and that is saying something. I refer to of course the \$10 billion to \$13 billion it plans to spend on its day care scheme. That will mean higher taxes for parents and fewer choices for families. This \$12 billion day care scheme will go only to the small group of parents who chose to put their children in mediocre, government-run day care centres to be set up by the government.

In this party we understand that child care is not federal jurisdiction. It is not provincial jurisdiction either. It is parental jurisdiction and that is why we will take child care dollars and put it directly in the pockets of parents, letting them decide how to raise their own children.

The other side, the Liberal-NDP coalition, which is a coalition of socialism and corruption, believe that they should take other people's money and spend it on raising other people's children. We here believe in just giving those dollars directly to the millions and millions of child care experts who already exist. Their names are mom and dad.

Would the hon. member elaborate on that quintessential difference between our party and theirs: us trusting parents, trusting young mothers, trusting young families and them putting control in the hands of bureaucrats and people who have no understanding of the needs of the folks whom we represent?

Mr. David Tilson: Mr. Speaker, the Liberal child care program, or day care program, has been talked about for 12 years.

An hon. member: And it is going to cost \$12 billion.

Mr. David Tilson: The member has pointed out that it is going to cost \$12 billion. There is no way that we have enough money to pay for all that. We will have to raise taxes to pay for it. When I say we, I mean this institution. The money is not there. That is a lot of money.

Poll after poll has been taken and the people of the country do not want the institutionalized type of day care that the government is proposing, which is all children be put in institutions.

I come from a riding which does not have a lot of those types of institutions. There are some but they are out in the country. People out in the country simply do not have the resources and the availability to bring their children to those institutions. They would rather raise them themselves. If we are to help people raise their children, why in the world would they put them in institutionalized type of day care?

The Conservative Party of Canada believes in choice and that is the only answer as to raising the children of this country.

● (2150)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I heard the hon. gentleman talk about a plan. We in the NDP are a bit confused over the plan of the Conservatives. We heard their spokesperson for child care say in a television interview that they would spend more than the government on day care, so I am a bit confused as to where they are going.

His hon. colleague just said that they would put money in the hands of families so they could raise their children. How much money per year would each family receive from the Conservatives, if they were in government, to raise their children?

Mr. David Tilson: Mr. Speaker, it is amazing the member is talking about a plan. Those members write plans on the back of napkins. They have a lot of gall talking about what we are going to do.

The Conservatives are going to put the moneys for child care in the pockets of parents, not in institutions.

Mrs. Betty Hinton (Kamloops—Thompson—Cariboo, CPC): Mr. Speaker, we will try to tone this down a bit and I may bring a different perspective to this debate than has been brought forward so far.

I came to the House for a specific reason and that was to make life better for Canadians. I have been here now since 2001 and I have learned the hard way that this is not really the aim of government. The aim of the Liberal government is to stay in power.

Hon. Reg Alcock: That's a big change in tone.

Mrs. Betty Hinton: No it is not a big change in tone. I will talk to the member across the way afterward. I have a speech to make.

I came from a background of business and in business there is a very simple motto: one needs to have a business plan in order to survive. One can not just do it by the seat of one's pants and expect to thrive as a business and one cannot do it by the seat of one's pants as a government and expect to thrive as a country. One has to actually plan ahead.

When the government brought forward Bill C-43, the Conservative Party—

Mr. Charlie Penson: Mr. Speaker, you will notice that the government members have not participated in the debate. The President of the Treasury Board has come in now and is heckling instead of participating in this very important debate on Bill C-48. If he wants to be involved, I suggest that he get involved in the debate rather than heckle the member—

The Acting Speaker (Mr. Marcel Proulx): Let me remind the hon. member that is not a point of order. The hon. member for Kamloops—Thompson—Cariboo.

Mrs. Betty Hinton: Mr. Speaker, what can I say? I have chivalrous men in the same caucus with me who object to people harassing—

Some hon. members: Oh, oh!

Government Orders

The Acting Speaker (Mr. Marcel Proulx): Order, please. I would very much enjoy hearing the hon. member, so if you wish to carry on private conversations, may I suggest that you step behind the curtains. The hon. member for Kamloops—Thompson—Cariboo.

● (2155)

Mrs. Betty Hinton: Mr. Speaker, if the hon. minister is not interested in what I have to say he has an option available to him. He can go up the aisle and out the door. I do not mean to be difficult, but I was trying to explain something. I was going back to my being in business and having to have a business plan. I was mentioning the fact that a government that is going to make Canada thrive also has to have a business plan. We need to know what we are going to do with the money we take in from taxpayers. We need to know their priorities and their needs and those are the things that must be addressed in the budget.

When Bill C-43 was presented, there were options available to the Conservative Party. We could have followed suit with the NDP and the Bloc and at the first opportunity voted to bring this government down. That would have been easy and, in some ways, it might have been very satisfying, but it would not have been responsible. If there is nothing else that we are, we are responsible. We are responsible to taxpayers, to the next generation and we are responsible for what goes on in the House.

We have an obligation as members of Parliament to try to make things work. We have to make them work for Canadians. When we lose sight of what it is we are here for, Canadians, then we have a serious problem.

We were willing and attempted to make amendments, amendments that met the needs of our constituents, the needs of all Canadians, things that were missing from the budget, things that were not there that needed to be there, the priorities of Canadians that were not reflected. We were told, point blank from the Liberal government, that there would be no amendments and that was the end of it.

However we are patient in the Conservative Party and we decided to wait until it went to committee where we could actually have the opportunity to voice a large opinion on what needs to happen in the hope that common sense would prevail and that there would be acceptance of provisions that would make things better for Canadians.

In the interim, before that stage happened, there was a deal made between the Liberal government and the NDP. Some of the things that the NDP has put forward are things that are very important to Conservatives as well. We care about the environment, about the next generation and about affordable housing, but we are a Conservative Party that is fiscally responsible. We will not give anyone a blank cheque. It takes some trust for us to accept that when we agree to a budget the government will do what it says it will do.

I have only been here five years but I have watched more supplementary budgets go through and I have watched taxes increase and increase and I have not seen a big difference happening for Canadian people. In my own riding I still have residents who are reeling from the impact of the softwood lumber debacle. They have not been supported or helped, and there is no money in this budget

for those people. We wanted to make that happen. We wanted to change that in the Conservative Party.

I also have a huge contingent of ranchers in my riding. These are people who have been around for over a hundred years producing food. These are good, stable, honest people whose livelihoods have been ripped out from underneath them because of a government that did not act appropriately or quickly enough. We have gone two years now with that debacle and nothing has happened.

The Conservative Party wanted to see those things addressed but the Liberal government said no amendments. However that story changed rather quickly when it made a deal with the NDP to stay in power. Let us be honest here, that is what that deal was about, nothing more, nothing less. It was about staying in power. Now it is saying, as a government, that it expects us to just agree with this. We should just say yes because, by golly, that is what it has decided to do and if we want to argue about it, it will make us look as bad as possible.

Well the government can go ahead and make me look as bad as it wants because the day I sign a blank cheque that I do not have to cover and taxpayers in Canada have to cover is the day I should head out that door and go home. I would be of no use to Canadians and to my constituents if I were to accept that kind of a deal. I will not accept that kind of a deal.

● (2200)

If we take a look at the budget that has been presented as Bill C-48, it is two pages with a little tiny paragraph at the top. If we take a look at that and we say \$4.5 billion, 400 words, which is approximately what is in there, that is \$11,500 a word. I cannot agree with a bill that does not show me where the money will be spent and does not reflect the needs of Canadians. It is a bill that allows the government to do whatever it wants. I cannot do agree to that and neither can this party.

Can I endorse some of the things that the NDP party wants to do? Yes, I can. If those could be done in a reasonable fashion or if the Liberal government wants to present me with a business plan showing me how it is going to implement it and tells me what it is going to do, then perhaps they would get my agreement.

In my life I have been a negotiator for contracts. I recognize the difference between the words "will" and "may". The words in this legislation say "may". I hate to disappoint the NDP, and maybe none of them have negotiated contracts, but if does not say "will" it is not going to happen.

The NDP has been taken for a ride in exchange for their votes. This is all a big farce as far as I am concerned. It is not going to happen. The government knows it is not going to happen and I know it is not going to happen, but the NDP does not seem to know that it is not going to happen.

The NDP members would be better off if they were to join forces with the Conservative Party. We could put our heads together to convince the government do what needs to be done. However they have chosen not to do that and there is not much I can do about that.

Government Orders

The one thing I really do resent is that we have a government that has gone to the FCM, the Federation of Canadian Municipalities, and has spun the FCM a tale that says that if this budget does not pass it will get no money. That is simply not true. It will get the money.

What the government has not told the FCM government is that it is the government's choice to tie Bill C-43, which we supported, and Bill C-48, which we cannot support, together. If the money for municipalities is lost, it will lie in the laps of the Liberal government. It will not be the Conservatives that made this happen. It will be the government itself.

I would like to believe that everyone in this House has the best interests of Canadians at heart. If in fact that is true, no one can sign off on a blank cheque budget that does nothing to help Canadians and adds to what we already have, which is a half a trillion dollar debt.

The people in my riding are looking for help. They are looking for work and they are looking for some kind of optimistic future, something that they can look forward to. This does not offer it to them. Those cuts that are coming to corporations may very well cost 2,700 jobs in my riding.

I cannot and I will not support this and I urge the government to rethink this silly piece of legislation.

Mr. David McGuinty (Ottawa South, Lib.): Mr. Speaker, I would like to begin by reminding the member that some 11 months ago the Canadian people made a choice. The choice they made was to send the government in minority form into Parliament here in the House of Commons.

What is actually quite amazing is to hear the members opposite continue to refer to the government as apparently illegitimate and a government that is clinging to power, while their own leader seeks to undermine that power and steal it.

The reality is that the members opposite have lost sight of the fact that the Canadian people have spoken. They may wish to question the wisdom of Canadians in their choice but our job was to come here as a government in minority form and govern, which is precisely what we are doing.

The member opposite said that she was a former negotiator. As one former negotiator to another, she would understand that there is an obligation here in the House, in minority government form, to mediate through and find the middle ground and provide the kind of government Canadians are looking for.

We hear from the other side regularly about the fiscal performance of the government. Let us look at the case of Mike Harris and Ernie Eves and the wonderful new republican government of Ontario. We remember the republican government of Ontario: a \$25 billion increase in the debt and a \$6 billion hole that the people of Ontario are still digging themselves out of. There are many examples of republican governments here in Canada and in the United States.

My question for the member is simple. Where is the evidence in the past 25 years of the fiscal performance of the Progressive Conservative Party, the Reform Party, the Alliance Party, the new Conservative Party, the Reform Conservative Party or the not so progressive Conservative Party?

● (2205)

Mrs. Betty Hinton: Mr. Speaker, I do not know if I can call that a good question but it is an interesting question so I will try to answer it.

First I will try to explain that Mike Harris and Ernie Eves are provincial legislators. They have nothing to do with the federal level of government. There is a huge difference between a provincial government and the federal government. This House is federal government.

An hon. member: Oh, oh.

Mrs. Betty Hinton: Would you like to hear the answer or are you going to yell at me?

The Acting Speaker (Mr. Marcel Proulx): Order, please. May I remind the hon. member to address through the Chair please.

Mrs. Betty Hinton: I am sorry, Mr. Speaker. Having sat in that chair I know better and you would never yell at me. I apologize. The member across the way may have yelled at me, so I will speak to you.

The Progressive Conservative Party is no longer. I can say without hesitation that in this party, the Conservative Party of Canada, there are four members who sat as Progressive Conservatives. The balance of our 98 members have never sat as Progressive Conservatives.

When the member asks me to defend a party I did not belong to, I cannot do that.

On the other side of the House, the Liberal government, there are more than 19 ministers, if I remember correctly who sat under Mr. Chrétien. If the member is talking about something new happening across the way, there is nothing new happening across the way. It is recycling. I am into recycling but not when it comes to politicians and not when it comes to policies.

In the House since the session has begun there has been literally no new legislation that has come forward. The only new things that we have talked about in the House, aside from the budget, which we are talking about now, have actually been from private members' bills.

That is not much of a record that I would stand on, if I were the member. First of all, I did not call the member across the way illegitimate. I would never do that. I do not know where that comment was coming from.

The other thing the member said was that the Canadian people have spoken. Yes, they did. Three-quarters of them did not vote Liberal.

Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC): Mr. Speaker, finally we are hearing some common sense. I would have appreciated hearing Liberals defend the bill rather than having them sit cowardly by, asking questions and not having to respond to any.

I am pleased to participate in the debate because it is such a bad bill that we need to draw it to the attention of all Canadians.

Government Orders

I was raised in a good family. We did not have much money. My parents modelled for me what to do when we do not have a lot of money. They called it “budgeting”. It is a pretty simple concept, they said. We figure out what we need to spend and what our income will be and then we carefully plan how we will spend that amount of money. We monitor how fast it is going out and know when to quit and all those good things.

Along the way in my adult life I also served on the boards of a number of non-profit organizations. They never have a lot of money either. There was never any extra money to go around, so we had to do this thing called budgeting. We had to figure out what sort of revenue stream we were going to have and then plan very carefully how we would spend it. Every year we laboured over presenting this thing we called a budget.

It amazes me that this bill is being referred to as a budget of some sort, an add-on budget or additional spending or that kind of thing. If this is a budget, if this is what we are modelling for Canadians, perhaps for young Canadians who are starting a family and want to figure out what a budget is, then they should not look at this because this is not a good idea. The director of a non-profit organization who is considering some sort of model spending plan should not take ideas from this budget, because it is absolutely ridiculous.

If we want to know about budgeting, it would be better to do a Google search because we will come across about 10 million pages to look at and all of them would probably be a better example than this one.

Here is one, for example: a budget is a guide that tells us whether we are going in the direction we want to be headed in financially. We may have goals and dreams, but if we do not set up guidelines for reaching them and we do not measure our progress, we may end up going so far in the wrong direction we can never make it back.

Here is another: a budget lets us control our money instead of our money controlling us. Number three states: a budget will tell us if we are living within our means. Here is another one: a budget can improve our marriage.

An hon. member: An NDP-Liberal marriage.

Mr. Randy Kamp: That might be a good one for some of us to consider. It states that a budget helps us sleep better at night because we do not lie awake worrying about how we are going to make ends meet.

Frankly, I do not know how the Liberals can sleep, and I really do not know how the NDP can sleep, having participated in something like this.

A budget is about two things. A budget is about vision. It is about knowing where we want to go and how we will get there. The Conservative Party, for example, believes that we should be aiming for something.

We should be aiming for a high standard of living, maybe the highest in the world. We should be aiming for every Canadian being able to have a job or for economic growth for every region in Canada. Our children should be able to go to post-secondary education, live the Canadian dream and be well prepared for life.

Maybe it is part of the Canadian dream that we should have the freedom to start a business.

If Bill C-48 is the Liberal vision, what is behind it is simply survival. It is a vision for survival. It did not appear until very late in the process to save the Liberals' political skin. It was developed in one day. It was done only to win the support of the NDP. The NDP members are perhaps even a little more honest. They say that they got some of their priorities, which they negotiated. It was not about any Liberal priorities as far as I can tell, except the priority that is uppermost in Liberal minds, and that is to survive, to hang on to power.

Some Liberals and certainly the NDP will ask what we do not like in the bill. We have heard this refrain; it is their mantra. They ask us if we do not like the environment. They ask us if we do not like education. They ask us what is the matter with affordable housing and they ask us if we do not like foreign aid. But this is not the vision.

● (2210)

Those things are not the vision in this document. If they were, why were they not in that first document, the shiny little book that had the glossy cover, the nice pages and good printing? It had the maple leaf on the front. That is what the Liberals called the budget document. It had many pages. It gave some detail and showed some idea of how the money was going to be spent.

If these things were the vision, why not put them in that document? No, they came out late in the game, when the government's survival was in jeopardy.

When they came out with the shiny book, the Liberals said at the time that it could not be cherry-picked. I remember hearing the finance minister say that. I am sure the members across the way will remember that. That budget was thought through. Did the Liberals not have meeting after meeting of the finance committee and hear witness after witness in trying to balance the priorities of Canadians?

They came up with the plan. There were even some good things in it, things that even the Conservative Party can support, and yet at the drop of a hat one day in a hotel room they decided that they could spend \$4.5 billion that was not in any way planned and was without accountability mechanisms. That is shameful, in my opinion.

A budget is about management, setting up a spending plan and having measurable outcomes. It is about knowing what the means of accountability are. The Liberals will say we can trust them because they are responsible, as if they are somehow the guardians of Canadian values and fiscal responsibility.

Let us look at their record. The Liberals say they inherited a difficult situation and they had to cut back. In fact, they did cut back on program spending, but in the last five years there has been a 44% increase in program spending. That is not taking into account the additional spending in this bill.

Government Orders

I think the Parliamentary Secretary to the Minister of Finance is making this play as to whether it is “may” or “might”. He is right: this is about enabling legislation. The word is “may”. It is not “might”. Those are different words in English grammar. This means that the minister or somebody, the governor in council, frankly, has the power. It is about authorization. It is the cabinet. It is the cabinet, if we read the final clauses of the document, that can develop and implement programs and projects. It can enter into agreements with a province, a municipality or any other organization or any person. It can make a grant or contribution or any other payment.

This is sounding vaguely familiar to me, as if this might be leading us somewhere we do not want to go. We are putting this kind of power in the hands of the governor in council, in the hands of the cabinet, with no plan, with no idea of how this might be spent or even whether it will be spent, and with no way of measuring the outcomes. Cabinet is allowed to give funds to any province, organization or any person and can buy shares in any corporation or acquire membership in a corporation. This is a recipe for disaster.

It does not require the government to make the payments. It does not even require that the spending be incremental. It does not say that the government could not take it from spending it had already planned and say it has met its obligations by spending this money in its place.

I have not been in this place long, but I cannot believe that we are actually having to deal with this. I cannot believe it. It is so obvious to me what this is. It is an attempt at vote buying.

Canadians should say that it is unacceptable for Liberals to buy the votes of the NDP for about \$240 million a vote. Canadians should say to the NDP members that it is shameful for them to sell their votes to the Liberals for \$240 million a vote. It is shameful. I hope Canadians pronounce judgment on this.

All we have is vague promises and no details. As has been said, this is a blank cheque. Don Drummond, the chief economist with TD Financial, said in the *National Post* on May 7:

For years government has wanted an instrument that would allow it to allocate spending without having to say what it's for. This act will do it.

• (2215)

It almost makes me wonder if this was the Liberals' plan: make it look like they are in jeopardy, go to the NDP and come across with this bill. Now they have this slush fund. Now they can do this vague spending. Who knows where it will go, when it will go and how we will figure it out and measure it? This is what we have in Bill C-48. This needs to be defeated.

Mr. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, we have had a very good hypothesis here in terms of budgeting, but we all must recognize that in terms of our budget presented in February and the work that the finance committee has done, we have seen a surplus growing because of the strong economy of our country. We have the lowest percentage of unemployment that we have seen in several decades.

We have an opportunity to invest more money in terms of trying to look to the future of this country. I would ask the hon. member a question in terms of those facts. The investment in post-secondary education, the investment in housing, and the investment in public

transit, are those investments for the future? As a society, should we think of the less fortunate in overseas countries and offer more assistance with foreign aid? Is he opposed to those concepts?

• (2220)

Mr. Randy Kamp: Mr. Speaker, earlier the member said that he serves on the finance committee. If he does, he probably has heard about a number of competing issues in the prebudget hearings. I imagine that he heard about all kinds of competing visions and competing priorities for how this money was going to be spent.

I would bet there were some there who made a strong case for lower taxes. I would bet some came before the committee and made a strong case for reducing the debt, for having an actual intentional plan to pay down the debt instead of an accidental contingency plan. I would bet there were a lot of other priorities.

In fact, the government chose some of them. The Liberals presented that budget to us and they left out what is now in Bill C-48. I assume they did it for a very good reason.

An hon. member: I doubt it.

Mr. Randy Kamp: Yet when the Liberals were forced to rethink whether they could survive, whether they needed to buy the votes, they came across these things that the NDP told them would make their lives better and they put them in, after all of that good consultation. I do not think they are worried about Canadians' lives being better. It is shameful.

Mr. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, I have heard a lot of great speeches from this side of the House tonight, but I have to commend my colleague. That was a fantastic speech. I want to commend him for that and for some clear thinking. It is about time we heard some of that. We certainly do not get any from the government side.

If I heard my colleague correctly, what he is really talking about here is a basic philosophical difference. He addressed it when he was answering the Liberal question from across the way just now.

Over there, we have a situation where the Liberals, along with their NDP coalition colleagues, their partners down there, think of a surplus and then dream up some way to spend it.

Over here, we have a philosophical difference because Conservatives actually view a surplus as overtaxation. That is what it is, overtaxation, and it is to be returned to the people it was taken from.

It is not for programs that are dreamed up to spend billions of dollars, to blow that money out the window and waste it on things like the sponsorship scandal, the gun registry, the CAIS agricultural program and the HRDC scandal. I could go on and on. It has been twelve years of waste and mismanagement.

I would like to ask my colleague if he would care to comment on what he is hearing from his constituents about those types of priorities, those types of choices that Canadians want to see their government make for them.

Government Orders

Mr. Randy Kamp: Mr. Speaker, my colleague is absolutely right. When there is a surplus, as it is called, it is there because the government has collected more money than it needs, more money than it had planned to spend, even though it might have planned to spend a great deal. When there is a surplus, there are only a few things that can be done with it: we can spend it, pay down debts or give it back.

I know that we get criticized over here for having this ludicrous notion that we should give money back to Canadians. What I call that is investing in real Canadians, putting it back in the pockets of real Canadians so that they can figure out how to spend it.

What would that be like? My constituents would love to have another \$1,000 in their pockets every year and they would love to figure out how they are going to spend it. Maybe they would spend it on their own priorities. Maybe they would save it. Maybe they would send their kids to school. Maybe they would start a business. At least they would have a choice, and that, I think, is what my constituents would like the government to do.

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, I have heard some complaints from my side of the House about the repetition in the speeches across the way. I must say that I have learned a lot from my Conservative colleagues tonight. I learned that their view of history suggests that their party has always existed. In fact, the group assembled represents a set of parties that we have governed with over 11 and a half years.

We have had the Reform Party, the Progressive Conservative Party, the Alliance Party and now the new Conservative Party. We have faced leaders espousing those theories that those parties put forward. We have had Mr. Manning, the hon. member for Okanagan—Coquihalla, Mr. Charest, Mr. Clark, the hon. member for Central Nova and now the hon. member for Calgary Southwest.

We have faced four parties who have put forward the same theories. They have had six leaders as their spokespersons and yet once again last June Canadians chose not to make it the party that would lead Canada, but again chose the Liberals. I think that this reclarification of history is necessary.

However, I have learned a lot. For example, I have learned that the only example of Conservative high finance that I have heard from that side tonight revolved around the economics of a garage sale. I have learned that the example of Conservative reading material that was quoted from was not Shakespeare or the Bible or any of those books. It was the *Salmon Arm News*.

Perhaps Canadians are having difficulty connecting with people whose idea of finance is a garage sale and whose idea of literature is the *Salmon Arm News*. I would also caution one of their members to not take swipes at sailors, even if some of them are drunk because it will not increase his party's success in Atlantic Canada.

The last speaker is a new member. It seems to me that he does not understand minority government. That is the type of government chosen by Canadians in the last election, a government in which no party has a majority. Traditionally, a minority government has a duty to lay out a plan in its Speech from the Throne, to lay out a budget, and to look for support from another party in order to have it passed.

• (2225)

Mr. Jay Hill: Mr. Speaker, I rise on a point of order. I have not kept a really close eye on the time, but my understanding was that my hon. colleague had five minutes for questions and answers.

The member had two questions, one of which was from me. I appreciated that opportunity. I think we must be well over the time for the hon. member to put her question.

The Acting Speaker (Mr. Marcel Proulx): The Chair certainly hopes that he is not disturbing anybody. I want to thank the hon. member for reminding me that this is the questions and comments period. The hon. member started her question when there was still some time left in the five minutes for the hon. member. I will ask the hon. member for Oakville to please complete her comments or ask a question.

Ms. Bonnie Brown: Mr. Speaker, I would like to ask the previous speaker if he understands that while there is not much detail in Bill C-48, it is merely an extension of the original bill which laid out the government's priorities in sufficient detail. The spending priorities in Bill C-48 are simply an extension of those priorities which were outlined in great detail in Bill C-43. It seems to me that it is not necessary to repeat where the money is going to go when we are adding to a list of priorities outlined in the original budget bill.

Mr. Randy Kamp: Mr. Speaker, what surprises me so much is that the member actually kept a straight face when she asked that question. That is pure nonsense if the Liberals expect Canadians to believe that somehow they just forgot to put this in the bill and that this is just an extension or something. That is nonsense. Frankly, the history lesson was about as useful.

I am proud to be part of a party that has evolved over the years and has struggled to maintain its connection with Canadian values rather than that party that somehow sits over there sanctimoniously believing that it rules by divine right.

• (2230)

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Speaker, I would like to pay tribute to my colleague who very efficiently, eloquently and in a matter of fact drove home just how important it is to have a sincere and honest budget. If I might just throw another word out to build upon that statement of clarity, I would refer to a budget as a plan.

A wise man once told me many years ago, when I was just in my infancy starting out in the business world, "Young man, in order to be successful in life, whether it is personal life, political life, business life, you have to plan your work and then work your plan".

Simply, and sadly, Bill C-48 is proof that the government does not have a plan. That is just a tragedy. How can it bring forward \$4.6 billion in spending, put it on a pair of pages, and suggest to the Canadian public that it is something that can not only be digested but utilized to the benefit of all Canadians? Honestly, it is an insult to Canadians.

Government Orders

My children and I can go out and pick up a mortgage on a home and we can sign a few documents; it might be four, five, six, seven or eight pages. We can go out and buy a car or a piece of furniture and sign a document that is one or two pages. Heavens, we can even go and rent a video and maybe fill out a one page document. Yet we are asked to accept \$4.6 billion worth of absolute spending and we have a two page document. That is \$2.3 billion per page.

It almost defies belief. I find it incredible that anybody in this country could say a government is bearing responsibility for \$2.3 billion worth of spending and that it can just take one page like this and say that this is what it is all about. We are doing this for Canadians. All the benefits are one page and they are worth \$2.3 billion.

That is a sad example of leadership. It is a sad example of a government that, honestly, is simply rudderless. It is obviously an example of a government that is so desperate to cling to power that it will sell its soul for simply the price of a piece of paper and the price of promises that everybody knows will not be met.

I do not think there is a person in this world who does not want Canada to achieve its rightful place in this world. With the resources we have, the manpower, the people and the talent, the geography, the nature, and the history of this country, there is no reason this country should not be number one, literally, in every dramatic portion of this world. Every member and, I would certainly hope, all my colleagues in this House would share that.

The sad reality is that we are not going in the right direction. Our health care system, which used to be number two or number three, is now sitting around 12th, 13th or whatever. Our economic prosperity, relative to G-8 countries, is advancing in the negative capacity. This is not the direction this country needs to go. That is not the direction that I want to—

An hon. member: Ask one of your kids.

Mr. Daryl Kramp: Yes, my kids matter a lot. Every kid matters in this country. It all matters. Unless we have the ability and the dedication, and the commitment to bring forth a better future for our children, we are just absolving ourselves of our responsibilities.

In order to do that, that takes taxation and that takes dollars. However, we cannot overtax our citizens. We cannot kill the goose that lays the golden egg and then spend that money in a haphazard manner. That money is just too hard to come by. I cannot imagine what \$1,000 or \$2,000 per individual for a family would mean in a tax cut. I know it would mean a lot to people in my riding.

Maybe there are some ridings here that are extremely wealthy, but I have a lot of people who work very hard for a living and \$1,000 or \$2,000 means a lot to them. Instead, that kind of money is being taken away from them and is being spent on this NDP initiative, simply so the government can retain power.

● (2235)

To further illustrate my point I must compare the first budget, Bill C-43, with the NDP budget, Bill C-48. On February 23 I sent out a press release stating that the original budget had certain measures which I could support. There were many opposition concerns such as health care, defence, tax cuts and seniors. Though I did not agree

with them all, I took them under consideration. They certainly did not please me totally, but I could live with some of them. I could find a reasonable compromise that made sense to some people. To me it was not worthy of an election, but was worthy of trying to find a way to make this minority Parliament work.

I was disappointed, of course, in the lack of funding for agriculture. In my riding and in many others across this country, rural communities felt as though they were simply left out. I noted that most of the money, the \$10 billion or \$12 billion, that should have been allocated or promised to some extent for child care, the gas tax transfer or climate change was delayed in the original budget until the end of the decade. The promises made, in other words, before the actual life of the government were back loaded. Of course, this was without any feasible plan for when the implementation date would be.

Nonetheless, I have never spoken on the record against the first budget and I continue to support it today. I did this in part because there was a semblance of a plan. I certainly did not approve of it totally, but there was a semblance of plan, at least a minor direction, perhaps a 10% indication of where this country should go. Now what do we have? We have a second budget of \$4.6 billion that the government has tabled with increased spending and literally no consideration.

A lot of people ask about the amount of money? We talk about thousands, millions, hundreds of millions or billions of dollars. The government said \$4.6 billion is not much money. Let me tell everyone what it is. Let us put it in the context of even 25% or less of that, \$1 billion. What is \$1 billion to the people in my riding? That is \$1,000 million. Whether it is Foxboro, Bloomfield, Marmora or Wellington, I could give every family in those ridings \$1 million and still have \$100 million left over. That is the kind of money we are talking about. That is unbelievable.

We lose the total concept of how much money this is and what it means to the everyday citizen when we throw billions around here. We are talking \$2.3 billion per year and \$4.6 billion over a couple of years or three or four or five. Who knows? What is the plan? Buzz Hargrove and the member for Toronto—Danforth writing a deal on the back of a napkin in a motel room is how we come up with \$4.6 billion. I cannot believe that.

The sad thing for my NDP colleagues sitting at the other end is that they have taken this and said, “Look at what we have here. We have negotiated \$4.6 billion for our constituents”. I say to myself that they have been had. I say to my NDP members that I hope they have the courage to go to their constituents and tell them that they are not going to see any of that money or will have the opportunity of seeing any of that money.

They have made a false promise to their ridings because they know that money is not going to go there. It is another promise that will be broken, just as we have seen promise after promise. The government on the other side of the House lives on promises and does not deliver.

Government Orders

I was sitting in the House when the finance minister said that we had reached our limit. He said the cupboard was bare, in essence. He indicated that we had a budget projected at \$1.9 billion but that there was no money left for any other programs. He said that we had reached our limit and that we should not even talk about other considerations that might be of interest in the rest of the House.

● (2240)

Of course with the possibility of an election, the government felt threatened so it wrote down another \$4.6 billion on the back of a napkin in a motel room. And whoops, all of a sudden there is a \$9.1 billion surplus. Where did that mysteriously come from? How can Canadians have any respect for this institution when the government cannot count? It is either that, or it deliberately misleads the House and all of Canada.

The spending the government has taken on in the last number of years is criminal. In a time of fiscal restraint in order to balance the books, supposedly, how do the Liberals spend 44.3% of an increase in six years? What document did they present to the House that suggested we would do that?

Mr. Charles Hubbard (Miramichi, Lib.): Madam Speaker, I hope that the hon. member fully recognizes that the additional spending under Bill C-48 deals with surplus money that will be above \$2 billion. He spoke of who might be against this bill.

Over a million families are involved in post-secondary education. There are 600 or more native communities across the country. Nearly 60% of Canadians live in the large cities that need public transit. What constituency does he speak for when he talks about people being opposed to Bill C-48? What do his constituents think?

Mr. Daryl Kramp: Madam Speaker, I am happy to have the opportunity to clarify a point that I do consider rather important. Perhaps the member has not listened to me and another 30 of my colleagues tonight who have mentioned how important it is to spend wisely.

There is no doubt that there is not one member of the House who would not like to be able to walk up to every citizen in this country and ask, "What do you want? What are your needs? Here it is". That is what the hon. member is basically suggesting. Quite frankly we have to make tough decisions. Those decisions are how to spend the money wisely so all Canadians benefit and the government can deliver equitable arrangements.

The government promises \$4.6 billion or \$9 billion or \$2 billion and says it is not sure how it is going to spend the money or how much it is going to spend and it does not know whom it is going to spend it on. If we are going to spend \$900 million on transit or \$1.6 billion on homelessness, exactly how many spaces and where? In other words, should the government not come up with a plan to decide what it needs to spend the money on before it designates where the money is going to go? It is the same as giving candy to a baby and then asking if the baby would like it. In other words show me one municipality or one province that would not gladly take any money offered.

It is the same with the Prime Minister's commitment to solve health care: \$41 billion for a decade and our entire health care woes will be over. Liberals say the provinces will get the money some day,

well after the next election when the Liberals will not have to deliver on their promise. That \$41 billion worth of promises has not solved the health care dilemma. We have to identify what the problems are, put a cost to them and then allot the funds, not do it bass-ackwards which is what the member is suggesting.

● (2245)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Speaker, my question for my hon. colleague for whom I have great respect is quite simple.

The Liberals talk about a day care plan. I am quite confused about what their plan is because at one moment their spokesperson from Alberta said that they would spend more than the governing party. Then they said, "No, our plan is really to give money to families to look after their own children". Either way, it is a debatable point and we can have those discussions in the future.

As those members applaud themselves, which is good because no one else will, my challenge to the member is, exactly what is the plan? How much money would the Conservatives give each family for day care? How much money would the member propose to give each family?

Mr. Daryl Kramp: Madam Speaker, I can say what I would not do. What I would not do is sit here and listen to the minister suggest that he is going to put \$5 billion out for a child care program, but he does not know if that is the final number. It might be \$10 billion or \$12 billion. How long will that last for? The minister is basically saying, "Here is the money but I am not sure how we are going to spend it". Once again, it requires a very serious plan, a budget, an understanding of where we need to go and what we need to do.

I can assure the House that the Conservative plan is a balanced plan. It is a plan that recognizes the rights of parents to have a sense of direction and control, that the benefit to their children will be within their control and not simply at an institution over which they have no control.

Mr. Charlie Penson (Peace River, CPC): Madam Speaker, I am sorry to disappoint the members on the other side. They are not going to hear a speech that they have heard before, but it is going to be one that reminds them that there have been some strange twists and turns from the Prime Minister who has completed the cycle with Bill C-48. He has absolutely completed the cycle. His reputation is now in tatters.

He is the man who was the white knight as the finance minister who had this big reputation for balancing the books, although when we look at it closely we know what it was. It was balancing the books on the backs of the provinces and the municipalities, cutbacks in health care funding, cutbacks to the municipalities. That is how he balanced the books. Nonetheless he had this reputation as the big white knight. Where is his reputation these days? It is in tatters. In fact his reputation and his character are being called into question.

I brought over some reading material for this evening and I happened to look at Paul Wells' page.

Government Orders

I want to note, Madam Speaker, that we are hearing a lot of heckling from the other side but those members do not have the courage to get up. They are to embarrassed to get up and debate the bill. They can only resort to is heckling. I do not blame them for being embarrassed about this bill.

This shady deal with the NDP was done in a no-tell motel, and I am not sure who actually rented the room. Did Paul stay in the car and Jack rent the room, or was it the other way around? Basil Hargrove was in an adjoining room hollering through the door once in a while, giving advice, and Ralph was on a 1-900 tie-in from Regina. If I were the finance minister I would resign. I would be too embarrassed to continue on after that.

What did Paul Wells have to say about the Prime Minister? In *Macleans* the headline reads, "Behold the irrelevant Prime Minister". He stated:

And while the Prime Minister's expressive eyes sometimes betray exasperation at the failure of the world to see things the way he sees them, they show no hint of self-doubt as he strolls into each new minefield armed with the tool kit of a demagogue.

That is what it is. We saw it in the election campaign, demonizing, misrepresenting, and now the Prime Minister's reputation is completely in tatters.

Canadians are disappointed. I remind the House that only 18 months ago he was the finance minister, the man who had completed a successful campaign to push out a sitting prime minister. After 12 years he pushed out Mr. Chrétien and the big story was he was going to sweep the country with 250 seats. He was going to take seats in Alberta, including my riding, and seats all over the country. Fast forward to the election on June 28, and it was a minority government. He blew it. In his efforts to unseat Mr. Chrétien and in the election campaign, he exposed himself as a weak Prime Minister, a man who will do any deal to survive. That is not what Canadians expect. They want leadership.

With a minority government after a nasty campaign, what did he do? The first deal he did was in the throne speech. He had to do a deal with the opposition parties to have lower taxes for Canadians. It did not take long to get rid of that promise however, once he got through that crisis.

Then the budget was delivered on February 23. The finance minister stood in the House and said that it could not be tinkered with and could not be cherry-picked. All of a sudden, a month and a half later, look what happened. The finance minister really should resign because he has been put out to pasture. The Prime Minister has undermined his own finance minister. He basically did not even include him in the discussions that were going on, except for that 1-900 tie-in. The Prime Minister has undercut his own finance minister. When things really got tough, he did the deal with the NDP.

● (2250)

It is absolutely shameful. It is the kind of deal we saw in the sixties and it is even worse. The deal in the 1960s put us in massive debt. We are still paying \$35 billion a year interest charges as a result of that.

The deal with the NDP was not the end of it. Then the Prime Minister had to do the Kyoto amendment. Therefore, the budget implementation bill was a different bill than the budget itself. Then

all of a sudden there was the NDP deal, where he had to line up 19 members at \$240 million a member. That was the cost of that deal.

That was not enough. Then the Prime Minister had to do a deal with the member for Newmarket—Aurora, who was fast-tracked to the front of the line. I wonder about the backbenchers over there. Some people have waited a lot of years to be in cabinet. He has shown he will do any deal.

Contact was made with the member for Newton—North Delta. We have the tapes. We know exactly what was going on there. He was trying to purchase another member.

Fiscal responsibility? I do not think so. The Canadian Chamber of Commerce, the Association of Chief Executives, Don Drummond, the CFIB, the IMF and the OECD have all condemned the way the Prime Minister has operated. What did the *Economist* call him? It is disgraceful. Our international reputation is being besmirched because the Prime Minister will do anything to hang on to power.

This has shown me that we have a Prime Minister who is weak. He will do any deal to stay in power. He is desperate. He is clinging to power by his fingernails.

We have a \$4.6 billion deal with the NDP and what is next when the budget is over, when the Liberals finally get this passed? Will the NDP raise the price again? Another \$6 billion for the NDP? He is a weak Prime Minister. His character is being greatly destroyed in this whole process.

History will not judge the Prime Minister well. He has ruined his reputation in his desperation to hang on to power. It is shameful. Canadians are disappointed.

I was on the prebudget consultations across the country. My colleague from Portage was on that committee as well. We heard from hundreds of Canadians and organizations about what they wanted. Then we had the budget. The finance minister said nothing could be changed. Some of those priorities were in there. What happened? The Liberals did the deal with the NDP. What does that say to the people in those prebudget hearings? Should we even have them next year if this government is in power? It was a slap in the face to all those people who came to make representations in prebudget consultations. The Liberals are willing to do a deal with the NDP in a back room in a cheap motel. It is shameful.

I wonder how many people will come to the prebudget hearings next year when they know the government, because of its desperate needs, will do anything to hang on to power? What use is it to make a representation to the finance committee when the Liberals undercut it, the way they did with the NDP?

I do not think the NDP members deserve much better than what I am saying about the Prime Minister. This is shameful. That is not what Canadians elected them to do, to use blackmail, do this deal and keep the government in power. It cost \$240 million per NDP vote. That is what the cost has been.

Government Orders

I heard the Parliamentary Secretary to the Minister of Finance say earlier that Liberals members did not like what happened, but this was the cost of staying in power. If that is the cost of staying in power, surely they should have a bit of pride and say they are not willing to do any deal to hang on to power.

I would like the finance minister to explain why he is still finance minister, quite frankly. He should resign because he has been embarrassed by his own Prime Minister.

• (2255)

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Madam Speaker, there happens to be three of us in the House tonight who remember the last time we had a Conservative government and a Conservative budget. The member for Sudbury and the member for Hamilton Mountain are here. We sat through five years of Conservative budgets.

It is no wonder that the members opposite can get up and talk as they have tonight. They do not remember five years of budgets when we went deeper and deeper in debt, when programs got cut, when interest payments kept going up, when the Prime Minister of Canada, a man called Brian Mulroney, was in Washington and New York talking to Americans, telling them this country was going bankrupt. He was right. This country was on the verge of bankruptcy and only a Liberal finance minister, the current Prime Minister, saved it from bankruptcy.

The Conservatives over there and Canadians should remember what the last Conservative government did to our country.

Mr. Charlie Penson: Madam Speaker, this is ironic. The arrangement with the NDP-Liberal coalition today is the exact same thing that put this country on the road to ruin and caused the massive start of the deficit financing back in the 1960s under the last NDP-Liberal coalition. This is the same kind of coalition that grew the size of government.

In 1965 we had about the same level of government in Canada as in the United States. About 30% of our GDP was taken up by government. Then we had the Liberal-NDP coalition. What happened? The size of the United States government was 29%. The size of our government grew to 42%.

That is what happened. The government grew the size of useless government. The Liberals deficit financed under Pierre Trudeau and the Liberal coalition with David Lewis. That socialism was a runaway disaster and the Conservative government of the day was left to pay a massive amount of interest payments of over \$40 billion a year. No wonder the debt grew during the time to which the member is referring.

Then I recall coming here in 1993 when the Prime Minister, the then finance minister, continued to run up that debt. He did not stop it. He ran it up another \$85 billion. In fact, our current debt today is still not down to the level when he took power in 1993.

• (2300)

Mr. Brian Pallister (Portage—Lisgar, CPC): Madam Speaker, let us for a second consider the perspectives of other Canadians, in particular our friends in the journalistic community.

For example, here is one from the Sun Media, "Martin's Folly an Elaborate Hoax?"

This is the bill that political hucksters built, at worst an act of fiscal recklessness that should make even Liberals blush

Here is another. It is from that moderate financial evaluator and think tank, The Fraser Institute. It says:

By increasing government spending at unsustainable rates and expanding the public sector it seems clear that the federal government has not learned the painful lessons of the 1980s and 90s...

That is a good one.

Here is one more. This is from the *StarPhoenix* in Saskatoon. I think Saskatchewan used to have a couple of Liberal MPs. It says here. This is from Nancy Hughes Anthony, the President and CEO of the Canadian Chamber of Commerce. She says:

—we're squandering our resources—and putting in place multi-year commitments—while the demographics tell us that there are going to be fewer taxpayers to pay for all this, it just doesn't make any sense...I don't think it's sustainable.

I guess my question for my colleague from Peace River who has done a heck of a job on the finance committee and has been a wonderful member of Parliament is this. In the budget book it talks a lot about the demographics of Canada and its aging workforce and population. I think Japan may be the only other country in the world which faces a greater challenge with an aging population. Does he think this shows any foresight for our future as a country?

Mr. Charlie Penson: Madam Speaker, the government is really shrugging off its responsibility to Canadians. The member talks about our aging society and the change in the demographics. This type of irresponsible spending with no planning does not do the kind of service that we need to do for Canadians for planning into the future.

Ms. Helena Guergis (Simcoe—Grey, CPC): Madam Speaker, I am glad to have this opportunity to speak tonight and address the House on Bill C-48, the NDP budget. Certainly, that is exactly what it is.

Canadian people have never elected an NDP government and maybe there is a reason for that. In Ontario they did it once and people across the entire province of Ontario say they will never do it again. Why? Uncontrolled spending is a recipe for disaster. In fact, it brought Ontario to its knees. The Bob Rae government proved to Ontarians that the NDP way of taxing and spending was not the way to go. People are worried at this point that the same thing is happening at the federal level now.

Every weekend that I go back to my riding of Simcoe—Grey I hear this from someone. Last year during the federal election the Canadian people did not vote for an NDP government. There was no mandate given for dramatic spending increases. In fact, the irony today is the Liberals said that our spending commitments were not doable. Now they blew our spending projections out of the water. I am not surprised. Liberals have never seen a problem of which they did not think they could not spend their way out.

Government Orders

Who does not want more money for health care, education and the environment? In fact, these are Conservative priorities. Who does not want a better car, nicer clothes or a bigger house? It is fine to want those things, but who will pay for them? If one is from the left side of the spectrum, they will probably say “the government”, as if the government were some lifeless entity, a big public piggy bank that could be dipped into at will.

The government is not supposed to be like this. At least politicians are supposed to act with integrity and should try to govern with integrity. A government should represent its people and not the friends of the Liberal Party. A government has no money of its own, only the people do. All that it has to spend is our money.

Conservatives believe that if we want a higher standard of living, where there is better health care, a better house, whether we want our children to go to a better school or buy them better clothes, we should be trying to create more wealth, a more prosperous society, so we can afford the things we want in life. History shows us that every time the NDP props up a Liberal government, spending goes through the roof. The long term effects are eventually the economy will slow down and the interest rates will start to rise. It happened 20-plus years ago and now we see history repeating itself.

Here is a bit of background. The facts are absolutely astounding. Did the members know that Canadians have seen their real take home pay only increase by 3.6% over the past 15 years? For the average guy on the street who is earning \$35,000 a year, that works out to be \$1.60 a week. I do not know what I would do with all that cash.

However, it is important to point out that since 1996 and 1997, government revenues have soared by 40%. Therefore, we wonder why Canadians have been falling behind over the past 12 years. We wonder why take home pay does not seem to go as far as it used to. That is because higher spending is always followed by higher taxes. Why? Because spending without a plan is a recipe for disaster and that is what this budget proposes. There are a whole bunch of promises of new spending but it is awfully short on specifics.

Maybe I was a little unfair to the NDP a few moments ago. There are quite a few examples where the Liberals have cooked up a new spending program without a proper plan. How about the gun registry? They promised it would cost a few million and now it is close to \$2 billion. How about the HRDC boondoggle? There is another billion and still counting. The bureaucracy has no idea where that money has gone. Of course, there is the sponsorship scandal. Who knows how many millions that will be in the big black hole. Although again, maybe I have been a little unfair. As the testimony at the Gomery inquiry has clearly shown, the Liberals certainly had a plan for the sponsorship cash, and it was not Canadian priorities.

• (2305)

Who would have thought the former finance minister's own staff members would be on the receiving end of a cash under the table economy? However, as the whole world knows now, that is how the Liberals do business. They have been in power for so long that they have grown accustomed to spending taxpayer money without a second thought. It is like they have this sense of entitlement to the pocketbooks of ordinary Canadians.

How else can they explain the \$4.6 billion difference between Bill C-43 and Bill C-48?

After the finance minister introduced his budget and the NDP started making demands for more money, what did he say? He said:

You can't go on stripping away piece by piece by piece of the budget... You can't, after the fact, begin to cherry pick: 'We'll throw that out and we'll put that in, we'll stir this around and mix it all up again.' 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.

Do the members across the way remember all this?

What did the Prime Minister do a few weeks later when it looked like his government was going to fall? He started to cherry-pick and he picked pounds of cherries. He was willing to do anything to cling to power: toss out some corporate tax cuts, jack up spending by about \$5 billion, and voila, they had a new budget.

What does it say for the democratic process of our country when a finance minister goes through months of budget consultations with various stakeholders, speaking with experts, speaking to those who defend our social programs, deciding on what is best for the country, all of the stakeholders, and then his boss gets together with the leader of the NDP and after an hour in a hotel room somewhere in Toronto, he has a completely different budget and he expects us to support it?

All anyone needs to write a budget in Canada is a hotel room, a couple of napkins and a calculator. If that is all it takes, I think just about anybody can do a budget. In fact I know I would like a new pair of shoes, anybody else? What does that say about our country and about the state of affairs here in Canada?

The truth is that most Canadians do have to write a budget and, most important, they have to stick to it because if they do not they are on their own. They cannot raise taxes or increase their income by snapping their fingers, and they cannot borrow unlimited sums of money. However governments can and that is what the government will be doing shortly if it follows through on Bill C-48.

Let us remember what the finance minister said last April:

If you engage in that exercise, it is an absolute, sure formula for the creation of a deficit.

What makes this budget even worse is that there is no plan for spending all these billions. The Auditor General has raised some serious concerns about the ability of certain departments to deliver programs effectively, and it just so happens that the departments with which the Auditor General is concerned are the same departments the Liberals and the NDP want to give more money to in this bill. I have been raising this issue where the Department of International Cooperation is concerned.

The leader of the NDP stands and says that he has delivered more money for, fill in the blank, the environment, education, health care, which again, I remind members, are all Conservative priorities. However the leader of the NDP seems to be making promises with this money and is providing details but I am not exactly sure where he is getting these details from because they are nowhere to be found in the budget bill.

Government Orders

He says all of this, though, all the while knowing that none of it is true. He knows that there is not a specific plan for spending any of this money and he knows that the fine print says that the Liberals will only do it if there is a big enough surplus, and, goodness knows, we have no idea what the finances actually look like in this country.

He also knows that the Liberals play the shell game when it comes to projecting our surpluses. They could stash more billions in those foundations they set up, the same foundations that are not accountable to Parliament or the Auditor General, and we might never know anything about it. I think there is \$9 billion in these foundations so far. That is no way to run a country.

People live happier and more productive lives if they are able to fulfill their own destinies and their own targets. One of the biggest problems with Liberals is that they think they know how to spend my money and our money better than we do. The Liberals keep telling Canadians what their priorities are. They keep telling Canadians what they want instead of actually listening to what Canadian are telling them that they need.

We should allow Canadians to keep more of their hard-earned money. The goal of our party is that Canadians have the highest standard of living in the world.

● (2310)

If you want to find a job there should be lots of them and good paying ones. Our goal is that every region of Canada will be prosperous and self-sufficient. Conservatives want Canada to be the economic envy of the world. Every parent—

The Acting Speaker (Hon. Jean Augustine): I am sorry to interrupt the member but I would encourage the member in further speeches to please address the Chair.

[*Translation*]

The hon. member for Halton for a question or a comment.

[*English*]

Mr. Gary Carr (Halton, Lib.): Madam Speaker, it is amazing to hear the Conservatives talk about deficits when Brian Mulroney left a deficit of \$42 billion when he left the government. What the government said was that it was the fault of the previous government. They are blaming Sir John A. Macdonald and it was Wilfrid Laurier's fault.

The current Prime Minister, when he was minister of finance, did not blame the previous governments. He rolled up his sleeves, got down to business and we have had eight straight balanced budgets in the country. That is the first time it has happened since Confederation.

As the House knows, all of the G-7 countries, the United States, Britain, France, Germany, Italy and Japan, have deficits. Canada is the only G-7 country that has a balanced budget. When the member's Conservative government left in 1993, it took 36¢ on the dollar, not to pay for health care, good roads or anything else, but to pay the interest on the debt costs alone after Brian Mulroney's economic mismanagement of the country.

I know the members opposite in the Reform Party were upset with Brian Mulroney, which is why they started the Reform Party. I know most of the members over there are from the Reform Party but could

someone please tell me why the last Conservative government in the country left us with a \$42 billion debt? That record is a disgrace.

● (2315)

Ms. Helena Guergis: Madam Speaker, the member opposite seems to forget what Trudeau did for this country as well and it was not very positive. He left us in a very sad state of affairs.

I would like to point out for the member opposite that Mulroney was reduced to two seats. It was justified and rightfully so. However the Liberal government will be reduced to two seats as well. Because of its corrupt behaviour, Canadians will hold them to account as well.

Mr. Myron Thompson (Wild Rose, CPC): Madam Speaker, I have a very short question. I want the Liberals to be able to ask more questions because the member knows how to handle those people.

In regard to the agreement on Bill C-48, when the finance minister, Buzz Hargrove of the NDP, under the guidance of the higher finance minister, the leader of the NDP, this agreement was reached on the save our bacon napkin and I wonder if the member would agree with me.

I believe with all my heart that it is a good thing for the NDP that it has a big guy from Winnipeg who is in their caucus because it is going to take a big guy to pull the knife out when those guys double cross them. Does she believe that the NDP believe that this corrupt, dishonest bunch of bandits will really back up what they say?

Ms. Helena Guergis: Madam Speaker, to answer the hon. member's question, no I do not believe for a second that the Liberals will follow through on their promise because with the Liberals a promise made is always a promise broken.

If I could just go back to the other member's comments earlier talking about what has happened. They talk about having surplus year after year and balanced budgets. We look at the province of Ontario and all the provinces across the country that are all starving and begging for dollars to come back to their provinces. It is the trickle down effect. It comes down to the municipalities. In fact, there is not one municipality in riding of Simcoe—Grey that has not contemplated or raised taxes already because they are starving for dollars. This is the result of the federal Liberal government taking the money away from the provinces which in turn take it away from the municipalities.

Quite frankly, all the members over there should be ashamed of themselves.

Let us take a look at our health care system. The Liberals took out \$25 billion from the health care budget and now the Supreme Court ruling has proven what Conservatives have been saying all along. We knew this was going to happen and the Liberals completely ignored what we had to say and decided to start spewing out rhetoric suggesting that we were the ones who were encouraging it. The Liberals were encouraging a private health system all along. In fact, the Prime Minister goes to the most exclusive private health care clinic in the country. Can anyone believe it?

My constituents back in Simcoe—Grey are shocked and appalled. They cannot believe this. I am here to say that the Conservatives have the best plan for the country.

Government Orders

Mr. Rob Moore (Fundy Royal, CPC): Madam Speaker, it is a pleasure to be here tonight with my colleagues to debate this important measure that we have seen.

I think this goes to the root of what separates the Liberals and the Liberals' way of thinking from the Conservatives. What we have seen over the last several months is nothing short, in my opinion, of disgusting. We have seen a Prime Minister who is willing to sink to any depth to hold on to power, and this bill, I guess, is the most expensive example of what he is willing to do.

We all know that the Prime Minister has been referred to as Mr. Dithers. We all know that a Liberal promise made as of late has been a Liberal promise broken. We see a Prime Minister who, for one vote, is willing to send our troops into danger. We see a Prime Minister who is willing to go to any depth to bribe members to become a part of his caucus to sustain his party.

Having been here for a year now and having worked with my colleagues on this side of the House, my colleagues and I are here to make Canada a better place. We are here to represent our constituents. I believe there are probably some members on the other side who feel the same way. However what we have seen is that the Prime Minister is willing to do anything he can to hold on to power.

The one thing the Liberals have been unable to do over their entire term is to manage Canadians' money and to give an accurate accounting of taxpayer dollars. As I was saying, that goes to the root.

Conservatives believe that taxpayer money should be treated with respect. Liberals treat taxpayer money as if it were their own to do with as they like, such as spend it on their friends or further their own personal gains. However we believe, to the contrary, that taxpayer money should be treated with respect.

I want to speak a bit about the taxpayers in my riding of Fundy Royal. In my riding of Fundy Royal, individuals and families work very hard for their money. I mentioned the difference in philosophy between Liberals and Conservatives. We believe that Canadians know best how to spend their money.

I deal with people every day in my constituency who are struggling with student loans, who are struggling with health concerns and people who are perhaps working two jobs and struggling to make ends meet. We have farming families and families where maybe both parents are working or one parent is working two jobs or working night shifts to provide for their families. What did the Liberal budget offer them?

I want to remind members here of a couple of facts. First, when the Liberal budget, Bill C-43, was first proposed, the finance minister suggested that it was a tight budget, that there was no wiggle room, that it could not be amended and that to do so would be endangering the country's finances.

What did the Liberals offer in that budget? What did they offer by way of relief to some of the individuals I am talking about? I remind members that I believe and members on this side of the House believe that Canadians know better how to spend their own money than the Liberal government does. It has been proven time and time again.

• (2320)

We have heard references today to the millions of dollars worth of waste. We voted the other night on the gun registry. It is typical Liberal accounting and forecasting when Liberals try to sell a program to Canadians and declare it will cost \$2 million. We find out a few years later that it is only 1,000 times over budget.

The budget talked about the proposal from that side for institutionalized day care where all of our children would be raised by the minister and in his image, so that we have little cookie cutter kids with Liberal philosophies rather than parents being able to raise their children the way they see fit. The Liberals have a one size fits all, Big Brother knows best mentality, and the idea that Canadians can be bribed with some grand scheme. An illustration of a grand scheme is the \$5 billion which all the forecasters and experts in the field will tell us is a drop in the bucket and will not accomplish what the Liberals say it will. Nonetheless, that is what has been offered.

We were told there was no room for error in the budget, no room to amend. What did we offer hardworking Canadian families and individuals? We offered them a tax cut of \$16 a year. What type of impact is that going to have on the average Canadian's life? How is that going to benefit an individual Canadian?

It may perhaps pay for one cup of medium double-double coffee a month. That would be the only benefit to be gained by the Liberal tax cut. The government's method of helping Canadians is to, on one hand, start this grand program and, on the other, offer nothing by way of real relief to Canadian families.

What did the Liberals offer Canadian seniors? After five years those on old age security, individuals on a modest, fixed income were offered \$32 a month. A senior has to live another five years to get the full benefit of that. Of course, that was also indexed. Basically, Canadians, seniors, young people, students and farmers were offered nothing in the Liberal budget.

Then, as we know, the Liberals fell on hard times and they had to get into bed, so to speak, with their NDP counterparts. On one piece of paper they concocted this agreement, whereby we would spend an extra \$4.6 billion of Canadians' money.

We have to put that into perspective because that side loves to throw out these billion dollar figures as if they are nothing. They talk about \$1 billion the way some Canadians might talk about buying a package of gum. The amount of \$4.6 billion is approximately the entire annual budget of the province where I am from, the province of New Brunswick. That is what New Brunswick pays for all of its roads, health care, and everything that the provincial government provides. My provincial government and provincial governments across the country are strapped for cash. We know there is a fiscal imbalance. We know that municipalities are struggling to make ends meet.

We must remember the history of the finance minister. On one hand, he says there is no room to move and on the other hand, unbeknownst to him, this deal is signed for \$4.6 billion.

Government Orders

We must also remember that in the last election my party had an accurate fiscal forecast and told Canadians what we felt the surplus would be. The government, on the other hand, has had a record of always underestimating, deliberately I suggest, telling Canadians that there would be no surplus, so that there is a little money left at the end of the year to spread around to their friends and to buy their votes. Bill C-48 is doing exactly that. It is targeting the disadvantaged and Canadians coast to coast who are in need. They are waving this in front of them when they know there is a great possibility those people will see none of this money. The finance minister said \$1.9 billion would be the surplus. The actual surplus turned out to be \$9.1 billion.

• (2325)

Therefore, I think it is certainly time that we restore fiscal accountability. I will not be supporting this budget and I cannot see why anyone else would. It is irresponsible and misleading. The ones who have been misled the most are those who sit in that corner of the House. They are not going to see this money.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Speaker, I sometimes have to be amazed at what I hear in the House. The previous Conservative spokesperson talked about the NDP in Ontario. Yet she failed to mention the Conservative Government of Saskatchewan under Grant Divine who bankrupted the province and 17 of them went to jail. The member forgot to mention John Buchanan of Nova Scotia, another Conservative, who literally bankrupted the province of Nova Scotia.

She also forgot to mention that it was the Conservatives in the sixties who fought against public health care. It was Tommy Douglas, Stanley Knowles and the NDP who pushed the Liberals to bring us medicare that we are honoured to have in this country today. Now the Conservatives stand up and say they defend health care.

Then the member from New Brunswick said that we wanted to be fiscally responsible. However, I am rather confused because the Conservatives said they would honour every commitment the Liberal government has made and they would spend more. They said they would have money to give back to families for their day care plan.

The Conservatives say they are going to honour every commitment that these hated Liberals have made. I remind the member that half way through the budget speech of the finance minister their leader ran out to the cameras and said that this was a great budget and that he could support it. The Conservatives stood up today and voted for it. The member stood here and complained about everything in Bill C-43 and then stood up and voted for it, so he will have to live with that.

What is the Conservative Party's plan for day care? That party talks about a plan for day care, what is it? How many of the Liberal government commitments are the Conservatives going to honour and how much are they going to allocate per family for day care?

• (2330)

Mr. Rob Moore: Madam Speaker, it is funny that the member mentions day care. This national institutionalized day care program that the Liberals and the NDP are proposing is one that the Liberals have promised in every election.

Our party believes that parents are best equipped to raise their own children. Our party would provide funding to parents. They can make the important choices when it comes to child care, not some grand new bureaucracy that is only going to grow and grow, so we could produce little cookie-cutter kids as the Liberals would have us do.

We believe in individuality. We believe in supporting parents. We believe in supporting children. We would give directly to those parents so that they can make their choices. We would not tax them so much, so that at the end of the month there is nothing left. We would allow them to keep more of their hard earned money which is fair and equitable for all Canadians. We would not buy into the Liberal scheme.

Mr. Charles Hubbard (Miramichi, Lib.): Madam Speaker, the hon. member spoke about the need for helping students which is part of our program in Bill C-48. I also know that the member and his family are great supporters of foreign aid. Perhaps he could comment on that.

Back in April and early May we saw the party opposite, the Conservative Party of Canada, align with the Bloc trying to defeat our government. We had to look for friends. Perhaps he can tell the people of Canada and tell us in the House tonight why his party joined with the separatists of Quebec to try and force an election in the early spring? Why did his party do that?

Mr. Rob Moore: Madam Speaker, it is rather simple. The members opposite voted with the Bloc twice as many times as we have. We on this side of the House oppose corruption and that was illustrated by our vote.

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Madam Speaker, we are here tonight on this beautiful evening to debate a bill that is empty. It is empty on prudent fiscal guidelines, empty on good public policies, and most importantly, it is empty on much needed tax relief for Canadian families.

The Liberal-NDP budget contains no hope for Canadians and it contains no vision for our nation. Every day I receive calls from my constituents who are struggling to pay their bills, who are struggling to put aside money for their children's education, and who are struggling to save for their retirement.

The Conservative Party of Canada believes in policies that will enhance productivity, encourage economic growth, and build up our fiscal capacity for the next generation. We believe that every citizen in our great country should have the opportunity to live the Canadian dream. They should be able to attend a high quality post-secondary education institution. They should be able to find a good paying job and they should be able to start a family, buy a house and save for retirement.

However, they can only do that if the government does not tax too much or spend too much. Bill C-48 is a \$4.6 billion deal using taxpayers' money to keep a corrupt party afloat in government. All those left out of the original budget, fishermen and farmers, seniors and softwood lumber producers, remain left out of this new deal. They have been left out in favour of spending on idealistic priorities.

Government Orders

The nation's largest employers who create jobs and the hardworking Canadians who drive our economy have had the door slammed in their faces by the leader of the NDP and the Prime Minister. This budget pretends to address the child care needs in this country but falls short. Rather than seizing this opportunity to address the fiscal imbalance, the NDP-Liberal alliance has felt content to leave it be.

The finance minister warned that the opposition could spark a financial crisis by tampering further with the government's main money bill, Bill C-43. He said:

You can't go on stripping away piece by piece by piece of the budget. You can't, after the fact, begin to cherry pick: "We'll throw that out and we'll put that in, we'll stir this around and mix it all up again". 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.

And yet, it was his own government that decided to go on cherry-picking. Here we are debating whether or not, as our finance minister has told us, to head down the road toward a sure formula for the creation of a deficit.

The Conservative Party of Canada will do everything in its power to prevent us from going down that long dark road. The Conservative Party of Canada, although we found flaws with it, did not oppose the original budget. In fact, we passed a number of amendments that made it stronger. Our party was determined to act responsibly in this situation and make Parliament work for the benefit of Canadians.

For some reason the Prime Minister decided to exchange the support of 98 Conservative MPs on his budget for the lesser support of 19 NDP MPs on his new budget. That was his choice and his choice alone. The Conservative Party of Canada cannot accept this budget, this last ditch effort to save the Liberal government when it does so little to help Canadians.

Bill C-48 is a deal that was conceived behind closed doors with the federal finance minister nowhere to be seen. It is a bill that is heavy on the public purse but extremely light on transparency, details and fiscal prudence. This bill authorizes cabinet to design and implement programs under a vague policy framework and then allows cabinet to unilaterally disburse them as it sees fit. It has already been said that this plan places the cart before the horse and I could not agree more.

Canadians expect a higher standard than vague commitments and untold plans for their hard earned tax dollars. The Auditor General has raised some serious concerns about the ability of certain departments to deliver programs effectively, departments to which the Liberals want to give more money in this bill including Indian and Northern Affairs and the Canadian International Development Agency. In addition, the Auditor General's office is currently conducting an audit of the Government of Canada's climate change expenditures which will be released in 2006.

The Conservative Party of Canada recognizes that numerous Canadians are not receiving the level of assistance from the federal government that they should receive and deserve. This is a direct result of the Liberal approach to problem solving, throwing in money without an adequate plan. Throwing more money at the programs included in Bill C-48 would be unfair to our nation's

hardworking families. This bill should have included safeguards that would ensure that existing money is spent effectively and that new money is not wasted.

The notion of a Liberal-NDP slush fund of \$4.5 billion simply does not sit well with my constituents of Edmonton—Spruce Grove and I am certain that it does not sit well with Canadians from coast to coast.

● (2335)

The Conservative Party of Canada has long supported an independent budget office to ensure sound fiscal forecasting. With Bill C-48, the need for a sound fiscal forecast is more acute now than ever.

An immense \$4.5 billion spending spree now rests solely on a surplus that may or may not even exist. Everyone in the House knows that the government has an abysmal record when it comes to projecting the final results of our national balance sheet, and this type of fiscal arrangement is indeed dangerous to the nation's finances.

It is somewhat ironic that the bill violates the principle held by the NDP, as presented in its prebudget report, that Parliament should have an opportunity to decide on the allocation of any public surplus. Under Bill C-48, the allocation of any surplus in fiscal years 2005-06 and 2006-07 is partly defined.

Of additional concern is the fact that the bill does nothing to help out those in desperate need of tax relief. Canadians' real take-home pay has remained stagnant for 15 years and it must be spurred on. A Canadian who earns \$35,000 a year has seen his or her real take-home pay rise by only \$84 over the last 15 years. That is unacceptable. This new budget should have done something to address that.

A Conservative government would implement a program of smarter spending, responsible tax levels and productivity enhancing measures that create opportunity, prosperity and compassion.

Many of the areas addressed in the bill fall under provincial jurisdiction. Issues such as post-secondary tuition and low income housing fall almost completely under provincial jurisdiction.

In previous debates in the House, I have argued that the government has used the fiscal imbalance as a means to spend money in areas of provincial jurisdiction and set provincial priorities. Bill C-48, which addresses areas that fall largely under the jurisdiction of other orders of government, for instance, tuition, public transit and affordable housing to name a few, as well as the recent deals on child care, only serve to prove my point.

I would have hoped that a party such as the NDP, which recognizes the fiscal imbalance, would have spoken up for this in the bill.

Both the Liberal and the New Democratic Parties have claimed child care as one of their top priorities, yet the deals reached between the federal government and the provinces will not begin to scratch the surface of the child care needs in this country.

Government Orders

The Conservative Party of Canada has already promised to put money directly into the hands of parents so they can make their own child care choices. It is particularly disheartening to see that this Liberal-NDP budget does not go further to address the concerns of parents with regard to child care.

In the words of the member for Toronto—Danforth, the NDP leader, this new budget “substantially alters the 2005 budget to reflect the priorities of Canadians”. It is difficult to believe that the hon. member knows what the priorities of Canadians are, given that in the last federal election over 84% of Canadians did not support him, his party or his agenda.

What is not difficult to believe is that the bill substantially alters the budget originally tabled in this place. The alteration of the budget is an attempt by the NDP to extort an inordinate influence on the government's budget. Canadians are not impressed.

There is nothing in the new budget about tax relief for hard-working Canadian families. There is nothing in the new budget about support for farmers or those affected by the softwood lumber dispute. There is nothing in the new budget about child care or the fiscal imbalance. There is nothing in the new budget that will fuel our economic engine for future generations.

At committee, the Liberal-NDP-Bloc coalition rejected Conservative efforts to restore prudent fiscal management. This would have included real solutions for Canadians, such as matrimonial property rights for aboriginal women, and ensuring accountability and transparency.

At report stage, the Conservative Party has tried once again to move amendments to make the spending in Bill C-48 more accountable to Canadians and to reflect a more prudent fiscal approach.

The Conservative amendment to clause one would raise the amount of surplus that would be set aside for debt paydown. The interest saved as a result of additional federal debt paydown is needed to prevent cuts to social programs as a result of the impending demographic crunch.

The Conservative amendment to clause number two would force the government to table a plan by the end of each year outlining how it intends to spend the money in the bill. Spending without a plan is a recipe for waste and mismanagement.

With the stroke of a pen in a downtown hotel room, both the Prime Minister and the leader of the NDP have managed to set Canada on the wrong path. This path will lead us back to the dark days of economic turmoil. Even the once powerful Liberal finance minister has admitted this much to us.

This is a budget that no longer reflects the priorities and needs of Canadians. We cannot support it. Given the circumstances, that is the only responsible thing to do.

• (2340)

Mr. Andy Savoy (Tobique—Mactaquac, Lib.): Madam Speaker, I should note first that the hon. member talks about partnerships and the partnerships her party has. I would much rather our partnership with the party to my right, to build Canada, than a

partnership with the party to her party's left, which will tear Canada apart.

In terms of Bill C-48, we must look at partnerships and the partnership that party has formed versus our partnership. I will take our partnership any day of the year.

I find it quite ironic. Let us talk about the common sense in that famous common sense revolution, I believe it was called. My colleague did not mention the common sense revolution, which left us with a \$5.6 billion deficit in Ontario. That is a lot of common sense, is it not? It was passed on to the Liberal government of Ontario. Let us talk about 1996—

Some hon. members: Oh, oh!

• (2345)

The Acting Speaker (Hon. Jean Augustine): Order, please. We want to hear the question so we can hear the answer. The member for Tobique—Mactaquac has the floor.

Mr. Andy Savoy: Back in 1996, Madam Speaker, the party opposite, as the Reform Party, criticized us for making deep spending cuts, which we felt had to be done because of our inheritance of a \$43 billion deficit. We made those very deep cuts. What did the present Leader of the Opposition say at the time in the House? He said the cuts were not deep enough. Now they have the audacity to stand here and criticize us for what we did. They said the cuts were not deep enough. Now they are talking about spending more money than we are.

They are proposing to spend more money than we are. Based on our deal with the NDP, we are making agreements on all of our promises. What does not make sense there in terms of common sense? We cannot ask people to cut, then say we are going to spend more than they are, but then say that they are spending too much.

I would ask the member to resolve that in our minds and tell us what in fact they are making sense about in this whole conversation, this whole debate, when they say that they would in fact spend more than we would. I ask the member to please explain that to me.

Ms. Rona Ambrose: Madam Speaker, I am not sure if I can explain to the member what he is thinking or trying to express, but I would like to say to the hon. member that it would be nice if there were more common sense, particularly in this House in reference to fiscal prudence and fiscal management.

Sitting on the finance committee for the last number of months, I must say that one of the things that I enjoyed very much was going through the prebudget consultations and hearing the common sense approach presented by so many groups and organizations and individual Canadians who came before us.

One of the things I respect about Parliament is process and protocol and one of the things that bothers me most about Bill C-48 is that none of this was followed. It was a very undemocratic approach to doing any sort of fiscal management or planning. Canadians were not consulted. No organizations were consulted. None of the people who matter in this country, who pay for these programs, were consulted. That would have been a common sense place to start with this budget.

Government Orders

I do not think anyone on this side of the House would ever say that any of those programs are not important and should perhaps not receive more funding, but to do away with tax cuts and have no balance in this budget, and not to hear the priorities of Canadians in the way that we have set up prebudget consultations, unfortunately that is where there is no common sense.

Ms. Bev Oda (Durham, CPC): Madam Speaker, we have all been working very long and late hours and very hard on behalf of all Canadians. It is my privilege tonight to speak to Bill C-48, not only on behalf of all Canadians but particularly on behalf of those in my riding, the residents of Clarington, Uxbridge and Scugog.

It is important that the work of this House not only make promises to benefit Canadians but deliver on those promises. Tonight we are debating Bill C-48, a deal made to buy votes, a bill for up to \$4.6 billion of taxpayers' dollars.

The issues covered in Bill C-48 are important to Canadians: the environment, public transit, low cost housing and post-secondary school education. All of these issues are important to Canadians and they are also important to the Conservative Party of Canada, but decades of neglect in these areas have created a resource challenge.

Since 1997 the government has repeatedly underestimated surpluses and accumulated \$63 billion of surplus. Meanwhile, provinces and municipalities were struggling.

I ran in the last election to join many others at every level of government; provincial, municipal and federal, to work for the people in their ridings. I came to this House wanting to work in partnership with every level of government and with every person in this House.

However, as a consequence of over a decade of starving the provinces and, consequently, the municipalities, currently we have situations where there is a fiscal imbalance between levels of government. There is a mismatch between revenue raising capabilities and the responsibilities posed to the provinces and the municipalities.

The municipal level is responsible for basic services that the people want and need, such as housing, transit and social services. Yet this federal government continues to be rich, rich in surpluses, while our cities and municipalities continue to be poor.

When I spoke to the budget in April, I said, "It is imperative that all Canadians have a clear picture of the budget and how the government plans to implement the budget and its promises". But Bill C-48 gives us no details, no plans, no programs and no accountability as to how \$4.5 billion will be spent, \$4.5 billion not of the Liberals' money, not of the Conservatives' money, not of any party's money, but the money of the people who pay their taxes.

In committee, the Conservatives tried to put forward amendments that would ask the government to table a plan at the end of every year to report on how that money would be spent. The Conservatives also posed an amendment to ask for accountability and transparency mechanisms. The government would not support these two simple amendments.

These people, my riding, my voters, want to ask this government, what is wrong with filing a plan? What is wrong with accountability

and transparency mechanisms? Why could the government not support these amendments? Why will the government not ensure that it will indicate with clear commitments that it will deliver on the promises inherent in Bill C-48?

Why not? Because this budget, this bill, is only an enabling legislation. It is a contingent budget. As the parliamentary secretary to the minister said only a matter of mere hours ago, this is an "enabling" budget, an enabling piece of legislation. It is not "mandatory" spending.

● (2350)

I want to point out to everyone in Canada that the minister and the government have clearly articulated that this is not mandatory. How do we know this money is going to come forward to address these important issues for all Canadians?

This budget is a contingent budget. It is contingent on surpluses. It is contingent on ensuring that there will be programs developed, that there will be a plan put in place and merely enabling what? It enables one minister to spend \$4.6 billion with no accountability, no timetable, no priorities to be established.

This is only a bill which was part of a deal to buy votes, and this is not good enough for the people in the riding of Durham.

In the riding of Durham, we enjoy a quality of life. We have mixed urban and rural communities. We have some of the best agricultural land in Ontario. It is made up of small towns, villages and hamlets. They want to ensure that this quality of life will not only be maintained and returned to what they enjoyed a decade ago, but they want security in jobs. They want security in their livelihoods. They also want the government to represent them with the values and the integrity that they live by in their daily lives. They want health, safety, education and security not only for the young children, the youth and the adults, but also for those in retirement.

The people in my riding, the families and the citizens of Durham are a community of values and principles. They insist on integrity within their own families, within their community and from their community leaders and from their governments. If we do not maintain a level of integrity in government, what are we leaving for the next generation?

These issues are important. It is not good enough to deceive. It is not good enough to just promise. We must deliver on whatever promises we make.

We want to make sure that we can continue to live in Durham and enjoy the environment, enjoy good quality housing, transit and education, not in the short term but over the long term.

On education for the long term, we have a commitment here for education for two years. What about those who will graduate from high school three years from now, four years from now, five years from now, and six years from now? Why do they not deserve some consideration in lower tuition? Why will the government not make an ongoing commitment to support those youth who will be graduating and possibly going to the newest university in the province of Ontario that is in the region of Durham, the University of Ontario Institute of Technology?

Government Orders

The people in my riding also want to ensure that we take care of the environment. Part of that is ensuring that we try to encourage as much use of public transit as possible, but not only for two years. An ongoing commitment must be made for transit. A two year commitment is not good enough. Where are the dollars for after two years?

If the region in my riding which is now considering regional transportation undertakes to buy those efficient buses, et cetera, hire the drivers, increase the public transit service in my riding, what happens after two years? Where are the dollars to keep those buses and those drivers operating? How are we going to keep paying those drivers? A two year public transit program is not good enough.

On infrastructure, I have watched it and I have seen it over the last decade. Infrastructure deteriorates. What happens after two years? Where are the dollars to maintain those roads? We see right now the state of our infrastructure because of a decade of neglect.

We have to make sure that low income housing is there, not just a program to energy retrofit low income housing. What is energy retrofiting? How many new houses and rental units will that provide?

This bill lacks so much in detail. Where will the dollars go? How will they be delivered? How much will come to my municipality, to every citizen, to every bus rider, to the people who have to now depend on a family member to drive the elderly and the disabled to the hospital, which is 60 kilometres away?

• (2355)

We want real service provision. We want dollars, a commitment to real infrastructure improvements. We want to make sure that the municipalities all share equally in the \$4.6 billion that is in Bill C-48. We do not want a short term deal. We want a long term commitment.

Mr. Gary Carr (Halton, Lib.): Madam Speaker, I have listened all night to the members opposite, waiting to hear if there is anything specific coming up but there has not been. There are two reasons that I think people in Ontario are not supporting the Conservative Party and in fact in most polls that party is in third place.

The first reason is that people realize it is nothing more than the old Reform Party. That party tried to change its name. The Reform Party became the Conservative-Reform-Alliance Party and then became the Alliance Party. That party has had more name changes than someone who has been in the witness protection program. Those members tried to change their party's name and everybody realized the leader was the guy that was part of the Reform Party. He was the president of the National Citizens Coalition, the most right-wing group in this country.

I was listening for anything specific from that party. When it says tax cuts, does it mean 50¢? Is it \$50? Is it \$1 billion? It is not specific.

I watched the member in the first part of her debate contradict herself. She said not to spend money and then spent the second half of her debate telling the government to spend more money in her riding in specific areas. I say to the member that she cannot have it both ways. People are cynical. They look at the member's party and say it is nothing more than the Reform Party, a typical opposition

party. She says not to spend money and then people see her spend money.

I believe that is the reason that party has failed the people in Ontario, particularly in my area. That is why they will never vote for those people to form a government, because those members do not know what they are doing.

• (2400)

Ms. Bev Oda: Madam Speaker, I find it very interesting that that particular member would pose the questions and make the comments that he did, but I will say this. The first part of my career may be in opposition but the second part of my career will be in government, unlike that member.

He asked for specifics and I will give him one specific as an example in the Bill C-48 budget agreement signed between the Liberals and the NDP. The government has been promising low income housing. Low income housing means there should be the potential for people with lower incomes to move into a home, but this agreement talks about the "energy efficiency retrofit program for low income housing". The existing low income housing is going to be retrofitted to be more efficient. Consequently, how many new rental units will there be? This is typical of the deception and misleading that the government does time and time again. That is a specific example. I challenge any Canadian to get a copy of the actual deal that was signed and read the details.

The member asked a question and knows that when one is in power one does not change parties in order to stay in power.

Mr. Dave MacKenzie (Oxford, CPC): Madam Speaker, I wonder if the member for Durham would recognize the member opposite from the riding of Halton.

As a member of the common sense revolution under Mike Harris, the party that came to power in Ontario to clean up the mess left behind by the NDP and the Liberals, and a member who was in that party for some time, he points his finger at members on this side belonging to other parties. I wonder if she would recall him as one of those.

Ms. Bev Oda: Madam Speaker, it will not take me long to say that the only political party I belonged to before joining the Conservative Party of Canada was the provincial Progressive Conservative Party, the same party that that member belonged to.

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Madam Speaker, we speak regularly on this side of the House, and quite rightly, about Liberal corruption, Liberal theft, Liberal fraud. We have to repeat ourselves often because that is often the only discussion item generated from that side of the House.

This evening I am going to venture into some different territory. I am going to talk about the fundamental difference in philosophy that divides this side of the House from that side, that separates Conservatives, who believe in freedom, from the NDP-Liberal coalition, a coalition of corruption and socialism. I am going to give a few examples to illustrate this point. By the time I am through members will be convinced beyond any shadow of a doubt that our party represents a vision of freedom that all citizens of the country can embrace.

I am going to start by talking about economic policy. Across the way there is a party that takes dollars out of the pockets of assembly line workers and reallocates them into the pockets of high priced CEOs and blue chip billionaires. That is the social justice they talk about over there.

What did they do recently? It did not get widely reported. They sort of went under the radar screen. They took a quarter of a billion dollars, \$250 million. That number rings a bell. Everyone thinks I am about to talk about the quarter of a billion dollars of Liberal theft in the sponsorship program.

Mr. Daryl Kramp: There's more?

Mr. Pierre Poilievre: It's worse.

This time they gave, this is the anti-American Liberal Party, a quarter of a billion dollar loan to a nearly bankrupt American airline company. They gave nearly a quarter of a billion dollar loan to—

• (2405)

Hon. Maria Minna: Madam Speaker, I rise on a point of order. The hon. member has repeatedly used the word “theft”. That is totally unparliamentary language and I want the hon. member to withdraw it.

Madam Speaker, I think you should make some rules in the House. It is unparliamentary language. It is not true. I would ask him to say that out of this chamber.

Madam Speaker, would you please tell the hon. member to use parliamentary language in this chamber.

The Acting Speaker (Hon. Jean Augustine): Order. I think that most of us know the rules of the House. When the Speaker is standing, I would ask that members sit.

To the member for Beaches—East York, it is not a point of order since there was no individual so named. He was speaking in generalities, but I also caution the member that he should not get too close to the line.

Mr. Pierre Poilievre: Madam Speaker, I will draw my line in the sand. In fact, I will make a deal with this group of Liberals. I will stop calling them thieves when they stop stealing. That party has a record of corruption—

Ms. Bonnie Brown: Madam Speaker, once again the member in his young arrogance insists in assigning guilt for what is a crime in this country, that is theft and thievery, not just to a particular member over here but he actually used the word “they”, while pointing to us

on this side of the House. I find it most offensive and it will not win him any points either with his colleagues in the House or with Canadians.

• (2410)

The Acting Speaker (Hon. Jean Augustine): That is not a point of order but it is something that all of us could keep in mind.

Mr. Pierre Poilievre: Madam Speaker, I must really be on a roll if they are trying to interrupt me constantly.

I am going to get right to the heart of the matter. This is a quarter billion dollar interest free loan to a nearly bankrupt American airline company, Delta. The Liberals gave a quarter billion dollar loan to Delta Airlines in exchange for a promise that it would purchase Bombardier jets. That is what they consider sound economic management.

On this side of the House we would take those dollars and use them to reduce taxes for the employers of the country. We would allow small businesses, the hard-working people like those who own the Kelly's Landing pub on Manotick's Main Street. That is a darn good place and they earn their money in the pub at Kelly's Landing. We would give it to The Swan which is another fine establishment in the heart of my constituency, on River Road. We would allow those dollars—

ADJOURNMENT PROCEEDINGS

[English]

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

The Acting Speaker (Hon. Jean Augustine): The hon. member for Simcoe—Grey not being present to raise the matter for which adjournment notice has been given, the notice is deemed withdrawn.

The hon. member for Cumberland—Colchester—Musquodoboit Valley not being present to raise the matter for which adjournment notice has been given, the notice is deemed withdrawn.

The motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until later this day at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 12:12 a.m.)

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