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OFFICIAL REPORT
(HANSARD)

Thursday, February 14, 2008

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, February 14, 2008

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[*English*]

SUPPLEMENTARY ESTIMATES (B), 2007–08

A message from Her Excellency the Governor General transmitting supplementary estimates (B) for the financial year ending March 31, 2008, was presented by the President of the Treasury Board and read by the Speaker to the House.

Hon. Vic Toews (President of the Treasury Board, CPC): Mr. Speaker, I have a copy of the supplementary estimates and a copy of the vote allocations for the House.

* * *

TRADE AGREEMENTS

Hon. David Emerson (Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, under section 32(2) of the Standing Orders of the House of Commons, I have the pleasure to table, in both official languages, four agreements entitled “Free Trade Agreement between Canada and the States of the European Free Trade Association (Iceland, Liechtenstein, Norway and Switzerland)”, “Agreement on Agriculture between Canada and the Kingdom of Norway”, “Agreement on Agriculture between Canada and the Republic of Iceland”, and “Agreement on Agriculture between Canada and the Swiss Confederation”.

I had the pleasure of signing these agreements on behalf of Canada last January 26, in Davos, Switzerland.

Taken together, they make up Canada's first free trade agreement in over five years and our first free trade agreement with European countries.

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INTERPARLIAMENTARY DELEGATIONS

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, pursuant to Standing Order 34(1), I have the honour to present, in both official languages, the following report of the Canadian delegation of the

Canada-U.S. Interparliamentary Group, respecting its participation at the 60th annual meeting of the Council of State Governments-WEST held at Jackson Hole, Wyoming, September 16-19, 2007.

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COMMITTEES OF THE HOUSE

CITIZENSHIP AND IMMIGRATION

Mr. Norman Doyle (St. John's East, CPC): Mr. Speaker, I have the honour to present, in both official languages, the fourth and fifth reports of the Standing Committee on Citizenship and Immigration.

The fourth report deals with Bill C-37, An Act to amend the Citizenship Act, including amendments.

The fifth report deals with the future House consideration of Bill C-37, An Act to amend the Citizenship Act.

I want to commend all members of our committee for their cooperation in putting this bill through committee with very minor amendments.

* * *

INTERNET CHILD PORNOGRAPHY PREVENTION ACT

Hon. Karen Redman (Kitchener Centre, Lib.) moved for leave to introduce Bill C-506, An Act to prevent the use of the Internet to distribute pornographic material involving children.

She said: Mr. Speaker, the Internet is not a safe place for children. In Ontario, this week alone, we saw 23 arrests of users, distributors and producers of child pornography. There is nothing more horrific than the crimes that involve children and that are committed against children.

In spite of the best efforts by police forces, this problem of child pornography is getting worse.

As legislators, we have the responsibility to do everything we can to stop the use of the Internet to distribute child pornography. The legislation which I table today would make Internet service providers more responsible for the content that is being transmitted to their customers.

Routine Proceedings

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

* * *

•(1010)

[*Translation*]

COMMITTEES OF THE HOUSE

FISHERIES AND OCEANS

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, I move that the second report of the Standing Committee on Fisheries and Oceans, presented on Wednesday, December 12, 2007, be concurred in.

I am—

The Speaker: I regret to interrupt the member for Gaspésie—Îles-de-la-Madeleine. The Parliamentary Secretary to the Leader of the Government in the House of Commons on a point of order.

[*English*]

Mr. Tom Lukiwski: Mr. Speaker, I do not want to interrupt my esteemed colleague, but I know that you would want to hear this point of order since I believe that you had advised the House you wanted to make a ruling on a previous point of order introduced a few days ago by my colleague from Vancouver East.

The Speaker: I do not mean to be disrespectful to the parliamentary secretary, but we have embarked on a debate on a motion and his point of order does not concern this debate. Can he do it later?

I will defer the decision, of course, knowing he is interested in making submissions on this matter. If it could be done later, I would be more than happy to wait and hear him later this day.

Mr. Tom Lukiwski: Mr. Speaker, in the spirit of cooperation and advice on this matter, I would gladly submit my point of order at a later time today.

Hon. Ralph Goodale: How much later?

The Speaker: At least no later than three o'clock.

We will hear from the parliamentary secretary then and I will be more than happy to accommodate him. Since the member was starting a speech on a motion, it is better to proceed with the debate currently before the House since the point of order does not concern this debate.

[*Translation*]

I will now turn the floor over to the member for Gaspésie—Îles-de-la-Madeleine.

Mr. Raynald Blais: Mr. Speaker, I think members will agree that it would be bordering on rude and untimely for the government to stall the debate we will be holding in the next few minutes and hours, since this issue is of exceptional importance to the fisheries.

When we talk about fishing, it is true that we are talking about resources, fishermen, businesses and people who work in this field. But it is the small craft harbours, the infrastructures and the wharves that hold everything together. In fact, the wharves are absolutely essential to the fisheries. We recently discussed this in the Standing Committee on Fisheries and Oceans, and we tabled a preliminary

report before the holidays, aimed at influencing the budget that will be presented on February 26.

The situation is more than urgent; it has become scandalous. To give you an idea, I would say that we are at the point of wondering whether the wharf is attached to the boat or the boat is attached to the wharf. If we are wondering that, then the situation must be very serious. It just goes to show the state of our infrastructure in Canada and in the regions I represent, the Gaspé and the Magdalen Islands. We know very well that there is a lot of fishing in these areas, and for some parts of those regions, fishing accounts for a significant number of jobs.

For example, in the Magdalen Islands, six out of 10 jobs are in the fishery. In the Gaspé, it is three out of 10. Along the lower North Shore, it is eight out of 10. That shows how important this is. It is clear that this issue is of fundamental importance to each of these communities, be they in the Maritimes, in the west, in British Columbia, or even in northern Quebec or Nunavut. We know that many coastal communities have the same basic need for adequate infrastructure: transportation infrastructure, infrastructure that can help them access high-speed Internet, infrastructure that enables them to watch us and hear what we are talking about today. They also need infrastructure such as small craft harbours and wharves. If there are no wharves, there can be no fishing, and if there is no fishing, there are no jobs.

Over the past few weeks, I had the opportunity to tour maritime Quebec. I went to the North Shore, the lower North Shore, the lower St. Lawrence, the Gaspé, and the Magdalen Islands. The tour ended with the annual convention of the Quebec Fish Processors Association in Quebec City. At the convention, it was clear that for some communities, fishing grounds represent borders that protect access to a resource. The people of Newfoundland have a protected fishing territory along the west and north coasts, all around the islands. Quebec has the same. That is why the people of the lower North Shore should be treated fairly, but they are not being treated fairly.

I had the opportunity to witness first-hand the terrible state of their infrastructure. It is scandalous and shameful, particularly given that the government records budget surpluses of around \$11 billion to \$13 billion in good years and bad. That is \$11 thousand million, \$13 thousand million. That is the reality of the situation. The government over there must do something. This is not about agreeing to a request. This is about being a good and responsible manager.

•(1015)

The Department of Fisheries and Oceans is responsible for the fisheries and the infrastructure and, therefore, it must help. It has a duty to provide good quality facilities in good working order to the people who live off the fishery and who need them.

Routine Proceedings

This report was tabled in the House of Commons in mid-December. It says the situation has reached such scandalous proportions that the cost of rehabilitating the wharves that are considered essential has risen from about \$400 million in 2004 to at least \$600 million now. This shows that the government is not meeting its responsibilities. When a roof starts to leak and nobody repairs it, eventually it will collapse. That is exactly what is happening here.

There are many other aspects to this as well, including the people who do volunteer work. The Department of Fisheries and Oceans has an annual budget for small craft harbours of about \$100 million and another 25% of this—or \$25 million—is provided by volunteers. There are harbour authorities in most communities and the volunteer board members do a very careful, responsible job of taking care of the facilities. They enable the government to save \$25 million.

What do they get in return? They do not get the recognition they deserve. That is why a significant amount needs to be invested right away on February 26. The volunteers in these harbour authorities are not only frustrated and sickened by the situation but worn out as well. Ultimately, they bear the brunt of the Department of Fisheries and Oceans' disinterest and lack of action. They are on the receiving end of the frustration expressed by the main users. In addition, these volunteer members of harbour authorities are also users themselves. They donate their time and sometimes even their money to help their communities help themselves and do what needs to be done.

Unfortunately, the government's response so far has been so inadequate that the people in some harbour authorities, such as the one in L'Étang-du-Nord on the Magdalen Islands, are so disgusted they think it does not make sense any more and are thinking of quitting—and they are not the only ones. That is the reality. When a director of a corporation called the Administration portuaire du havre de pêche de l'Étang-du-Nord feels forced to sound the alarm and threaten to quit and just give up because he does not have the necessary support, it is both a cry of alarm and a heartfelt sob. That is why the government must respond.

I know that when the committee travelled to the region, we were able to see for ourselves. Sadly, we are forced to raise this issue year after year, just as we have to keep talking about the shrimp crisis in Quebec. People are being held hostage. Negotiations between processors and fishers are at an impasse. The plant workers are being held hostage. They never know from one year to the next whether they will have a job, when they will have work or whether they will be forced to take to the streets and demonstrate to get what they want. There is that as well.

These are the sorts of situations we see everywhere, and they are the result of the policy of inaction and the *laissez-faire* approach of the Department of Fisheries and Oceans. That is why the department needs to be shaken up. It must recognize that action is urgently needed, especially on the issue of small craft harbours. If no action is taken, then like that leaky roof that has not been repaired, everything will eventually collapse. And that has happened. In Saint-Georges-de-Malbaie, for example, there was a beautiful wharf that, over time, was allowed to deteriorate from wave action. Finally, when the situation became critical, a solution was found in the form of pontoons used for mooring.

● (1020)

Things reached a point where, last year, these people had no infrastructure. They finally had to go with mooring floats, thanks to eleventh-hour assistance from Quebec City. It is being called a temporary solution. It is not permanent. This is no way to treat people who depend on a resource for their livelihood and are proud and happy to be able to do so, who have done so for generations and who are now wondering whether they have a future in fishing. The question has come up.

The question has come up so often that other questions come to mind as well, and I am saying this in a non-partisan way. Even before I got into politics, I realized that sovereignty would benefit Quebec when it came to issues such as fisheries. The federal government has responsibility for fisheries, but the situation is in total disarray.

Who arbitrates when Quebec and New Brunswick fight over herring in Chaleur Bay, when Quebec and Newfoundland have a dispute over halibut or cod, or when Prince Edward Island has a conflict with New Brunswick or Nova Scotia? The federal government. But things are deteriorating, because the federal government is looking at the situation with the eyes of an administrator or manager who is not necessarily kindly disposed toward Quebec.

Furthermore, the small craft harbour situation is getting worse. These people deserve better than what they are getting now.

Over the past few months, we have had the opportunity to meet with representatives from port authorities such as the Etang-du-Nord group and others. Furthermore, in my riding I personally meet with people from port authority after port authority and I can tell they are simply at the end of their rope. Not only do they want to be recognized for what they are doing, although everyone can see it, but that recognition needs to come with some concrete action, namely money.

It is as simple as that. It is not a matter of having money for the sake of it. We are not talking about helping the oil companies make more profits, so that Exxon and Exxon Mobil, who are making \$100 million in profits a day, can say there is a catastrophe and that next year they want to make \$150 million a day. That is not the issue.

The issue is about communities at the end of their rope trying to hang on to what they have paid so dearly for, realizing that their infrastructure is disappearing with the wind, the tides and the waves.

As I have said to many people and as people have said to me, a village's wharf is its heart and soul. If we must, we can always replace the heart, we can always mend it or put something else in its place, but when a soul is lost it is lost forever. The same is true of the wharf, since it is the soul of the village. I know very well that many of my colleagues know exactly what I am talking about.

Routine Proceedings

Nonetheless, people throughout Quebec and the Maritimes are sending us a message of despair. They are in a situation that requires concerted action. This situation requires massive funding.

As I was saying, \$100 million is invested in this every year and we see the situation deteriorate year after year. We went from needing \$400 million to needing \$600 000 million or more. This shows how far things have gone. That is why money needs to be invested there. We are talking about investment, not spending. We are talking about investment in the present and in the future.

• (1025)

Just imagine the positive message people receive when we listen to them, understand them, when we act and try to get things moving in the House of Commons, so that there is some actual forward movement by the government on this file. Now and in the future, it is important that what is done be more than just vigorous and on a large scale, that it respond to needs. And the needs are enormous. As I said, it is more than a question of infrastructure. It is not about a stretch of road that is missing somewhere and can be otherwise repaired. If there is no wharf, there is no unloading; if there is no unloading, there is no fishery; and if there is no fishery, there are no economic spinoffs. At the same time, we are losing an important aspect of our history and heritage.

I am talking about fishing in the context of wharves, but a wharf is more than just a fishing infrastructure. It is also a gathering place. People who live in communities like mine or who have had the opportunity to visit one know that wharves can also serve other purposes, commercial ones, for instance, as is the case in Anse-à-Beaufils. Ferry operators run the ferries that shuttle between Percé and Bonaventure Island, passing by Rocher Percé. Those people need an infrastructure to be able to berth. To some degree, they have such an infrastructure in Anse-à-Beaufils and Percé. They have that need. Thus, they can be used for commercial purposes, for tourism and also for pleasure.

It is therefore a relatively complex set of functions affecting various activities. A wharf in a community may revive the town and give it hope for the future. Obviously the wharf itself must be in good condition. If an institution, an infrastructure, a house, a restaurant or some other facility is deteriorating day after day, people will say we have to let it go, it is not worth it. People might even think that it should be demolished.

Is this the Conservative philosophy, or ideology, that explains its failure to do anything about small craft harbours? The answer is self-evident. I would like to think it is not, because that would be an affront to the community. It is an affront to people for whom good quality infrastructure is essential. We must not end up with people like those in Étang-du-Nord or elsewhere saying that the only solution is to let it go. Neither I nor the party I represent, nor the people who care about this situation, have any intention of giving up and abandoning these communities when they urgently need this infrastructure. That is why it is important to keep raising this question, day after day, session after session.

The positive side of all this, given how we have taken up this battle in recent months and years, is that we are starting to see some recognition of the situation. I recall that the first few times I talked about small craft harbours at the Department of Fisheries and Oceans

I was told that the universe was unfolding as it should. This was paradise, or close to. In other words, no one saw the problems. Today, the problems are being recognized. In order for that recognition to be genuine, responsible and complete, there must be action to go with it. Ultimately, that action consists of the preliminary report submitted by the Standing Committee on Fisheries and Oceans. That committee examined the subject for several months, and in fact for several years. The members came to the conclusion that action was required, in the form of massive investment in small craft harbours. There is no other way. To say otherwise is to lull the population and is disrespectful to the people in these communities.

• (1030)

I repeat: it is disrespectful to the people in these communities; it is disrespectful to their entire history; and it is also disrespectful to the future that that history may hold.

[*English*]

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I thank my colleague from the Bloc for raising this very important issue in the House. I come from a community that has a number of small craft harbours, many of which have been divested.

As we talk about the importance of these harbours in our communities, I would like the member to comment on the fact that in many of our communities, in places such as Maple Bay, Chemainus, Ladysmith and Mill Bay, these small craft harbours actually provide the link to some of the other islands. These harbours are the only places where people can dock their boats and get access to some of the smaller islands that do not have access to ferries and other means of transport.

I wonder if the member could comment on the fact that in some of our communities these small craft harbours are an essential transportation link. They must be maintained and it must be a federal government responsibility.

[*Translation*]

Mr. Raynald Blais: Mr. Speaker, I thank my colleague for her question. I will go into more detail.

Wharves can represent an intermediate point between two destinations. It is true that they do not spring up by magic; they are not mushrooms. At some point, communities needed them. Some needs may have been much greater than they are today because of a type of fishery that was popular. At the same time, these wharves could be used to revitalize a transportation network consisting of fishing boats, commercial vessels, transport vessels, pleasure craft and other types of vessels. It would be a transportation network.

Routine Proceedings

I would like to go into more detail about another aspect, and that is security. Infrastructure in certain locations—as I said earlier, they do not spring up by magic—could be used for protection during storms, which can arise unexpectedly. Given the ongoing climate changes, not only would a wharf located in a certain location be used for transportation, it would also serve in dealing with a situation where safety was at issue, perhaps a life or death situation.

Let us imagine that someone in a boat was faced with some kind of emergency situation—maybe something was wrong with the boat, there was trouble at sea, it was taking on water or any such thing—and the wharves had disappeared over time because they had not been maintained. If we and our successors are not responsible managers—for our predecessors were not—we will be responsible for these deaths. I do not wish to be dramatic, but that is the point we are at.

I am thinking of the wharf at Pointe-aux-Loups, in the Magdalen Islands. It is used possibly by only a few fishermen; however, it has a strategic geographical location. That is why a wharf can actually be much more than just part of a transportation network. I acknowledge, based on what my colleague just mentioned, that that would definitely allow us to have transshipment infrastructure, but it is also a good thing in terms of security.

● (1035)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I have a question about the study.

The member talked a little about the effects of climate change. The government has a lot of problems with that concept, and with the plan we need to counter those effects, of course. We know that on the west coast, in the Queen Charlotte Islands, there are now a lot of problems related to climate change, such as changes in sea level. What will happen 10 or 20 years from now?

My question is simple. Does the minister have an arsenal of action plans to address the future realities of climate change?

Mr. Raynald Blais: Mr. Speaker, I would like to thank my colleague for his question. In fact, I was able to understand it 100%, even 150%, because he spoke in French. I appreciate that.

The climate change file has become much more important to the harbour file than it was before. Waves and tides cause wear over time, but climate change is causing sea levels to rise. Fall and winter storms are now much worse than they used to be, and that affects infrastructure.

I do not remember the exact date, but a few years ago, senior departmental officials appeared before the Standing Committee on Fisheries and Oceans. I asked them if they had analyzed the impact of climate change on small craft harbour infrastructure. Their response was as disappointing as the current Conservative government's compliance with the Kyoto accord. The Conservative government is being just as irresponsible about the Kyoto accord as it is about climate change. That is why some of the recommendations address this issue. We will come back to this subject often. We will fight this fight every day. We have to have a better understanding of climate change because it certainly does have repercussions.

Recently, I saw a report about communities of people who lived on disappearing islands. The people were forced to leave. Not only were they leaving their birthplace, their heritage, but they were ending up in slums. That is another reality of climate change. There is a human aspect as well as an economic one.

The impact of climate change is extreme. I see it first hand every time I go to the Gaspé or the Magdalen Islands. Storms are much bigger than they used to be, so they have a much more negative impact on small craft harbour infrastructure.

● (1040)

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I would like to thank my colleague from Gaspésie—Îles-de-la-Madeleine for his tenacity on this issue. I remember a few years ago the Bloc Québécois created the St. Lawrence Caucus. We went to the Gaspé region and met with people who spoke about this situation. My colleague's speech today reflects exactly what these people told us.

I would like to ask my colleague a quick question. Is one of the problems not that Fisheries and Oceans Canada has often taken a very vertical and bureaucratic approach? The department claims to be responsible for fisheries and it has noticed that stocks are diminishing. But it forgets that these wharves can have several uses and can help develop new types of fisheries, so new species can be fished.

In essence, is all of this not because the government sees no need for a land use policy? Our communities are producing very useful things. In big cities, people like to eat seafood products. Does the government's attitude not mean that small craft harbours get put aside? They were deemed to be useless, when in reality, this is not the case.

Mr. Raynald Blais: Mr. Speaker, I thank my hon. colleague who is one of our Bloc Québécois caucus members from eastern Quebec. We indeed had the opportunity to meet some people who are experiencing these realities, who see just how much their situation is not understood and how no action is being taken on this.

We have all no doubt heard about a divestiture program. What we should be talking about is a program to get rid of our wharves. That is exactly what happened in various communities. That is why a yellow light should go on. Yes, it is true that some communities and groups may be able to take on such things as wharves and infrastructures. However, the government's strategy, and the Conservative strategy in particular, must not serve negative interests, with the sole goal of getting rid of wharves. For if we get rid of wharves, what are we getting rid of? We are getting rid of an infrastructure that must be repaired, and it must indeed be repaired.

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Besides, every time a divestiture program is implemented, money is granted not for development and organizing something to create an infrastructure that better meets a development need, but simply to repair something that is worn out because of time, and government inaction and irresponsibility. That is also what the divestiture program means. This is why we should instead be talking about a program to get rid of small craft harbours.

As we speak, people's eyes are wide with interest concerning this file. This is the current reality for these people thanks to the government's failure to act. But they would like not only to survive, but to continue to extend this over several years and focus more on the future and development. It is all well and good to repair infrastructures, but they must also be developed.

• (1045)

[English]

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Mr. Speaker, I am pleased to respond at least for a few minutes to this motion from my colleague.

Small craft harbours are of course very important across our country. They are important even in my riding. It is not a coastal riding, but along the Fraser River we have two harbour authorities. One is the Mission Harbour Authority, which looks after the Mission Harbour and the Whonnock Harbour, and the other is in the Albion area. They do a lot of good work. I am proud of the initiative they bring to the challenges they face.

In fact, not too long ago they were recognized with a special award for the work they did when they were facing the challenge of a possible major flood along the Fraser River, a very serious prospect. The work the Mission Harbour Authority did in preparation for that, not just in its own harbours but in helping other harbour authorities all along the river, was recognized by the special award. I commend them for that as well.

In British Columbia, we have the largest harbour in all of Canada, the Steveston Harbour, run by the Steveston Harbour Authority. I had an opportunity to be there as well and to see the things they do. They do a very good job there. It is not without challenges, of course, but all harbour authorities across the country are facing challenges.

In our committee we have had the opportunity to speak to some representatives from harbour authorities and harbour authority associations from across the country. I think we are getting a good sense for what they are facing, what they are up against and the key things they need to address and also for the responsibility of this House and the government to be serious about those issues. I can assure the members of this House that the government is serious about small craft harbours and the challenges they face.

Before moving on, I would like to say that the Pacific region harbour authorities are in a rather unique situation. These harbour authorities have risen to the challenge in a way that I think is perhaps less common in the other regions. They have really put their minds to innovative ways in which they can meet their funding challenges in terms both of enterprises they can be involved in as well as revenue generating activities.

In fact, I think it is true that of all the additional revenue that small craft harbours generate across the country, about 30% or 40% of that comes from the Pacific region, which certainly does not have a very large percentage of the small craft harbours across the country. The Pacific region has come up with some innovative and creative ways of actually generating the kind of revenue that it needs to be able to do the maintenance on its harbours.

Let me also say that the government is very well aware of the funding challenges. In fact, if we look at the figures, and I think it is important to do so, we will see that in round figures about \$100 million is being spent in this fiscal year for small craft harbours. A similar amount was spent in the last fiscal year.

However, more than a decade ago, in the years of the Progressive Conservative government, the government actually spent about \$150 million, again in round figures. As we went into the Liberal governments in the 1990s with their deficit cutting measures, a very significant amount of the funding for small craft harbours was cut. In fact, the amount went below \$50 million. It went from \$150 million to below \$50 million for a year or so. In the years since then, the amount being spent has been coming up a little and now we are at today's figure.

I am well aware, though, that this issue has been with us for a long time. In fact, funding for small craft harbours was the subject of a previous concurrence report, in June 2006, I think. When we dealt with it then, it was the will of this House to recognize the fact that there was a significant funding shortfall and that small craft harbours required more money.

The House generally supports the fact that infrastructure needs to be improved and we recognized that in the 2006 Speech from the Throne, but the facts, and I think they have been pointed out by my colleague and others, are as follows. When we did a study a couple of years ago to try to figure out just where we were at in terms of infrastructure, whether we were falling behind and how much it would cost to bring small craft harbours up to a good condition, the facts were clear. It would take perhaps \$400 million, according to that report, to put us in a place where we would consider the small craft harbours to be in good condition.

That was only part of the problem. That is only part of the money that would be required. That is the for existing core of small craft harbours the government owns. We also have a divestiture program for those harbours that are no longer used by the commercial fishing industry and that need to be divested to other entities and interests. Sometimes they are divested to communities or other non-profit organizations, which would manage them on behalf of the community, for example, perhaps for recreational activities.

• (1050)

It takes money to bring these harbours up to the condition where they can be divested to these other bodies. Certainly money is required for that. While this interim report from the Standing Committee on Fisheries and Oceans that we are looking at today does mention a general amount, in order to do everything in terms of bringing our existing core harbours up to the state we require and would hope to achieve, and for our divestiture program and some new harbours, by some accounts a large investment is needed.

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Nunavut, for example, has no small craft harbours and clearly we see a need there. We have looked at the possibility of developing harbours in seven locations. However, as I have already said, a large investment is required for all of these things, by some accounts perhaps up to \$1 billion. It is an important priority and the minister has said that time after time. Just today, in fact, in our committee, he said that this is an important priority for him and our government and we will continue to work toward this in the best way we can.

This government is behind our fishing industry. It is behind the stakeholders who use our harbours. Of course we need to do more than just fix our harbours. We need to look in a broad way at our fishing industry. The government has done that. We are undertaking some key initiatives and have made key progress in that area.

We have the Atlantic fisheries renewal and have made good progress there. The minister has met with fisheries officials from region to region and province to province. He has also met with stakeholders from the industry and from communities. We have been getting them together and have asked them about what we need to do and what is important to them as we try to sustain our fisheries in an economic and environmentally friendly way in their regions.

Those have been very productive meetings. Committees were set up, reports were received, and action plans are being worked on and put in place as we try to make the kind of progress we need to ensure that the fishing industry in Canada is as productive as possible. Many will have heard about the ocean-to-plate initiative that the minister and his department have adopted. We need to figure out how we can do this so that stakeholders benefit as much as possible and also how to do it in a way that is sustainable.

On the west coast, we have the Pacific initiative to integrate commercial fisheries. It is a very important program and I am proud to be a part of it and am supporting it as best I can. The government has invested \$175 million to make sure that we know how to proceed and how to integrate the fisheries between the commercial stakeholders and the aboriginal groups that are already part of it and want to be a bigger part of it. That takes money. We are committed to that program. We have stepped up to the plate with \$175 million to work on all of the elements in the Pacific fishery that will be a part of this.

I am very pleased to say that one of the hallmarks of our minister's approach to the challenges and tasks of his job is the way he is able to collaborate. It is one of the most important things he does. Nowhere is that more evident than in British Columbia, where we have worked with a variety of groups and particularly the government of British Columbia and the ministers for fisheries and aquaculture.

This is important to us. We do want to support in general the motion to concur in this report, because we do believe that small craft harbours are a very important initiative for us. They are important to this country.

• (1055)

We own them, and as Canadians, with the Government of Canada, it is important for us to take the steps we need to take so that in the future we can look back and say that we did our duty, we fulfilled

our responsibilities, and we brought our small craft harbours up to the condition that they ought to be in. We are working toward that.

Can that be done overnight? I do not think so. I think all of us in this House know that this is quite a large task. We need to be taking steps toward it and the government is doing that. I think members are going to see in the months and years to come that we are making some very good progress in addressing our infrastructure deficit with regard to small craft harbours.

I can assure this House that the government is committed to moving in that direction and achieving that goal.

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, I listened very carefully to the speech given by the Parliamentary Secretary to the Minister of Fisheries and Oceans.

While one could say that it was interesting in certain respects, in several other respects it was very disappointing. We are not talking about a government that was just recently elected. The Conservatives have been in power for more than just a couple of weeks. They have been in power for over two years now. We are talking about a situation where, in budget 2006, in the supplementary estimates in fall 2006, in budget 2007 and in the supplementary estimates of 2007, they could have done something, but they did not. They did not do so, since all they announced was that they were going to stick with the \$20 million that has been scraped together over five years. This budget of \$20 million a year will be included in the regular budget. That is probably the answer I will get.

That it is ridiculous, since, at present, we are not moving forward; we are stagnating. Frankly, we are going backwards. In fact, by the department's own admission, the situation is getting worse every year. If we continue to invest the same amount every year, the situation will only further deteriorate. Thus, there is no progress in announcing that they will stick with the \$20 million every year. That amount needs to be much higher.

The other issue I would like my hon. colleague to address is the number that he is throwing at us, namely, \$1 billion. That is what I heard. I would like him to break it down, simplify it or at least explain it to us.

[*English*]

Mr. Randy Kamp: Mr. Speaker, in my colleague's questions he is right when he says that we face some challenges in coming up with that kind of money, but in fact, as he anticipated, with regard to the \$20 million that was part of the funding that was supposed to sunset, the government took a look at that and saw that it was going to put us in a much more difficult position. We were going to go behind, as he said.

Our government turned that into A-base funding to make sure that it would be part of our regular commitment. In addition to that, if he will recall, the department and the minister also committed to looking at all other means within their existing envelopes of funding to see where they could come up with additional funding that could go toward the needs of small craft harbours, so clearly we are committed to that.

Routine Proceedings

In terms of the big number, I do not know that I could break it down any more than he could. We know from the 2006 study done a couple of years ago that it might take as much as \$400 million. There have been various calculations done to figure out what it might take in today's dollars to do that same amount of work and what additional deterioration might have taken place since that study was done. On top of that, there are the funds that would be required for divestiture, new initiatives and perhaps expansion of some harbours, which some harbour authorities tell us is required based on the larger ship sizes today. There are all of those factors.

We do not know what the number would be. In fact, I think one of the important things we need to do, which both the committee and the minister and his department should be looking into, is to figure out in real terms, in 2008 dollars, what it is we are looking at in actual amounts.

• (1100)

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I thank the parliamentary secretary for participating in this important discussion. My question has to do with the role of volunteers in our small craft harbours.

The committee report talks about the key role volunteers now play, given the divestiture program has been underway for many years now, and how they are responsible for operating of a lot of the small craft harbours. The report points out that they are increasingly frustrated both by the need for fiscal infrastructure investment in the small craft harbours, which they do their best to operate, and the need for training and alleviating some of the responsibilities on which they have taken.

These small craft harbours are often operated by non-profit societies or small municipalities. The report points out that 135,000 hours a year of volunteer time goes into maintaining them, ensuring their proper operation, but they need help. One of the ways the federal government can do that is to make a commitment to these harbours to support the volunteers who do this important work.

Could the parliamentary secretary comment on that aspect of the report?

Mr. Randy Kamp: Mr. Speaker, my colleague from Burnaby—Douglas raises a very good point. Let me provide a little clarification though.

We have core harbours that are usually fishing harbours. They primarily support the commercial fishing industry, although other activities take place there. Recreational boats tie up there from time to time. We then have the non-core harbours and those are usually divested. They might be owned by a non-profit organization, or a community or municipality.

The core harbours are the ones that continue to be owned by the Government of Canada, and in almost every case are managed by a harbour authority. A harbour authority might manage one or more of these small craft harbours. They receive their funding from the small craft harbours program. They generate revenue of their own by rents and other activities in which they are involved.

In most cases those harbour authorities are run by a board. In many cases the harbour authority board then hires a manager. Often an employee manages those. The board members are volunteers, and

much of the work in those harbours is done by volunteers. If the volunteers are not there to do it, as they have told us in committee, they are unable to get the job done with the funding available to them.

The member is quite right that volunteers play a very significant role, certainly in the non-core harbours and also in the core harbours that are owned by the Government of Canada and managed by the harbour authorities. We should take every opportunity, and I know I do, to commend them for the good work they do on our behalf.

As we talked to the harbour authorities, the one thing we learned was the good relationship between the harbour authorities and the small craft harbours program. Let there be no misunderstanding, they work together well.

The small craft harbours program is part of the Department of Fisheries and Oceans. Its officials manage these programs with the harbour authorities, and there is good cooperation. They are committed to training, and a significant amount of money is invested every year in that. Could we do more? I am sure we could. We are listening to them to find out what specific kinds of training would benefit them the most as we move forward. However, we do appreciate the work of these volunteers.

• (1105)

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I also thank the parliamentary secretary for being here. Could he tell us what plans the government has for small boat harbours, or any harbours, in three northern territories?

Mr. Randy Kamp: Mr. Speaker, I do not know if I can be very specific on this.

We know that some significant work has been done in Nunavut, for example, because it does not have current small craft harbours. A joint study was done with the Department of Fisheries and Oceans, the Government of Nunavut and some other stakeholder groups to figure out what its needs were and what it would take to at least begin to meet those needs. The report identified seven locations that would probably be the priority locations if we were to move forward and build the small craft harbours.

I know the report was well received by the government. It is taking a look at how best to proceed to make that a reality.

I am not sure if we are working on any specific projects in the other territories. If the member for Yukon has some advice for the government, we would be happy to take it.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, it is a pleasure to join the debate today. In the House we always stretch ourselves to try to learn more about our country.

My colleagues from Etobicoke North and York South—Weston do not have a lot of fishing fleets in their ridings. However, with the questions being asked and the discussions taking place, I am sure they are learning more about coastal communities across the country.

Routine Proceedings

I was elected to Parliament seven years ago. During the last five years, I have had the opportunity to sit on the Standing Committee on Fisheries and Oceans. Without questions, of all the other committee duties I have had since coming to the House, I am comfortable in stating that the fisheries and oceans committee would be the least partisan of any of the committees on which I have had the privilege to serve.

My colleague from Sackville—Eastern Shore takes great pride in the fact that he is the senior member of the committee. Over his time, 23 different reports have been tabled and of those, 21 have been unanimous. This speaks to the fact that the members of the committee come with the intent to do the work that will best benefit the fishers and the fishing industry.

The report before us today and the debate we have entered into is indicative of the work by the committee.

I have had an opportunity to serve with my colleague, the member for Gaspésie—Îles-de-la-Madeleine, for a number of years. With the many issues throughout the fishery, he has ensured that the issue of the small craft harbours has been kept to the fore. I commend him for that and thank him for bringing this forward to the House.

In industry many things have changed. We bank with the use of machines and computers. Everything seems to be technologically driven. The fishing industry has not shied away from its use of technology. When we walk into the wheelhouse of any boat that is tied up at a wharf, certainly in my constituency, we cannot help but be impressed with the technology to which the fishers have access now. We look at plotters and computers and it is truly some great stuff.

Sometimes when the fishers are out plying their trade, harvesting the stocks, all of a sudden mother nature decides to change the conditions and a sou'west blows up, the wind starts to come in from the offshore and the fishers have to find safe harbour somewhere. They have to turn, head for shore and hope there is a safe harbour to which they can tie up and find some type of refuge from the bad weather.

When they come into harbour after fishing for the day, it is not only important there is a degree of safety, but they are able to offload their catch in a harbour that is functional, efficient and safe as well. This is the least we can offer these men who go out to harvest the sea.

Even with all the technology, which is wonderful, when we are offloading a couple of thousand pounds of crab, it is tough to do it from a virtual wharf. These wharves have to be safe and efficient. The only way to ensure that is to invest money in the infrastructure of these harbours.

The people in my riding live in coastal communities and the harbour is the industrial part of those communities. They are the light industry moorage of those communities. Therefore, it is imperative that we continue to support them and give these fishers an opportunity to come and harbour in a safe place.

• (1110)

Nothing is static in the fishery. When we look at wharves, we need to look at the money that goes in to them year after year. Living in a

northern country, living in a country that is exposed to such harsh weather conditions, with the natural forces of nature, pack ice, storm damage, all these natural impacts have devastating effects on wharf structures. We just cannot fix it, walk away and expect it to be there year after year. Some harbours are impacted by back filling. Some need constant dredging year after year.

These things have to be done to ensure these places continue to be safe, that fishers have access in and out and do not have to wait outside for a rise in the tide to get in. For efficient function of these harbours, it is imperative that investments are made, sometimes on an annual basis.

Another thing that has had a great impact on our harbours is the increase in the size of the boats the fishers use. I am saying that is a good thing. If we walk into any of the harbours in my riding now, the fleets are in pretty good shape. We have had a bit of affluence within the fishery over the last number of years.

I know we focus on the downturn in the cod fishery, but in that other opportunities have presented themselves. We are all very aware of the increase in the crab fishery. For a number of years it was fairly lucrative, but not so much now. However, we had some very strong and productive years with the crab fishery.

With that and lobster, many fishers have reinvested in their own enterprise. As fishers, they have small businesses. They have reinvested in their enterprises by buying bigger and better boats. Bigger and better means safer.

Quite often with these resources, they are harvesting and catching the fish and crab a little further offshore. Therefore, they have to steam further before they set their gear. The further they go from shore, the more they are exposed to the hazards of the ocean and quick changes in weather.

Therefore, what we have seen is an increase in the size of the boats that many of our fishers use. With the increase in the size, obviously there is less moorage at many of the harbours now. We just went through a fairly significant investment in one of my harbours, Mabou Harbour. It was a great little harbour and very functional for many years. However, with the increase in the size of the boats, it made it impossible for all the fishers out of Mabou to access the harbour. Especially for many of the crabbers who went out into area 12, their boats were very substantive in size. With that and the rundown conditions of the harbour, we were able to justify the investment in Mabou Harbour, which has been very much to the benefit of the fishers in Mabou.

Some comments were made by my colleague from the NDP on the training, the liability and the volunteer effort that we had seen from people within the harbour authorities and the responsibility that they had assumed over the last number of years. We expect a great deal of these volunteers.

Routine Proceedings

I think we have put more and more responsibility back in the hands of the fishers. I do not think it is a bad thing. I think they are willing to accept that responsibility. We can look at the demands that are placed on the fishers now with regard to science and the use of the science data. When we see them trying to take charge of that industry, the one area they have really stepped up to the plate is operating their own harbours and being involved in harbour authorities.

● (1115)

However, with that, I do not think the federal government can walk away and just turn it over to the fishers and the harbour authorities. It is imperative that we stay with them as a strong partner. Part of that responsibility is to be there when repairs have to be made. When capital investments have to be made in infrastructure, we have to be there for them.

There is another aspect of harbours from speaking with some of my colleagues. Through the mid-90s when there was centralization and rationalization, the divestiture of some non-core, derelict, non-essential harbours, there was a program. I was supportive of the program, which was well intended.

The rationale behind it was that coastal communities would have a small harbour with seven boats and another one with six boats, et cetera. By centralizing them and creating a bigger harbour, we would be able to focus our resources on the bigger harbour. There was a great deal of common sense in that and for the most part the centralization and rationalization programs worked fairly well and there were some great success stories.

Little Judique harbour is a small harbour on the west side of Cape Breton Island. There are 14 or 15 boats that fish out of Little Judique harbour. It went through the assessment on the west side and things were centralized to Big Cove, but the fishers wanted to continue to fish out of that harbour. There was a divestiture and investment made with the harbour authority and the core group of volunteers has continued to provide services and a safe harbour for those fishers from that community. The volunteers are to be commended for the effort they have put into it and that is one of the success stories.

We can look at other areas and there has not been the same degree of success. Fisheries and Oceans officials who were involved in the rationalization can tell us that some of these harbours, that are no longer core harbours, should continue to be in the mix as they are still important harbours.

L'Archeveque harbour is on the east side of Cape Breton Island and it is the only safe port. It was divested and they have done a pretty good job of running it as best they could. There are seven or eight core fishermen who work out of there, but during tuna and crab season additional fishers come to the harbour. It is the length of the coast that it provides safe harbour for, from Little harbour down to Fourchu. It is a significant area of coastline that L'Archeveque has to provide safe harbour for, but as a divested harbour it is having trouble to remain running.

What I would like to see, and I know this is a shot in the dark because it is tough enough with core harbours, is an envelope of money, an allocation. If these divested harbours could on occasion

make application for some type of capital project, that would go a long way.

As the program and the rationalization went through in the late 1990s, that is when the boats started getting bigger in my community. Through the industry there was a fairly significant bump in the size of the boats on the east coast. As some of the harbours were being developed then and the boats got bigger, there was no room for some of the fishers in the divested harbours to move to the core harbours.

I was just at the end of the wharf in Charlos Cove in Guysborough County this past weekend and two or three fishers might go somewhere else. They might be able to go to Larrys River, which is a few miles away. There is no room there any more. It may have worked a number of years ago, but with the bigger boats now there is just no room. It would make sense for a divested harbour like Charlos Cove to have access to some type of envelope of money, so that the investment could be made and they could continue to fish off that wharf.

● (1120)

There are some issues that money cannot fix, but there are other issues where money could make a substantive change and an improvement. We think this is certainly one area where, if additional funds were allocated to this program, they could be well spent and well invested.

Certainly, I would like to see the program for scoring the merits of different harbours weighted toward small craft harbours as it is somewhat disproportionately weighted to the bigger harbours; nonetheless, I think most fishers see it as a pretty fair system. However, with additional money, this would be a better program.

We received testimony during the course of the study. Let me quote Mr. Robert Bergeron, small craft harbour director general. He stated: "It now appears that 28% of small craft harbour core infrastructure is in poor or an unsafe state". That is fairly significant. That is up 7% from the 2001 estimate.

Of course, it goes back to what I was saying. Nothing is static here. Mother Nature plays foul with a lot of these harbours. These harbours are exposed, so naturally the asset will continue to diminish. I think that is where we have to go and I would hope that the government will see that.

Mr. Gervais Bouchard, small craft harbours regional director for the Quebec region testified that:

There is no doubt, in light of our current financial resources, that we are having a very hard time keeping operations safe in all locations.

He also stated:

So we face many problems, including user dissatisfaction because of safety and accessibility issues in inactive harbours. This is a result of the low rate of recapitalization.

Routine Proceedings

Not having read the entire report, only aspects of it, I think what we will see recurring is that this problem is about additional funding. This problem is about putting more money toward fixing this problem. The formula probably is not too far off, and I have not seen anything through the document that elaborates greatly on what is wrong with the formula. Everything seems to come back to the amount of dollars that are available.

As we approach the big date of the budget coming forward to the House and the finance minister bringing the budget forward in the next number of weeks, I would hope that there is some type of recognition here for small craft harbours, some additional dollars.

I know it is tough over on the government side. The cupboard is relatively bare now. With the cut of two percentage points to the GST, there is not a whole lot left in the tank over there and there is not a whole lot of play in the budget this time round.

I guess if we can speak to one thing, we do not want to say "I told you so", but many Canadians told us so, that it would handcuff this government from making those key investments, making those investments in infrastructure, or programs, or whatever it might be.

I think this probably typifies the case. I do not know if it is catastrophic or if it is a national emergency but, certainly, we know that with some of the new investments, and the parliamentary secretary spoke about the new investments in Iqaluit, and the state of some of the harbours not just on the east coast but on the west coast as well, additional dollars are needed.

I would hope that the finance minister, through the presentation of the next budget, will find the merit in this. I would hope that the parliamentary secretary, along with his minister, will make a strong case to put this forward at the cabinet table and we will see additional investment in this very important issue.

• (1125)

Mr. Blaine Calkins (Wetaskiwin, CPC): Mr. Speaker, I listened with great interest to my colleague who, like myself, was a member of the fisheries committee. I certainly miss this member's presence on the committee and wish him all the best in whatever committees he is currently working on.

The member talked about an envelope of money that could be available for a small craft harbour that has been already divested. It seems a little bit counterintuitive to me because the whole purpose of going through the divestiture was part of the rationalization process to take those harbours that were not considered core harbours out of the purview of the federal government.

The policy of the small craft harbours program is to bring these harbours up to a safe and acceptable standard before the divestiture process even occurs. To now actually bring more money to the table, for harbours that we have basically already brought up to a standard that should have been acceptable to whoever took it over, does not seem to make any sense to me especially when we have shortfalls.

Admittedly, we have shortfalls in the small craft harbour program. It has been clear. I asked the question in committee when these deficits actually started to accrue as far as infrastructure deficits. It started in the early 90s. The question was answered that it happened

around 1993 or so and I do not think that is a coincidence if Canadians look back at some of the cuts that needed to happen.

Does my colleague really think that it is the right thing to do to start spending federal treasury money on harbours that are divested, given the fact that the rationalization process was meant to actually give those harbours over to someone who was outside the purview of the federal government?

I might also remind my hon. colleague that the Government of Canada does have the building Canada fund which is a \$33 billion fund that has various pots of money for municipalities and, for example, if the harbour he is talking about was actually divested to a municipality. If it were of significant importance to that municipality, that municipality would have the option of applying for a grant to do any major capital investments.

Is my hon. colleague suggesting that the Government of Canada reverse its position, which was a position taken by the previous Liberal government, of divesting harbours and bringing those harbours back into the fold through an envelope of money and actually further burdening the problem of the shortfall of money that we have for the harbours that are currently under the Government of Canada's jurisdiction?

• (1130)

Mr. Rodger Cuzner: Mr. Speaker, the question from the member for Wetaskiwin is a fair one. I believe that the rationalization through the mid-1990s was well intended and that the Liberals did it for the right reasons. The whole purpose was that it would pay dividends and benefits in the longer term.

Because of the change, and I indicated several in my presentation, in the size of the boats, and their increase in size, individual boats are taking up greater room in some of the core harbours. If there was a reassessment and an inventory done now on the harbours, we would see that the harbours we invested in through the mid-1990s are being stressed because of the increase in the size of the boats over the years.

The member is absolutely right, and I certainly would not duck this, that cuts were made in the 1990s. Past Liberal governments had to come to terms with the fiscal situation of the country at that time. Cuts were made in small craft harbours. Cuts were made in health, in transportation, in every sector. Nobody escaped the wrath of the cuts. All Canadians felt the impact. Certainly the fishery felt the impact. Those cuts were significant, but they were necessary.

Those cuts have put us in a financial situation that is not bad. We have had some very strong and prosperous years. We have been in a surplus situation over the last number of years, not so much with the GST cut to 5%, but there is not so much there now, and that is why we are handcuffed in making the key investments in places like small craft harbours, key infrastructure like that. I do not know if the federal government is going to have the opportunity to help some of these industries along.

The member's point is well taken. I just think that if we did a reassessment of the inventory of the harbours that we have now, we would see that some of the harbours that had been divested still have merit as safe harbours or even could take some of the strain off the core harbours.

Routine Proceedings

Mr. Rick Norlock (Northumberland—Quinte West, CPC): Mr. Speaker, I was listening to my friends, the member for Wetaskiwin and the previous speaker, talk about the divestiture of harbours. The question was whether there was sufficient money and the accusation was that there was not enough room because 2% was used. He is not totally incorrect. The 2% does of course limit the amount of tax the government is taking from the people of Canada, but at the same time, it does permit the people of Canada to spend some more money, perhaps on things like bigger boats.

I want to inform my hon. friend that the Minister of Fisheries and Oceans did attend at a harbour in my community to divest that harbour to the community of Port Hope, something the community of Port Hope wants. People in Port Hope want it because they want to develop the harbourfront. They want to make it more beautiful in order to attract tourists. The Minister of Fisheries and Oceans will be supplying some funds so that the harbour can be dredged. The harbour is already in a relatively good state of repair. This will facilitate economic development in that community. I think that was the whole reason for the divestiture of harbours.

Previous governments of Canada prior to the 1990s perhaps were well intentioned in acquiring harbours throughout the country. Port Hope's harbour is on Lake Ontario. It is a prime tourist area.

I think my friend is somewhat mistaken in the figure of 2%. There have been many other tax advantages and tax reductions given to Canadians, particularly to families. Of course, there is economic change going on in North America and indeed in most of the industrialized world. As we move to a knowledge based economy, some of the jobs that require a lot of labour, particularly in the manufacturing area, are moving out. Those jobs are moving to the Pacific Rim where people work for 50¢ an hour. In Canada people cannot live on that hourly rate. That is why the Government of Canada reduced those taxes.

The government has not prohibited the ability to divest those harbours to make our communities more beautiful. Actually, this divestiture just took place. I think drawing that equation to the reduction from 7% to 6% to 5%, although not entirely incorrect, is a minor aspect to this.

Does the hon. member not think that the divestiture of harbours is a good idea for communities and municipalities in order to increase the the tourism industry?

• (1135)

Mr. Rodger Cuzner: Mr. Speaker, I think it is great. Whenever we can give a community or a group more control over its own future and destiny is a positive thing. However, I still think there is a responsibility for the federal government to play a role.

My question is focused on how much latitude the government now has to make investments. We are talking about harbours today. We could be talking about industry, certainly the forestry industry or manufacturing. We could pick any topic. I still believe that the government can play a role in helping those sectors.

I question whether the government is going to have any kind of latitude or impact. We will see that in the next budget when it comes forward. I would hope that the government would come forward. I would be as happy as my colleague from Gaspésie—Îles-de-la-

Madeleine if the government came forward and said it was going to allocate \$200 million for small craft harbours. That would be great. However, I do not think there is anything left in the cupboard and I am not expecting a whole lot when the budget is tabled.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, I am very pleased to speak to this motion regarding the report, "Safe and Well-Funded Small Craft Harbours: A Clear Priority". I am pleased that the member from the Bloc brought forward this motion today.

I want to specifically address a number of things in the report because they are important factors in my own riding of Nanaimo—Cowichan. Earlier, the parliamentary secretary talked about the fact that small craft harbours in British Columbia are largely well managed. He is absolutely correct. However, I want to talk about some of the challenges.

The report talks about the economic impact that the small craft harbours have on our coastal communities. Certainly in my riding of Nanaimo—Cowichan we welcome the positive economic impact of the small craft harbours.

A range of activities happen at these harbours, including commercial fisheries, sport and recreational fisheries, and boating. We are a destination in Canada and in the Pacific northwest for recreational boaters. We have some of the finest coastline and islands which boaters can visit. Whether it is Protection Island or some of the other small islands, boaters can anchor and enjoy the beauty, or they can come into the harbours in Chemainus, Ladysmith, Maple Bay or Genoa Bay. We have a number of very fine harbours.

The diving in my area is known around the world. Over the last couple of years some appropriately and environmentally cleaned up vessels have been sunk. Divers come from all over the world to explore the seabed and look at some of the man-made artifacts.

Small craft harbours are an essential part of our economy. In the village of Cowichan Bay there is a vibrant small craft harbour and the town itself is built up around it. People come from Nanaimo and Victoria to spend a weekend in Cowichan Bay.

We understand the economic impact and the need to ensure that these small craft harbours remain economically viable.

The report talks specifically about the fact that in 2003, DFO commissioned a study to assess the economic impacts of the small craft harbour network of fishing harbours in British Columbia. According to the study, the economic activity related to its expenditures associated with the region's 101 fishing harbours for 2001-02 totalled \$800 million: \$500 million from commercial fishing, \$200 million from marine recreation, and \$100 million from other activities such as aquaculture, marine transport, et cetera.

The report indicates that the direct economic impacts of these expenditures were estimated at \$485 million in annual gross domestic product, \$245 million in annual labour income, which is wages plus benefits, and 6,135 person years of annual employment. The total impacts, including direct, indirect supplier, and induced consumer spending impacts, were even more important.

Routine Proceedings

Mr. Boland, the regional director of strategic initiatives, Pacific region, Department of Fisheries and Oceans, appeared before the committee. I want to read some of his testimony into the record. From coast to coast to coast, small craft harbours are important, but I want to talk specifically about British Columbia.

Mr. Boland said:

B.C. has 27,000 kilometres of coastline...we have a total of 157 scheduled sites, of which 78 of those are harbours, core harbours. We have 54 harbour authorities who manage those 78 core sites.

He talked about the volunteer workforce of between 550 and 600 people, which includes harbour directors and those volunteers from the community who assist in harbour operations. When I was on the North Cowichan council, I was fortunate enough to sit on the harbour commission. I had an up-close view of how important the volunteers are for the operation of our small craft harbour.

● (1140)

Our harbour commission was made up largely of volunteers with some support staff from the North Cowichan council, who worked tirelessly in terms of overseeing the efficient management and function of the small craft harbour over which North Cowichan has responsibility. I understand how important these volunteers are to the ongoing operation.

Mr. Boland went on in his testimony to say:

The fishing industry in British Columbia has approximately 3,000 commercial fishing vessels, and in 2005, the landed value of B.C. commercial fishing was in the neighbourhood of \$365 million.

That was in 2005, but in my own riding of Nanaimo—Cowichan we saw some really disappointing returns this year in the runs on the Cowichan River. So although commercial fishing has been a really important part of our economy, we have called on DFO to put a lot more attention on and effort into habitat, conservation, protection and enforcement.

When we talk about the importance of these numbers to our communities, we really need that kind of focus and attention. When we see the kinds of runs that we saw this year in the Cowichan River, which is an indicator river in British Columbia, it raises flags all over the province. We are hopeful that DFO will pay attention to the very serious issues that have been raised around some of these indicator rivers in British Columbia.

Mr. Boland went on to talk about the fact that there are some concerns. It is part of these concerns that I want to raise in the context of the debate that is happening in the House today. I have stated what the economic importance is to British Columbia. I have stated how important it is to the viability of some of our communities. I agree that divestiture, if it is done properly, is really important in terms of local community control. Again, I think the municipality of North Cowichan is a good example of how a municipality can take on and run with a divestiture, but there are some problems.

Mr. Boland raised a major concern about “enhancing the viability skills” of harbour authorities “so they can raise enough revenue to keep themselves going, to keep themselves independent”.

He then said:

A second issue is that we find a growing pressure on our waterfront. A lot of people want to move to British Columbia. The communities that support the harbours want to look at waterfront land as a better tax base, so they're looking at different kinds of opportunities on the waterfront. And one of the big pushes, from our perspective, is to get our harbour authorities more involved in community integrated planning to generate better strategic planning over time, so they don't get overrun by interests selling land and building condos right next door to a bustling harbour.

We also have first nations issues unique to British Columbia. We're involved with the B.C. treaty process in Indian Affairs to have them consider the 15 harbours that front first nations communities. These communities are not just commercial fishing harbours, they are often the ingress and egress of the community. There are no roads, so the only way in and out is by the harbour...We think the harbour is an economic opportunity for first nations, so it should be part of the treaty process.

Mr. Boland went on to talk about climate change. He said:

Climate change is having an impact on our harbours, so we need funding to take a look at how to better design or facilitate the changes of our commercial fishing fleet as they move from fishing for salmon to other species such as tuna, mackerel, sardines, and those types of fisheries that require larger boats.

In terms of climate change, Mr. Boland was talking specifically about the way species are shifting and how we are seeing some species in our waters that we have not seen in the past, how the fishing season is moving because of warming water temperatures, and a number of other factors.

However, there is another impact on small craft harbours. That has to do with changing water levels and storm damage. Over the last couple of years, we have seen some of the most severe windstorms in B.C.'s history. That kind of storm damage, which many argue is attributable to climate change, needs to be factored into the kind of money that is required in order to maintain small craft harbours on an ongoing basis.

There are a couple of other points in the issues that Mr. Boland addressed around the importance of small craft harbours. He talked about some of the first nations small craft harbours that are literally the lifeline to the outside world. In many communities there are no roads and in some no airports. The only way people can get in and out of their communities is via boat. These small craft harbours in first nations communities are a lifeline to the outside community, but they are also an economic opportunity. It is important to factor that into any equation here.

● (1145)

In some of our communities, the small craft harbour also serves as the point where medical evacuations can happen. For example, on Thetis and Kuper Islands, which are serviced by ferries, when the ferries do not run there needs to be a point at which a medical evacuation can happen in the off-hours. For a while, there was a challenge in finding a place where a medical evacuation boat could have a slip to deal with medical emergencies, on Kuper Island in particular.

Therefore, small craft harbours in many of our communities are a vital link for people who have a medical emergency. It is important that we continue to talk about how much these small craft harbours mean in many of our smaller communities.

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One of the things we talked about is divestiture. I want to reference the minority report that the member for Sackville—Eastern Shore raised when the committee tabled its report. I want to read for members part of his position, because I think this is an important element when we are talking about divestiture. He said:

It is the NDP's position that any divestiture of wharves or small craft harbours must have financial and human resources in place long before the divestiture takes place.

Furthermore, the NDP maintains that the federal government must continue to be a partner in supporting small craft harbours and wharves—even after the divestiture of a small craft harbour...to local harbour authorities. The federal government should continue to remain a partner after the divestiture to assist with necessary maintenance like dredging or critical repairs to infrastructure. Fishermen and SCH boards simply cannot afford to pay or raise money for critical infrastructure improvements. Fishermen and coastal communities should not be required to shoulder the burden for critical infrastructure improvements to small craft harbours. In so many remote regions of our country, small fishing harbours are indispensable and remain critical infrastructure for economic development opportunities in our coastal communities.

I absolutely support the call of the member for Sackville—Eastern Shore for this ongoing partnership when divestiture happens. As I said earlier, divestiture is an important tool in having local control over a valuable resource in our communities, but many of our small communities simply cannot afford the ongoing repair and maintenance once the terms of the divestiture are over.

I want to turn briefly again to the North Cowichan municipal Chemainus small craft harbour. A couple of years back, an expansion was required. Again, of course, when we are talking about revenue generation anyone of us who has written a business plan knows that we have to crunch the numbers. What happened in Chemainus was that they needed to extend the docks in order to have the revenue generation to maintain the viability of the facility.

Representatives of the municipality of North Cowichan sought other partners to assist in this dock expansion. They were over \$300,000 short. They were fortunate in that they made an application to the Department of Western Economic Diversification and ended up with the \$300,000-plus required to take on the whole package, but it was such a complicated process.

In regard to that, let us look at smaller municipal councils. In many of our smaller communities, where these small craft harbours are, there are small municipal councils that do not have extensive engineering capacity. North Cowichan does have extensive engineering capacity, but many of them do not. Many first nations communities do not have that kind of engineering capacity or the environmental capacity.

The expansion in Chemainus was extremely complicated, of course, because there was dredging and it had to happen at certain times of the year in terms of fisheries. It was an enormous undertaking for a small municipal council.

It is an example of where that partnership with DFO and the Ministry of Transport is absolutely essential. That financial partnership and that expertise partnership are absolutely essential in order to make sure that those small craft harbours are operating in the most environmentally friendly, responsible and sustainable way. This is an important role that the federal government can continue to play.

●(1150)

Other members in the House have touched on a couple of these issues, but I want to raise the issue of volunteers once again. I spoke about the fact that the harbour commission members at North Cowichan council were all volunteers. These men and women put in countless hours.

This issue did come up before the standing committee, which talked about the need to address “volunteer fatigue and the need for additional support within Harbour Authorities”. I want to raise a couple of points from the report, which stated:

Harbour Authorities are typically non-profit, locally controlled organizations which operate and manage harbours. According to DFO, they are an efficient way of offering services, strengthening public investment and providing opportunities for communities to participate fully in the planning, operation and maintenance of harbour facilities.

I would agree with all of that. Harbour authorities are a way to make sure that the ongoing local operation is connected to the community plans and to the vision that the community has for itself. In many of our communities that are not so remote, such as Chemainus, Ladysmith and Cowichan Bay, these small craft harbours are right in the middle of our town centres. It is important that the local communities have some control over those facilities and that they are integrated into the community planning.

However, the report raised a couple of concerns around what is happening with volunteers. It stated:

For a few years now, these volunteers have experienced frustration due to insufficient budgets to maintain the harbours; increased complexity in harbour management; the difficulty of recruiting new volunteers; and, apprehension regarding the responsibilities and liability related to management of deteriorating facilities.

Testimony from the report stated:

“Volunteers are experiencing frustration. They are physically and morally affected by the present situation. They have given a lot to their community, and when they see their fishing harbour deteriorate from year to year for lack of funding, they become discouraged”.

Again, I know how many hours many of these volunteers invest in what is often a love for them. They have a passion for their small craft harbours. Either they are fishermen or recreational boaters, or they are recreational sport fishers or divers. Whatever their background is, they bring that passion to making sure that their small craft harbour stays viable for their ongoing use and for the use of their children and grandchildren.

In my community we are very fortunate, because we are not facing the same situation as other communities around deterioration, but I know that the volunteer hours people put in do wear them out. I think we need to look at how we support those volunteers, whether it is with infrastructure to help them coordinate their meetings or in making sure they have opportunities to go to meetings. In British Columbia, the association of small craft harbours has regular meetings where volunteers get to participate, learn about good ideas and gain support. It really is important that we look for ways to support the volunteer activity that happens in this country around small craft harbours.

The last issue I want to turn my attention to is the development of new small craft harbour infrastructure in Nunavut. The standing committee's report states:

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Significant increase[s] in economic spin-offs in terms of employment and capacity building are expected to emerge from the development of the territory's fish harvesting, processing and marketing sectors. Without functional harbours however, this will likely not happen.

The report goes on to talk about the fact that over a number of years reports that have been generated have talked about the importance of harbour infrastructure for Nunavut. What is actually being looked at is fishing harbour infrastructure in seven small communities, including Pangnirtung.

I had the good fortune to be in Pangnirtung last summer. We were looking at a number of factors in Pangnirtung, but one thing we did was look at the small craft harbours up there. Of course in the north the conditions are substantially different than they are in my part of the country on Vancouver Island. Although we have serious tidal issues and we have good tidal swings in my area, we do not have the kinds of tidal swings they have in the north and we certainly do not have to deal with the ice conditions.

The investment in small craft harbours in the north seems like it needs that attention. When we are talking about economic development and opportunities for people in the north to not only maintain their sovereignty but also to expand their livelihood, it would seem like a good investment.

In conclusion, I want to thank the member from the Bloc for bringing this motion forward today. I think it is an important debate to have in this House as we recognize the importance of these small craft harbours in our communities, not only as economic or recreational links but often as the safety link, the link to ferries and to other communities that simply do not have road infrastructure.

● (1155)

I would encourage all members in the House to support this motion. I hope the government will follow through and make the kinds of investments that are needed in small craft harbours in order to keep their viability in our country.

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Mr. Speaker, I found the comments made by the member for Nanaimo—Cowichan thoughtful. She raised some important issues, particularly the issue of the economic impact to small craft harbours.

She referred to the study that was done in B.C. That is very important to bear in mind as we consider this topic. We are not just talking about keeping a particular piece of infrastructure well maintained, but it has a lot of spinoff benefits as well.

I want to draw the member's attention to the supplementary opinion by the member for Sackville—Eastern Shore on behalf of the NDP. I am just a bit confused by it and I hope she can help me understand it better. It says that it is the NDP's position that any divestiture of wharves, the small craft harbours, must have financial and human resources in place long before the divestiture takes place. I wonder if she can just give us a bit more on what that might mean.

The part I am most confused about is where it says, "The federal government should continue to remain a partner after the divestiture to assist with necessary maintenance like dredging or critical repairs to infrastructure".

Even before that it says, "The federal government must continue to be a partner in supporting small craft harbours and wharves, even after the divestiture of a small craft harbour to local harbour authorities".

That is where the confusion comes because harbour authorities are those bodies that run the harbours that are not divested. They operate and manage on behalf of the federal government those core harbours. When we go through the process of divestiture, the government is basically selling that harbour to somebody taking it over, in most cases, to a community or non-profit group. There is a bit of confusion, but I think this question has been raised before.

What is divestiture all about if somebody takes it over and then the federal government, according to this paragraph at least, is responsible for dredging, maintenance and so on? Those are exactly the things that the small craft harbour program does with the non-divested harbours, so what is divestiture doing if we are making all the same financial commitments that we had before divestiture?

● (1200)

Ms. Jean Crowder: Mr. Speaker, although I cannot speak on behalf of the member for Sackville—Eastern Shore, I can speak to my own experience.

In my region, as the parliamentary secretary rightly pointed out, harbour authorities are non-divested. We have a harbour commission which is a divested authority and so perhaps there was some language around this that is a little different from what was stated by the member for Sackville—Eastern Shore.

When we are talking about divested in our area, a harbour commission, I think that one of the challenges that we have faced, which is where the financial resources becomes a factor, is that for the ongoing normal operation and maintenance, often the local authority, the local commission can do the fundraising and generate the revenue.

More problematic is where we have these huge capital projects and it is very difficult for smaller municipalities and non-profits to actually raise those kinds of funds. For example, we had to look at an enormous upgrade to one of the breakwaters in one of our harbours. The problem with it was that it was simply beyond the financial capability of the local municipal authority to raise that kind of funding.

In my view, the kind of partnering that would happen would include some recognition. There is some infrastructure money, but that often falls in line with a whole bunch of other municipal projects, so there needs to be a specifically allocated pot of capital that small craft harbours, that are divested, could access for some of those larger capital projects. In my view, that would make them much more viable.

This should include all the accountability measures that we all recognize are really important around the expenditure of government funds, but that kind of partnering would actually make these harbours much more viable.

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Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I would like to thank my colleague for defending the small craft harbours of her region. For those Canadians who live in the centre parts of the country, without access to oceans, there is not a proper understanding of how vital these harbours can be, not just for the recreation and the commercial requirements of the community but also for basic safety concerns.

I would like to hear the member's comments on an incident that happened some months ago on the north coast of British Columbia, which was the tragic sinking of the *Queen of the North*, in which a ferry ran aground and sunk quite quickly. The crew were diligent in getting almost everyone, unfortunately not everyone made it off the ship, into life rafts but they were on a relatively isolated part of the coast.

It was only through the incredible and courageous work and dedication of the folks of the Hartley Bay community that they were able to scramble enough fishing boats and people in the dead of night, on a cold night, to get out and save the lives of many travellers who did not have the clothing or any of the equipment necessary to survive the night when it is that cold.

The reason I am asking this particular question is to partly celebrate and honour the people of Hartley Bay and what they were able to do but also to recognize the lack of support which is noted in this report. We have heard the parliamentary secretary talk about it, just the basic financial and training support in terms of the infrastructure but also the emergency services, the training for people to handle situations like this for places like the central and north coast.

What does this actually mean? What are the consequences of the government not stepping up to the plate fully in a proper way?

• (1205)

Ms. Jean Crowder: Mr. Speaker, I think Hartley Bay is a really good example of how those small craft harbours are so essential and are the lifeblood in many of our communities. Hartley Bay was a good example of course where community members put their own lives at risk to perform a rescue operation for what could have been a much larger tragedy.

In many of our communities, and I know this is equally true on the east coast and in the north, they are often subject to some fairly severe weather conditions. Those small craft harbours often play vital roles during a rescue. Whether it is on the west coast of Vancouver Island or places like Hartley Bay, those small craft harbours are a vital rescue point.

I mentioned earlier about the fact that sometimes the small craft harbours are simply the place where emergency boats can do medical evacuation as in the case of Kuper Island. However, in this case the Hartley Bay people really need recognition of the fact that they performed a vital service and support for those volunteers is critical.

Hon. Joe McGuire (Egmont, Lib.): Mr. Speaker, I would like to ask the member to elaborate on the environmental concerns that she touched upon again.

I know that on the east coast there are more storm surges than there ever were before. They are much more intense and much more damaging than they ever were before. Fishermen tell us that they

have not experienced previously some of the storm surges that they have in the past five or six years.

I know in the year 2000, during a federal election campaign, one of our worst storm surges occurred in Prince Edward Island and along the east coast where it almost destroyed three of our harbours. Yet, we as the federal government have not taken any steps that I can see, either by the previous government or the present one, on planning for these contingencies on how to deal with these very damaging events of nature and the effect that they have on our small craft harbours.

Ms. Jean Crowder: Mr. Speaker, at my end of the country one of the things that we are looking at is the fact that we are having to reassess the strength and the viability of some of our breakwaters because of the storm surges that we are seeing, the high winds, and the kind of wind and wave damage that is happening. That is an enormous cost for many of our communities and many of these divested small craft harbours. We really need to look at a mitigation strategy around climate change and the impact that it is having on the small craft harbours.

Hon. Joe McGuire (Egmont, Lib.): Mr. Speaker, I would like to inform you that I will be sharing my time with the human dynamo, the member of Parliament for Yukon.

I have served on the Standing Committee on Fisheries and Oceans for a number of years and I was the chair of that committee for a number of years. I must say that some of the most interesting times that I spent in the House of Commons were those years that I served on that particular committee.

Sometimes it was heavy, hot and heated in the committee because it was during a time of change when the Canadian Coast Guard went from Transport Canada to DFO. It was also the time when many of the port authorities were set up. People inherently resist change, but this made it one of the most interesting periods of the Standing Committee on Fisheries and Oceans for some years.

I am also very proud of the role that my party played at that time in setting up the port authorities that members are talking about today. Previous to harbour authorities, harbour repair was based more on which side of government a particular MP sat. That fact determined whether or not his or her harbour would be repaired.

I know that in my particular riding of Egmont, and if anyone looks at the map, they will see the importance of the fishing industry to my riding. Fishing is probably the most important industry in the province or in my riding. The 11 or 12 harbours there, now with the addition of the Lennox Island First Nation harbour, received almost no repairs for over 10 years.

The story I like to quote, when I speak with fishermen, is when the chairman of the fisherman's group in Howards Cove sent a letter to the minister of the day, with a copy to me, along with pictures of himself and his fellow fishermen standing in the basin of his harbour on a sand dune. The caption asked to please dredge the harbour so that the fishermen could go fishing in the spring.

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I went to the minister of the day, who is now the Lieutenant-Governor of the great province of Newfoundland and Labrador, and showed him the pictures. We had a meeting. He did come up with the dollars to do the dredging and I give him credit for that. Knowing his sense of humour, which he still retains to this day, he said that now I owe him a big favour.

At that time the minister was trying to increase the carapace size of lobsters. He wanted fishermen to leave bigger lobsters in the ocean to propagate and grow larger. The minister said that I now had to support him in increasing the carapace size of lobsters to two feet between the eyes. Anyone who knows John Crosbie would know exactly what he was referring to there.

In 1993, when Brian Tobin was the minister of the day, we had to address the great problem that was coming in small craft harbours and the lack of dollars that were allocated, and the way they were allocated to the Atlantic provinces and probably to the whole country, whether it was recreational harbours or active working harbours.

The previous Liberal government implemented the concept of fishermen taking control in managing the infrastructure of the harbours that they used every day, and to prioritize what had to be done in the long term. It was up to us as politicians to furnish the dollars that could address those problems.

It was astronomical the amount of dollars that were required to bring many of the harbours up to scratch. I know in Judes Point in Tignish Shore, which is the largest small craft harbour in Atlantic Canada, the harbour was basically returning to the earth. It was a very dangerous proposition for the fishermen of Judes Point to go out through the run at Tignish Run. They were taking their lives in their hands twice a day going in and coming out with the timbers that were leaning into the run.

●(1210)

Miminegash and Northport, two other very large small craft harbours in my riding, had not seen any kind of repairs, almost no minimum maintenance, for quite some time.

This happened quite often. In those years it was the position of the Atlantic caucus that we should set up a different way to do things. We should give the fishermen a bigger role to play, a role that would tie them into their workplace more often. Before it was totally the government's responsibility and there was a hostile situation between fishermen and government officials on the condition of the harbour and what to do about it.

Even though the federal government still owns those properties, they are managed and run by local fishermen on their own time. Some harbours have difficulty getting enough fishermen to volunteer for those positions. The difference in the attitude of the fishermen before the harbour authorities were instituted and today is like night and day. There will always be problems and a shortage of dollars.

In the past two years of the Conservative government, it appears we have gone back to when the bureaucrats used to say they were colour-blind. Now the colour is a little more tinged on the blue side if we look at what has been done in my riding over the past two years compared to what was done before on a regular implementation

basis. The only work that has been done in the last two years is work that was already approved before the change in government.

According to the information I have, \$5 million or \$6 million worth of repairs was required, from Tignish, West Point, Skinners Pond, Miminegash Harbour and so on. It is difficult for the fishermen and the harbour authorities to get any kind of an answer as to whether those repairs will even start to be carried out or if they are approved. There is supposed to be a grading system whereby the budget will be allocated among the large harbours, A harbours, B harbours and so on. The harbours I have talked about are large small craft harbours that need continuous repair and dredging.

On the Northumberland Strait side, the harbours of Cape Egmont and Egmont Bay need to be dredged almost every three years as a matter of course. The sand runs from west to east and these harbours eventually fill up with sand and have to be dredged. It is part of the minimum maintenance of that harbour. Every year they have to practically beg to get a dredge allocated to the area so they can go fishing.

It is always a battle for members of Parliament to get the government of the day, whether Liberal or Conservative, to allocate the proper funding for the program. When the right hon. member for LaSalle—Émard was minister of finance, he would make his rounds to all the caucuses and we were able to convince him to put \$100 million into that program. To give him his due, he implemented that. The fund over the five year period has now expired. The fishermen need the program not only to be reinstated, but to be upgraded as well.

As stated in my question for the previous speaker, the amount of damage done by storm surges and the environmental conditions of today can cause a lot of damage to small craft harbours no matter how well the wharves are constructed. They need to be protected with rock and granite.

After the storm surge of 2000, the damage done to Seacow Pond, Tignish Harbour and Miminegash will not re-occur because of the repairs made at that time to protect those harbours. This needs to be continued.

●(1215)

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Mr. Speaker, I want to make a clarification. The member referred to the \$100 million funding from his government when it was in power. We recognize that. It was over a period of five years, so it was \$20 million a year. I think he may have left the impression that the funding ended, but this government made it permanent. Rather than it remain a program that would sunset, it is now part of the permanent funding of the department. It is part of the A-base funding. In addition, there was some transformational funding that the department had, and \$11 million of that went into small craft harbours as well.

This government has done a fair bit when it comes to beginning the process of addressing the shortfall.

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The facts are clear. The shortfall really started to get worse in the mid-1990s when the budget went down to just above \$50 million. At one time, it was closer to \$150 million. Therefore, some of the infrastructure deficit we have to deal with now is as a result of those policies in the mid-1990s.

I assure the member that the department carefully applies a priority approach to the funding of all harbour repairs at commercial fishing harbours. I think he left the impression that somehow his harbours have been left out. I am not sure what he intended to imply, but if they were, it is because they were not considered priorities at this time. I am sure if they become priorities, then they will be adequately funded.

• (1220)

Hon. Joe McGuire: Mr. Speaker, I am glad the parliamentary secretary cleared up that matter. It is good to know those dollars are there, as I was left with the impression that they were not incorporated.

It stills leaves the fact that the program continues to be underfunded. Any study that the committee has come up with on small craft harbours, continuously and unanimously all parties have agreed the program is dramatically underfunded.

I know paying off the debt is a good thing. Our government balanced those budgets in the 1990s. We have put some of the surpluses into paying off our long term debt. However, surely we can use some of that to build up the infrastructure of small craft harbour. The longer we leave the repair of those harbours, the more expensive they will become. We might as well fix a leak now than fix the whole harbour a little later on.

It is incumbent upon all members of Parliament to convince the government that the budget for this program has to be increased substantially.

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, could the member comment on the fact that we do not only build a harbour, but it is there forever? In particular, in my riding, which is as far as away as can possibly be from his riding in the country, climate change is having a dramatic effect. Is it having an effect in his riding?

Hon. Joe McGuire: Mr. Speaker, climate change is having a dramatic effect. It is increasing the bills.

In the Miminegash Harbour the last storm surge cut through a sand dune, came in on the wharf, lifted up a huge part of it and set it aside. We deal with that kind of power. We must have barriers and walls to withstand the sea. If we do not do a good job of that, it will continue to cause a great deal of damage that will have to be repaired, which costs a great deal of money.

Why not take preventative measures now, put up those walls and those barriers now, so we will not have to deal with all these damages in the future?

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, before I start, I want to comment on a remark by a member of the government on the new \$33 billion building Canada fund. This was made after the member for Egmont explained the serious underfunding for small boat harbours.

It gives me an opportunity, as many members have already mentioned, to talk about the deception that some government members have tried to foist on mayors and city councils and Canadians in general, that \$33 billion in new dollars could be used for small boat harbours or anything like that.

First, a good proportion of that money was already earmarked under Liberal programs, such as the gas tax, et cetera. This is ongoing funding of Liberal programs, including money for the Pacific gateway. That leaves only about \$7.4 billion. Therefore, it is not \$33 billion; it is \$7.4 billion.

The \$4 million of that \$7.4 billion in new money is for the Asia gateway. I do not think a man or woman will jump in a little motorboat and go to Asia, so probably will not be used for small boat harbours. Then there are \$2.1 billion for gateways and borders. I do not really think small boat harbours will be funded because they are on the border. Then there are the PPP projects, for \$1.3 billion. There is no word on what that might be and no suggestion that it might be small boat harbours. Then direct funds to the provinces are \$2.3 billion.

That leaves \$1.3 billion, and it is not over one year. It is over seven years. Therefore, if something needs to be done soon, we do not have \$33 billion to do it. If we consider all the sewage, water, road and recreational problems, I do not think a lot of that will go for small boat harbours. In fact, I would like to see exactly how many projects under the building Canada fund have gone to small boat harbours this year. Therefore, that was not a very practical suggestion.

I will speak to the motion from three unique perspectives, the three responsibilities I have in Parliament. The first is as critic for the north. The second is as co-chair for the very large outdoor caucus of Parliament. The third is as chair of the rural caucus. I hope to give some different perspectives on the motion and on some of the items contained in report. Virtually every member of Parliament from all parties has suggested, and credit to them, the importance and the need for more funding for these small boat harbours.

As chair of the rural caucus, I think we all know there is a huge unemployment problem the rural areas, much more than in urban areas. It is not necessarily easy when one industry town loses that industry. There are not a lot of options to create a sustainable community immediately.

If I do not run out of time, I will go into the economic benefits small boat harbours have to rural communities in great detail. It is one of those unique, rare instances.

When we have found a solution, why would we not fund it rather than do more studies? Also, if we do not do something in the rural areas, we then have a huge migration to the cities. It is not totally healthy to have an empty countryside. I could elaborate on that at great length but I probably will not have time.

In 2007-08, we have \$97 million for small craft harbours, which is 4.5% lower than last year, so there is room to move. I think people are all in agreement with that. We are all looking anxiously toward the budget.

As the critic for the north, I want to focus in on the north for a few minutes and the benefits the motion would have for the north, and some of the other related initiatives in the north for which our party stands.

● (1225)

First of all, as some members have mentioned, the report suggests building seven new small craft harbours in Nunavut. I am very thankful for the strong leadership of the Liberal Party in announcing that we would forthwith build and fund harbours in Pangnirtung, Clyde River, Kugaaruk, Pond Inlet, Chesterfield Inlet, Repulse Bay and Qikiqtarjuaq.

Those harbours in Nunavut would be very important in an area of extreme high unemployment and would create opportunities for employment. People have been trying to do that for decades but there are limited possibilities. This would be a very natural one. It is one that people of Nunavut want. The government was involved in the report. It is certainly an area we could help. It would be an obvious area to support.

They could be used by the local fisheries, which could get bigger because the ice is rapidly disappearing due to global warming. There is already an active fishery of turbot, shrimp and a few other species. One can imagine the difficulty Nunavut fishermen face in that harsh environment if there are no harbours in which to dock their boats. I was fighting for more quotas for the fisher people of Nunavut because not all the quotas in their area even go to them, but it is pretty hard to argue for that if they have no place to store their boats safely between fishing trips.

Another high priority for us, and the Liberal leader again has taken great leadership in this area, is to encourage an enhancement and acceleration of the mapping of the north. If we do not map the seabed in the north we could lose what could have been part of Canada. Once again, harbours can play a role in ensuring that the people doing the mapping have access to the appropriate harbours.

There is another related area on which I am also proud of the Liberal leader. We would ban dumping of garbage and food waste into the Arctic Ocean. It was announced last year that was going to happen. I also have a private member's bill to that effect.

I will mention some other important reasons much more quickly than I would like because I do not have too much time left. Small boat harbours are social centres for the communities, going back to the days of Christopher Columbus. On windy days these spots are social places, gathering places. On the east and west coasts they are a great tourism boon. They keep Canadians in Canada and enhance the revenues of local businesses. It is a clean way of getting foreign exchange if Americans and others harbour their recreational boats

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and sailboats in Canada. It is a great way to create business revenue for Canada.

We have to remember that there is a difference. It is not the same as people in inland cities who go to cottages. Boaters cannot just leave their boats near the beach overnight because the tides rise up and down and their boats would be gone in the morning. Appropriate structures are needed to handle that.

Safety is also very important on the coasts and in the north. I remember one case where some Yukoners got an award for rescuing some people in a boat. The people were very close to dying because of hypothermia. If there is no harbour with boats, how are people going to get out to save people?

The other thing is that it is very helpful for our aboriginal fisheries and commercial fisheries. Over 74,000 fishermen could be affected. Having an active small boating area on the coast helps prevent drugs from coming into our country. There is security. Illegal immigration is occurring more and more on our coasts. There is aquaculture. The 101 harbours in B.C. contribute over \$800 million in related economic development. There is scuba diving.

● (1230)

As chair of the outdoor caucus, I can say it is a huge bonus to Canada to have recreational fishing. The people who fish outnumber those who play golf and hockey in Canada, people over 15.

In conclusion, there are all sorts of benefits, more than what someone might think on the surface, in these harbours being effective. It is a very important role that the federal government must continue to play.

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Mr. Speaker, I appreciate the interest of the member for Yukon in this issue and his involvement in the outdoor caucus.

I think the hon. member is right, and the member for Egmont said this as well, that there is a funding shortfall for small craft harbours. We all acknowledge that.

Members on the other side are pushing us to spend hundreds of millions of dollars on small craft harbours and we understand that need. However, the Liberal Party governed with a majority and after some years they started having surpluses. I think 1997-98 was the first year with a surplus. In that year the small craft harbours were funded at \$56.9 million. Remember that the amount is about \$100 million today. The following year it was \$56.3 million. The year after that it was \$62.8 million. It started to go up a little. With a number of years of surplus with all of the taxation powers the Liberals had, the funding never got above \$90 million.

I am curious as to why the previous government did not accept this challenge if it was so obvious that there was an infrastructure deficit. Why did the Liberals not do something when they had the opportunity to do so?

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• (1235)

Hon. Larry Bagnell: Mr. Speaker, I appreciate most of what the parliamentary secretary had to say today, but unfortunately, he is now participating in the very annoying habit that members of the government have and which really upsets Canadians. When people ask members of the government what they will do about something, they talk about the past and how everyone under the sun did not do this or that. Is that really a solution?

For instance, yesterday evening we had a debate until midnight about the pork and cattle producers of Canada. People have lost their jobs. They do not know how they will feed their families. The family farm has been there for generations. Government members say that people did not do this or that. That type of answer does not provide a forward thinking solution.

The parliamentary secretary referred to the Liberal Party. As I said earlier, we committed to the seven new harbours in Nunavut. It was done last year. It is a very strong area for us.

I prefer to look at the future. I hope the government will go back to supporting the volunteers again with the money it has. It is the Department of Fisheries officials and not us who have said that the volunteer burnout is very important. The volunteer initiative, which did not cost Canada very much, was very important and I hope everyone in the House will agree to fund that again.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, this has a connection with the last question from the parliamentary secretary about choices and priorities, that when the Liberals were in power they chose to make a lot of pretenses about the effects of climate change and wishing to spend money on things. My hon. colleague from the north is feeling the effects of climate change in his constituency, yet little was done. We now have a government that has taken a long time to even believe in the science. Still, little has been done.

When I look through this report, I am trying to understand how much government is taking into account the effects of rising sea levels and increased storm activity changing the very nature of the environment around our coastal harbours and our small craft harbours. I see mention of it, but very little direct attention paid.

I know the hon. member was involved in some of the discussions. Was there any serious input into adapting our coastal harbours to a reality rather than building in things that will cause us great harm and concern later? Are there plans in the future from his committee or other committees to actually get at this question of adaptation? This is a serious and important issue that Canadians would like to see addressed immediately.

Hon. Larry Bagnell: Mr. Speaker, I am glad the hon. member brought up adaptation, because I have been pushing it for at least three years now. It is very important, especially in the north. We have to invest in that.

It is very disappointing that the person who is supposed to be the environment critic does not know what many excellent government employees and the government did in the last term with EnerGuide. Thousands of Canadians applied and got money for that. People knew about the renewable resource investments of millions of dollars, the wind energy investments of millions of dollars, biodiesel,

clean carbon, carbon sequestration, all the things that were done by the previous government, some of them leading the world in cutting greenhouse gases.

• (1240)

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, I am pleased to speak to the concurrence motion on the committee report regarding small craft harbours.

I am sure every member in the House recognizes that our present Minister of Fisheries and Oceans has been a great advocate, proponent and supporter of fisheries infrastructure and the industry itself across Canada. He was faced with some difficult and onerous tasks when he took over as Minister of Fisheries and Oceans from the previous Liberal government.

The Liberals had cut aid based funding in 2005 by \$20 million. After we formed government, the Liberals tried to bring forward a motion in committee asking that the funding be reinstated. Not only did the minister reinstate the \$20 million, but he added \$11 million to that base funding.

Without question there is a huge infrastructure deficit in small craft harbours. Through good management and prudent fiscal policy our minister has attempted to address this infrastructure deficit, but it will be ongoing. In the present fiscal climate it would be irresponsible to suddenly find \$600 million to fix all the problems left by the previous government. However, there is a plan and that is what we really need to talk about.

There is wharf infrastructure on the Atlantic Ocean, the Pacific Ocean, inland on the Great Lakes, and in the high Arctic. This wharf infrastructure did not establish itself overnight and some of the problems with it are not going to be fixed overnight.

What I have seen from our present minister is a willingness to look at that infrastructure in order to develop some policies and procedures that would allow us to continue to invest in fisheries infrastructure on an annual basis a reasonable amount of the public purse. As the present minister and I have said many times, the wharf is to fishermen what the highway is to farmers. Highway infrastructure is still needed by the fishery to get its products from the wharf, but a boat cannot be put in the water and hauled back out without some wharf infrastructure. This is all part of a viable realistic and achievable fishery, especially the small boat fishery, that class of boats under 64 or 65 feet.

The dynamics have changed. There are a number of wharves throughout my riding of South Shore—St. Margaret's. There is the East Dover wharf, the West Dover wharf, Port Mouton or Lunenburg County in Riverport. There is also Clark's Harbour and Woods Harbour. Those are only a few. There are dozens more.

Those wharves were built for 35 foot boats with maybe only 14 feet of beam. Today's boats are 44 to 50 feet, the same boat class, but they have 23 to 26 feet of beam. There is no comparison. One boat today takes up the same amount of space that two boats would have taken up 25 or 30 years ago. I am sure my colleagues opposite recognize that this has put an added strain on the fishery and on the wharf infrastructure.

● (1245)

We now have boats that are tied up abreast. Where we would put perhaps two, four or even six boats abreast in the past, we can get three today.

I have a number of wharves and Woods Harbour is a prime example where we might have 55 to 65 boats tied up, all fishing out of one or two smaller wharves. To get that boat that is tied up against the wharf out when that fisherman wants to leave, and he has five boats tied up alongside of it, that is quite a job.

I think it is important to mention priorities and some of the issues that the other members have mentioned. I believe members who spoke earlier have recognized that small craft harbour infrastructure is a priority. I certainly recognize that, our government recognizes that and, in particular, the minister recognizes that.

In 2006, I know for a fact there was unanimous support for another such concurrence motion, similar or the same as the motion today, but the financial value asked was different. It has increased by about \$50 million in this interim report. However, the principle is the same.

To recognize the value of the harbours and their accessibility for those who use them and even the volunteers who run them, and very often they are volunteers who run them, is significant. There is a principle involved and the government supports that principle. We recognize the importance of traditional industries, such as the fisheries, as we will find in the most recent Speech from the Throne.

I do not mean to belabour this subject but we need to talk about the government's priorities and the government's costs.

This morning, the Minister of Fisheries and Oceans was in committee. A question was asked of the minister and he restated the fact that small craft harbours and wharf infrastructure in coastal Canada continues to be, not just a priority for the government but a priority for the minister. He recognizes the challenge that he faces, and it is not one that we take lightly.

If we look at the small craft harbour program with the priority approach, we could have 10 harbours and we need to prioritize them. There is no way to get around it. We have to say which harbour needs assistance on a priority basis and we also have to balance that with the amount of dollars that some of these harbours bring in.

I have many harbours throughout the South Shore—St. Margaret's riding where some wharves would probably bring in excess of \$100 million. There are others that would work hard to bring in \$5 million. It is a different fishery in different locations.

However, if we look at that small craft harbour program in 2006-07 and 2007-08, it has received an additional \$11 million through the

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Department of Fisheries and Oceans transformational plan. That funding falls to \$8 million in 2008-09 and ongoing.

Therefore, let us be clear about dollars. While the program was scheduled to lose \$20 million in sunset funding at the beginning of 2007-08, cabinet in December 2006 approved adding this \$20 million permanently to the program's budget, A-base funding that I mentioned at the beginning of my speech.

This A-base funding is important because the \$20 million that the Liberals cut from the program was never guaranteed A-base funding. It was simply funding that would never be available again. It was a kind of one time only funding.

● (1250)

When I rose to my feet I know the member for Bruce—Grey—Owen Sound wanted an intervention. Mr. Speaker, I will be sharing my time with the member for Bruce—Grey—Owen Sound. I understand I have a bit of time left, so I will take a couple more minutes because I have a few more things to say.

Some hon. members: Shame, shame.

Mr. Gerald Keddy: When I am speaking I always hear static or radio running behind me. I assume it is a member who cannot wait to have an intervention or does not understand the rules of the House. I can only assume that because they tend to continue to talk and interrupt and it makes my job more difficult to have reasoned debate and I know, Mr. Speaker, it makes your job more difficult, but they are fairly easy to ignore.

I want to reiterate the challenge the minister is facing, the fact that we do have an infrastructure deficit and we—

The Acting Speaker (Mr. Andrew Scheer): Order, please. I hate to interrupt the hon. member but if it is his intention to share his time with the member for Bruce—Grey—Owen Sound, I will have to cut him off at 10 minutes because it is supposed to be two slots of 10 minutes each. We will move on to the questions and comments portion of your slot. The hon. member for Cardigan.

Hon. Lawrence MacAulay (Cardigan, Lib.): Mr. Speaker, when I listened to the member for South Shore—St. Margaret's it reminded me, when I first entered politics, of going to the wharf in Savage Harbour and at that time \$200,000 would have repaired the wharf. When we came into power, it cost over \$1 million to get the armourstone in order to put the breakwater in place. This is what happens when we do not put the proper funding into small craft harbours. At Grahams Pond, it was about ready to go into the rock. After we came to power, it cost millions of dollars to put that wharf back in place.

A number of speakers today said that there have been a lot of changes. I remember when the harbour authorities were put in place I was concerned about that, but it gave the fishermen a say in what takes place with their own harbours, and it has worked well. However, the problem we have is the lack of funding. All governments have been lacking in funding to small craft harbours.

However, the current government inherited a massive surplus. The Minister of Fisheries and Oceans indicated, before he became minister and I believe after he became minister, that it would take about \$400 million to put all the wharves back in shape.

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I believe the member for South Shore—St. Margaret's indicated that possibly this funding should not all be put in now. I wonder why not, because if we put the wharves back in shape with the proper funding in place, it means that we can repair the wharves, help the volunteers who are trying to keep those wharves operating and ensure—

The Acting Speaker (Mr. Andrew Scheer): I am going to have to stop the hon. member for Cardigan there.

The hon. member for South Shore—St. Margaret's.

Mr. Gerald Keddy: Mr. Speaker, I will be polite in my answer for the member for Cardigan because we sit on committee together and he does have the best interests of fishermen in Prince Edward Island at heart and does understand the challenges that his government faced and that our government faces in trying to fix the deficit we have in wharf infrastructure.

The key point, and we owe this to the present Minister of Fisheries and Oceans, is the \$20 million that was put back permanently into A-base funding, which is \$20 million more per year on an ongoing annual basis to help fix the wharf infrastructure deficit that is occurring across the country.

I appreciate the member's intervention. Again, the costs have gone up and we recognize that. Armourstone is a prime example, the costs of pilings, the cost of everything. From the early 1990s to 2008 there has been a substantial increase in the inflation of the value of materials and that is an ongoing challenge for fishermen and for the department.

• (1255)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I put this question to other members who were on this committee but I am curious as to the member's view.

What plans does the government have in place right now? What money has been allocated to look at the adaptation required for a changing marine environment due to climate change?

Many studies have been done by many different countries, many of our trading partners, to look at what the implications are for the physical infrastructure, for the physical way we do harbours and the physical way we seek to upkeep them. When we look through the government spending plans, we rarely see any sort of contingency, any insurance policy. The concern for many is that these harbours will be built in such a way that will not accommodate a climate changed future.

I am wondering if he has any details to provide the House.

Mr. Gerald Keddy: Mr. Speaker, the ongoing challenge of climate change, and I think the member would agree, is that we do not tend to see, I do not believe, the climate change effects so much on the wharf infrastructure and the challenge to keep that infrastructure in place. We are not seeing dramatic changes in current and tide.

What we are seeing with climate change is the change in species, in algae, in marine plants and even in the birds that frequent our waters. We are certainly seeing that.

The way DFO operates when it is building new wharves and when it is assessing the work it needs to do on old ones, it assesses the tide

and it assesses whether the harbour is being cleared and whether it is being infilled with sand. DFO looks at a number of issues and those are not really due to climate change, as much as—

The Acting Speaker (Mr. Andrew Scheer): Order, please. I am sorry but I have to cut the hon. member off again.

We will move on to the hon. member for Bruce—Grey—Owen Sound.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Speaker, it is a pleasure for me to stand and speak to this motion.

If there is anyone other than the hon. Minister of Fisheries and Oceans who has a keen, distinct and certainly genuine interest in small craft and harbours, it is the member for South Shore—St. Margaret's. He certainly knows what he is talking about.

I want to go back to the funding history on harbours and small craft. My colleague from the NDP spoke about the ongoing funding. This problem began a number of years ago when the previous Liberal government did not put enough money into funding. Sometimes we think we will save some pennies when we save some dollars. In the case before us I am going to give some examples that will show what that kind of planning can do.

We could compare it to driving our cars. As most people do, I change the oil in my car every 5,000 kilometres. If I do not change it to 10,000 or 20,000 kilometres, it will still probably be okay. I can guarantee though that over the life of that car I am going to spend a lot of extra money putting a motor in that car much sooner than if I had added up the cost of those extra oil changes.

I will go from that example to the issue of wharves. I have three wharves in my riding. Tobermory is at the tip of the Bruce Peninsula. Tobermory is also the home of the very first underwater national park in Canada. The harbour at Tobermory was in bad shape. It was ignored back 10 years ago and the repair costs now have increased eight to ten times. If that wharf had been repaired back at the time when the repairs were first required, there would be a whole lot more money to spread around to other harbours.

My riding also has the Lion's Head harbour half way down the peninsula. It is also in need of repair. In my hometown of Wiarton, it is a shame what has happened there with the wharf. Funds have to be made available for these repairs. The minister's efforts to go ahead with those repairs are paramount.

I want to go back to my colleague from South Shore—St. Margaret's. Another reason I wanted to speak today is because not all our wharves are situated on the east side or the west side of Canada. My riding is situated on the Great Lakes. Some people might ask why is the member for Bruce—Grey—Owen Sound speaking on this issue.

Perhaps they would say that I have the second largest beef riding in the country and what does he know about wharves. There are many wharves in my riding: Owen Sound, Meaford, Stokes Bay and Howdenvale. I could go on with many more. The funding is important not only for our ocean ports and harbours but for small craft harbours such as a mine and right across the country.

I want to give some history of Tobermory and the Great Lakes. There is a story which probably has some truth to it, that the infamous Al Capone, after some of his great heists and in order to take off some of the heat from the law, would come up from Lake Michigan. He had a cabin at Bay Finn near Killarney. It was very close to Tobermory and rumour has it that was a frequent stop of his for supplies or whatever.

• (1300)

For many people pleasure boating is a tourist industry in today's economic climate. Agriculture is number one in my riding, but tourism is a very close second.

The visitors that the harbours and wharves enjoy through the course of a summer would stagger everyone, as well as the size of the boats that go in today. When people are invited to come to our country to spend their money and use these small harbours and wharves, we need an asset that is not just safe and does the job as a working site, but there has to be a bit of pride in upkeep and that kind of thing.

I speak very highly of this motion. It would go a long way toward fixing up some of the harbours that have been neglected for so long and I know that the minister has been working on that.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, this subject matter is certainly of interest to me. It is an important issue.

As a matter of fact, the Standing Committee on Fisheries and Oceans has gone before the liaison committee to request funding for all members of the committee to visit small craft harbours on the east coast. They are doing some work and looking into these problems.

I wonder if the member could advise the House whether the motion before us now is in fact going to address the substantive issues and problems that the committee seeks to identify on its trip to the east coast.

Mr. Larry Miller: Mr. Speaker, I am going to be honest with the member. I am not aware of all the issues that he referred to, but if they are related to some of the neglect and whatever that has been going on as far as repairs, I would like to say that they were. However, without having further knowledge on that, I cannot speak to it.

• (1305)

[*Translation*]

Mr. Gérard Asselin (Manicouagan, BQ): Mr. Speaker, the parliamentary secretary has said from the start that the government is managing priorities. Now, in 2008, it has to manage priorities, because the wharves and harbours have not been maintained for 15 years.

It is like someone who wants to save money to pay off his mortgage, but who lets his house go to ruin. The roof and basement leak, but his priority is not to maintain his house, but to pay off his mortgage.

That is more or less what the Conservatives are doing. Even though they have a budget surplus, they are not maintaining federal infrastructure. Airports, harbours and wharves belong to the federal government.

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My question is for the member. If Fisheries and Oceans Canada has no money to maintain small craft harbours, should we ask the department responsible for helping developing and war-ravaged countries, the Department of International Cooperation, for money to build roads on the lower North Shore and maintain our wharves?

[*English*]

Mr. Larry Miller: Mr. Speaker, I am not really sure there was a real question asked. I noticed that the member talked about paying down the debt and that is something this government believes in. The NDP has never seen a surplus that it would love to spend, the Liberals have never had one they did not spend, and the Bloc will never get a chance to spend money. This government and this minister will put money in the right place to address it. That is what this motion is all about and I urge him to support it.

[*Translation*]

The Acting Speaker (Mr. Andrew Scheer): There are about three or four minutes remaining in the time provided for consideration of this motion.

The member for Manicouagan.

Mr. Gérard Asselin (Manicouagan, BQ): Mr. Speaker, I am pleased to speak today during the debate on small craft harbours. We all know the terrible state that regional harbours are in. I have the good fortune to represent the people of the North Shore, in a riding that spans 1,350 kilometres along the north shore of the St. Lawrence and the Gulf, and is divided into 74 municipalities, including aboriginal reserves. We are taking about a major investment of \$400 to \$600 million to safely reopen the wharves and small craft harbours, primarily on the North Shore.

The federal government's only investment so far was for the installation of a sign, about 18 by 24 inches, that says: Dangerous wharf. No trespassing. What we have in our ridings are houses of cards and crumbling infrastructure. Fishermen, shippers and users of these wharves cannot safely be on them.

I have had to intervene a number of times, during the time of the Liberals as well as the Conservatives. But as I said, we are helping developing countries build roads and create infrastructure, but unfortunately, we do not even maintain our own infrastructure. It is not a matter of money; it is a matter of bad faith on the part of the government, which does not invest in its own facilities.

There was a port divestiture program. The problem is that there is no money in the program. The government would like to hand these harbours over to the harbour authorities or the municipalities, but unfortunately, no one is interested in acquiring a white elephant or a house of cards. It takes money. We know there is a municipality in Quebec that would like to acquire a harbour infrastructure. This has to be done through an order in council, and the municipality does not necessarily have the means to maintain, manage and operate these wharves.

I was jokingly saying that the federal government helps developing countries build roads and infrastructure, but, unfortunately, it does not even maintain its own infrastructure. We see that with harbours and also with airports.

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Do you know how the federal government settled the deficit at the Baie-Comeau airport? It closed the control tower, eliminated the airport fire fighters and removed parking security.

At the time, the materials used for building the harbours were not protected by breakwaters. There is a dredging problem, a safety problem for loading and unloading, and problems launching the boats. We are asking the government to maintain its own infrastructure and the wharves. It is the federal government's responsibility and property.

On the North Shore, in the large riding of Manicouagan, and mainly in the Lower North Shore, there are no roads. The only access to these towns is by water in spring and summer, and everything comes in and goes out by boat.

The federal government did not just build these wharves on the North Shore on a whim; it built them out of necessity. There was a growing desire to use the seaway. Perhaps if it were used more there would be fewer transport trucks on the road, which would be better for the environment, and our infrastructure could be used. It is hard to use the seaway without the necessary harbour infrastructure.

What we are asking for is very simple: that the federal government use money and maintain its own facilities.

• (1310)

The Acting Speaker (Mr. Andrew Scheer): It is my duty to interrupt the proceedings and put the question necessary to dispose of the motion before the House.

[English]

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.
(Motion agreed to)

* * *

PETITIONS

INCOME TRUSTS

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to present this income trust broken promise petition on behalf of Ms. Janetta Lavery, who remembers the Prime Minister boasting about his apparent commitment to accountability when he said that the greatest fraud is "a promise not kept". The petitioners remind the Prime Minister that he promised never to tax income trusts, but he recklessly broke that promise by imposing a 31.5% punitive tax, which permanently wiped out over \$25 billion of the hard-earned retirement savings of over two million Canadians, particularly seniors.

The petitioners therefore call upon the Conservative minority government to admit that the decision to tax income trusts was based on flawed methodology and incorrect assumptions; second, to apologize to those, particularly seniors, who are—

The Acting Speaker (Mr. Andrew Scheer): Order. The hon. member for Mississauga South knows he cannot read the text of the petition but can just give a brief summary. It sounded like he was

reading the terms of the petition. I will allow the hon. member for Mississauga South a very brief time to sum up the petition and then we will move on.

Mr. Paul Szabo: Mr. Speaker, this is what the petitioners are calling for: the first is to admit that it was flawed methodology; the second is that the government should apologize to those who were hurt by it; and finally, it should repeal the 31.5% tax on income trusts.

MANUFACTURING INDUSTRY

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, I rise today to present this petition of great importance to millions of Canadians who are both directly and indirectly affected by the manufacturing crisis. In the past five years alone, over 250,000 hard-working Canadians have lost their jobs in layoffs, and plant closures have crippled the manufacturing sector. At the same time that these Canadians are struggling, the government is awarding massive public contracts to foreign companies at the expense of our homegrown industries.

This practice cannot continue. Canada needs to develop its own manufacturing plans, similar to those in the United States that protect and give assistance to this vital sector. We must remember that the manufacturing sector is vital to Canada's economic infrastructure and industrial stability. I urge my fellow members to stand with me and these petitioners as we develop a strategy to help Canada's manufacturing industry.

• (1315)

SECURITY AND PROSPERITY PARTNERSHIP

Ms. Denise Savoie (Victoria, NDP): Mr. Speaker, I have a petition on behalf of residents in Victoria who are asking that the government declare the SPP null and void because, in their opinion, it violates the preemptory norms of international law related to true security. These norms are intended to promote and guarantee human rights, to enable socially equitable and environmentally sound employment, to ensure preservation and protection of the environment and so on.

They reason that because Canada has signed agreements that commit the country to these objectives, signing the SPP would run counter to these, and Canada should therefore not now sign agreements and adopt regulations that run counter to these principles.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, a number of petitioners from right across British Columbia, and in fact from ridings of all three of the parties that represent British Columbia, are also expressing great concern over the government's progress on the SPP, the security and prosperity partnership. They find that the more they know, the more they fear.

They are asking the government to bring it to public attention and public debate in this place, which would be a novel concept for the government, and also to cease and desist any further agreements until such a public discussion has happened, which is a very reasonable and democratic perspective.

*Routine Proceedings***QUESTIONS ON THE ORDER PAPER**

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, the following questions will be answered today: Nos. 172 and 190.

[Text]

Question No. 172—**Mr. Tony Martin:**

What funds, grants, loans and loan guarantees has the government issued in the constituency of Sault Ste. Marie from February 6, 2006 up to today for all departments and agencies that have electronic capacity to search for and sort financial information?

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, government information on funds, grants, loans and loan guarantees issued by departments and agencies is based on parliamentary authorities for departmental or agency programs and activities. This information is listed by department and government organization in the Public Accounts and disclosed on the websites of government organizations. However, government organizations do not generally compile or analyze expenditure information by electoral district.

Over the course of the 39th Parliament, a number of government organizations have undertaken efforts to identify federal expenditures by postal codes which could then be summarized by electoral districts using a tool developed by Statistics Canada. While there is some promise in this approach, there remains a significant potential for error since many postal codes straddle two or more electoral districts. Moreover, the government has significant concerns about the quality of the financial data derived by this approach because there is no way to track the geographic area in which federal funding is actually spent. For these reasons, it is not possible to produce an accurate and comprehensive answer to this question at the present time.

That said, last spring, Statistics Canada initiated a process to enhance the accuracy of the tool that provides the link between postal codes and electoral districts. The process will allow departments which use the tool to better approximate by electoral district data retrieved on a postal code basis. The improved tool has been available since January 30, 2008, and training for government organizations that use this tool is planned for February and March, 2008.

Question No. 190—**Mrs. Irene Mathysen:**

What funds, grants, loans and loan guarantees has the government issued in the constituency of London—Fanshawe from February 6, 2006 up to today for all departments and agencies that have electronic capacity to search for and sort financial information?

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, government information on funds, grants, loans and loan guarantees issued by departments and agencies is based on parliamentary authorities for departmental or agency programs and activities. This information is listed by department and government organization in the Public Accounts and disclosed on the websites of government organizations. However, government organizations do not generally compile or analyze expenditure information by electoral district.

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[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Furthermore, Mr. Speaker, if Questions No. 65 and 159 could be made orders for returns, these returns would be tabled immediately.

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

Some hon. members: Agreed.

Points of Order

[Text]

Question No. 65—**Ms. Catherine Bell:**

With respect to the British Columbia coastline: (a) what, if any, voluntary or mandatory restrictions exist for oil and gas tankers traveling north and south between Alaska and the west coast of the United States; (b) what, if any, voluntary or mandatory restrictions exist for oil and gas tankers traveling east and west, to or from Canadian ports; (c) what is the legal status of the 1972 moratorium on oil and natural gas exploration off the Pacific Coast; (d) what is the official position of the government on the 1972 moratorium on oil and natural gas exploration off the Pacific Coast; (e) what, if any, changes to this policy have occurred since 1972; (f) what is the official position of the government on imposing a formal federal moratorium on the passage of all oil and gas tanker ships in the Dixon Entrance, Hecate Strait and Queen Charlotte Sound; (g) what is the official position of the government on the passage of oil and gas tankers in all directions (north, south, east, and west) from Alaska to points such as East Asia and the west coast of the United States; (h) what, if any, plans does the government have to formalize an overall moratorium of oil and natural gas exploration off the British Columbia coast; (i) what is the government's plan to deal with oil spills or tankers in distress off the coast of British Columbia; (j) what, if any, studies have been done to determine the risk and potential damage to the waters and coast of British Columbia in case of an accident or spill; and (k) what plans, if any, does the government have to increase Canada's oil and gas exports, and what impacts on the British Columbia coastline and its waters does the government anticipate as a result of those plans?

(Return tabled)

Question No. 159—**Ms. Catherine Bell:**

With regard to National Roundtables on Corporate Social Responsibility and the Canadian Extractive Industry in Developing Countries: (a) what was the total government expenditure, tallied for all government departments including all costs associated with all Advisory Group and Steering Committee meetings, the four Roundtable sessions, additional government staffing requirements, support for civil society and industry participation in the process, facilitation and research; (b) when will the government publicly respond to the Advisory Group report of March 29, 2007; (c) was there any correspondence between the various ministers involved in the Roundtables and private sector companies in the oil and gas or mining sectors and, if so, between which ministers and when; and (d) did private meetings occur between the various ministers involved in the Roundtables and private sector companies in the oil and gas or mining sectors and, if so, with whom and when?

(Return tabled)

[English]

Mr. Tom Lukiwski: Finally, Mr. Speaker, I ask that all remaining questions be allowed to stand.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Andrew Scheer): The hon. parliamentary secretary to the government House leader is rising on a point of order.

* * *

POINTS OF ORDER

GOVERNMENT BUSINESS NO. 4

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I would like to respond to the point of order made by the member for Vancouver East concerning the government motion on Afghanistan. That motion was presented to this House a few days ago.

I would like to argue that this motion is entirely in order, as the member has taken a narrow reading of the procedural authorities. I

will also point out that there are many precedents to support my view.

The basic rule concerning the form of motions can be found at page 449 of Marleau and Montpetit, where it is stated:

A motion must be drafted in such a way that, should it be adopted by the House, "it may at once become the resolution...or order which it purports to be".

In my view, the motion has been drafted in such a way that, if adopted, it would become a resolution expressing the opinion of the House on Canada's commitment in Afghanistan. I therefore submit that the motion is in order.

Let me now turn to some of the member's specific points. The member referred to citation 565 of the sixth edition of Beauchesne's, which states:

A motion should be neither argumentative, nor in the style of a speech, nor contain unnecessary provisions or objectionable words.

I reject the member's statement that the motion, in her words, is "more like a speech disguised as a motion". Instead, I argue, the motion has been drafted to take the form of a resolution of the House. It simply is not in the style of a speech.

I would also point out that it is not clear what Beauchesne's means by stating that motions should not be "argumentative", as Beauchesne's does not cite any references to support this.

Since a motion is, by definition, a proposed opinion of the House, there will always be some level of disagreement over the contents of a motion. That is why the House debates motions and divisions are taken, as there is usually more than one opinion on any given matter before the House.

The member also cites page 449 of Marleau and Montpetit, which states:

Examples may be found of motions with preambles, but this is considered out of keeping with usual practice.

That statement in Marleau and Montpetit is taken from page 317 of the fourth edition of Bourinot; however, Bourinot explains that this is derived from a rule of the Senate. At pages 316 and 317, Bourinot states:

By the 27th rule of the Senate it is provided that "no motion prefaced by a preamble is received by the Senate"; and this rule is always strictly observed in that house.

To contrast that, I would note that no such rule exists in this House. While Bourinot states that preambles may be "inconvenient", he also recognizes that there are precedents for preambles, as do Marleau and Montpetit.

As Bourinot and Marleau and Montpetit point out, there are precedents for the inclusion of preambles in motions. I will not take up the time of the House by listing all of the examples of motions with preambles. Instead, I would refer the Speaker to the opposition motion from the member for Toronto—Danforth, debated on April 26, 2007, which stated:

Whereas,

- (1) all Members of this House, whatever their disagreements about the mission in Afghanistan, support the courageous men and women of the Canadian Forces;
- (2) the government has admitted that the situation in Afghanistan cannot be won militarily;
- (3) the current counter-insurgency mission is not the right mission for Canada;

Government Orders

(4) the government has neither defined what 'victory' would be, nor developed an exit strategy from this counter-insurgency mission;

therefore this House condemns this government and calls for it to immediately notify NATO of our intention to begin withdrawing Canadian Forces now in a safe and secure manner from the counter-insurgency mission in Afghanistan, and calls for Canada to focus its efforts to assist the people of Afghanistan on a diplomatic solution, and redouble its commitment to reconstruction and development.

This motion by the leader of the New Democratic Party is exactly on point, but contradicts the point of order presented by the House leader of the New Democratic Party.

I would also point out that motions do not need the word "whereas" to include a preamble. It is common for many motions to include statements prior to the main point of the motion using such words as "given that".

The final point the member makes is that "it contains two conditions that...are clearly outside of the control of the House and upon which support for the extension of the motion is predicated". This argument might be relevant if the motion took the form of a House order that had a binding effect, such as changes to the Standing Orders.

However, the motion takes the form of a resolution expressing the opinion of the House. In my view, there is nothing irregular about the House expressing its support for a government action, where that support is contingent on certain conditions being met.

• (1320)

To conclude, I believe this is entirely a matter for debate and not a point of order.

Members may disagree with the text of the motion. That is why they can propose amendments to the motion. They can also vote against the motion if they so wish.

But in the end, the text of the motion is a matter for the House to decide. It should not be set aside on narrow procedural grounds.

The Acting Speaker (Mr. Andrew Scheer): I thank the hon. parliamentary secretary for his comments. The Chair will certainly take them under advisement.

Resuming debate, the hon. member for Moncton—Riverview—Dieppe.

GOVERNMENT ORDERS

[English]

CANADA ELECTIONS ACT

The House resumed consideration of Bill C-29, An Act to amend the Canada Elections Act (accountability with respect to loans), as reported (with amendment) from the committee, and of the motions in Group No. 1.

Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.): Mr. Speaker, it is my pleasure to speak to Bill C-29.

Under the wavering light of this corner of the House, I hope my comments are clear and constant in suggesting that the bill, as it came through committee, was the proper bill. What the government

is trying to do now is ignore the good democratic conditions and precedents of good committee work.

The bill in review aims to establish a system of improved accountability. It certainly did that as it came out of committee. Its key elements include creating a uniform and transparent reporting regime for all loans to political entities, including mandatory disclosure of terms and the identity of all lenders and loan guarantors.

That much makes a lot of sense. It would also ensure that total loans, loan guarantees and contributions by individuals could not exceed the annual contribution limit for individuals established in the Canada Elections Act.

It would also allow only financial institutions and political entities the capacity to make loans beyond the annual contribution limit for individuals and only at commercial or market rates of interest.

Tightening the rules for the treatment of unpaid loans to ensure candidates cannot walk away from unpaid loans was also an aim of this bill as it came back from committee. It would ultimately, as in its original sense, hold riding associations responsible for unpaid loans taken out by candidates. This is one of the cruxes of the problem, and I will get to the democratic deficit and the lack of participation that we have by good candidates in the electoral process if the government's designs are to be carried through.

The bill, by way of history, was first presented to the House during the first session of this Parliament as Bill C-54 and reintroduced in November of the past year with essentially the same content as Bill C-54.

The bill was very seriously examined during meetings of the Standing Committee on Procedure and House Affairs. The members worked very hard and came to agree upon different elements. There was a great deal, I say in a spirit of non-partisanship, of unanimity with respect to some of the time limit terms and some of the technical aspects. It was thought, certainly by opposition members, that there was a good deal of consensus and agreement on a few other outstanding matters that were embodied in amendments to the bill.

On this side we thought the bill as amended, as it comes back from committee, is something that we, in the great traditions of the Liberal Party, in the great traditions of democratic reform and keeping the balance that allows people to participate in the democratic process, could support.

At those committee meetings, improvements were made, not the least of which, as a significant improvement, was now to have unpaid amounts of a loan to be considered contributions after three years from the date the loan was made. The original proposal was 18 months.

Now the government House leader, the minister responsible for undemocratic reform, is presenting motions that will completely disregard the other amendments that were passed at committee.

Government Orders

Government Motion No. 1 would delete the Liberal amendment to allow for annual contributions to a leadership candidate. Under this amendment, for example, person A would be allowed to donate \$1,000, or \$1,100 as the case may be, to leadership candidate B in each calendar year until leadership candidate B paid his or her campaign debt and formally and finally closed his or her leadership campaign.

Government Motion No. 2 would make it necessary for loans to be repaid annually rather than at the point when the loan becomes due. This effectively would prevent candidates from taking extended repayment loans. It acts as a foreclosure on the normal commercial manner in which loans are undertaken and paid back. It says that the way the market works with respect to loaning a person money to fund a campaign shall not be respected. It makes no sense to set up an artificial limit on repayment when the market will deal with that issue.

● (1325)

After all, the movement is from a loan from a friend to a loan from a commercial lender at a commercial rate. I do not know if there was enough evidence from the banking community on this but it would seem to me that the banks are not in the business of giving loans that are high risk. They are not in the business of giving loans to people who cannot repay them.

Why is it that Parliament shall say to the bankers of this country that they do not know how to underwrite risk and that Parliament will make it shorter in duration for the banks and different than the market conditions. It is clearly against the forces of the market, which I thought the party on the other side favoured, and it is clearly undemocratic because it will put a chill on candidates presenting themselves for election.

Considering the fact that elections are not something that somebody can plan for, I think we are living that right now, but often, in the normal course of events, we can plan when we want to buy a house, a car, start a family or put our kids through college, as the case may be. Those are events we can plan and save for and, from time to time, we can make loans from commercial lenders at commercial rates. However, it is very difficult for someone who is not in the House right now and who wants to stand as a candidate to predict when he or she may need to get a loan for a campaign or, as the case may be, a leadership race.

Because the election may be called at any time, January, April or October, it is unreasonable for someone to be asked to pay off a loan before the time limit established by the loan contract itself. We on this side stand for the principles of the market. The free market shall dictate when a loan is given and how it is prepaid. Why is the government interloping and saying to the free market, the lenders in this country, that the government knows best?

Here we see the Conservative government is pushing hard on its perception and not its reality of accountability.

The Accountability Act, Bill C-2, which was presented and passed, was really the window dressing for the government's new regime and for its patina, if one likes, of sincerity. I say patina because it is a very thin layer that can be pierced very easily and beneath the patina we can see the substance. Without proper

regulations backing up Bill C-2, the Accountability Act, it is a very hollow instrument. It does not have any of the reality backing up the rhetoric with which it was introduced.

It would be an absolute hindrance, in terms of accountability, for us to say that these government amendments help the democratic process. It would be an absolute hindrance for anyone presenting themselves to have to focus on repaying the loan by the end of the fiscal year if that is not the date that was agreed upon by the lender.

Moving to government Motion No. 3, it would delete the Bloc Québécois amendment that would remove liability from registered political parties for loans taken out by candidates.

We can imagine that we are 308 members in the House, not all filled at the time, but all of us have different constituencies and all of us have been successful in getting here, some by a wide margin and some by a very large margin.

If one is contesting a riding that one does not hold, the spectre of the political association being responsible for one's debt, if one is unsuccessful, is again very undemocratic because it would pit the association against the candidate. In a riding where it is impossible to win, or does not look very likely that one could win, we can see very clearly that the bill and the government Motion No. 3 puts a chill on democratic involvement and is in fact very undemocratic. One would wonder why it is included.

Why would the Conservative government, which does not hold all the seats in Parliament and, in fact, will never hold many of the seats in Parliament, wants to put a chill on its own candidates in pitting their Conservative associations against their candidates? One wonders why because it does not do anything to help the participation of new candidates in ridings.

● (1330)

In short, we are not in support of these amendments that the government has reintroduced at report stage. We think the committee worked very well and that its wishes and its motions should be respected.

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, thank you for allowing me the opportunity to speak to this bill.

I listened to my colleague with interest. I am myself a little surprised by the position of the government, which just reversed an amendment passed in committee to the effect that when someone makes a contribution to a leadership campaign, now, a total of \$1,000 is allowed for all the candidates of a party leadership race. The amendment adds “during any calendar year”. It seemed reasonable to us for this amendment, put forward by the Liberals and passed in committee, to be accepted.

It is somewhat difficult to understand why the government insists on returning to the initial proposal in this case and, even more so, on Motion No. 3. I have a very hard time understanding how a government, a political party, can propose something that allows the members of a political party to shirk their responsibilities.

Government Orders

How can a government propose that a candidate be allowed to spend or borrow as much as he likes from a bank and that, afterwards, the political party should be responsible for the candidate? The member talked about this in his speech and I would like him to explain his position on this. Indeed, on both of these motions, I think it is very important that this House go back to what was passed in committee, which would seem wiser to me, democratically speaking.

• (1335)

Mr. Brian Murphy: Mr. Speaker, I would first like to thank the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup for the warm welcome he gave me this summer in Grosse-Île, Quebec.

In response to his question, I can tell him that on this side of the House, we respect the committee's work. We believe that the committees work long and hard on the issues that are before them.

The key issue that the Bloc and the Liberal Party agree on is Motion No. 3. It does not make a lot of sense to make the local association responsible for a candidate's debts. The Bloc and the Liberals agree on this. Why are all the parties not in agreement on this? It makes far more sense for the association and the candidate to have separate obligations.

Mr. Réal Ménard (Hochelaga, BQ): Mr. Speaker, I do not need to tell you how pleased I am to be taking part in the debate on Bill C-29.

When you are a member of Parliament, there is not much that is more important than the quality of democratic life.

The members of the Bloc Québécois, who are all Quebecers, because we field candidates only in Quebec, are obviously thinking of the legacy of René Lévesque. I am certain that the mention of his name is extremely inspiring to all the members, because René Lévesque made a huge contribution to cleaning up election practices by putting an end to secret funding. The older among us, including my colleague from Abitibi—Baie-James—Nunavik—Eeyou, will remember that the 1976 Parti Québécois leadership campaign centred around this issue. There was one slogan that went: "For a clean, clean, clean fund".

Today, it seems funny to refer to that time, because practices in Quebec have changed so much, in a non-partisan way. No one in the National Assembly of Quebec would want to go back to a system where corporations and individuals could make unreported contributions.

Still, the idea of establishing limits is quite new in our federal legislation. There has been a federal Elections Act for a very long time, but it did not have any control over contributions until the final years of the Chrétien government. We have to acknowledge in a non-partisan way that that was an interesting way to ensure democracy.

One might ask why, in a democracy, we have to know the rules of the game and limit contributions to a political party to \$1,100 per individual, for example. This needs to be done because we would not want to live in a democracy where members of Parliament become spokespersons for lobby groups, as in the United States. I remember meeting a U.S. senator. It takes millions and millions of dollars to get elected in the United States. Because candidates receive contribu-

tions, they are required to become declared lobbyists for a specific lobby group.

The beauty of our electoral system, which is not perfect and could use some amendments, is that someone like me, the son of a labourer with no personal wealth, got elected last time by spending \$25,000. For the most part, my contributions came from public fundraising. We can get elected without having any ties whatsoever to lobby groups. I am not saying that those groups cannot make contributions to have their point of view represented. However, it is possible to get elected in a political system without any ties to lobby groups. That is the best guarantee the public has. When we rise in the House to take a position on an issue, we do so without any ulterior motive and only with the interests of our constituents in mind. The more responsibility we have and the closer we get to the top, the more important it is for these examples of integrity to be absolutely respected.

That is why the Bloc Québécois has repeatedly called on the present Prime Minister to disclose all the sources of funding for his Canadian Alliance leadership campaign in 2002. This would be a sign of democratic respect that we recognize and that demonstrates transparency. As the Gomery report put it, we believe it would be a sign of democracy, transparency and sound responsibility to know who financed the present Prime Minister in his leadership bid in 2002.

The bill that is before us, and that the Bloc Québécois supports, is a bill that goes farther still.

• (1340)

Jean Chrétien introduced one bill, and after that there was Bill C-2 which went a little farther. I would note, as an aside, that it was a source of some disappointment. We would have hoped that the Access to Information Act would be modernized. After all, we have been talking about that for two decades.

We are well aware that journalists, and some members of the public, are concerned about the way this government is restricting the dissemination of information. We are well aware that people expect the Access to Information Act to be modernized. The Liberals did not do it and the Conservatives are dragging their feet on it, but it would be a good thing if this were done very quickly.

Even though the Access to Information Act has not been modernized, Bill C-2 still put transparency mechanisms in place that the Bloc Québécois supported at the time. I am thinking, for example, of whistleblowing in the public service and the budget oversight mechanisms under the responsibility of the Library of Parliament. So it seemed to us to be moving in the right direction.

Today we are going farther. We are calling for an end to a practice that can also generate controversy, that can also be ambiguous and that can also be questionable in terms of transparency. We want to prevent party leaders and people who have responsibilities and who want to be elected in political parties from being able to circumvent the rules and get access to funding beyond what is permitted or otherwise than through public funding, by accepting personal loans.

Government Orders

Today's bill will, first, limit the personal loans that can be taken out to the extremely precise figure of \$1,100, the same as for personal contributions. Obviously there is a disclosure mechanism and mandatory registration. More importantly, repayment will be monitored. If I understand correctly, if a personal loan taken out by an elected member is not repaid within 18 months, it will have to be considered to be a contribution to the party, and an entire process will be set in motion.

It seems that the government has begun by imitating what was done in Quebec, finally putting an end to funding by corporations, unions and businesses, and accepting contributions from individuals only. The cap has been set at \$1,100 to minimize the potential for influence peddling. Today, we are going even further by ensuring that personal loans—access to funding—will not be possible.

I hasten to add that this mechanism is a good one for purposes of transparency. It is good because it will allow us to become elected representatives who owe nothing to lobby groups. But this reform would not have been viable without public funding for political parties. Democracy does indeed have a price.

If we want people to get involved in public life, we have to talk about balancing work and family. Some members of my party have studied this issue. We want women to hold public office, but we know that they do not have equal opportunity. Even though there have been significant changes, women often have responsibilities that men have not fully taken on. Truly equal opportunity demands public funding so that political parties can benefit from a kind of war chest provided by public coffers as a starting point.

We are always on the lookout for improvements and concerned about cleaning up electoral practices. I think that the bill before us would contribute to that goal.

Mr. Speaker, given the frank camaraderie that has characterized our work over the past few days, and given that I have worked so hard on my speech, would you be so kind as to find out whether there is consent for me to go on for another 10 minutes?

● (1345)

[*English*]

The Acting Speaker (Mr. Andrew Scheer): Is there unanimous consent for the hon. member for Hochelaga to continue his speech for another 10 minutes?

Some hon. members: Agreed.

Some hon. members: No.

Questions and comments, the hon. member for Nipissing—Timiskaming.

[*Translation*]

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, I listened closely to our hon. colleague's speech and the thoughts he shared with us. The thing that worries me the most is accessibility for candidates.

I wonder whether this legislation encourages—and he mentioned this—women, minorities or people who belong to a political party that does not have much money. What I am hearing is not an argument that opens the door to other people or to many people. It is

an argument whereby a party with a lot of money can close the door to other parties.

I would like my colleague to comment on what I heard.

Mr. Réal Ménard: Mr. Speaker, the hon. member is right to say we should think about ensuring that those who want to get involved in public life can do so even if they may be at a disadvantage.

One of the ways to remedy this is to make political parties publicly funded. When political parties are publicly funded—and the hon. member knows it is \$1.75 per elector—that means that all recognized political parties receive annual, statutory public funding pro-rated to the number of votes obtained in the last election. It is estimated that if a party receives public funding, it will ask for less money from those who want to run under its banner. Accordingly, this could help people who might be discouraged from doing so.

Let us talk about women. It is true that certain roles are still assumed more by women and less so by men and that political parties have the responsibility to ensure that no one is discouraged from seeking office just because a woman may have certain responsibilities.

Some women are saying political party conventions can be a deterrent. They think there is an adversarial aspect to political parties and this can discourage them.

It is up to us to make politics more harmonious and that, more and more, is what the Bloc Québécois is striving to do.

● (1350)

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I would like to congratulate my hon. colleague from Hochelaga on his speech.

We all know that we have reached the report stage, a time when we finally receive the amendments proposed in committee and we decide whether or not to accept them. In rare cases, as it is at this time, the government is trying to bring us back to an earlier position, prior to what was originally planned. Two clauses are involved, and I will focus on one of them in particular, the one by which the government would like to make each political party responsible for all the personal loans of a candidate.

I have a hard time understanding why the government wants to put forward such a practice, given that this will allow candidates to shirk their responsibilities, add to the responsibility of the parties and could even cause fewer serious candidates to be interested.

Does the hon. member for Hochelaga believe that it is important to reject this government amendment and return to the amendment passed, the one proposed by the Bloc Québécois in committee?

Mr. Réal Ménard: Mr. Speaker, I thank the hon. member for his question. If I understand correctly, the hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup is worried. First of all, it is very possible that a candidate who is elected to Parliament could incur a debt that his or her party does not know about and, in terms of contract law, he or she is solely responsible.

In my opinion, holding a party responsible for a commitment that might have been made without the party's knowledge, and that might not even concern the party, makes absolutely no sense. Thus, the member is quite right to say that we should return to the amendment presented by the Bloc Québécois in committee. I believe the amendment was supported by other political parties in this House.

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I rise today to speak to this bill at report stage. First of all, for the benefit of the people listening to us, I want to say again what can be done at report stage.

First, a vote is held at second reading on the principle of the bill. Then it is considered in committee to improve it and correct it as much as possible. The committee reports to the House, which considers the proposed amendments. The government is entitled at this stage to propose new amendments, as are the other parties.

In the current case, the government wants to reverse what the committee and Parliament have done in regard to two things. First, the committee adopted an amendment, moved by the Liberals, specifying the maximum possible contribution to a leadership race. The current bill reads therefore as follows:

(c) \$1,000 in total... to the leadership contestants in a particular leadership contest

We added “in any calendar year” to that. The entire bill is based on the fact that contributions are always calculated over a calendar year, and so it seemed appropriate to us to adopt this amendment. The government now wants to return to the original wording in the act, which seems unclear to us. The House should concur instead in the amendment suggested by the committee. The discussions in committee are held in greater depth. We studied the situation in considerable detail and arrived at a more acceptable wording than the one presented now.

The second government amendment concerns the fact that a loan becomes a contribution when it has not been paid back after three years. It was actually the opposition parties that managed to push the timeframe for the conversion of a loan into a contribution back from 18 months to three years. In light of this major change, the modifications that the government is proposing in Motion No. 2 seem minor to us and we can accept them. It suggests returning to the original proposal that the three-year time period should start after the selection date in the case of a nomination contestant, rather than on the selection day; after the end of the leadership contest in the case of a leadership contestant, rather than the voting day; and for a party, three years after the end of the fiscal year in which the loan was made, rather than the day the amount is due. The important thing in this clause is that the time period for the conversion of a loan into a contribution is pushed back from 18 months to 36 months. There is additional leeway, therefore, which is more realistic.

In its third proposal, the government is returning to the wording of the current act and wants to reject the amendment that the Bloc Québécois made in the previous session. The government wants to make parties responsible for all the debts contracted by their candidates.

Let us look at the reality and take an example. A political party nominates a candidate or chooses one at a convention. Before or after the election campaign, the candidate takes out a large personal

loan, without notifying the party, to cover election expenses. The government would have the party be liable to the bank for that loan.

This shows no sense of responsibility. I am very surprised that the government is defending such a position, and I am still trying to understand how this would benefit the party or the candidate. Clearly, an irresponsible candidate could decide to borrow a lot of money because the party would have to pay it back. In the long run, this would seriously weaken the parties' financial position and would not help democracy.

Consequently, with regard to this motion, we believe it is important to revert to the Bloc Québécois amendment. It was drafted and adopted in the spirit of realism and cooperation, so that candidates would have a real sense of responsibility and be fully aware of what they are getting into. Running for office is an important step to take, and candidates must be aware of what that involves. I have taken part in five elections and been re-elected every time. Every time, you have to look at your financial situation and specific needs. If such a measure had been in place for the past 15 years, things would have been different, not for me personally, but for everyone.

Since my time is up, I will conclude by saying that I hope the House has listened to our arguments.

• (1355)

The Acting Speaker (Mr. Andrew Scheer): The hon. member will have five minutes after question period to finish his speech.

ROYAL ASSENT

[*Translation*]

The Acting Speaker (Mr. Andrew Scheer): I have the honour to inform the House that a communication has been received as follows:

Rideau Hall
Ottawa

February 14, 2008

Mr. Speaker,

I have the honour to inform you that the Right Honourable Michaëlle Jean, Governor General of Canada, signified royal assent by written declaration to the bills listed in the Schedule to this letter on the 14th day of February, 2008, at 9:42 a.m.

Yours sincerely,

Sheila-Marie Cook

Secretary to the Governor General and Herald Chancellor

The schedule indicates the bills assented to were Bills C-11, An Act to give effect to the Nunavik Inuit Land Claims Agreement and to make a consequential amendment to another Act—Chapter 2; C-3, An Act to amend the Immigration and Refugee Protection Act (certificate and special advocate) and to make a consequential amendment to another Act—Chapter 3; and S-220, An Act respecting a National Blood Donor Week—Chapter 4.

*Statements by Members***STATEMENTS BY MEMBERS**

•(1400)

*[English]***CERTIFIED GENERAL ACCOUNTANTS ASSOCIATION OF CANADA**

Mr. John Williams (Edmonton—St. Albert, CPC): Mr. Speaker, as a fellow of the Certified General Accountants Association, I rise to recognize the association's centennial anniversary.

In 1908, John Leslie, the assistant comptroller of the Canadian Pacific Railway, and two fellow accountants, E.B. Manning and F.A. Cousins, formed the Canadian Accountants' Association.

Five years later on June 6, 1913, the association was federally incorporated as the General Accountants' Association. Today, known as the Certified General Accountants Association, it is the fastest growing accounting designation in Canada and has representation in over 80 countries around the world.

During its 100 years, the association has developed knowledge and professionalism for the accounting industry. By its work, it has created value for the private sector and credibility for the accounting and auditing profession.

When there is money to count and taxes to pay, there will always be a need for a certified general accountant, and by virtue of this House, we all know there will always be taxes to pay.

* * *

GARY MARTIN

Hon. Geoff Regan (Halifax West, Lib.): Mr. Speaker, I rise today to pay tribute to an extraordinary resident of Halifax West.

Last Sunday, Halifax Regional Councillor Gary Martin passed away after a lengthy battle with cancer. He will be remembered as a loving father, a dedicated police officer, and an impassioned public servant.

Gary has been described by friends and colleagues as a fierce advocate for the people he so proudly served. He will be remembered as a true champion of Bedford where he lived his entire life.

On behalf of the people of Halifax West and all members of this House, I wish to express our heartfelt sympathy to his wife, Darlene, and his three daughters, and I am sure all colleagues would join me.

* * *

*[Translation]***CERTIFIED GENERAL ACCOUNTANTS ASSOCIATION OF CANADA**

Mr. Serge Cardin (Sherbrooke, BQ): Mr. Speaker, certified general accountants, or CGAs, are celebrating their 100th anniversary in 2008. For 100 years, the Certified General Accountants Association, of which I have been a member for 32 years now, has had the same goal: protecting the public and maintaining high standards of multidisciplinary professional practice and training.

For more than a century, CGAs have built a solid reputation of excellence across the country. The recent passage of Bill 46 in the Quebec National Assembly, granting full practice rights to CGAs, was very important since businesses and individuals can now call on CGAs and use their professional services in all of Quebec.

I invite all CGAs to come out and celebrate the 100th anniversary of the association as it searches for 100 CGAs who have made a difference.

* * *

*[English]***RADARSAT-2**

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, the proposed sale of MacDonald Dettwiler, MDA, to the American armaments giant ATK undermines Canadian sovereignty and must be stopped.

The sale of MDA is an unacceptable transfer of publicly funded technology to a private U.S. military contractor. Canadians invested over \$400 million in RADARSAT-2 with the promise of priority access to the satellite in cases of emergency, such as oil spills and suspect vessels entering Canada's north.

Control of RADARSAT-2 by ATK is against our national security interests. Ottawa's access to the images produced by the satellite could be lost. Worse still, RADARSAT-2 could be used to develop space based weapons and missile guidance systems for the U.S. military.

The government must defend Canadian sovereignty and immediately halt the sale of RADARSAT-2's licensing authority to Alliant Techsystems. It is vital for RADARSAT-2 to remain under Canadian control and to be used only for peaceful purposes.

* * *

VALENTINE'S DAY

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, over the past two years I have had the incredible privilege and honour of serving the constituents of Kitchener—Conestoga here in the Parliament of Canada.

While the list of those who have influenced my life and encouraged me along my journey is a long one, there is one person to whom I am most indebted and who deserves great thanks on this very special day: my wife Betty.

From our university days to the establishment of our home and a private dental practice, her support has always been there 100%. Her love and care for our three children and her personal involvement in their lives has been priceless. I thank her, our children thank her, and our seven grandchildren thank her.

Our most recent years have been filled with huge transitions and challenges, but again she has given me her support at every turn and together we have the honour of serving the great people of Kitchener—Conestoga.

Statements by Members

I will never be able to thank Betty for her faithful commitment over the past 36 years, but today I want her to know how deeply she is loved. I am grateful that God has blessed my life with her as my best friend and wife. She has made Canada a better country and enriched my life in incredible ways.

Happy Valentine's Day.

* * *

• (1405)

ROAD TO EXCELLENCE PROGRAM

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, I rise today to voice my concern over the Conservative government's apparent lack of commitment toward our elite Canadian athletes. With the Beijing Olympics fast approaching, as well as the Vancouver Winter Games in 2010, I believe that the government owes it to our athletes to show them much greater support.

The Conservative government has yet to renew the road to excellence program, a Liberal initiative designed to prepare and support our athletes for competition on the international stage. Several Canadian athletes, including Mr. Steve Omischl, a world champion freestyle skier who lives in my riding, have made very clear to me the financial adversities they now face as a direct result of the current lack of federal funding.

The negligence toward our Canadian athletes must end. I am calling on the Conservative government to include the road to excellence program in its upcoming budget and demonstrate the same commitment to our Canadian athletes as these athletes demonstrate to our country.

* * *

CHILD PORNOGRAPHY

Mr. Myron Thompson (Wild Rose, CPC): Mr. Speaker, I wish to congratulate the Ontario police agencies and officers for their outstanding work that resulted in the arrest on February 12 of more than 20 people and 73 criminal charges being laid in the largest coordinated child pornography investigation in the history of Ontario. That is the good news. The bad news is that this is just the tip of the iceberg.

Although our law enforcement agencies are working hard to protect young Canadians, they need more tools. One of those tools is the tackling violent crime act. I just do not understand why the Senate, the members of which are most likely grandparents, is holding up this bill. It contains legislation that would make it so much easier for our law enforcement agencies to fight child exploitation.

Our children rely on us to protect them. The House has done its job. It is now time for the Senate to do its part and pass Bill C-2 immediately for the sake of our kids.

Once again, congratulations to the police. This government and this Prime Minister will do their part to get the job done.

[*Translation*]

QUEBEC SCOUT-GUIDE WEEK

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, February 22 is World Scout Day, and Quebec's Scout-Guide Week will take place from February 17 to 23. Scouting is both a program and a lifestyle. It enriches the lives of thousands of children and youth from 5 to 26 years of age, focusing on the integrated physical, intellectual, emotional, social and spiritual development of the individual.

Leaders who contribute to educating these young people are committed adults who facilitate activities that are in harmony with nature to instill values of leadership, independence, self-confidence, respect, cooperation and environmental protection in youth. My Bloc Québécois colleagues and I salute all young scouts and guides, as well as their group leaders, for their civic participation. Have a great week.

* * *

[*English*]

SPONSORSHIP PROGRAM

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): Mr. Speaker, the Liberal sponsorship scandal continues to haunt Canadians. It is clear the Liberals still have not learned their lesson.

Canadian taxpayers are still missing over \$40 million as a result of the sponsorship scandal. The Liberal Party and its advertising friends are still not coming clean on their involvement with the scandal or where the money is.

Even Federal Court judges do not believe senior Liberals when they claim they did not know anything. In today's *Ottawa Citizen*, Justice Max Teitelbaum made it very clear that he did not agree with former Liberal chief of staff Jean Pelletier's claim that he did not provide any direction to Chuck Guité, telling him, "I have a problem with what I've heard."

Canadians agree with the judge. They want to know when the Liberal Party will stop misleading Canadians and tell us which Liberals benefited from the missing \$40 million.

* * *

[*Translation*]

FRANCOFAN DAY AT HARBOUR STATION

Mr. Paul Zed (Saint John, Lib.): Mr. Speaker, at the end of next week, the people of Saint John, New Brunswick, an officially bilingual city in the only officially bilingual province, will gather to celebrate the Journée des Francophones at Harbour Station.

This event is an opportunity to get to know and appreciate the thousands of francophones of Saint John and to cheer on our Sea Dogs, who will take on the Titans of Acadie-Bathurst.

I invite the entire city of Saint John to join the students of Samuel-de-Champlain school in activities to celebrate and honour the francophone community, which contributes to the richness of our city.

Statements by Members

●(1410)

SENIORS

Mr. Daniel Petit (Charlesbourg—Haute-Saint-Charles, CPC): Mr. Speaker, I was not surprised to learn that the member for Repentigny held a press conference outside the House of Commons. After all, he recently said that no one listened to him in the House.

Seniors have every reason not to listen to him, since our Conservative government is acting in their best interests. We increased the guaranteed income supplement maximum benefit. Our government will put nearly \$900 million back in the hands of seniors over the next two years.

With these two examples alone, our government has done more for seniors in two years than the Bloc has done in its 17 years in Ottawa.

André Boisclair, the former leader of their head office, said: “It is fun to make shocking statements; when one does not have the responsibility that comes with wielding power, one can say whatever one likes.”

Is it not time to admit that the Bloc is powerless in Ottawa, because it is the Conservatives who are making Quebec stronger?

* * *

[English]

ABORIGINAL AFFAIRS

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, there is a beautiful biblical phrase that says, “Out of the mouths of babes you have perfected praise”. It reminds us all too often that children can see with a clarity what the spinmeisters and the politicians do not.

I would like to thank the children from J. R. Nakogee school in Attawapiskat, St. Patrick's school in Cobalt and the children of Iroquois Falls public school who are fighting for a simple truth that all children, regardless of their race, have a right to proper education. They have launched a campaign to shame the government into living up to its commitment to build a school in Attawapiskat.

What a disgrace for the Indian affairs minister to break up a deal that was eight years in the works. He does not even have the decency to speak with people in the community and tell them why he thinks their children do not deserve proper schooling.

However, the children know better. They are writing letters, posting blogs and putting on plays to shame him and his government into doing what is right and just.

* * *

GOVERNMENT POLICIES

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, it seems that every day the Prime Minister has introduced a new confidence motion.

In his party's campaign promises made two years ago, he promised that only the budget and the Speech from the Throne would be confidence votes. This, like most of the promises he made, was broken.

The government continues to promise one thing and do the opposite. In fact, in a quick review I have found that the government has not kept at least 55 of its promises to Canadians. Other examples include: its promise to establish a public appointments commissioner to curb political appointments; its promise to honour the Atlantic accord; its promise to not tax income trusts; its promise to put 2,500 police officers on the streets; its promise on patient wait times guarantees; its promise to create 125,000 child care spaces; and the list goes on and on.

I may be old fashioned in my thinking, but keeping a person's word is part of that person's honour. As I have shown, the only issue of confidence in this town right now is the government has no honour.

* * *

[Translation]

NOBEL PEACE PRIZE

Mr. Marcel Lussier (Brossard—La Prairie, BQ): Mr. Speaker, yesterday, a reception was held on Parliament Hill to honour Canadian scientists for their contribution to the Intergovernmental Panel on Climate Change or IPCC, which with Al Gore was awarded the 2007 Nobel Peace Prize for helping to raise awareness and disseminate knowledge about global warming.

The Conservative Party refused to pay tribute to these scientists, preferring to ignore them. The Prime Minister and the Minister of the Environment were noticeable by their absence, as all the other parties honoured these scientists for receiving no less than the Nobel Prize.

The Conservative government is maintaining its policy of inaction on the environment, an ideological policy that led to its refusal to honour the scientists.

* * *

[English]

ROAD TO EXCELLENCE PROGRAM

Hon. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, Canadian Olympic athletes are in Ottawa today to plead with the government to implement the \$30 million road to excellence fund so they can train for the Beijing summer Olympics.

The road to excellence fund is modelled on the \$60 million Own the Podium fund started by the Liberal government in 2004. This program resulted in an unprecedented number of Canadian medals at the Turin Olympics. Today, Canada ranks second in the world in winter sports.

Funding for the summer and Parlaympic Games is pathetic. I have been inundated with letters from Olympians and prominent members of the Canadian sports community anxious about the road to excellence funding.

For over two years, summer athletes have been asking for this fund, hopefully. Now, with only a few months until Beijing, they are desperate.

Once again, the Conservative government does not get it. To win a medal, one needs to be able to train. To be able to train, one needs money.

* * *

• (1415)

LIBERAL PARTY OF CANADA

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, the Liberal leader admitted that his party had made a serious mistake by inviting corporations and lobbyists to illegally bid as high as they wanted at a party fundraiser held in Ottawa last night.

While I have to agree with the member for Ottawa—Vanier, who stated, “If anybody is going to pay \$50,000 to have lunch with my colleagues, they ought to have their head examined”, this attempted illegal fundraising event clearly demonstrates the Liberal Party has not changed and will never change. The culture of the entitlement is alive and well in the Liberal ranks. While the Federal Accountability Act clearly bans corporate donations, Liberals are once again showing their truest value is that it is only wrong if one gets caught.

This “bid as high as you want” event followed the Halloween “spooktacular” in Mississauga, with illegal corporate sponsorships. Who knows how many other illegal Liberal fundraisers there have been. It all demonstrates one thing for Canadians; that one would have to be sky-high to think one could ever trust Liberals to obey any law that restricts corporate donations.

ORAL QUESTIONS

[English]

AFGHANISTAN

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, the Prime Minister has said that he is coming to the Liberal position about the future of our mission in Afghanistan. However, for two days he has refused to answer clear questions about what that means. Yesterday he said, “we are both seeking an end to the mission around 2011”.

Could he drop the word “around”? Could the Prime Minister confirm that February 2011 is the firm end date for the mission in Kandahar?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I think it has already been clear. We have already said in the Speech from the Throne, and again in our motion, our desire to see the mission end in 2011.

The Liberal Party has made similar proposals. I have said we will take a careful look at those to do our best to try to find common ground. After all, Liberal and Conservative governments have sent our men and women in uniform into a dangerous situation into Afghanistan. When they are there, they obviously have to work together and I think they expect us to try to work together work.

[Translation]

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, I agree completely, but in order for that to happen we have to have clear answers to clear questions.

Oral Questions

So let us try again.

The Liberal position is that after February 2009 the mission will change. We are not going to be doing more of the same. The mission has to go from being an offensive mission to being a security mission, a reconstruction mission, a training mission.

Does the Prime Minister agree that Canada’s offensive mission in Kandahar will end in February 2009?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the Leader of the Opposition has clearly said that he wanted the mission in Afghanistan to continue after 2009, until 2011. He has also said that it was still the responsibility of the military leaders to give the orders on the ground, and it was not the role of a politician to tell them how to conduct their operations.

I agree with that.

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, does he agree that it is the role of the politicians to establish clearly what the mission is? That is what we are talking about.

Let us talk about another principle the Prime Minister has recognized, a principle that we have been supporting for at least a year, if not more: the rotation principle.

The Prime Minister has talked about the rotation principle. I would like to know whether he talks about it in the telephone calls he is finally making to NATO, for additional troops to replace us in the offensive mission, so we can focus on our training, security and reconstruction mission.

Is the Prime Minister sending that clear message to NATO, even though he is not sending it clearly in this House?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I would remind the Leader of the Opposition that in the Speech from the Throne the government stated its desire to end this mission in 2011 and also to make the transition from its present role to a training role, as the primary mission of the Canadian Forces. We see the same recommendations in the Manley report.

We hope to work together to achieve a real consensus, a real position that can be adopted by this House and that will serve our men and women in uniform in Afghanistan.

• (1420)

[English]

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the Prime Minister is not giving a clear answer to a clear question. He has to understand the rationale for a clear deadline is to set clear targets for our Afghan allies. Unless those clear targets are set, we could be there forever. Does he understand that point?

The point here is to make sure the Afghan allies meet their obligations. Otherwise we are there forever. Does he understand that?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the deputy leader of the Liberal Party has put the situation very well. We need to establish clear targets, as he knows and as is documented in the Manley report.

Oral Questions

We already are training the Afghan army and making some progress. We need to set clear timelines for that so we successfully, over the next couple of years, transition this security operation to the principal responsibility of the Afghans themselves.

[*Translation*]

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, I would point out, with great respect, that without a fixed deadline this will not be possible.

Yesterday, I asked when the military mission would end. The Prime Minister replied: “around 2011”. Well, “around 2011” is not clear, it is not decisive. We have reached the decisive point in our discussions. The Liberal Party is opposed to renewing the mission beyond 2011 for strategic reasons.

What is the government’s position?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this government has stated its desire to end this mission in 2011. We said it in the Speech from the Throne and we said it in our motion here in the House of Commons.

I recognize that the Liberal Party has said something a little different, perhaps, but it is more or less the same thing. Obviously we are seeking common ground. Because both of us, Liberals and Conservatives, have sent our troops to Afghanistan to work together, and we should be working together here in the House of Commons.

* * *

TRANSPORT

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, yesterday the Minister of Transport, Infrastructure and Communities told us that there had not been any political meddling in the appointment of the president of the Montreal Port Authority. However, Joseph Soares, who is in charge of appointments in the office of the Minister of Transport, Infrastructure and Communities, and Dimitri Soudas, who is the Prime Minister’s press secretary, met with the port’s board of directors in order—and I quote—to “express a preference” for Robert Abdallah.

Does the Prime Minister understand that there is political meddling going on when an important official in his office and an important official in the office of his Quebec lieutenant express their preference for a certain candidate?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I understand that all governments have expressed their preferences about various decisions, but what matters ultimately is that this was a decision for the port board of directors to make. The port made its decision, and the government accepts and supports it.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the meddling consists just in going before a board of directors and not in whether it was successful or not. The government is starting to make a systematic practice of this. Breaking-and-entering is a crime regardless of whether it was successful or not.

Is meeting with a board of directors to inform them of the government’s preferences not just like the kind of meddling that the Liberals used to do? Maybe the Conservatives are just not as successful as the Liberals were in these kinds of operations.

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, the decision was made by the board of directors of the Montreal Port Authority and not by the Government of Canada.

* * *

• (1425)

GOVERNMENT CONTRACTS

Mr. Jean-Yves Laforest (Saint-Maurice—Champlain, BQ): Mr. Speaker, a study of recent procurement shows that Treasury Board, the Privy Council, the Department of Finance and the Department of Public Works and Government Services award a disproportionate share of contracts that, strangely enough, are just under the \$25,000 mark, the point at which it becomes obligatory to call for tenders.

Even worse, how can the President of Treasury Board explain the fact that, on at least five occasions, Treasury Board awarded to a sole supplier two contracts of the same value for the same work on the same day, unless this was a strategy for circumventing the rule—

The Speaker: The President of Treasury Board has the floor.

[*English*]

Hon. Vic Toews (President of the Treasury Board, CPC): Mr. Speaker, the contracts mentioned in the media were routine contracts administered by departmental officials with no input or direction from the minister or political staff.

All of the Treasury Board Secretariat’s contracting is done within Treasury Board guidelines. No rules have been broken at any time and no one is even claiming that any rules were broken.

The work was awarded to qualified providers who performed on time and on budget.

* * *

[*Translation*]

POLITICAL FINANCING

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, the Conservative ethics spokesperson has confirmed that his party is keeping its options open so that in the next election it can use the same tactic that was criticized by Elections Canada, whereby the Conservative Party was able to spend \$1.2 million in 2006, in violation of the law.

Is this refusal to promise not to cheat again in the next election not proof of the culture of wheeling and dealing of the Conservative Party and the Conservative government?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, all our election financing practices are legal and above board. The same cannot be said for the Parti Québécois. I remember the inquiry conducted by Justice Moisan, who concluded that the Parti Québécois had knowingly and illegally received \$96,400 from Groupaction between 1995 and 2000, through an organized system of disguised contributions for past or future favours.

Oral Questions

[English]

● (1430)

HEALTH

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, sadly, over 5,000 Canadian families will lose a loved one this year due to breast cancer, while 22,000 more women will be diagnosed.

We as a country have to do everything we can and use all the tools at our disposal to make cancer history. The current government is weakening women's capacity to fight back by callous cuts to the Canadian Breast Cancer Network, cuts that were started by the previous government.

Can the Prime Minister explain how starving the Canadian Breast Cancer Network of desperately needed funding is going to assist women and their families to fight breast cancer?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I am told we are not terminating any such funding. On the contrary, this government has introduced a national cancer strategy led by the Minister of Health in collaboration with partners around the country.

This is a very serious problem that touches virtually every Canadian family. This government wants to work with the provinces and with providers to make sure we do everything to minimize the occurrence of this tragic disease in the future.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, unfortunately, the government cannot be trusted on this, and let me tell the House why.

During the past campaign the Conservative Party told the Canadian Breast Cancer Network that if the Conservative Party formed government, it would, and I am quoting now, “ensure that”—the network—“is able to continue helping Canadian families meet the challenges of breast cancer with grace and dignity”. Instead, the government is cutting its funding. The network's offices are faced with having to close. These are the kinds of networks that can help women to fight back.

Can the Prime Minister explain to the thousands of women battling breast cancer why he comes up with corporate tax cuts but—

The Speaker: The hon. Minister of Health.

Hon. Tony Clement (Minister of Health and Minister for the Federal Economic Development Initiative for Northern Ontario, CPC): Mr. Speaker, I am sure the House realizes that nothing could be further from the truth.

The Canadian Breast Cancer Network did approach us because it had concerns about the funding arrangement that had been agreed to with the previous Liberal government in 2004. We on this side of the House have committed to continue to fund the Canadian Breast Cancer Network.

As the Prime Minister indicated, we have created a world leading approach to fighting cancer with the provinces and territories, with oncologists, and with cancer survivors. That is our commitment: to fight cancer across this country.

GOVERNMENT CONTRACTS

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, the finance minister is a walking ATM, dispensing cash to his political friends.

His untendered contract for \$122,000 is just the tip of the iceberg. The finance minister has also handed out over 100 contracts to other cronies at just under \$25,000, also to dodge the tendering rules.

Why is the finance minister using taxpayers' dollars to pay off IOUs from his failed leadership bid in Ontario?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the member opposite refers to me as a “walking ATM”. I am at best a fire hydrant, I would think. I would like to be an ATM. Someday I look forward to growing into an ATM.

We have been open and transparent about these contracts. They are listed on the finance website as part of proactive disclosure for anyone to see.

The people who were hired on contract were skilled professionals who did good quality work for the money. These people worked on highly confidential documents, budget documents. They were people I could trust.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, the finance minister is not the only member of that corrupt government who is abusing the tendering process.

Today we learn from Treasury Board documents that 15% of Conservative contracts came in at just under \$25,000. The Prime Minister's own department, the PCO, is guilty of this abuse.

The Conservative government's claim of transparency is a farce. Why is the government so determined to avoid the tendering process?

Hon. Vic Toews (President of the Treasury Board, CPC): Mr. Speaker, as I mentioned earlier, the contracts mentioned are routine contracts administered by departmental officials with no input or direction from the minister or political staff. All of the TBS contracting is done within Treasury Board guidelines. There was no deliberate attempt to mislead or to abuse the rules in any way, which I cannot say that the Liberal Party can claim.

The Liberal Party, as we know, recently said that the sky was the limit when it sought illegal contributions from corporations, fully knowing that it was—

The Speaker: The hon. member for Markham—Unionville.

Oral Questions

[Translation]

THE BUDGET

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, the Minister of Finance said that the Conservatives create surpluses while the Liberals run deficits, which indicates that the minister should spend more time studying the history of the Canadian economy and less time regurgitating the arguments of the Prime Minister's Office.

Before the current government, when was the last time we saw a federal Conservative balanced budget?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the Conservative budget of course is balanced and it is one of the economic fundamentals that is so strong.

In addition, after two years of this government, we have the lowest unemployment in 33 years in Canada. After two years of this government, we have \$37 billion paid down in debt for Canadians. We have paid down more than \$1,500 for every man, woman and child in Canada and that is translated into income tax reductions for all Canadians every time we pay down the public debt.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, the last time Conservatives ran a surplus, it was not under Mulroney, Clark or Diefenbaker, or even Bennett or Meighen. It was under Sir Robert Borden, way back in 1912. That is 93 long years of uninterrupted Tory deficits and mismanagement.

Given the minister's sad fiscal history in Ontario, and the fact that he has already drained the federal treasury in good times, will the Conservatives soon return to their 93 year tradition of never ending, ugly, Tory deficits?

• (1435)

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the member opposite seems to be forgetting recent events. Actually, the most recent Conservative balanced budget was in 2007, and one need only go back to 2006 for the Conservative balanced budget before that one.

I know his question about the next budget is premature speculation, but he can anticipate that it will be a balanced Conservative budget as well.

* * *

[Translation]

MANUFACTURING AND FORESTRY INDUSTRIES

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, this week, the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities passed a Bloc Québécois motion calling on the government to improve its assistance plan for the manufacturing and forestry sectors. With a surplus of \$10.6 billion for this year alone, the government has the means to invest \$1.5 billion to help the workers affected by the crisis, as proposed by the Bloc Québécois.

Considering the urgent need to help workers in these sectors, will the Prime Minister finally agree to improve his assistance plan?

[English]

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, of course when people are laid off it is always a tragedy for those families and those communities. That is why this government has stepped up to provide support. Not only do they get support in the form of employment insurance, \$4.4 billion in Quebec last year, more than any other province, on top of that there is the community development trust. Of course now there is \$3 billion in new investments and labour market training. This government has stepped up.

I remind the member that the Bloc voted against most of the measures that we brought in to help people.

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, regarding the assistance programs for older workers, the Conservatives' rhetoric is the same as that of the Liberals. We see nothing but broken promises, nothing to support unemployed workers. Everyone in Quebec is asking for help. Factories are closing, factories like Pétromont and again yesterday, Shermag. Workers aged 55 and older who have little education cannot find another job.

Will the government finally implement a real income support program for older workers, also known as POWA?

[English]

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, we will not solve the problems of 2008 with programs from the 1980s. The fact is that last year older workers were more successful in finding jobs than any other workers. I absolutely reject what the member is saying.

We have great confidence in older workers, which is why are investing very heavily and ensuring that they have the skills to make the transition into other sectors and other jobs. They are doing that. The member should have more faith in the workers of Quebec.

* * *

[Translation]

OMAR KHADR

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, when I asked the parliamentary secretary about repatriating Omar Khadr, a young Canadian being detained at Guantanamo Bay, he replied that the Government of Canada had received confirmation that Mr. Khadr was being treated well. But apparently, Mr. Khadr has been subjected to cruel and inhumane treatment during his detention.

If he has indeed been treated so well, how can the Minister of Foreign Affairs explain the fact that while at Guantanamo, Omar Khadr became blind in one eye and partially blind in the other?

[English]

Hon. Helena Guergis (Secretary of State (Foreign Affairs and International Trade) (Sport), CPC): Mr. Speaker, Omar Khadr has been in U.S. custody since 2002 when the Liberals were in power. He has been charged with killing an American medic and, of course, as we have explained many times, that is a very serious charge.

I can assure the hon. member that we have sought and obtained assurances from the United States that Mr. Khadr is being treated humanely.

[Translation]

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, I would like to remind the Secretary of State that the Conservatives have been in power since 2006.

Omar Khadr is the last citizen of a western nation still being detained at Guantanamo. Moreover, he is being detained with adults, not in a camp for minors, as provided for under international conventions.

Given that he was a child soldier and is a Canadian citizen, what is Canada waiting for to bring him home?

• (1440)

[English]

Hon. Helena Guergis (Secretary of State (Foreign Affairs and International Trade) (Sport), CPC): Mr. Speaker, I again assure the hon. member that we have obtained assurances from the United States government that Mr. Khadr is being treated humanely. I will even refer to the critic for consular affairs, the member for Pickering—Scarborough East, when he said, in 2005, “The charges against Omar Khadr are very serious. Our take on this, of course, is to ensure that he is being treated humanely”.

* * *

[Translation]

MANUFACTURING INDUSTRY

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, Belgo workers in Shawinigan will have to wait until Monday for the community development trust to apply to them, if they are lucky, but by Monday, they will already have lost their jobs. The government seems as unconcerned about the closure of their mill as it has been about so many other workers in the manufacturing sector.

Perhaps the Minister of Finance could give the soon-to-be-former Belgo workers some speech-writing contracts? Or perhaps the Prime Minister's press secretary could appoint them to a crown corporation?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the member knows that the community development trust is there for communities, such as the community he mentioned. It is precisely for communities that rely primarily on one industry so the people can be helped in that community.

This is not a fund for corporations. This is a fund for individuals and for communities to help individuals adjust. I am sure the member opposite feels that is precisely the right thing to do.

Fortunately, the employment numbers in Quebec are very strong. There is a 33 year low in unemployment in Quebec, down to 6.8% after two years of Conservative government.

[Translation]

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, in my region, as in Shawinigan and Quebec City, the AbitibiBowater plants are closing. In the Eastern Townships, furniture manufacturer

Oral Questions

Shermag is closing its factories one by one. The list is growing longer throughout Quebec, but according to the Conservative government, everything is just fine.

How can the Conservative government turn a blind eye to the serious economic problems right in front of its nose? How can it just stand by ignoring the fact that an entire economic sector is crumbling?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, if the member opposite bothered to look at the statistics for the province of Quebec, he would see the strength in the Quebec economy. We are concerned about the volatility in certain sectors, but the employment numbers are very good. In January alone, some 7,200 new jobs, mostly full time, were created in the province and most of those new jobs were in the private sector, not government created jobs in Quebec.

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, the meltdown in the manufacturing sector is not limited to Quebec's regions and single industry towns.

In the east of Montreal and in Varennes, the closing of Petromont means 325 laid off workers will line up at the employment insurance office.

Will the Finance Minister give each of these 325 hard-working workers a nice appointment, or is that patronage reserved only for the friends of Dimitri Soudas?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, Canada is not immune to the economic volatility, the turbulence we are seeing in certain parts of the world.

We all know that the forestry sector in Canada needs the U.S. housing sector to buy its exports. We all know that the auto sector needs consumers in the United States to acquire automobiles.

We are not insulated from the world or the world economy here, so what can we do? We can provide stimulus, which we did ahead of the United States, 1.4% of GDP. That is in place now for 2008, benefiting all Canadians.

Hon. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, if the minister would just check the newspapers, it is not working. Economic growth has slowed to a crawl. Consumer confidence is wobbling like a two-legged stool. The dollar has soared to levels unheard of in decades and our trade surplus is melting like the polar ice cap.

This has a real impact on hard-working Canadians, like the 325 laid off workers from Petromont. Why do they not matter?

• (1445)

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, last weekend, on behalf of Canada, I was with the G-7 finance ministers in Tokyo. They were very impressed with the economic fundamentals of our country, our employment rate and the fact that we have stimulus in our economy.

I had to come back to Canada to listen to Liberals like the member opposite and to hear a depressing view of our country, a negative view about Canada, which is what we hear from Liberals.

*Oral Questions***JUSTICE**

Mr. Wajid Khan (Mississauga—Streetsville, CPC): Mr. Speaker, the members opposite turned their backs on the victims of violent crime the other day, but we are standing up for them.

This week, police forces in Ontario arrested 23 suspected users, distributors and producers of child pornography and laid more than 70 charges in the largest child pornography roundup in the province of Ontario. OPP Commissioner Julian Fantino said, "So many of our children are much safer".

Would the Minister of Justice tell the House if the tackling violent crime act will protect children from adult predators and violent criminals and those who do not stand up for victims?

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, I am somewhat hesitant to talk about violent crime because I half expect the Liberals to get up and walk out of the chamber. They are very sensitive on this issue and I want to be fair.

That being said, our tackling violent crime act has finally cracked down on dangerous, violent offenders and, for the first time, will give adequate protection to 14 and 15 year old children from adult sexual predators.

When the Liberal Party walked out of the chamber on Tuesday night, I hope they kept going on down to the Senate and urged their colleagues to do something for children in this country and pass the tackling violent crime act.

* * *

THE ENVIRONMENT

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, ordinary Canadians know that toxins in our environment have a direct impact on our health, but to the Conservative government, the only thing they consider toxic is the truth.

A leaked report from the U.S. shows that toxins in the Great Lakes are spinning out of control.

Liberal and Conservative governments have identified 17 toxic sites in the Great Lakes and cleaned up exactly 2 since the year 2000. At this pace, it will be 60 years before Canadians can expect clean water.

How much longer must Canadians remain in the dark while the Conservative government dithers and delays on the cleanup?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I have bad news for the NDP member for Skeena—Bulkley Valley. He voted against \$93 million to help clean up our Great Lakes. He voted against \$30 million to clean up Hamilton harbour, something that the Liberal government never did. He voted against \$11 million to clean up contaminated sediment that poses a risk within the Great Lakes. He voted against the Great Lakes sustainability fund. He voted against protecting over 10,000 square miles of Lake Superior, something that had never been done in this country.

We are delivering despite the rabid opposition of the NDP and that member.

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, this representative and this party voted against \$14 billion for big oil and gas companies that are polluting our environment.

The government is not satisfied with just one toxic time bomb, now it is creating Canada's very own Love Canal in northern Alberta. The toxic tar sands project, which the Conservatives support, will spew out 60% more toxins under their watch.

The Fort Chipewyan people are here in Ottawa. The cancer rates in their community are off the charts. Will the government tell the people in Fort Chipewyan that it will clean up their environment, or will it continue to support the biggest polluters in our history?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I have to give it to the NDP member, he has a lot of nerve. He was the NDP member who stood in his place and voted for the Liberal budget not three years ago, a budget that gave specific targeted tax cuts, to whom? Big oil. That member has a lot of explaining to do.

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CANADIAN WHEAT BOARD

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, how the Conservative government is dealing with the Canadian Wheat Board is outrageous and should scare all Canadians.

First, the government rigged the Wheat Board plebiscite and then manipulated the results. Then it tried to make changes to the board in a way that the Federal Court ruled is illegal. Then the Minister of Agriculture said to the Wheat Board, "Get the hell out of the way".

When will those Conservative thugs stop trampling on farmers' rights?

• (1450)

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, the member opposite should be careful because that high horse he is riding on is not leading a parade, it is headed to the glue factory.

As for the Wheat Board, if it does not get out of its intransigence and start to listen to producers, it will not survive the changes that producers are driving. We are firmly on the side of farmers out there in western Canada. They are looking for changes and we will deliver them.

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, the minister is disconnected with reality.

The Conservative government has used every dirty trick in the book to kill the Wheat Board. The Minister of Agriculture and Agri-Food said yesterday that the board will "survive until after the election...then all bets are off".

That is a clear direct threat. No more camouflage and no more pretenses. A Conservative government means the Wheat Board is dead.

Oral Questions

Why is the corrupt Conservative government flouting the will of 70% of western farmers?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, the reality is that 62% of western Canadian barley producers voted for change. They want something different. What is being offered by the Wheat Board? Anchored in the past, busy naval gazing, completely isolated and insulated by its own demise, it will not get out of the way and allow producers access to that burgeoning, booming U.S. market.

Wheat Board officials have shut down the futures for next fall. They will not market the product and yet they will not allow producers to market the product. They are going to cut their own throats on this issue. They have to learn. And, the correct quote is, "lead, follow, or get...out of the way".

* * *

POST-SECONDARY EDUCATION

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, students across Canada do not know whether to laugh or cry when they hear the government claim to support education. An \$80 tax credit is not support.

The Conservatives have not renewed the millennium scholarship. They collect student loans from families of the dead and they ignore the needs of the most vulnerable Canadians. They promise everything but deliver nothing.

When will the minister finally commit to reinvesting in needs based grants like the millennium scholarship? When will the government stand up for our students?

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, it is ironic that the member would ask this question, because he did not stand up for students when it came to voting for our budget, something that would put \$800 million back into post-secondary education to help universities and colleges after the government that he was part of cut funding for schools by \$25 billion.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, that minister's smiling face should be in the dictionary beside the word "hypocrisy". He himself called for deeper cuts back in the 1990s. Now he talks about increased funding and students know it is a hoax.

Specifically, will he renew the Canada Millennium Scholarship Foundation? Or will he gut this great Liberal initiative? Worse, will he try to rebrand it in a shade of blue, reduce the funding and hack it to pieces like he did with the summer jobs program?

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, generally speaking, if it is a Liberal initiative, it has no guts.

I want to assure the member that this government did commit to review the Canada student loans program and student financing in general. The results of that will be known in the budget, which is coming up on February 26. We all look forward to hearing the results.

[*Translation*]

AGRICULTURE AND AGRI-FOOD

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, yesterday, the Bloc Québécois requested an emergency debate on the crisis facing pork and beef producers. We would like to have heard the minister speak, but instead we heard his Conservative colleagues take turns denying that there is a crisis in this industry. But the Quebec agriculture, fisheries and food minister recently met with his federal counterpart to ask him to take action quickly to help the pork and beef industries.

Does the Minister of Agriculture and Agri-Food acknowledge that these industries are in crisis, and does he finally plan to do something about it?

● (1455)

[*English*]

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, we have been fully involved with the livestock sector across this great country for the last number of months. We have been working with the sector, which advised us to work with programs that are not countervailable and to work within existing frameworks to get the money out faster.

We have done that. I have had those discussions with Laurent Lessard of Quebec. I explained to him that there is some \$320 million available to the pork sector in Quebec through the ASRA program. I know there are some problems with delivery through that program, but that is something the member might want to take up with his colleagues in Quebec.

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Speaker, the minister says that he has been working on this for months, which is how long the producers have been in dire straits.

Christian Lacasse, the president of the Union des producteurs agricoles, has said that the situation is very serious and that the federal government needs to free up some money. There is no getting around it.

Will the minister heed this plea and implement the six recommendations in the unanimous report of the Standing Committee on Agriculture and Agri-Food concerning the crisis in the livestock industry? This is urgent.

[*English*]

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, we have taken action and I have outlined some of those to follow. We have made available unprecedented amounts of money to the livestock sector. That money is flowing out to it. We are looking at other avenues that we can work on.

We have made the 2008 targeted advances available early. That is unprecedented. We are working for the best interests of the livestock sector.

Mr. Lloyd St. Amand (Brant, Lib.): Mr. Speaker, tobacco farmers are in desperate straits. Some are losing their farms. Some have fallen so deep into despair that they have taken their own lives.

Oral Questions

Last week in committee I asked the Minister of Agriculture and Agri-Food what his government was going to do to assist tobacco producers. The minister claimed that he would take action sooner rather than later.

So I ask the minister today, what action and what does he mean by sooner rather than later? How many more lives must be destroyed before the government takes action?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, nothing could be further from the truth.

There must be an election coming. The opposition members are finally starting to talk about agriculture.

We have met with the affected groups. There are numbers of them. Every one of them seems to have the magic answer. As the member well knows, this is not a new file. This has been ongoing for some 25 years. A couple of governments have taken a run at this, including his own for 13 years prior to our stint here in government. The member knows that we are moving on this file and that we will get the job done. He should stay tuned.

* * *

THE ENVIRONMENT

Mr. Bruce Stanton (Simcoe North, CPC): Mr. Speaker, taking action in the fight against climate change is certainly something that Canadians want to see from their government, but we know that Canadians also want a share in that fight and in those actions. Sadly, the previous government did not understand that.

Can the environment minister tell us if our government is doing anything to help communities fight climate change and air pollution?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I can tell the member for Simcoe North that finally the government is beginning to act, something that had never happened in the 10 long years since Kyoto was signed, with more money for public transit and a tax credit for commuters to encourage them to use public transit, also something that has never happened before.

Now we are going to do something remarkable. We are actually bringing in mandatory emission standards for automobiles, not weak voluntary measures but real mandatory measures, something that will help deliver real results in fighting climate change. This government is acting and getting the job done.

* * *

[Translation]

GOVERNMENT APPOINTMENTS

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, “There must be an end to patronage, and when we are in power, we will put an end to it”. Who said that? The Prime Minister did, when he was in opposition.

The fact is that today's *Toronto Star* reports that the Minister of Finance has once again given a gift to one of his friends, another party backer who has been rewarded. This time it is Mr. Love, who has been appointed to the board of the Royal Canadian Mint.

Why does the Minister of Finance not honour his Prime Minister's commitments? Why does he not respect taxpayers?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the appointment was to the Royal Canadian Mint. The person in question is one of Canada's leading tax lawyers. He led the committee we had to design the tax benefit for children with disabilities, which is a great step forward for Canada.

He was paid a very large sum for volunteering his expertise for that, Ralph. Guess how much? One dollar.

The Speaker: The hon. Minister of Finance has been warned before that referring to hon. members by name is out of order, and in this case, he was pointing right at his victim.

Some hon. members: Oh, oh!

● (1500)

The Speaker: Order. It just shows what kind of disorder can arise when we have this nonsense.

Members are urged to read the rule book. It does say they must refer to hon. members by their proper title or by the name of their constituency. They cannot point at a member and call him or her a name and carry on. We have had this trouble before. I hope it will stop.

The hon. member for Outremont.

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GOVERNMENT CONTRACTS

Mr. Thomas Mulcair (Outremont, NDP): Mr. Speaker, he is going to be making a lot more than that at the Mint.

Value for money: the traditional definition of value for money is “a measurement of quality that compares the resources used to procure services with the benefit obtained from those services”.

The minister spent \$122,000 of taxpayers' money for a 20 page speech by one of his little buddies, a speech, I might add, that was filled with grammatical errors and a gaffe as big as the Rocky Mountains.

Can the minister please provide the House with his definition of value for money? I assume that he means “I value a long-standing relationship and therefore, I will give him money”.

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the member for Outremont talks about value for money. As I just explained, the leading tax expert who chaired our panel that created the registered disabilities savings plan was paid a grand total of one dollar.

That was because he cared about this country. It is because he is a patriot. It is because he was prepared to volunteer, give up income and give up his time, all for one dollar, which is more than the member for Outremont is worth.

*Business of the House***LOTTERY AND GAMING INDUSTRY**

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, every day Canadians are being victimized by illegal Internet gambling operations. While it is a crime to operate Internet gambling websites in Canada, this has not stopped many offshore companies from soliciting bets from Canadians.

Legitimate gaming industries in Canada, such as Woodbine in Etobicoke North, are being negatively impacted by these illegal websites. It is costing them millions of dollars in lost revenue and is putting Canadians out of work. When is the government going to act? What steps is the government going to take to address this problem? Or does it not care?

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Quite the contrary, Mr. Speaker. We want to do everything we can to assist legitimate gaming enterprises. That being said, the hon. member quite correctly points out that Internet gambling is illegal, with three exceptions.

That being said, I have asked departmental officials to look into ways in which we might assist with the enforcement of the Criminal Code. I would be glad to get back to the hon. member. I will report back to him as soon as I see him again in the gym.

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FOREIGN AFFAIRS

Mr. Chris Warkentin (Peace River, CPC): Mr. Speaker, February and March are big travel months for Canadians going on vacation. In March many schools have a spring break and some families take this time to go south and soak up the sun in resorts in the Caribbean, Mexico and the United States.

Given the millions of Canadians who travel abroad every year, could the Secretary of State for Foreign Affairs tell us what MPs can do to help inform their constituents about how to travel more safely?

Hon. Helena Guergis (Secretary of State (Foreign Affairs and International Trade) (Sport), CPC): Mr. Speaker, it is important to remind Canadians that when they are in a foreign land they are subject to the laws of that country. I encourage Canadians to visit www.voyage.gc.ca for up to date country travel reports. In fact, there is one for every country. Country reports outline rules, local customs and laws that Canadians should know before they travel.

To help members communicate this very important message to their constituents, I have sent each member of this House a copy of a package of information they can share with Canadians.

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PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of the Honourable Don Morgan, Minister of Justice and Attorney General for Saskatchewan.

Some hon. members: Hear, hear!

● (1505)

BUSINESS OF THE HOUSE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I wonder if the government House leader would indicate his plans for the rest of this week and the first week at least after the House resumes following the upcoming break week.

I think the House would be interested to know how the business of the House will flow, both before and after the budget on February 26.

I wonder if the honourable gentleman could indicate two other things: when does he plan to commence the debate in this House with respect to Afghanistan and when will he be designating the first of the opposition days in this supply period?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, unfortunately, I did not have the opportunity last week to inform the House that this week was accountability in the House and Senate week. However, I am pleased to report that we have made progress this week in making Parliament more accountable to Canadians.

Last night the House voted to allow our bill to give Canadians a direct say in who represents them in the Senate to go to committee before second reading. This will allow the broadest possible input from the opposition parties and represents a serious effort on our part to move forward on creating a democratic, accountable Senate.

[*Translation*]

Today, we hope to conclude the debate at report stage on the bill to establish a transparent process governing loans to political parties.

If the debate does not finish today, we will continue tomorrow.

[*English*]

Canadians know that our government is committed to getting tough on crime. Earlier this week the government introduced a motion asking the Senate to pass the tackling violent crime act by March 1. I am pleased to say that the House passed this motion by an overwhelming margin.

Hopefully, the Senate will realize that the Canadian people have spoken through their representatives. They have made it clear they want this law passed and they want it passed now.

[*Translation*]

Tomorrow, we will continue our efforts to protect Canadians' safety and security by debating Bill C-26, our bill to strengthen drug laws and get tough on those who sell narcotics to young people.

Next week will be Listening to Canadians Week, when members of this House will return to their ridings to talk to their constituents about their concerns, so that they can represent their constituents better when they come back here.

[*English*]

The week the House returns will be sound fiscal management week, focusing on the government's third budget.

*Points of Order**[Translation]*

Before the budget, we will continue to work on the common ground we have found on the mission in Afghanistan.

[English]

We have put forward a motion seeking to continue the military mission in Afghanistan and this week the official opposition gave its input. The government welcomed this. We want to work with the opposition parties in a spirit of cooperation and compromise.

We were pleased to find so much common ground between the Liberal position and that of our government, so much so, that we can now truly say there is a consensus on a Canadian position.

The two main parties now have much in common on the issues of burden sharing with our allies, a timeframe for the mission to 2011, the importance of training the Afghan national army, and the role of development and diplomacy in ensuring the success of the NATO mission in Afghanistan.

The future of the mission will be debated on the Monday and the Tuesday that the House resumes.

● (1510)

[Translation]

The government's next big priority will be the 2008 budget, which will be tabled on February 26.

I can assure this House that the budget will focus on controlled spending, paying down the debt and continued sound management of the economy.

[English]

The first day of debate on the budget will be Wednesday, February 27, the day after the budget. The second day of debate and the first vote will be Thursday, February 28. That will of course be a vote on a subamendment to the budget, presumably from the Bloc Québécois.

I urge all members of this House to work with the government to pass the budget, so we can continue to provide Canadians with strong management of the economy and ensure that the country continues to operate without a deficit.

Hon. Ralph Goodale: Mr. Speaker, the government House leader was silent about the Friday of the week that we return. That would be three days after the budget. I wonder if he could indicate if he has plans for that day.

Hon. Peter Van Loan: Mr. Speaker, a review of the calendar and the requirements of the Standing Orders would lead one to conclude that there will have to be many opposition days, allocated supply days, in the time that follows the budget debate. There is, of course, some possibility that that Friday may be one of those days.

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POINTS OF ORDER

COMMITTEE AMENDMENTS TO BILL C-21

Mr. Rod Bruinooge (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr.

Speaker, I rise on a point of order to seek a ruling on whether two amendments to Bill C-21, adopted by the Standing Committee on Aboriginal Affairs and Northern Development, are in order. I submit that these two amendments are actually out of order because they are beyond the scope of Bill C-21 that was set at second reading.

Bill C-21 was referred to committee after second reading, as we all know, and page 654 of Marleau and Montpetit states:

An amendment to a bill that was referred to a committee after second reading is out of order if it is beyond the scope and principle of the bill.

I would like to emphasize that the bill was adopted at second reading and had a very narrow scope. Namely, it contained just three specific items: first, it repealed section 67 of the Canadian Human Rights Act; second, it provided for a parliamentary review of the repeal of section 67 within five years; and third, it included a transitional provision concerning the implementation of the repeal of section 67.

Page 661 of Marleau and Montpetit states:

Since a committee may appeal the decision of its Chair and reverse that decision, it may happen that a committee will report a bill with amendments that were initially ruled by the Chairman to be out of order. The admissibility of those amendments, and of any other amendments made by a committee, may therefore be challenged on procedural grounds when the House resumes its consideration of the bill at report stage. The admissibility of the amendments is then considered by the Speaker of the House, whether in response to a point of order or on his or her own initiative.

This passage flows from a Speaker's ruling from 1993 when the members of a committee rejected the decision of their chair, who had ruled three proposed amendments to a bill to be out of order. The amendments were then adopted by the committee and included in the report to the House.

Following a point of order raised in the House in respect of this matter, the Speaker upheld the ruling of the chair and ordered that the three amendments be struck from the bill.

Marleau and Montpetit, on page 662, also cites a 1992 ruling by Speaker Fraser. It reads in part:

"When a bill is referred to a standing or legislative committee of the House, that committee is...restricted in its examination in a number of ways...it cannot go beyond the scope of the bill as passed at second reading, and it cannot reach back to the parent act to make further amendments not contemplated in the bill no matter how tempting this may be".

The first amendment to which I wish to bring to the Speaker's attention is an interpretive clause, which was added as a new clause, clause 1.2, to the bill. This amendment was ruled inadmissible by the chair because it is beyond the scope of Bill C-21.

During the committee's consideration of this amendment, the member for Nunavut stated:

I don't believe we are asking for too much beyond the scope...I want to take it into the House of Commons for further consideration and see how the ruling would be on that in the House of Commons.

Notwithstanding the acknowledged uncertainty of the member for Nunavut with respect to the admissibility of this amendment, the chair's decision was overruled by the committee, which then adopted this amendment.

The second amendment to which I wish to draw to the Speaker's attention is a non-derogation clause, which was also added as a new clause, clause 1.1, to this bill. While the chair did not raise admissibility concerns with the amendment, this new clause clearly adds a new purpose to the bill and is therefore beyond the scope of Bill C-21.

As I have noted, the purpose of this bill is to repeal section 67 of the Canadian Human Rights Act.

Since the bill is silent on how the Canadian Human Rights Act should be interpreted and applied to first nations, I submit that the amendment to add an interpretive clause and the amendment to add a non-derogation clause exceeds the scope of this bill.

Both of these amendments are beyond the scope of the bill by attempting to prescribe how the Canadian Human Rights Act should be interpreted and applied to first nations people on reserve. Since the purpose of the bill is to bring first nations people the basic human rights that every other Canadian enjoys, I question why the opposition would want to water them down.

What is more disturbing is that the opposition was willing to achieve this goal by overriding a fundamental principle of parliamentary legislative practice. It overruled the chair, who rightly ruled an amendment out of order because it went beyond the scope of this bill. These amendments attempt to bring back much of the intent of section 67, which, of course, the bill proposed to repeal.

● (1515)

I believe this view has been supported by the Speaker in his ruling of February 27, 2007 on Bill C-257, which states:

Given the very narrow scope of Bill C-257, any amendment to the bill must stay within the very limited parameters set by the provisions of the Canada Labour Code that are amended by the bill...They argue that these amendments are admissible for they only make clearer the bill's provisions...However, I fear that their views are precisely what Mr. Speaker Fraser meant in the 1992 ruling...when he warned members against being led into the temptation of amendments not contemplated in the original bill.

On Tuesday, January 29, 2008 in a decision on the admissibility of an amendment that was beyond the scope of Bill C-3, the Speaker ruled:

The amendment was ruled inadmissible by the committee chair on the grounds that it was beyond the scope of the bill. It was contended that on the contrary his amendment was within the scope of the bill because it simply expanded the appeal provision already contained in the bill.

Admittedly, the hon. member's amendment deals with this same principle, namely the right to appeal, but where it goes beyond the scope of the bill is in relation to the conditions under which the appeal may be made...Consequently, even if the principle remains the same, its scope is clearly expanded.

Any attempt to establish how the Canadian Human Rights Act is interpreted and applied to first nations people should be seen as an expansion of the scope of this bill since this clearly introduces new issues which were not part of Bill C-21 as originally introduced.

I would like to conclude by stating that these two amendments, particularly the nature of the interpretive provision, would undermine the universality of human rights principles embodied in the Canadian Human Rights Act and the very purpose of Bill C-21, which was simply to repeal section 67 of the Canadian Human Rights Act. Clearly, these two are beyond the very narrow scope of the original bill.

Points of Order

Mr. Speaker, if you agree that these amendments are out of order, I would suggest that they be removed from the bill, as you did in your previous ruling on February 27, 2007.

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am speaking to this point of order on behalf of the Bloc Québécois. We must be careful because this is becoming common in all the committees. The same thing happened during the last clause by clause study in the Standing Committee on Transport, Infrastructure and Communities. The Conservatives tend to give the chair, who is often a Conservative, the responsibility of declaring amendments out of order. In that case, we will make other representations.

I would like you to be very vigilant. One of the amendments proposed in the Standing Committee on Transport, Infrastructure and Communities, according to our law clerks, should only have been deemed out of order on constitution grounds. The chair deemed it out of order simply because he found it went beyond the scope of the bill. That is something we must watch for carefully.

I hope you will be very vigilant and that you will look at this trend that has started in all the committees. I hope this is not a new Conservative tactic, in other words, a way to reject opposition amendments simply by declaring them out of order.

● (1520)

[*English*]

Ms. Nancy Karetak-Lindell (Nunavut, Lib.): Yes, Mr. Speaker, I do and on this very specific issue.

I think the parliamentary secretary said it himself, he said it was "a very narrow scope". I strongly feel that those of us who work very hard on committees, our job is to make sure that we get the best legislation in this country. Those of us who have experienced living in these communities, living with the people whose lives are affected, feel that we have to put in amendments to make the legislation better.

We were doing our job as opposition members on the committee. As he said, it is "a very narrow scope". We have to make sure that the rights of people are protected. If he really believes that is the case, then I would say that these amendments have to go through. I trust your good judgment in this, Mr. Speaker.

[*Translation*]

The Speaker: I thank the hon. member for Winnipeg South, the hon. member for Argenteuil—Papineau—Mirabel and the hon. member for Nunavut for their comments. This is certainly a matter that will be examined with diligence by the Speaker.

*Government Orders**[English]*

I recognize the fact that committee chairs make rulings in matters of this kind. I recognize also that their rulings can be appealed, and this happened last year on an occasion. In effect, the Speaker acts as a court of appeal, as it were, from decisions of committees in respect of admissibility of amendments for certain purposes that they can be arguably beyond the scope of the bill or beyond the principles of the bill that was sent to committee at second reading.

I will look into the matter with due diligence and come back to the House with a ruling.

I want to thank hon. members for their submissions on this point. I hope that whatever the outcome, members will not be disappointed on the basis of their views of what would be nice to have in the legislation rather than what is permitted, given the technical rules surrounding the adoption of bills in this House at second reading and therefore, approval by the House of the principle of the bill before it goes to committee, which does restrict the committee in its scope of consideration.

I do not say those words to prejudice the issue in any way, but just to indicate some of the parameters that will be looked at by the Chair.

[Translation]

I thank all hon. members for their interventions, and I will get back to the House regarding this issue soon.

GOVERNMENT ORDERS*[Translation]***CANADA ELECTIONS ACT**

The House resumed consideration of Bill C-29, An Act to amend the Canada Elections Act (accountability with respect to loans) as reported by a committee with amendments, and of the motions in Group No. 1.

The Speaker: When this bill was being debated, the hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup had the floor. He has five minutes remaining for his remarks.

The hon. member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup.

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, before question period I started to explain our position on the various amendments the government made at report stage. It is quite amazing that the government has decided to reverse what was decided in committee. This is not necessarily related to the point of order that was just raised, but it is still in the same spirit.

These are in fact very practical matters. We were talking, for example, about an amendment adopted by the committee providing that someone could contribute \$1,000 in total to the leadership contestants in a particular leadership contest. The committee wanted to add "in any calendar year" so that the same logic that applies to funding under the Canada Elections Act would apply to leadership contests.

The amendment seems to us to be simple, clear, precise and desirable, but the government has decided to go against the amendment adopted in committee. We hope that this House will go back to the position adopted by the committee, which represented a majority of the House. It is important that the Canada Elections Act be organized in a logical way. That concept is not reflected in this amendment, however.

Another motion by the government is even more unacceptable. In an election, if a party's candidate incurs personal expenses and takes out loans, the party will automatically be responsible for those loans, even though it was not a party to the loan. I believe that this encourages irresponsibility.

I have been a candidate and I have won five elections. Early in the campaign there is money to get it started, but you need additional money because a candidate has additional expenses. If we adopted the position taken by the government it would mean that someone could decide of his or her own accord to borrow \$10,000 or \$15,000, and the bank would lend the person the money because the party would be guaranteeing it, without necessarily knowing about it. That makes no sense.

We absolutely have to go back to the Bloc Québécois proposal adopted in committee, which is meant to ensure that there is some logic to the scheme. When someone is a candidate in an election, he or she incurs expenses. Each person must be responsible for his or her own choices. If the party wishes to help out, it can do so within the rules in the law. However, it must not be surprised by the discovery that someone has borrowed \$10,000 or \$20,000 in his or her personal capacity. If we leave the provision as it stands in the government's proposal, then that \$10,000 or \$20,000 would become the party's responsibility. Things done by an individual would therefore sometimes have consequences for all elected members of that party. That is not an appropriate approach to take.

In terms of the bill, we will see whether those amendments are adopted. The purpose of all this is to have an Elections Act that demands transparency and that guarantees that when electors make their choice they have been fully informed and will respect the system in which they are participating.

The few technical elements that were discussed in relation to these amendments make things clear. There have been all sorts of leadership contests in the past. After those elections it is often impossible to get a clear idea of where the money came from. If someone gives \$10,000 or \$20,000 or \$50,000, that may have a particular influence when the successful candidate is in a position of responsibility.

We have started to clarify these things and we have to keep going down that path. We have to adopt a legislative framework that is as precise and independent as possible. When citizens exercise their right to vote they must be aware that they are engaging in a very important democratic activity.

Given this situation, the Bloc Québécois hopes that the amendments in Motions No. 1 and 3 will be rejected. We think Motion No. 2, however, is acceptable. We hope that the House has listened to our suggestions.

Government Orders

•(1525)

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I would like to congratulate my colleague on his presentation. My question is simple. The Conservatives make things difficult, particularly when it comes to amending the Canada Elections Act. In fact, 63 of their own candidates have not yet been reimbursed for their expenses during the last election campaign. Now the Chief Electoral Officer is investigating their expense accounts because they may not have complied with the law. Given that they now want to amend the law, we have to ask: is that in their interest or not?

With respect to amendments Nos. 1 and 3, obviously we thought this was about limiting contributions to \$1,000 per year, as for individuals. We thought that was a good idea, even when we were in the middle of a leadership race. Lastly, with respect to the problem of granting loans, current legislation provides that if the loan is not paid back within three years, it automatically becomes a contribution, a donation that exceeds the maximum limit under the Elections Act.

According to this bill, the party would be responsible for paying off that debt. Anyone who contracts a loan and does not pay it back within three years no longer runs the risk of breaking the law and being charged with contravening the Canada Elections Act, because the loan would become a party debt.

We have to wonder what the Conservatives are trying to accomplish. I think that they want to use the Canada Elections Act once again to justify election expenses that do not comply with the law.

What is my colleague's position on this issue?

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the example given by my colleague is very impressive. More than 60 Conservative candidates—63 or 67 candidates—have not yet been reimbursed for money they borrowed during the last election campaign because of a faulty interpretation of the law and the fact they made certain expenditures that were not accepted by Elections Canada.

As a result, Elections Canada is refusing to reimburse those amounts. That raises some questions because the amendments made by the government seek to maintain the fuzziness in the act that exists with regard to other factors. To some extent, they were caught with their hands in the till since the practice was not legal. They have been told that by Elections Canada and they are contesting it in court but the fact remains that those candidates have still not been reimbursed because they did not comply with the law as interpreted by Elections Canada.

In the same way, if we were to adopt the amendments proposed by the government, we could be repeating the same kind of fuzziness and thereby adding to the problem. It is somewhat irresponsible to tell us that now, according to the government's proposal, a party could not prevent a candidate from borrowing \$60,000 from a bank. Yet, if a problem arose, the same party would have to assume the debt. In addition, we must also consider this plan to see whether it might not enable some funny business.

The past being our best predictor of the future, the ethics spokesperson of the Conservative Party is showing the same

behaviour and the same attitude as we saw in the last election—and as we can read this morning in the newspapers. He does not deny that he could use the same system once again even though it has been denounced by Elections Canada.

It should be understood that we on this side will be very demanding. We want the federal government—the Conservative Party—to send out a clear notice that this type of behaviour will no longer be permitted; moreover, that they accept the arguments presented in the examination of the different amendments and will support the two amendments adopted by the committee. These amendments were supported by the majority of the parties and should be incorporated into the bill. That would provide for a clearer interpretation and would also allow the public to see that the electoral system is working well and operating transparently.

If the act were not so clear on the matter of reimbursement, the Conservatives might not be in trouble today. However, Elections Canada has done its job and concluded that for more than 60 candidates, the practice was not acceptable. These people have still not been reimbursed and we do not want to see the same situation over the same issue in the next election or over any other question in the act. That is why it is better to be clearer and to adopt the amendments proposed in committee by the members of different parties.

•(1530)

[English]

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I will continue the debate on the report stage amendments to Bill C-29.

The government has said that the bill would fill in gaps in existing legislation governing loans to political candidates or parties. However, I point out that the existing law requires full disclosure of these types of loans and has procedures in place governing repayment. However, the bill purports to tweak and ratchet up the degree of regulation involved with these loans.

From a distance, it looks like the Conservative government is trying to do everything it can to lob grenades, regulate and obstruct the way people run for public office federally. I am imputing rationale here, but it is as though the Conservatives are saying they have their financing mechanisms all in place and the rest of us can go find our own way. They are going to regulate the field and make it tough for everybody, including arguably, themselves. That is the universe the way they see it. They will continue to regulate and regulate. Every time they see something they do not like, they will pass another law and will continue to pass laws until the thing gets so gummed up that hardly anybody will be able to move on the street. That is my impression of the bill.

I accept it is a tweak, a ratchet up to the existing set of rules. However, I want to try to take a wider angle view of what is going on as it relates to the right of Canadians to participate in the political process.

Government Orders

I think there is some gamesmanship involved. I do not think it is all idealistic attempts to make the universe right. In their efforts at trying to kneecap the other parties, or other people who do not organize their campaigns the way the Conservatives do, are they really in a way obstructing participation in the process? Are we only thinking about existing parties when we make these new rules? Have we forgot about the new parties that have not made it into the system yet?

If we were talking about banking or the mining sector, we would be looking at such issues as obstacles and barriers to entry to ensure competition. We would not clutter the roadway with all kinds of rules and barriers to obstruct new entrants into the mining or banking field. We like to see competition. In adopting these measures in the bill, we would really be regulating. I will give two examples of how I think it may be a problem.

These new rules create barriers to people, although that may have been unintended. I think the intention is to create barriers for all the other political parties that are on the street now and we may have forgot about the ones that are not there yet.

I have two examples on which I want to focus.

First, the bill says that candidates and parties can only borrow from financial institutions. That would be a pretty significant law. In order to borrow from a financial institution, one has to have a credit rating. Does a poor candidate have a better credit rating than a rich candidate? I will leave that question unanswered, but I think the answer is kind of obvious. A poor candidate would not have as good a credit rating. Therefore, with the imposition of the mandatory financing mechanism with the banks and therefore the imputed need for a credit rating, are we imposing a barrier to poor candidates? I think we are. A poor candidate might be able to borrow from a brother-in-law, but might not be able to float a decent loan from the bank for his or her political campaign as he or she goes forward.

• (1535)

All of the existing incumbents in the House have been elected at least once. Most of us know how to finance a campaign or to raise money for it. We all have to do it. It is a very legitimate part of being involved in politics, but I think buried in this section is an adverse effect discrimination. Somebody out there will notice it and someday even the courts may notice it.

I am thinking of women who sometimes have less money and poorer people, who by definition have less money and resources, to participate in politics and sometimes may need a loan to get them over the hump.

Second, if we can only borrow from the banks and financial institutions, then the banks become an integral monopoly source of funding or borrowing for financial campaigns. I wonder how a bank makes a decision about its lending policies, about whether it will only lend to one party or one candidate. If it lends to one, does it have to lend to all? How will the banks handle this imposition of being the sole source for lending to political campaigns? If I were the banks, I would be kind of unhappy about it, because it is forcing banks to make decisions that may be seen to be political.

I mentioned earlier the problem of credit ratings for the poor candidates, the less pecunious candidates, but the banks also have a

decision to make between political parties. They may decide to lend \$10,000 to one party and \$25,000 to the other party or cap everybody at \$10,000. Maybe they will decide not to lend anybody anything in a political campaign because it is too mucky and too political. They might leave it up to Parliament to figure out how it wants to finance campaigns, but they do not want people going to them. If we do not want candidates to borrow from the brother-in-law or from the friend, too bad.

The banks might not be too happy with this. I do not know for sure, but there may be some push-back there. If a person needs a loan and he or she has to go to a bank and the bank tells that person it does not lend to political candidates or parties, what have we done? We have created a barrier to participation and entry.

The amendments put forward by the government purport to roll back amendments that were put into the bill by the members of the committee. They were good amendments and I would like to keep them there. Therefore, I oppose the government's move to roll them back.

One amendment has to do with the amortization of loans of leadership candidates. Another one has to do with repeat loans during a calendar year, which looks pretty reasonable to me. The other has to do with the deletion of the automatic liability of a political party, as mentioned by the previous speaker, if one of its candidates defaults on repayment of a loan. That is just a dumb mechanism and it should not be there. However, it does relate to my earlier comments about banks and financial institutions. Maybe they would not mind having that automatic liability of the party being there, but I do not think it is a good way to manage the financing.

I therefore oppose the government motions to reinstate provisions of the bill.

For reasons I have stated, there may be some constitutional vulnerability related to the charter in these sections. We will not know until the appropriate case comes along. However, when that case does come along, I hope it is somebody who maybe did not have a lot of money, wanted to borrow money but was unable to do that. I hope the person can show that this relatively dumb, holier than thou government regulation of this part of the political process is seen to be an obstacle to political participation.

I hope my friends in the Conservative Party will see that perhaps they are taking too myopic a view of Canada. They are trying to regulate everything from their view inside their political party, but Canada is really much more diverse and demands a little more freedom than they are willing to accord in terms of the financing of campaigns and participation in the process.

Government Orders

•(1540)

Mr. Alan Tonks (York South—Weston, Lib.): Mr. Speaker, I think the House would be particularly intrigued and interested in the member's response to the point he made with respect to the role banking institutions would play within the regime entrenched in the bill, particularly as it relates to the whole notion of the pecunious capacity of individuals to go to a bank and say that they want to borrow X amount of dollars toward a campaign.

What would the member's opinion be on to why the government is so concerned with the mechanism as opposed to a candidate being able to go to a number of people, as long as the reporting mechanisms were clear, transparent, reported to the Chief Electoral Officer and the whole issue with bankruptcy and unpaid loans was made transparently clear as to how the loan must be repaid and so on? Why is it so important for the banking institution? Is there something inherent in the banking institutions act that is a protector for the public purse, the public cause?

Is there not another way that would encourage democracy, encourage people to come forward? If they could avail themselves of the confidence of several Canadians to support them, is it not the process of reporting that is more important than the actual mechanism that they have to go to a bank?

Mr. Derek Lee: Mr. Speaker, the member has focused correctly on two of the problems with the bill and the amendments.

The Conservative government seems to have made two incorrect assumptions. One is that the rest of the world should be financing their campaigns the way the Conservatives have done it. They either do it their way or the highway.

The second is banks are just like public utilities. The banks are there and even though Conservatives probably will not have to borrow money, to heck with the rest of us. We can go to a bank and get a loan.

However, there are problems in doing that. The whole object of all the election financing legislation was to ensure there were no huge special interests vying for or currying favour in the electoral process. It was also to ensure there was transparency throughout so we could accomplish those objectives. If there were a special interest participating in some extra special way, it would be visible.

Those objectives were accomplished by the earlier legislation. We may quibble with caps, maximum amounts, minimum amounts and things like that, but the original legislation accomplished those results.

The new legislation that deal with loans goes too far and makes to incorrect assumptions. I would have been very comfortable if the parties, and I know there were discussions among the parties, had opposed it. I will vote with my party of on this one. However, I see the problem. They have gone too far.

The good news is we might have gone so far that it will not survive in the case of some candidates. Perhaps a single mother in Rimouski needs a bank loan and suddenly realizes she cannot get it. Then some of her friends tell her to deal with it in court because the legislation is an obstacle to her carrying on a campaign and getting through it.

I am not saying the bank has to pay for the whole campaign. The bank is just a bridge loan. The loan helps candidates get through the campaign period and then they pay the it back with their electoral contributions and their fund raising. That is my view.

•(1545)

[*Translation*]

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, although I am usually quite happy to rise in this House to debate various bills dealing with social problems, I find it difficult to debate this bill because, for me, anything that has to do with money and math is esoteric. It is all Greek to me. It is a language that I do not understand at all. In that regard, the chair of the Standing Committee on the Status of Women could corroborate. I have to work very hard to understand anything concerning money.

What I do understand, however, is that the government was too anxious to put through Bill C-2 and that the bill has several shortcomings. That does not surprise me, but what I do find surprising is that the government now wants to address some of those shortcomings. Indeed, over the past two years, none of the objectives of Bill C-2 has been met in its original form. The purpose of the bill was to guarantee a responsible, transparent government that would never commit any wrongdoings as serious as those we had seen in the past. We now see that that is not the case and we must quickly put forward another bill to correct the shortcomings. Let us hope that Bill C-29 will correct these deficiencies, not only in words or in the text of the legislation, but also in action.

Contrary to what my colleague just said, if a young woman from Rimouski went to a bank to get a loan so that she could run in a federal election, I do not think she would have the problems he was describing. In Quebec, the caisses populaires have a social duty and must lend 60% of the amount that a person is entitled to receive from the Chief Electoral Officer for federal elections. So we have something here that is probably already better than what exists in the ROC, the rest of Canada. We have created financial institutions for ourselves in Quebec and passed laws that prevent the kind of abuses they are trying to prevent today with Bill C-29.

At the same time, though, as they try to prevent abuses, they are handicapping the political parties a bit by removing their ability to decide—along with the— whether he or she can borrow money. According to the bill, the parties would be responsible for the money their candidates borrowed. That is totally absurd. I wonder whether the party of which I am a proud member would have been able to meet my needs when I decided to enter politics. I made my own decisions about how much money I needed, an amount that was very personal. It is not up to the parties to foot the bill for people who decide to run for them in elections.

A candidate is chosen and talks with his party. He determines his strategy together and in collaboration with his party, but ultimately, it is the candidate who decides how much he wants to spend on his election campaign. If the political party were made responsible for the money that a candidate spends, we would be opening the door to major abuses.

Government Orders

It is the same as if I decided to buy a new house and told the bank it could have confidence in me because the Speaker of the House of Commons likes it and supports my getting a loan. Since you are a solid citizen, the bank would give me the money. That would be a bit ridiculous.

Once again, we see the party in power, the Conservatives, trying to put more restrictive rules in place when they do not follow their own rules. It is rather paradoxical. When we adopt rules, we should start by following them ourselves before insisting that other people should follow them or thinking that a new rule should be invented to prevent one party or another from making progress.

• (1550)

That is the impression given by this bill.

Bill C-54, which was introduced in the last session, was very similar to this bill. It was examined in committee and debated on several occasions. In fact, an amendment from the Bloc Québécois had been incorporated into the bill. As a result, it was a better bill that provided a great deal more latitude to political parties, to individuals and to companies. We know that we must act responsibly.

Now, the government has tabled other amendments, which are unacceptable, to prevent us from acting in a way that any political party should have to right to act.

In Quebec, we have had regulations governing political funding for more than 30 years. René Lévesque was very conscious of the difficulties and temptations that political parties, individuals and legislature members must deal with. Some members or ministers think they have a great deal more power because their party is in office. That is not how we are supposed to think. We are supposed to take our responsibilities very seriously. Unfortunately, too many people do not do that.

Therefore, we have created a very strict framework that requires parties, members of the legislature and individuals to follow the rules. Those rules have been followed for more than 30 years and that works very well in Quebec, contrary to what some government members here have said. If there is electoral fraud in Quebec it does not happen often. When there is fraud it is discovered immediately, and not two, three or four years later, because we have provided the tools to do that.

The government seems to forget that in the past two years it introduced Bill C-2 to deal with some of the difficulties that parliamentarians might encounter. But they have not even respected the spirit of Bill C-2.

We have heard of influence-peddling in recent weeks. We have also seen appointments that are clearly favouritism. In the past few weeks, we have seen contracts awarded to third parties in ways that do not comply with the regulations. Those contracts were for just under \$25,000, which made it possible to award more contracts, to more people, without following the usual procedures.

In my opinion, when we create legislation it is because we recognize that we have a responsibility toward our fellow citizens. If we only do it to look good, would it not be better to think seriously before trying to put through a bill? Would it not be better, as a

political body—I am speaking of the government—to look deeply into its conscience to ensure that Bill C-2 is respected?

They tell us all day long that they brought forward Bill C-2, but for the past two years that bill has been laughed at and ignored by the government in power. For two years they have twisted that bill in all kinds of ways. Now, they want to make amendments to Bill C-29 in order to make life difficult for the political parties that are not in power. It is ridiculous.

Part of this bill is certainly important. We will vote in favour of that important part; but the majority of the amendments that have been added are not acceptable to us because they simply do not make sense. We want nothing to do with those.

We do not want those.

• (1555)

[*English*]

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I commend the hon. member on her very eloquent presentation. She is a person who is very keenly involved in women's issues.

According to the current law, all loans, including the amount of every loan, the name of every lender and every guarantor, must be publicly disclosed. The only person who still has not followed this law is the Prime Minister, who has not declared who his donors were in 2002.

As the government is trying to ensure that everyone goes to a bank for a loan, we would not be able to get women candidates. Women candidates would now be restricted. Previously they could get money from their friends and family, but now the government wants candidates to go to a bank, and the bank will need a guarantor. That could be the person's house or first born, et cetera, because banks are very particular.

What does the hon. member think is the reason for the government wanting to be so regressive? Does it not want women to participate? Or is it that the Conservatives' coffers are full and they fund their own candidates, and they are trying to somehow bypass something? We saw one of their own members take a loan from his own company. Is that what it is?

[*Translation*]

Ms. Nicole Demers: Mr. Speaker, I was listening to my colleague and I can come up with a whole host of reasons why the Conservative Party would want this. It is true that the Prime Minister did not declare all the contributions he received for his leadership race. He declared a few contributions over \$1,000, but not all of them. It is also true that there are very few women in the Conservative Party. It is not important for them to give women the opportunity to run for politics. The fewer there are, the less they are challenged and the fewer problems they have within their own party. That is clear. Women who do get elected are often there as tokens. It is unfortunate.

Government Orders

My colleague is right to say that every time a party tries to limit people from seeking election, there is something behind that. In the United States, the more conservative parties that denounce pornography, pedophilia, gays and abortion, are most often the parties where we find people accused of pedophilia and other offences. It does not surprise me in the least that the current government is trying to implement changes to ensure that as few people as possible take part in the democratic process.

However, the Conservatives are taking advantage of the money in their coffers to do things before the election campaign and while they are still in power. We saw the unelected Minister Fortier campaigning with signs on the bus and spending thousands of dollars on ad campaigns. He has offices in a riding where he was not even elected. He is a minister who was appointed. This is something else the Prime Minister swore he would never do. Those are the people we end up with. It is easy for them because they have thousands of dollars.

Where did they get this money? They did not get it for nothing, nor did they get it for their good looks. They did not get it because the Conservative Party suddenly discovered a social mission. They got it because the people who gave them money knew they would do something in return. That is wrong.

• (1600)

[*English*]

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, I am pleased to rise in the House to address the report stage amendments to the bill that would amend the Canada Elections Act regarding accountability with respect to loans.

As my hon. colleagues have already talked about, this is a moot point because it is very explicit under the law that is currently in place. Details of loans, including the amount of every loan, the name of every lender and every guarantee must already be publicized and disclosed.

What we want to know is the purpose of these changes or regression that the Conservatives want. May I say from the outset that it is in the interest of all Canadians to ensure that the federal government is accountable because we were sent here by the people to be accountable.

I am an accountant by trade. I was elected by the people of Don Valley East as their federal representative because they wanted someone deeply concerned about transparency and accountability. We are wondering about the need of some aspects in the proposed legislation. The committee looked at it and had made recommendations. Some things are very important that we need the committee's democratic process to run with.

When we look at some of the initiatives that were launched by the previous Liberal governments in 1993 and 2006, they were initiatives that made government more accountable and the whole process more transparent. We introduced the office of the Ethics Commissioner. The Ethics Commissioner is an important element that we need because we have to refer matters to him. We fostered the development to make the ethics officer independent from the Prime Minister's Office, which is important because the ethics officer is accountable to Parliament.

It was the Liberal government that also established a separate Senate ethics commissioner and it was the Liberal government that first established clear guidelines for public office holders. Furthermore, it was the Liberal government that restored the comptroller general function at each department and subsequently instituted an internal audit department. Being a person who comes from that environment, I think it is very important that we instituted those checks and balances.

What does the bill attempt to do? The bill attempts to build on the changes that were proposed by the committee. They attempt to build on the reforms that were originally introduced by the Liberal government, for example, electoral reform.

It was under the Liberal government that we introduced Bill C-24, which was a dramatic reform of political financing in Canadian history and it passed the strictest limits on the amounts of money that private companies and trade unions could contribute to a party or a candidate. Through the same bill, it was the Liberal government that first introduced public funding for political parties, an innovation that made political parties far less reliant on corporate or union financing.

Those types of transparencies have been introduced. The barriers that people had, the barriers to transparency were eliminated by bringing in those type of reforms.

We in the Liberal Party support the efforts to increase transparency and accountability in the electoral process and that is why the Liberal leadership candidates of the Liberal Party went beyond the requirements set out by Elections Canada in reporting loans to its campaigns.

In stark contrast, the Prime Minister still refuses to disclose the names of those who donated to his leadership campaign in 2002. How can the Prime Minister and his party sit there and talk about accountability when the Prime Minister himself thumbs his nose at accountability? How does his non-disclosure represent transparency? The Prime Minister has a litany of broken promises.

It is clear that the Prime Minister believed in an elected Senate. What is the first thing he does? He arrives in Ottawa and appoints his campaign manager to the Senate and makes him the Minister of Public Works. That is not transparency. That is deceitfulness and that is not the way transparency works. In fact, he makes a farce of transparency by thumbing his nose to Canadians and telling them to do what he says but then does the opposite of what he says.

• (1605)

Michael Fortier, the minister of the largest department in the federal government, is not accountable to this House. This is the House to which he should be accountable, but he is an unelected minister. Does the Prime Minister have two sets of accountability, one for his friends and himself and the other for the rest of Canadians?

We looked at this issue of loans. If the Conservative coffers are filled and they supply money to their own candidates, women, who will be the least able to go to the banks and get loans, will be the most marginalized. Is that what the Conservatives are looking for or are they looking to ensure that minorities do not come into government? What is their purpose? What is their hidden agenda?

Government Orders

When we look at the election platform of the Conservative government, at page 9 it states:

A Conservative government will:

Ensure that all Officers of Parliament are appointed through consultation with all parties in the House of Commons and...not just named by the Prime Minister.

What is the first thing the Prime Minister does? He turns around and arbitrarily appoints a loyal Reform Party member as head of the federal appointment process with absolutely no consultation with Parliament. That is not the way accountability and transparency works.

We have heard in this House numerous misdeeds that have been done by the Conservatives. We sit here and ask ourselves how anyone can even trust them. Canadians do not believe a word the Conservatives are saying.

It appears that the Prime Minister is standing up for his closest friends. He appoints unelected members as ministers, appoints his close friends and then basically thumbs his nose at every piece of legislation that deals with accountability and transparency. This is precisely the type of behaviour that fuels public mistrust of government institutions.

If the Prime Minister is concerned about accountability and transparency, when will he disclose who donated to his leadership campaign? Would this bill make him do that? We already have a bill that asks for it and he thumbs his nose at us. By changing the bill, what is he trying to? Is he trying to pretend that he has brought about some sort of transparency and accountability?

We have heard of ministers being mired in conflict of interest, in interference and in all sorts of farces. That is the type of accountability we do not need. We do not need a lesson in transparency and accountability from the government.

The Liberal Party is prepared to support a bill that was amended by the committee. This is how democratic systems work. We are living in a democracy, not an autocracy. We need to understand the reasons for the Conservatives being so gung-ho in trying to bring about regressive changes. Is it to their advantage? Do they want no minorities, no women? What is it that they want?

We will be placing this legislation under close scrutiny to salvage genuine reforms. We do not want these nonsensical reforms, this deceitful double-talk that has been coming from the Conservative benches. We want better accountability but it will be done through a democratic process at the committee level, not by bullying tactics.

• (1610)

Mr. James Moore (Parliamentary Secretary to the Minister of Public Works and Government Services and for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, I appreciated the speech from my friend from Don Valley on this important legislation. I think we can, as usual, make our case for or against legislation without personal attacks or judging people's motives in the way that we just heard.

The member asked whether the Conservatives wanted any minorities or women to be members of Parliament. The first ever female cabinet minister was a Conservative. The first female prime minister was a Conservative. The first Chinese Canadian member of

Parliament was a Conservative. After the next election in New Westminster—Coquitlam, the first Korean Canadian member of Parliament will be Conservative. We can leave that out of the debate and still make our arguments.

However, she did make two points that I want to respond to and invite her to respond to my response.

She said that we agreed that we would have appointments made after consultation with Parliament. She said that the head of the Public Appointments Commission, who we put forward, was a Reformer and that the person was appointed and should not have been because the person was a Reformer. I believe she was talking about Gwyn Morgan. Gwyn Morgan, who donated twice as much money to the Liberal Party as to the Conservative Party, is the example that she gave. Of course, the appointment of Gwyn Morgan was defeated at the government operations committee and, therefore, he was not appointed to the position for which the Prime Minister had suggested. We did in fact listen to Parliament, so that part of her speech does fall flat.

She did spend a long time criticizing the minister for the portfolio for which I am responsible, the Minister of Public Works. She said that it was unacceptable that we have a minister who is not elected in this House. The leader of the Liberal Party was appointed to cabinet while he was unelected. Was that inappropriate? Was Jean Chrétien wrong to appoint the current leader of the Liberal Party to cabinet without him first running in an election?

Ms. Yasmin Ratansi: Mr. Speaker, women were able to participate because there were no Draconian measures. I think he missed my question to the previous member where I said that the current legislation demands that loans be publicly disclosed, including the amount of every loan and the name of every lender and guarantor. The only person who has not disclosed that is the Prime Minister.

In addition, the current legislation also states that loans cannot be used to avoid donation limits.

When loans were in place, processes were in place that women could access funding. He missed the point quite clearly that women have a problem accessing funding. The Standing Committee on the Status of Women has been looking at women's participation and found that they cannot access funding and, if they do access funding, it is to their detriment because the bank wants guarantors.

What is wrong with the current system that allows these women to get their loans from individuals, from family or from friends? That is the process that was available to allow women to participate. I am glad I was in the process to participate.

When the member makes statements, he should look at what has been done before. The rules were not regressive and, therefore, women could participate.

In terms of Michael Fortier, the bottom line is that he is an unelected member. The leader of the current opposition party was a member in the House. If the member gets his facts wrong, I am sorry but that is the problem with them. They keep getting their facts wrong and whatever they say they think is right. However, the facts speak for themselves.

Government Orders

•(1615)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, after listening to the member, I realize that she, quite clearly, does not understand the purpose of the bill and obviously does not understand the concept of accountability. She asked over and over what the purpose of the bill was. Obviously, as a Liberal, she does not understand because the purpose of the bill is to stop circumventing the law.

The law reads that \$1,100 is supposed to be the limit, and certain people take advantage of that. I have some figures in front of me. I believe a gentleman by the name of Mr. Kennedy, who ran for the leadership of the Liberal Party, has loans of over \$200,000. Another one is Mr. Rae who has \$845,000 in loans.

I want to explain to the member that the reason for the law is so all people can get elected. Right now the only people who can get elected are people who know wealthy people who can donate to their campaign. I want to know why she has a problem with this \$1,100 limit? Why does she not want all Canadians to be equal, not just Canadians who have wealthy friends who could be elected to high positions? What is her problem with equality for all people who want to get elected?

Ms. Yasmin Ratansi: Mr. Speaker, the hon. member should read what he is talking about. It was Bill C-2 that restricted the \$1,100. This is Bill C-54, which deals with loans. Perhaps he is going to be talking about the member in his own caucus who took \$30,000 from his company. I think the member should figure out what he is talking about before asking questions.

[*Translation*]

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): Mr. Speaker, I am pleased to join my colleagues in speaking to this bill in the House.

The Bloc Québécois will vote in favour of Bill C-29. The Bloc is in favour of a bill that would prevent people from bypassing campaign financing rules. Our position has not changed, unlike what the government is trying to do by introducing its three motions that are on the order paper.

Last session, this bill was called Bill C-54. I say that for the benefit of those listening and watching at home. The government simply introduced a new version containing the amendments made in committee, amendments that were adopted, by the way.

This bill is necessary to close some loopholes in the Federal Accountability Act, Bill C-2, which the government wanted to rush through. We believe that it is necessary to regulate loans in order to prevent financing limits from being circumvented. Contributions to political parties from individuals are limited to \$1,100, and contributions from unions or businesses are no longer allowed. These contributions are close to zero. So, an individual can contribute up to \$1,100 to a political party, and businesses and unions are not allowed to finance a political party. Examples were given in the May 9, 2007 *Ottawa Citizen*. This is one of the sources that reported on this problem. It provided examples of expenses and looked at whether or not they were permitted under the Federal Accountability Act.

The Liberal Party of Canada allowed candidates, including Bob Rae and the current Leader of the Opposition to take out loans of

around \$705,000 and \$655,000, respectively. We also saw that creditors made loans of \$25,000, \$50,000, \$100,000 or \$150,000.

It was clear that the candidates for leadership of the Liberal Party had found a way to fund their campaigns without relying on grassroots funding. We want this ceiling. These contribution limits are the result of a battle the Bloc Québécois has fought since it has been here. These limits were set several years ago, and we will do everything in our power in this House to make sure no one circumvents the law. We will not support regulations that would amount to backsliding. We want grassroots funding and limits on individual contributions, as we have had in Quebec for 30 years.

The content of the bill is fairly simple. The bill would establish a uniform, transparent disclosure system for all loans to political entities, including mandatory disclosure of terms. People would therefore have the right to know the identity of all lenders and loan guarantors. The bill provides that only financial institutions, at a commercial interest rate, or political entities would be authorized to make loans of more than \$1,100.

The rules that apply to unpaid loans would be tightened so that candidates could not shirk their obligations.

•(1620)

Riding associations—or the party itself, when there are no associations—would become liable for loans candidates did not repay.

We are currently examining a request by the government concerning how candidates' unpaid loans would be treated.

In its current form, the bill provides that loans that were not repaid after 18 months would be considered political contributions.

This brings me to the three motions on the order paper, and I will explain the position of the Bloc Québécois on each one. The three motions are amendments to the bill. We have problems with two of them. The third does not present a problem because it makes clarifications that are in line with the amendment tabled in committee.

The problem with the first motion is that the government wants to limit contributions to a given candidate to \$1,000 for the entire leadership race. We would prefer that each \$1,000 donation from an individual be made according to existing rules governing political contributions, that is, on the basis of a fiscal year. That way, if a leadership race were to take place over two fiscal years, a total of \$2,000 could be donated. We are therefore against the government's amendment.

Government Orders

We think that the amendment proposed in committee is logical because the contribution limits in the Elections Act are annual. This would provide for a contribution system identical to that for individuals. We do not want two different kinds of funding for two different kinds of elections, whether for a leadership race or a general election.

The second amendment, the one we agree with based on our analysis, is the one about deadlines. Earlier, I said that the bill proposed an 18-month deadline for paying back a loan. Here, the government is proposing much more precise wording, and we have no problem with that. For a nomination contestant, the three-year period would apply as of the selection date; for a leadership candidate, it would be three years after the end of the race; and for a political party, it would be three years after the end of the fiscal year. What the government is asking for here is quite reasonable.

We do have a problem with the motion that proposes rejecting all of the Bloc Québécois amendments. This is very straightforward. The government wants to make political parties responsible for debts contracted by their candidates. We oppose that proposal. We think it is illogical to try to force a political party to take on its candidates' debts when the political party has no way to limit a candidate's expenditures. The example given was a simple one. A political party cannot currently do anything to prevent a candidate from taking out a \$60,000 loan. In a case like that, the government's motion would be unreasonable.

The government motion allows an individual to borrow an unlimited amount in the name of a separate entity. To illustrate this, it is as though I were to borrow a large sum of money and when it came time to pay it back and I was unable to do so, I said it was up to my neighbour to pay it back, even though he knew nothing about the loan. We think this is nonsense and we would like to keep the bill the way it is concerning that particular clause.

• (1625)

I see I have one minute left. In conclusion, here is our problem with the last motion. In committee, the government introduced the Bloc Québécois' amendment. It was in favour of doing things the way we had proposed. Now, though, after reviewing the bill in committee, it has changed its position. That is another reason why we will oppose this amendment, although we are in favour of the bill.

The Conservative Party has had many problems these last few days. This whole issue of transparency and ethics has to go beyond mere slogans.

[*English*]

The Deputy Speaker: Before we proceed to questions and comments, 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 Cape Breton—Canso, Veterans Affairs; the hon. member for Malpeque, Canada Post.

Hon. Roy Cullen (Etobicoke North, Lib.): Mr. Speaker, I am happy to speak to Bill C-29, An Act to amend the Canada Elections Act (accountability with respect to loans).

Certainly the party on this side supports transparency and accountability with respect to election financing and the Canada Elections Act. At committee, I understand, there were amendments made. That is why the caucus on this side will support the bill, with the amendments, but I gather the government will be challenging some of those amendments. That would be unfortunate. We will have to see where that takes us.

The other thing I need to say in regard to the bill is that although it is being presented by the Conservative Party as some new and revolutionary way of proceeding with this type of arrangement with respect to loans to candidates, et cetera, many aspects of the bill are in fact similar to what is already in force and what was in force under the leadership of our Liberal government.

Having said that, I think the bill makes things clearer in some areas. In that sense perhaps it is an improvement, but I do not think Canadians will be deceived by the fact that many of the provisions outlined in the bill are already in the law.

Perhaps I should step back a bit. As I understand it, what the bill is trying to deal with is the fact of a candidate running in a federal election, for example, where the rules are very strict—and so they should be—with respect to how people can accept donations or from whom they can accept donations. Those rules are fairly clear.

The intent, as I understand it, is that this bill tries to deal with people who might try to sidestep those rules by receiving loans from parties from whom they otherwise would not be able to receive loans, or by receiving loans at interest rates that are less than fair market value, which itself would constitute a benefit, et cetera.

Or the loan might be advanced during a campaign and then be forgiven. For example, the candidate who had access to the loan money might find that suddenly a year later the person from whom the candidate received the loan is washing his or her hands of it. The candidate might be told that he or she does not have to repay the loan. That would become a contribution. If the amount of the loan exceeds the amounts currently allowed under the Canada Elections Act, then surely the law would also apply to a loan that is forgiven, and surely a lower interest rate loan at less than fair market value would also constitute a benefit.

• (1630)

I think it is a good thing that people are not able to get around the rules or do things through the back door that they cannot do through the front door. To the extent that this bill clarifies those particular aspects, that is a positive development. However, under the existing act, the loans could not be forgiven without consequence, nor could loans be granted under the current provisions of the law if they exceed the donation limits.

This really goes back to our government's Bill C-24, An Act to amend the Canada Elections Act and the Income Tax Act (political financing). Our government began that process and that bill was passed into law. It severely restricted the amounts that could be donated to candidates or parties by corporations and unions, and it also restricted the amounts that could be paid by individuals.

Government Orders

The Conservative government, in Bill C-2, the Federal Accountability Act, has made further changes to that, and in fact reduced the personal contributions from \$5,000 to \$1,100 per year, per party. What has happened, of course, is that it has made it more difficult for political parties to raise money.

The provisions of Bill C-24 and Bill C-2 allow for Elections Canada to reimburse candidates based on how many votes they received in an election, so essentially what has happened is the burden and the cost of election campaigning has been transferred from corporations, unions, and to some extent individuals, to the taxpayers at large.

One can debate that philosophy. I for one think it is unfortunate that corporations and unions are precluded from participating in the political process. I would agree that limits need to be placed on that, but I wonder why it is so horrible for corporate Canada and the unions to not be able to support financially political parties or candidates of their choice within certain limits.

Nonetheless, Bill C-24 has passed and is the law of Canada, and Bill C-2 makes further changes to that particular regime.

However, I find it strangely ironic that this party brings in this bill, Bill C-29, and argues that it is a whole new regime with respect to loans and elections. As I said earlier, it is not really that new, but at the same time the leader of that party, the Prime Minister, has refused to disclose the names of all the individuals and organizations that donated to his leadership campaign in 2002. That strikes me as being very hypocritical.

Our party went through a leadership campaign a couple of years ago. All the participants made full disclosure of the sources of their funding and it is a matter of public record. However, for some reason the leader of the Conservative Party of Canada refuses to disclose the names of those people who donated to his leadership campaign. By refusing to do that, it raises questions about who was behind his leadership bid.

It may raise questions inappropriately because perhaps everything was totally appropriate, but by virtue of the refusal to disclose, it sort of leaves questions in people's minds of who was actually supporting his leadership bid, and whether they had a particular agenda that they were promoting or advancing.

If we have full transparency and disclosure, I think we take away that kind of ambiguity. I for one am in favour of full transparency and accountability.

•(1635)

Under the old rules, if a corporation wanted to donate to my election campaign, that donation would be fully disclosed by Elections Canada. It would be on my website. It would be everywhere.

If the voters of Etobicoke North did not think it was appropriate for me to accept \$500 from BASF Canada because they thought I had a hidden agenda and the company was buying my influence about something, then that is a fair debate. I would be happy to have that debate.

Full transparency and accountability are absolute musts. Members of Parliament should be prepared to defend their actions in an election and in the House.

It has sometimes been said that this place is like living in a fish bowl. If people are interested in what we are doing, they can find out exactly what we are doing. If we travel or someone has sponsored our travel, that information is on the public record. The Office of the Ethics Commissioner has a whole variety of reports that are available publicly. I think that is totally appropriate.

People should not be able to take advantage of loopholes in legislation and stay clear of contribution limits by taking loans from people. That is in the current legislation. If Bill C-29 clarifies that, then that would be a positive development.

Our critic has worked hard on this file. A number of positive amendments were made at committee. I hope the government reflects on those amendments and does not try to reverse them because they would improve the bill. With that caveat, I will be supporting the bill when it comes to the House at a later stage.

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, we have to look at the times that we live in. We have just gone through one of the largest scandals in Canada with the sponsorship scandal.

This week the Liberal Party was holding a fundraiser and the sky was the limit. Liberal members were trying to work the loophole that the member was honestly talking about. The public really wants to see the government and all members working together to close as many loopholes as we can.

My colleague wanted to know why the government is doing it like this. The government is acting to ensure that political entities and wealthy interests cannot circumvent the contribution limits. In other words, loans that are made without reasonable expectation of repayment are essentially disguised contributions that could circumvent political financing rules.

The member talked about his own party's leadership campaign. Bob Rae received \$845,000 in loans, \$200,000 from his own brother. The change in Bill C-29 would ensure that candidates could not write-off unpaid loans after spending the money. Can the member say that he supports this?

•(1640)

Hon. Roy Cullen: Mr. Speaker, the fundraiser last night that the member referred to was totally within the rules.

He knows full well that if someone makes a donation and other individuals receive some value in return, there is a certain value ascribed to the goods or services that the individuals are receiving that has a fair market value and the differential is a political donation. When we get into silent auctions, there is a certain value that we derive and I am sure that is being looked at and will be dealt with.

Government Orders

I would like to come back to a point that I failed to mention which came up in the previous discussion and that is the public appointments commission. The Conservative government promised to have a totally non-partisan appointments process. Bill C-2 talked about that. The government set up a public appointments commission and brought in Mr. Gwyn Morgan to sit as chair. Mr. Morgan is an eminent Canadian who may have said things that were not totally appropriate. Nonetheless, the government operations and estimates committee did not want Mr. Morgan as chair.

The committee did not approve of Mr. Morgan, so the government had to find someone else because it is committed to a non-partisan appointments process. Instead of the government saying it gave its best shot, it threw in the towel.

If the government could not get Mr. Morgan then the whole idea of a non-partisan public appointments process would go out the window. That is like a little kid playing on the street and a bigger kid comes along and takes his toy. The game is then over. That is something the government should revisit and bring forward.

I think the member realizes that the bill deals with loans and that is what this issue is all about. Members on this side of the House will comply with all legislation this House passes, so I do not see any problem there at all.

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, I wonder whether the hon. member would comment on the overall direction in which we find ourselves. We have eliminated the possibility of raising money from corporations. We have eliminated the possibility of raising money from unions. We have limited the ability to raise money from individuals to a little over \$1,000 on an annual basis.

Now people, particularly in leadership positions, are facing having to raise money through loans et cetera, so they are now further restricted on their ability to raise loans. Let us add the fact that campaigns are funded by the taxpayers in a substantial manner.

We get all this essential silliness, spending all kinds of time fundraising instead of doing what the Canadian people hired us to do, which is to be legislators.

Is this just one more level of silliness that gets added on to the previous amounts of silliness that exist in this relationship between fundraising and legislation?

Hon. Roy Cullen: Mr. Speaker, my colleague from Scarborough—Guildwood raises a very good point.

The reason people have to get into huge loans if they are running for the leadership, for example, is that they have to raise, in many instances, \$300,000, \$400,000, or \$500,000. They have a limited timeframe so they raise loans to finance their campaign.

I am all in favour of transparency. It seems to me transparency is the direction in which we should be going, and accountability and sanctions if someone breaks the rules.

However, the Conservatives have a whole range of regulations to basically restrict people. Some candidates would like to run for public office but feel constrained because of all these rules. I tend to agree with the member that we may not be moving in the right direction.

● (1645)

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, the previous speaker mentioned that everything was okay with the fundraising initiative that was scheduled for last evening. I was wondering then why the event was cancelled, and further to that, during the hon. member's speech he said, or at least changed.

Hon. John McKay: You were not there? I missed it.

Mr. Harold Albrecht: I would have been welcome.

He indicated that under the previous regime, loans could not be forgiven without consequence. I was wondering if he could outline for the House what the consequences would be for someone like Mr. Rae, who has a loan of \$845,000.

Hon. Roy Cullen: Mr. Speaker, the gentleman in question will have to comply with the current law which deals with loans, and whatever happens with Bill C-29, he will have to comply with that. I am sure he will do exactly that.

The event of last night, my understanding is that it went ahead, but I could be mistaken—

Hon. John McKay: I was there.

Hon. Roy Cullen: Mr. Speaker, it did go ahead. Unfortunately, I could not make it, but I know it will be perfectly legal.

The member knows full well that if he has a political dinner for \$100 a plate and if the value of the dinner is \$35, then that is how it is valued, and the political donation is \$65. It is as simple as that.

If he is doing a silent auction and he is bidding on a Rembrandt, if the value of that is \$1.5 million, in that sense that is the value that person derives. I am sure the same model will be applied to whatever went on last night.

[*Translation*]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, it is my great pleasure today to speak to Bill C-29, An Act to amend the Canada Elections Act (accountability with respect to loans).

First, I would like, as my colleagues have done, to remind the House that our party supports Bill C-29, which will partially fill some of the gaps in Bill C-2, which we considered earlier. While Bill C-29 fills some of those gaps, it does not fix all of the problems. There are things that we thought it was very important to fix some time ago and that we would have liked to see in Bill C-29 that are unfortunately not there. However, this bill does fill one important gap by providing better rules governing loans, to ensure that the ceilings are not deliberately circumvented.

As I said earlier, Bill C-29 fills some of the gaps in Bill C-2, but it does not fix everything. One of the things we would have liked to see incorporated in this bill is stronger provisions relating to protection for whistleblowers. Second, we would have liked to see reform of the Access to Information Act, because as we know the Information Commissioner has repeatedly pointed out that various measures were completely unacceptable and prevented members of the public from obtaining documents even though they should be available to the general public.

Government Orders

Unfortunately, we have seen this government, and not just this government but also the previous government, bring in a reform of the Access to Information Act in 2005 that essentially had two consequences. The reform proposed by the Liberals meant that administrative charges doubled for requests by the public and by groups and journalists, generally for information from various departments. Second, we realized, and we continue to realize, that when we, as elected members, make access to information requests, we run into certain exceptions. Very often, those exceptions are used by the government to make sure that documents that should be made public are unfortunately not accessible. In my opinion, that demonstrates once again that this government is completely lacking in transparency with respect to government decision-making and with respect to documents that are available to them and that could be used to inform the public about major issues.

We will recall that the government and the Conservative Party promised in the last election campaign to overhaul the Access to Information Act. On that point, I will quote a passage from the Conservative platform in the last election campaign.

The Conservative government had promised to reform the Access to Information Act. Here is what it said at that time: “A Conservative government will implement the Information Commissioner’s recommendations for reform of the Access to Information Act.”

We must recall what the Information Commissioner said. He replied that the reason we need action and not further studies is because governments continue to distrust and resist the Access to Information Act and the oversight of the Information Commissioner.

Thus, a reform of the Access to Information Act is what was needed, and what is still needed. This reform needs to go even further than what the Liberal government proposed in 2005. Unfortunately, the current government is not fulfilling its obligations and not respecting the commitments it made to the people of Quebec and Canada during the last election campaign.

•(1650)

Let us not forget that Bill C-29 could have been an opportunity for this government to begin this overhaul of the Access to Information Act, thereby allowing the public to obtain essential documents in order to better understand the government decision-making process.

We also would have liked to see this bill protect whistleblowers. When there is a legal challenge, these whistleblowers cannot act and cannot defend themselves on an equal footing with other citizens or organizations that have ample means with which to defend themselves. Unfortunately, these whistleblowers will only be reimbursed for up to \$1,500 in legal fees, which is a ridiculous amount for such coverage.

This demonstrates that, despite the sponsorship scandal, this government did not listen to the wishes of either the public or Justice Gomery, who called for greater transparency and greater reform. A few weeks ago, I heard Justice Gomery again say that too much power is concentrated and centralized in the Prime Minister’s Office and that it was not healthy for a democracy. We would have therefore liked to see greater access and better coverage of legal fees for whistleblowers when the time comes to seek legal counsel.

We would have liked more guarantees to protect all Canadians who report wrongdoing within the government, not just public servants. Currently public servants enjoy some protection, but I think anyone who witnesses wrongdoing should benefit from the same protection under the current legislation as public servants.

Finally, and it is unfortunate, this bill fails to prevent the government from excluding crown corporations and other entities from the application of the Public Service Disclosure Protection Act. Quite often these crown corporations give out contracts or sometimes appoint cronies as CEOs at the behest of the government. We must make sure the government cannot exclude these crown corporations from the Public Service Disclosure Protection Act.

Bill C-2 is good, but it could be better. Bill C-29 is not good enough either. However, we agree that we need to have as many legislative guarantees as possible in order to prevent political parties, and leadership candidates in particular, from circumventing the ceilings. Furthermore, I must say it is totally unacceptable that these ceilings can be circumvented by taking out personal loans. Just look at the last leadership race when Bob Rae received loans totalling \$705,000 and the creditors were John Rae and Bob Rae himself, who gave \$125,000 to his own campaign. We must not be able to do indirectly what we are not allowed to do directly.

In closing, we support Bill C-29, but we would like to see better protection for whistleblowers and also a reform of the Access to Information Act.

•(1655)

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I thank my colleague for his speech. He accurately reflected the concerns of the Bloc Québécois. I have a question for him.

In this House, for several weeks and months now, the Standing Committee on Procedure and House Affairs has been examining a complaint by the chief electoral officer concerning 67 Conservative members, among them three ministers from Quebec, including the Minister of Transport, Infrastructure and Communities, and the Minister of Canadian Heritage, Status of Women and Official Languages. They were denied reimbursement of their election expenses. Once again, the Standing Committee on Procedure and House Affairs, under the Liberals, has been filibustering rather than examine this problem.

The Conservative Party wants to reform the current Elections Act once again, even though we know it does not respect it, because 67 Conservative members were not reimbursed. The party appealed to the courts to try to find any way it could to bypass the Elections Act and get its way.

Government Orders

My question is simple. Is it not worrisome for the people of Quebec and Canada to, once again, see the Conservative Party introduce an election bill that would enable it to circumvent the law?

Mr. Bernard Bigras: Mr. Speaker, I would like to thank my colleague for his question. That is one of the problems with the existing legislation.

Some people think that this government bill will suddenly make the members opposite and Conservative candidates as white as snow. But how can they defend that kind of principle when in reality, some of their own members of Parliament and candidates refuse to comply with the law?

There is something else I did not mention in my speech. To prove that the government's intentions are honourable, the Prime Minister should agree to disclose the contributions he received during the last leadership race in 2002, when he was with the Canadian Alliance. If the government is truly motivated by a desire for transparency, then all Conservative candidates and members of Parliament, as well as the Prime Minister himself, should set an example and demonstrate transparency today.

[*English*]

Hon. Shawn Murphy (Charlottetown, Lib.): Mr. Speaker, I am pleased to speak this afternoon to the legislation relating to the accountability with respect to loans to political candidates and political parties.

I want to say at the outset that I do support the legislation but, like other speakers here this afternoon, I have some concerns, but the general thrust of the legislation is good. Anything that enhances transparency in the way politics is done in Canada is good. The public has a right to know who is lending money to any political party or any candidate for office, how much they loaned that particular person or party and what the terms of the loan are. The very same concept applies to guarantors because a guarantor, in most instances, is the actual lender in fact.

In my experience with political parties and political organizations, the banks do not have a big appetite to lend money to candidates or to political parties and they usually require a guarantor. The guarantor actually is the de facto lender of the money, so that is a positive development too.

The whole issue of the treatment of unpaid loans should be codified and understood so that everyone, including the public, understands how these issues are being dealt with, that the rules are known and that the public has a right to know what exactly is going on.

I should point out at the outset that we are really not breaking new ground because many of the issues have already been dealt with. Over the last six years there has been a major groundswell on the whole issue of political financing. It is very positive and most of the credit, I would submit, goes to the previous prime minister, Mr. Chrétien, who decreased, substantially, the amount that any person could give to any political candidate or party and also increased the amount that came from the government.

When we contrast what goes on in Canada to what goes on in the United States right now, it is dramatic. A congressman in the U.S. gets elected every second year. When those votes are counted and

the person wins the election, everyone knows they have to start at eight o'clock the next morning raising money for the next election. They spend 23 months raising money for their next election, which is scheduled in 24 months' time, and the amount of money that is spent there, with no obvious limits, boggles the mind.

I am glad that I do not participate in that kind of environment. For many candidates, including myself, it is not one of the jobs that I find particularly attractive, trying to raise money, so I do think, to the credit of many people over the last five or six years, we are in a much better environment because of a number of changes and this is just one small additional aspect of the issue to give full disclosure to any loans.

I should point out to the public watching that under the existing elections financing legislation, each candidate is entitled to a rebate, which is approximately 50% of the legitimate expenses that a candidate spends in an election. I do not have my figures exactly correct but let us assume a candidate spends \$60,000. In that election, the candidate is entitled to a rebate of 50%. Sometimes the federal party, depending on which party one belongs to, may take some of that back, but there is a rebate going back to that candidate whether the candidate wins or loses. However, I do believe the person needs to get over a certain threshold of the votes, which is not that significant.

There is a legitimate borrowing exercise because if candidates are with one of the major parties, Liberal, Conservative, New Democratic Party or the Bloc Québécois, they are reasonably certain they will get over the threshold and be entitled to the rebate and that they will have money coming in. It usually does not come in for about 12 months after the election is over but they will have the money coming in so there is nothing untoward in borrowing against that future rebate. That puts the whole debate into context.

● (1700)

However, there is a certain amount of hypocrisy going on with this legislation. I shake my head when I look at what is going on. What I am concerned about is what happens when people break the law and do not follow the Canada Elections Act. What happens to those types of individuals?

From my experience and from what I have seen going on over the last number of years, nothing or very little happens. We have a member of this House who was found in the election of 2004 to have overspent his limit by \$31,000. I am speaking of the member for Mississauga—Streetsville.

I have a certain amount of sympathy because I have been involved both as a candidate and as a campaign manager. Sometimes we ride our horse close to the cliff and sometimes at the end of it we just do not know exactly what is being spent. If a certain campaign goes over \$1,000 or \$2,000, it is unfortunate, there should be sanctions, but I personally have some sympathy for those situations because I have seen them happen.

Government Orders

However, in the case I mentioned, it was \$31,000 he overspent. According to the report from Elections Canada, the money came from his car dealership. What happened? He was fined \$500 and had absolutely no sanctions whatsoever. It is a joke. He is laughing at it. Nothing has been done in this particular situation, which is what I find very disturbing. The member is sitting today as a Conservative member laughing at the act and he is probably laughing at this particular debate. I find that somewhat hypocritical.

Another piece of hypocrisy that is going on in this House with regard to elections financing is the in and out scandal that the Standing Committee on Procedure and House Affairs has been trying to get to the bottom of. I will describe it very briefly.

In the last election, the Conservative Party, to get the benefit of rebates, to which it was not entitled, would transfer money to a riding or a particular candidate and five minutes later the same amount of money would be transferred back to the central agency or the major party. When the candidate filed his or her election expenses return after the election, the candidate said that the money was a legitimate expense and wanted the 50% rebate. However, any person with any common sense and half a brain would realize that the rebate should not be given, and that was the position of the Chief Electoral Officer. This dispute is ongoing right now.

A parliamentary committee is trying its very best to get at this, to hold hearings and hear from witnesses to find out and report to Canadians what exactly is going on. However, the committee is being stymied by the Conservative Party. What is going on now are filibusters. People stay for five, six or seven hours simply so that this will not come to the public's attention. I find that very hypocritical and unfortunate.

A certain amount of hypocrisy is going on in the debate today and, if anyone is watching, I am sure they have come to that conclusion. However, coming back to the bill, as I said when I began, anything that increases the transparency of how candidates are financed and how they spend their money, which includes loans, guarantors and the terms of the loans, is beneficial. The public, in the long run, will be the winner.

However, I hope, at some point in time in the future, that we will have a look at sanctions because if a candidate overspends his or her election limit by 40% or 50%, then I would like to see a little more teeth in the particular legislation.

• (1705)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I listened to the conversation pieces that the hon. member brought forward to us and there were points for us to ponder.

He talked about hypocrisy and mentioned some historic cases where there were problems. The government is bringing forward this legislation because of those problems. We want to tighten things up. The Canadian public has much mistrust right now.

I would bring the member to an event that was held this week by the Liberal Party. It was trying to get around the rules and regulations by having corporations and wealthy individuals bid where the sky was the limit. The Liberals were told that it was unacceptable, they were caught, so they changed the event at the last minute.

What the government is trying to with this bill is very straightforward and simple. We want all Canadians to have an equal right to run for office, not just the wealthy. If candidates need loans, all we are asking is that they get the loans from legitimate sources, in other words, banks and loan institutions, not their wealthy friends. We are asking for support for this bill because we believe in equality for all Canadians who want to run for office.

I want to ask the member a question straight up. At his party's last leadership convention, Bob Rae, a Liberal leadership candidate, spent \$845,000, \$200,000 of which was from his own brother. Does the member think that is appropriate or does he prefer to have candidates borrow it from accredited lending institutions? What is better for all Canadians?

• (1710)

Hon. Shawn Murphy: Mr. Speaker, I do not know all the facts but my understanding is that there was nothing wrong with that at all. It was fully disclosed to the public. The public knows exactly what Mr. Rae borrowed. He knows exactly what the terms were, who he borrowed it from and that, under the existing legislation, it has to be paid back within a certain period of time in accordance with the legislation that does exist.

There is something that I would really like to know. Back in 2002, the present Prime Minister went through a leadership campaign where he received millions and millions of dollars from companies, organizations, associations and people across Canada but he will not disclose who gave him the money. The public has been left to wonder who financed him, what the people received in return, what he demanded in return, and what access these people have.

We need to get to the bottom of that and to root it out so the public knows, or even right now, root it out and disclose it. My answer to the member is that tomorrow he should sit down beside the present Prime Minister and tell him to disclose the names of the people who financed his leadership campaign.

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, this seems to be a slinging match for hypocrisies.

The Prime Minister still has not revealed his loans and then the other members say that Mr. Rae has not paid off his loans and so on. The only people to blame for this entire idiotic exercise are the people who are in this chamber and who were in this chamber in the previous Parliament as well.

We have eliminated the ability to raise money from corporations and unions. We have severely circumscribed the ability to raise money from individuals. As the member for Etobicoke—Lakeshore rightly pointed out, people get into a leadership race and they need the money immediately in order to run in a short period time. Naturally they get a loan of some kind or another, which creates a whole great panoply of other contradictions.

Would the hon. member entertain the notion that it is time to end this nonsense and simply have the entire functions of leadership candidacy funded by Elections Canada?

Government Orders

Hon. Shawn Murphy: Mr. Speaker, I am not convinced that I would agree with the premise of that. I do not think the public would want to be funding all aspects of leadership campaigns. I believe there should be perhaps further limits on spending.

I would disagree with that question. I think there is a rationale for spending limits and financing and loans in accordance with legislation that is transparent.

Mr. Alan Tonks (York South—Weston, Lib.): Mr. Speaker, I have been following this debate and am very pleased to make a few comments with respect to Bill C-29 and try to make it understandable for the viewers watching the proceedings.

To do that, I would like to sum up from my perspective how I view the whole issue with respect to accountability in election financing.

The public knows that as it stands right now there are huge restrictions with respect to how a candidate can raise the funds necessary to run an election. The public should be aware that under the Election Expenses Act there is a cap on how much can be spent in an election. There is a very clear and very transparent reporting process that the chief financial officer has to go through.

In fact, in my riding, my chief financial officer, who is a layperson, a long-time dedicated person in the riding and not an accountant, has said that the reporting procedures are becoming so exhaustive that one almost has to be an accountant. That is the degree of scrutiny that this is given. My reply to it is that we have to work around that issue because it is in the public interest to be totally transparent.

We are also aware that under the former regime unions and corporations had a cap on what they could contribute. In the regime that is now being entrenched in this bill, unions and corporations cannot make contributions. Also, there is a very clear stipulation that the cap on personal donations is \$1,100.

I review those things because I always thought that public life and public service was one of the highest honours that an individual could be involved in and that could be granted to an individual. Therefore, anything that deals with the mechanics of taking out loans or whatever should be so clear and so transparent, but accessible and easy to do, and it should not be a disincentive for individuals to come forward and want to be part of one of the greatest traditions, which is the democratic tradition of seeking office, be it municipal, provincial or federal, or at the school board level or in other elected office.

I come from a very working class riding. When I reflect on my nearly 30 years of elected public office and reflect on the nature of support that I have been given, I can say that it has come from the people of our riding. At no time can I remember huge donations and so on.

However, I welcome a transparent regime. Having said that, I might say that this bill is transparent, that this is putting caps on amounts, tightening up and so on, but it gives me some concern. It gives the appearance that we are all equal and that we all have access to a bank and perhaps access to guarantors who have the means to do that. It gives the appearance that there is equity where in fact there is not. We know there is not.

●(1715)

When one wants to put on a cap of \$1,100, how many members have constituents who can avail themselves of the cap? The reality is usually \$100, \$50 or \$25. The reality is little fundraisers that raise perhaps \$2,000 or \$3,000 at the most, but often they raise \$400 or \$500. That is the reality. That reality is reported in the existing legislation.

Also, if an association takes out a loan, it or the party is going to be held liable, but it is the association in the first instance. It will be held liable. I would ask members about this. In their associations, how many people have the capacity to want to be liable if, let us say, a loan that is taken out is not repaid? It could happen for whatever reason, such as death. It could happen for a number of reasons.

If we are elected, we are accountable, because someone is going to come over and say to us, listen, that loan has not been paid back and that seat will be lost. That is a consequence. That sure would plug the gap that might exist if we were worried that candidates would not pay back the loan.

Mark you, Mr. Speaker, I am saying that it is very clear that one has to report it, so the issue is on consequence. If one did not get elected but still had exceeded and had not paid the loan, one's association is liable for it.

We know that the banks are going to come back for it. In this regime being put forward here, the banks are a lending institution at whatever the interest rate is. In my experience, I have had the opportunity to raise money from people and report it, people who have had confidence in me, as all my colleagues have experienced.

It seems to me that this legislation is wrong-headed in the sense that it looks as if we are all trying to circumvent the law. That was the characterization that was made, albeit in a different context: that we are trying to circumvent the reporting process. We are not. There is an exhaustive reporting process and yet we are coming forward and saying this because the consequences have not been implemented as clearly as they should be by the Chief Electoral Officer and a case was cited.

What is at fault is that the consequences should be laid out in a clearer way if we are not satisfied with the adjudication that took place, but that is not what is being done. What is being done is a whole new regime that looks like it treats us all fairly and equitably, but ignores the reality that right across this country, from coast to coast to coast, there are communities of very fragile and limited means. Yet the associations are going to be held liable if anything should go wrong.

It is almost a washing of hands with a bureaucratic mechanism. It is not intentional, but the end result will be the same. It will be a disincentive for people who want to be part of the process of being on an association, I would think, and I am saying this from the experience that I have had with the kinds of social and economic backgrounds of the people, God bless them, who sit on the executive of my association. I am sure that is the case in many of the constituencies.

Government Orders

There have been amendments made that I think are excellent. I will be supporting the bill, but I have to say that I think it places a cloud on this because there have been consequences that were disproportionate to what occurred with respect to the reporting, but the reporting is very comprehensive.

If there is any fault, it is that we just did not put down what the consequences would be if there were a deliberate circumventing of the law. What we have here, I think, is just overly bureaucratic and will not encourage people to be part of the democratic process in standing for candidacy or being part of local associations.

● (1720)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I listened intently to what the member had to say. I know that he is an honourable member, as many of the members of the House are. They would never think of doing anything to circumvent the law, but we saw an example this week with a Liberal fundraiser right here in Ottawa. It was advertised that corporations could go there and bid. The sky was the limit. Basically, they were caught beforehand.

I know that if there is a loophole some people and associations will try to get around it. It is not the intention of this law to put everybody in the same boat or to say that everybody will not respect the law. We are just trying to tighten things up. The real question in this is the accountability of loans. That is what we are talking about today.

We realize as candidates that occasionally we are going to need a loan, but what this bill intends is that we go to a bank or a legitimate lending institution, or we go to a wealthy friend who can give us that money as a loan. There may be members out there whose loans have not been paid back. It is not clear. We are trying to clarify things so the Canadian people can trust their politicians and trust their system.

I am asking the member if he is in favour of that. Is he in favour of allowing a level playing field? Is he in favour of allowing a level playing field for people who are not wealthy or do not have wealthy friends? They will have to go to the bank. Everybody will have to go to the bank. It is going to have to be documented, with interest paid, and people are going to know that those loans have been paid back. Is he in favour of that?

● (1725)

Mr. Alan Tonks: Mr. Speaker, I am absolutely in favour of a level playing field, but I thought that what I had addressed was the point that I do not think it is a level playing field with respect to the ability to take out loans in the manner that has been presented in this legislation.

I think the emphasis should be on the reporting and the consequences if loans are not paid back. If there is a transparency with respect to who has loaned the money and the terms within which that must be paid back, why does it matter where it comes from if it is reported and on the record?

If that were the approach, with the emphasis on that, then I would think that through a consequential approach we would have a level playing field. I may be wrong, but at the end of the day I think that this is going to be a disincentive because it is not a level playing field for that very reason.

I believe that people should have the capacity to support the democratic process, and not with anything in mind that there would be some advantage sought from it. When they loan, if it is on the public record and it has to be paid back, why should it matter whether they are going to support a Conservative candidate, a Liberal candidate, the NDP or the Bloc?

The fact is that everyone knows and it is on the record that the money has been taken out, there is a cap on it and it has to be paid back. That is what the public wants to know.

Hon. Judy Sgro (York West, Lib.): Mr. Speaker, certainly the hon. member has had many years in politics. He is well aware of the difficulty of fundraising to begin with and especially now with the rules that all parliamentarians are working under.

When it comes to the whole issue of loans, does the hon. member have a concern about just who would run for leadership, no matter what party? With the kinds of rules we have, people cannot put in their own personal money either so it becomes very difficult to raise the money.

Would he have any further comments on whether this is going to discourage people who want to get involved in political life?

Mr. Alan Tonks: Mr. Speaker, I did not address the issue around leadership, but on the last statement with respect to encouraging people to come into public life, I think the bureaucratic regime in the bill is going to make it more difficult for people and provide less of an incentive to actively get involved in public life. I do not think that is intended by the legislation, but I think that is what is going to happen.

* * *

KENYA

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I rise on a point of order. Discussions have taken place among all parties and I believe you will find consent for the following motion. I move:

Whereas Kenyan citizens voted peacefully on December 27, 2007 in Kenya's presidential election, signaling their commitment to, and confidence in, democracy;

Recognizing that urgent steps are needed to begin restoring Kenyans' faith and confidence in Kenya's democratic institutions as impartial guarantors of personal security, human rights and good governance;

Members of this House urge the government of Canada to:

Condemn the tragic loss of life and humanitarian crisis in Kenya following their December 27, 2007 election;

Support ongoing efforts by former UN Secretary-General Kofi Annan to work with relevant authorities and stakeholders to restore peace to the Republic of Kenya based on human rights and rule of law;

Work in concert with the international community using all diplomatic means to persuade relevant political actors and stakeholders to commit to a peaceful resolution to the current crisis;

Review current Canadian aid programs to Kenya in order to propose initiatives to enhance and facilitate Kenya's stabilization, reconciliation and development.

● (1730)

The Acting Speaker (Mr. Royal Galipeau): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Private Members' Business

The Acting Speaker (Mr. Royal Galipeau): 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)

The Acting Speaker (Mr. Royal Galipeau): 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

[English]

CANADIAN CONTENT IN PUBLIC TRANSPORTATION PROJECTS

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.) moved:

Motion No. 183

That, in the opinion of the House, the government should implement a policy, which is consistent with North American Free Trade Agreement and World Trade Organization policies and guidelines, to mandate Canadian content levels for public transportation projects, and to ensure that public funds are used to provide the best value to Canadians by supporting domestic supplier and labour markets.

He said: Mr. Speaker, it gives me great pleasure to rise today to begin debate on my private member's Motion No. 183, regarding Canadian content levels for public transportation projects.

This discussion has been a long time coming. In fact, this is the first time since the founding of this country in 1867 that domestic content levels have been discussed by the House of Commons. Clearly the conversation is long overdue.

I want to make it clear from the start that the intent of this motion is not to debate the specifics of what Canadian content levels, policies, percentages or processes should be. The wording of the motion is intentionally broad to allow for a discussion of the principle of domestic content regulations.

I hope that all parties can agree that we must do more to ensure that Canadian tax dollars are supporting Canadian manufacturers, suppliers and workers. Let us start by looking at the situation as it stands today.

Canada does not currently have any domestic content level requirements for publicly funded transportation projects. As a result, millions of taxpayers' dollars are being used to support manufacturing and to create jobs and economic growth in other countries.

For example, with the coming of the 2010 Olympics, the province of British Columbia is making a significant investment in infrastructure. As part of that process an improved rail system between downtown Vancouver and the Vancouver International Airport is under construction. It is called the Canada Line, and rightly so because the Government of Canada is providing \$419 million for this \$1.9 billion project. However, the railcar portion of approximately \$68 million was tendered without any requirements for domestic content. It is now being built in South Korea.

In another example, York Region's Viva rapid transit system announced the expansion of its fleet in 2006 to help with increased ridership. The purchase of five new 60-foot articulated buses was awarded to Belgian bus manufacturer Van Hool. The price tag was nearly \$3.9 million. Once again, the project was partially funded by federal tax dollars without any Canadian content requirement. Because of a lack of domestic content requirements, these are just two examples that resulted in nearly \$72 million being spent to support workers in other countries.

In a very real sense, Canadian taxpayers paid twice: the first time with the contribution of federal tax dollars toward these projects; the second time because of the lost employment opportunities in Canada and the very real possibility that some Canadian workers were laid off or even let go permanently because of a shortage of work right here at home.

The real tragedy is that Canada is one of the only major trading countries in the world that does not have domestic content requirements for public transportation projects. This means that Canadian manufacturers and workers are placed at a significant disadvantage in the amount of work that is available from other countries. It also deprives us of an opportunity to attract investments into Canada, and hence of developing a globally competitive industrial cluster based right here. Let us look at some of the rules in some of our major trading partner countries.

In the United States the buy America act requires that 60% of the value of a public transportation project must come from within the United States. This percentage applies to all supplies and raw materials that are used in the contract. In addition, the United States requires that 100% of final assembly be done within the United States of America.

How has this legislation impacted Canadian manufacturers? In order for Canadian transit manufacturing companies to even bid on a U.S. project, they must have an assembly plant in the United States and locate U.S. based suppliers of the materials they need.

• (1735)

In fact, a Canadian manufacturing cluster of sorts has developed in the Plattsburgh region of New York State. Bombardier Transportation; CEIT, an equipment manufacturer; Multina, a maker of seats and interiors; PCS Technologies, a maker of communications systems; Railtech Composites, a supplier of interior devices and components; and Wadbec, a maker of brakes, air conditioning and electronic equipment have each set up operations in Plattsburgh in order to qualify for U.S. contracts. Clearly the U.S. model is an excellent example of precisely how domestic content policies help to grow a national economy.

Our other NAFTA partner has also implemented domestic content rules. In Mexico a 10% price differential benefit is given to companies that use local content of 50% or more.

Around the world we see more of the same. Domestic content levels are also enforced in China where 70% local content is required.

Private Members' Business

The 27 member countries of the European Union have very stringent rules about EU content requirements. Member countries must reject bids from companies that are not located in any EU member country or in a country with which the EU has a reciprocity agreement. In addition, a minimum of 50% of the product's value must be manufactured within the European Union.

The most severe rules are in Japan, which closes its market to any foreign country so that only Kawasaki has access to these projects.

All markets to which Canadian producers need access demand that they invest there before they sell, but in Canada, we place no such obligation on foreign producers. Indeed, if the situation does not change soon, Canadian producers may be obliged by economies of scale to supply into Canada from other jurisdictions.

As we can see, Canadian companies are at a significant disadvantage because of the lack of Canadian content requirements.

Now that I have outlined the rules of our major trading partners and how they preclude Canadian production and employment, I will take a few minutes to explain what the economic benefits of implementing domestic content levels on Canadian public transit projects would be.

As noted by the Canadian Manufacturers and Exporters in the recently released paper entitled, "Renewing Canada's Infrastructure: An Opportunity to Invest in our Future":

The indirect, economic contribution of manufacturing and exporting companies to the Canadian economy is significant. It has been estimated that every dollar of value added by manufacturers results in \$3.05 of economic activity in Canada — the most significant multiplying factor of any Canadian economic sector.

In addition, we must consider that approximately 29% of the contract value of public transportation projects is spent directly on wages, salaries and taxable benefits, plus an additional 15% of the contract value is returned to federal and provincial governments as personal income tax revenues.

That translates into \$440,000 on every \$1 million of investment going back into our economy. This does not even calculate the spinoff effect of those payroll dollars to local merchants and service providers. These numbers make it very clear how we could use our tax dollars to generate employment and economic activity for Canadians. Why would we want to give this economic stimulus away?

Alternatively we can continue to send millions of these dollars to other countries, thereby allowing them to receive the benefit of employment, economic activity and tax revenue generation for their citizens.

It is not a matter of giving favours to manufacturers who are already here. Instead, it is an issue of whether or not we can emulate other countries and leverage on investments to attract global competitors to invest in the Canadian economy.

We want to use our policies to bring more bus and rail manufacturers to Canada. The right answer is abundantly clear. Canada must implement domestic content requirements.

● (1740)

This concept has earned substantial support across the country. The Canadian Manufacturers and Exporters, Canada's largest industry and trade association, is calling for just such a policy to support our manufacturing sector.

In 2006 the Ontario Chamber of Commerce, representing over 57,000 businesses through 160 local chambers of commerce and boards of trade, passed a resolution calling for domestic content levels.

My office has collected literally thousands of signatures in support of the motion. In addition, I receive letters of support from all across the country. William Cherry, president of Talfourd-Jones Inc. in Toronto writes:

The House endorsing this motion would send a clear signal to the government on the need to implement a Canadian content policy...as the only Bus Bumper manufacturer in Canada...you can imagine how we feel about buses being sold to Canadian transit fleets...carrying American made Bumpers paid for by Canadian tax dollars.

Jean-Pierre Barakat, vice-president of Business Development of Nova Bus in Saint-Eustache, Quebec, emailed us:

We, at Nova Bus, truly welcome your initiative and fully support this motion. To further substantiate your case, you should know that in order to be able to sell to U.S. municipalities, Nova Bus will be opening a new plant in New York state in 2009.

There are many other reasons for supporting domestic content levels as outlined by the Canadian Manufacturers and Exporters in the previously mentioned report. Some of these are as follows:

These measures reinforce the supply chains of national companies, especially small and medium-sized businesses in two ways. When governments require that a certain percentage of a given finished product's components be made domestically, it facilitates the entry of locally-based small and medium-sized manufacturers into the supply chains of major suppliers in charge of the project...The measures favour the attraction and retention of private investment...and...These measures help reach a high level of transparency in governmental tendering processes, while ensuring competition that is based on fair rules for the various vendors.

One concern that has been raised about this motion is whether NAFTA and WTO treaties allow such a policy. I make it abundantly clear that both NAFTA and WTO treaties do allow domestic content policies for transportation projects that support the national economy.

NAFTA chapter 10 reads:

1. This Chapter does not apply to procurements in respect of:
 - (b) urban rail and urban transportation equipment, systems, components and materials incorporated therein as well as all project related materials of iron or steel;

The World Trade Organization's agreement on public procurement reads:

1. Notwithstanding anything in these Annexes, the Agreement does not apply to procurements in respect of:
 - (b) urban rail and urban transportation equipment, systems, components and materials incorporated therein as well as all project related materials of iron or steel;

Let us remember that. As I have outlined previously, all other G-7 countries, all 27 European Union member countries and China already benefit from domestic content policies. It is time for Canada to stop being a doormat among our trading partners. We must stand up for our own best interest and the betterment of our citizens.

Private Members' Business

I ask fellow members of the House to support Motion No. 183 and in so doing, support the people of Canada on whose behalf we stand in these hallowed halls. Canadian taxes should support Canadian jobs and each of us has the power to ensure they do.

• (1745)

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I listened with interest to the member's speech and I think the goals of his motion are certainly laudable. I have two questions.

First, does he have any idea as to how municipalities would feel about the federal government putting a restriction on their purchasing?

Second, do we have the capacity in terms of the manufacturing in Canada to ensure we would not slow down some of the municipal projects that may be going forward if we were to implement a measure like this?

Mr. Ken Boshcoff: Mr. Speaker, I will answer the second question first. For municipalities, in terms of the pace of these projects, the acceleration of us being able to deliver, repair, maintain would end up being a very strong positive to municipalities. As a former mayor, councillor and the president of the Association of Municipalities of Ontario, I have been intrinsically involved in infrastructure projects and the design of those programs.

It is very important that Canada not lose its technological advantage in public transportation, which makes us vulnerable to other countries. I think of contracts that are lost within communities. Some of the members here have lost suppliers.

How does it affect municipalities? If we lose a plant of 120 full time workers with skilled trades, we lose the tax benefits, the salaries, the wages, the benefits let alone those other things that happen in terms of the suppliers and the spin-offs.

When a municipality makes the decision to go elsewhere, we lose the public transportation capability, technology, young people studying in universities and colleges, in drafting or engineering and our ability to export to other countries. What may appear on the surface to a municipality to be an immediate slight price advantage, wait until it starts paying for overseas flights to get its inspections and repairs done.

Mr. Bruce Stanton (Simcoe North, CPC): Mr. Speaker, following along the same line of questioning, I may have shared with the hon. member that my riding had a small producer of seats for public transit projects, which closed not too long ago. Therefore, I take great interest in this topic.

Is the member looking to mandate these requirements on projects where the federal government provides funding support through some other infrastructure program? If so, what proportion of Canadian content is he looking to see in these projects?

Mr. Ken Boshcoff: Mr. Speaker, in direct response to the hon. member for Simcoe North, I have not put percentages in is this because it is a fairly new concept, not only for parliamentarians but also for our public service.

Therefore, I want to ensure that we understand this fully in principle. By the federal government offering billions of dollars to municipalities in infrastructure and other funding, this is meant to

generate Canadians tax dollars, multiplying not only within communities but within the nation and building us a strong public transportation infrastructure.

I believe it is a small request to ask of municipalities that if they come to us for federal support, that at the very least we can generate millions and billions more dollars throughout our nation by supporting a public transportation industry. Then we can really say "Canadian made" and feel proud of it.

• (1750)

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Mr. Speaker, I am happy to take part in the debate on a motion tabled by the member for Thunder Bay—Rainy River.

On November 6, 2007, the Prime Minister launched the \$33 billion building Canada infrastructure plan. This plan is the most comprehensive of its kind in Canadian history. It provides stable and predictable funding for the longest period of time ever committed to by any federal government. No other federal government in Canadian history has ever made such a large, long term investment to modernize infrastructure.

I speak to the plan because of its connection to transit and because of the way we seek to manage it in conjunction with provinces and territories.

Through its new plan, the Government of Canada is providing \$33 billion over seven years, which includes: \$17.6 billion, or over 50% of the plan, in base funding for municipalities until 2014, including a full GST rebate and \$11.8 billion through the gas tax fund; \$25 million per year over seven years in base funding to provinces and territories, \$175 million for each jurisdiction for basic infrastructure needs like bridge safety; \$8.8 billion for the new building Canada fund, which will be applied to strategic projects in large urban centres as well as projects in small communities, with particular attention to those smaller than 100,000 people; \$2.1 billion for the new gateway and border crossings fund to improve cross-border trade with the United States; \$1.25 billion for a new national fund for public-private partnerships; and \$1 billion for the Asia-Pacific gateway

These investments are an important contribution and address the infrastructure needs of municipalities, provinces and territories. This funding will be dedicated to things that matter to Canadians, such as clean water, more efficient public transit, safe roads and green energy.

Building Canada will help support a stronger Canadian economy by investing in infrastructure that contributes to increased trade, efficient movement of goods and people and economic growth that creates jobs. This will include projects such as improvements to the core national highway system, short line railways, short sea shipping, regional and local airports, broadband, and convention centres.

Private Members' Business

A healthy environment is a clear priority for our government. As such, building Canada will also focus on infrastructure investments that contribute to cleaner air, water and land, including public transit, waste water and solid waste management, brownfield remediation and also green energy, as mentioned before.

To promote the development of strong and prosperous communities of all sizes, building Canada will support investments in public infrastructure that improve the health and safety of families and make communities more liveable. For example, projects that would be eligible for funding include safe drinking water, local roads, bridge rehabilitation and sports and culture.

The Government of Canada is responding to its 2006 consultations with the provinces, territories and the municipal sector. We are doing this by providing more long term and predictable infrastructure funding, as well as more streamlined programs.

Overall, our approach highlights the extent of federal involvement and confirms our respect for jurisdiction, as well as our commitment to working collaboratively on the issues raised during our discussions in developing the plan.

Framework agreements under building Canada have been signed with British Columbia, New Brunswick, Newfoundland and Labrador and Nova Scotia. We are working closely with the other provinces to complete framework agreements with them as well.

The member for Thunder Bay—Rainy River has made a motion asking the Government of Canada to implement a policy to mandate Canadian content levels for public transportation projects.

Our government agrees that this motion should be at least debated in order to understand how it can best support Canadian industries, while at the same time respecting other federal government responsibilities and commitments, such as our commitment to get the best value for taxpayer dollars.

• (1755)

The government understands the importance of supporting the Canadian economy. Earlier this month our government introduced Bill C-41 to allow \$1 billion in federal funding to begin flowing to struggling communities through the community development trust. This was recently announced by the Prime Minister.

This support will greatly help single industry towns suffering from major downturns, as well as communities facing chronic high unemployment or layoffs across a range of sectors. Our government also understands that the transportation industry is strong in Canada. Generally, our partners in infrastructure projects tend to be other levels of government. At this time municipal, provincial and territorial governments together are responsible for over 90% of infrastructure spending in Canada. Procurement decisions with respect to infrastructure are ultimately the responsibility of these governments.

After all, these are the orders of government that will let the contracts choose the suppliers and ultimately bear the responsibility for completing the project on time, handling any cost overruns that occur and also managing the infrastructure plan long term. We treat these other levels of government as partners, able to make their own decisions in their own best interests.

Our government is prepared to discuss with our partners how to encourage more Canadian content in these investments, but we will not and cannot force or dictate to provinces, territories and our municipal governments how they should do their procurement.

As I have noted earlier, our key concerns should be getting as much value for the infrastructure dollar as possible. This decision is consistent with the requirements under the Federal Accountability Act that stipulates that federal procurement be conducted with a commitment to fairness, openness and transparency.

The federal budget of 2006 indicated that the federal government will manage infrastructure funding in a manner that will maximize taxpayers' value for money. I think this is a very valid principle that frankly defines our government.

For public transportation projects that receive federal funds under the building Canada fund, the federal government will require that limitations on tendering, such as sole source contracts, be omitted from consideration. Our government has a responsibility to ensure that procurement decisions are consistent with Canada's international trade obligations. What impacts Canadian content levels may have on this is a subject that should be fully discussed.

Mandating Canadian content levels, as has been proposed in the member's motion, would not necessarily get the best value for taxpayers' dollars. By using incentives to encourage people to buy Canadian, there could be some effects we need to fully understand. These could include increased project costs, as the number of potential suppliers diminish; limiting the choice with respect to rolling stock available for infrastructure projects, which is of particular concern to transit projects; and also limitations on available technology.

Additionally, based on federal experience in dealing with municipalities through several generations of infrastructure programming, we believe that domestic procurement requirements dictated by the federal government with respect to infrastructure provisions would be met with resistance by many of our provincial and municipal partners. Our only requirement is that procurement for projects funded with federal dollars is done in a fair, open, transparent and competitive manner.

Let me restate that our government, through its infrastructure program, is investing heavily in a modern economy and economic growth. Canadian workers, engineers, suppliers and manufacturers will all benefit from these investments. We hope that a fulsome discussion will bring about clear solutions in order to support Canadian industries, while also being mindful of the need to obtain the best value for our taxpayers' dollars.

With the building Canada fund, our government is taking steps to address the infrastructure challenge and ensure that our cities and communities are prepared for current and future growth, and can compete internationally.

Private Members' Business

Modern infrastructure is at the centre of Canada's standard of living and contributes greatly to the quality of life that we value. The building Canada fund is about investing in our country's future. It is about a stronger economy, about a cleaner environment, and about a more prosperous community.

● (1800)

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, it is a pleasure to speak to this motion put forward by my hon. colleague from Thunder Bay—Rainy River.

Our government spent about \$280 billion last year on goods and services. This represents about \$1.00 in every \$5.00 that we spend in our economy. Given the size of these expenditures and the importance they are to our country, we need to take great care in how this money is spent.

Both the current government and the previous Liberal governments had taken the approach that the lowest price is the law when it comes to procurement in general and, specifically, in transportation, regardless of the impact of how that money is spent on our economy and on our society.

So, what happens? We have situations such as the situation in York region in 2004 where 30 brand new buses were purchased with public funds and not purchased from one of the several Canadian domestic bus manufacturers but, rather, from Belgium. We could say good for the Belgian economy and good for the Belgian bus manufacturer, but very bad for the Canadian economy.

Just last summer, the federal government awarded a military contract for troop buses to a German bus maker over a Winnipeg manufacturer because the German bid came in \$2,000 cheaper per bus, which was .5% of the overall price in the \$14 million contract. So, a Winnipeg bus manufacturer and all of the jobs that would have resulted from that, plus the taxes that would have been paid by the company and by all of the employees of that plant plus all the ancillary services and support, plus all of the parts that went into those buses, were lost by this federal government.

These are just two examples out of the many instances that we could cite over the last several years of Canadian procurement gone awry.

Other countries, including our major trading partner, stand up for their own economy and their own industries and services. The Europeans, the Japanese and even the Americans, especially the Americans, protect their own domestic market in this fashion.

Of course, one application is the U.S. buy America act which applies to all contracts over \$100,000. For vehicles such as rail cars and buses, there is a 60% content requirement and for iron and steel, there is a 100% content requirement. This is perfectly allowable under NAFTA as chapter 10 of NAFTA excludes grant programs, and state and provincial procurement. So it is completely in keeping with our trade commitments.

In fact, the Canadian Manufacturers & Exporters Association went further last week with its report on renewing Canada's infrastructure. CME head Jayson Myers said: "If we continue to be boy scouts to the world, we'll continue to lose investment and lose product mandates elsewhere".

The CME further said:

By leveraging these investments, governments in Canada would level the playing field to international standards for transportation equipment and infrastructure manufacturers in Canada, reduce business uncertainty by forcing clear, full and open competition for all contracts, and help government effectively address the legal and political controversy surrounding sole-source contracting.

The CME was talking about all infrastructure, not just transportation.

I want to give an example of sole-source contracting. When the leader of the NDP negotiated with a previous Liberal government to take \$5.4 billion in corporate tax cuts and insisted that the money be invested for Canadians to meet the goals of Canadians, part of that money was invested in transit across Canada. What that meant in the city of Toronto, for example, was that the city was able to purchase buses, and not just any buses but low-emissions buses, hybrid buses in order to reduce pollution on the streets of Toronto.

● (1805)

They are accessible buses that are easy for people to get on and off. Best of all, those buses were made right in Mississauga, so they were able to ensure local production, ensure jobs in addition to the spin-offs of that plant and all of the taxes and benefits that go with such a procurement.

Canada clearly needs to catch up and follow the lead of our major trading partners. The federal government announced investment in infrastructure and a significant portion of that needs to go to Canadian companies. Our procurement policies need to invest in our products and services and all of the spin-offs that I have described. The requirement to do this simply does not exist in Canada and that needs to change.

When the federal government funds infrastructure, transportation projects, this funding has to ensure a minimum of local benefit. So I would argue that all procurement should meet the test of these Canadian procurement measurements, not only transportation. Now this is done on a case by case basis with relatively low Canadian content levels, but this does little to reduce the uncertainty for manufacturers to sole-source here who do not currently produce in Canada today.

If we leveraged the money that we spend collectively, of all governments throughout the country, for public procurement, we would ensure that not only the manufacturers we have today in Canada but other manufacturers would come to our country, invest here, create jobs, and boost our economy in order to compete for those dollars.

With all of the challenges that are facing our economy today with the high dollar, and a driven high petro dollar because of reckless tax cuts put forward by the current government and previous governments that are in fact helping to fuel a high oil price economy that we are faced with, and other stresses that our economy is facing today, we need to take action.

This government has neglected the manufacturing sector. Defining requirements for public procurement and ensuring domestic sourcing of procurement is one major way to boost our manufacturing sector, boost our economy, reduce unemployment, and maintain and create good, quality jobs in services, but especially in the manufacturing sector.

So, while I do believe that this motion falls short in terms of not requiring specific content levels and while not applying to all procurement, which I believe is appropriate and which other countries do, I certainly believe that this is a positive step.

I see that my time is just about out. I would urge all members of this House to vote in support of this motion and take this as one step along the path to finally catching up with our G-7 partners in ensuring that we are standing up for Canadian production.

Mr. Alan Tonks (York South—Weston, Lib.): Mr. Speaker, in this time of crisis in the manufacturing sector, we are missing once again an opportunity to support our Canadian workers.

I was disappointed, and I am sure members of the House were also, that in relation to our major trading partners, such as China, the United States, the EU and Mexico, Canada stands alone in the absence of a federal policy which ensures Canadian content in transportation projects that are funded through federal taxes.

I was even more surprised to learn that as I speak this is the first time that Canadian content requirements will have ever been debated in the House of Commons.

First, the government should ensure that public funds as a rule are not used to assist the transfer of jobs abroad. That is a first principle. At a time when the manufacturing sector has lost hundreds of thousands of jobs, every job we can keep in Canada counts.

The indirect economic contribution of manufacturing and exporting companies to the Canadian economy is significant. One out of every three jobs in Canada depends on our capacity to export our products abroad. Manufacturing businesses are responsible for two-thirds of goods and services exports and three-quarters of all the private sector research and development done in Canada.

Public investment in transportation equipment and infrastructure in Canada must be used to leverage business opportunities for Canadian industry, create a globally competitive business environment here in Canada, attract foreign investment, and generate the greatest possible economic benefit for Canadians.

Canadian manufacturers are being shut out of our markets by fierce competition and, on top of it, are not able to benefit from transportation projects in the EU, other G-8 nations and China, as these countries have implemented policies that set mandatory domestic content levels to ensure that their tax dollars create domestic growth.

In Canada, when the federal government funds infrastructure or transportation projects with taxpayers' money, the funding is not dependent on conditions that ensure even minimum local economic benefits. Unless the government views infrastructure investments as economic development tools and enacts a clear policy to make sure that Canadian manufacturers benefit economically, our manufacturing sector will not be able to compete.

Private Members' Business

Unfortunately, a company currently has a better chance of supplying the North American market from the United States rather than from Canada. Because of restrictions based on U.S. content, for example, the buy America act, and the absence of such rules in Canada, Canadian manufacturers in the construction products and public transit equipment manufacturing sector have a vested interest in moving their production activities to the United States.

The federal government announced that it will invest \$33 billion in infrastructure over seven years, a significant proportion of which is directed to roads and highways, public transit and bridges. Provinces and municipalities have also announced significant investments in transportation infrastructure and mass transit over the coming decade.

Renewing Canada's infrastructure is a major opportunity to invest in this country's future. It also is a great opportunity to invest in Canadian manufacturing and industry.

Legislation should be in line with what Canada's main economic partners are doing domestically to support their industry, in particular, the United States, Mexico and the European Union. In order, therefore, to enable our transportation industry to be a global leader and a strong competitor in an increasingly tough market, there has to be legislation that mandates Canadian content levels for public transportation projects.

By favouring domestic companies, governments use public funds to stimulate the development of the local manufacturing industry while allowing competition that is based on fair rules for all vendors. What we are asking for here is not protectionism but fair trade.

Let us look at all the restrictions that a Canadian company has to face when trying to sell to a government procurement market in the United States. According to the Canadian Manufacturers and Exporters, if the United States government or one of its agencies awards a contract, Canadian companies can bid as equal partners only if the value of the contract being awarded is greater than approximately \$8,000. This exemption was negotiated by the United States through NAFTA, and these contracts are exempt from NAFTA's chapter 10 and do not guarantee equal access to Canadian companies.

• (1810)

Other buy American provisions can also apply if the project concerns a public transit system, an airport, a road, a bridge, a ferry or other types of transportation. These contracts always include national preference rules and regulations and require certificates and the fulfillment of other conditions. Finally, under the buy American regime, if the project is funded by a state or local government, then they can impose their own conditions.

Private Members' Business

On the other hand, U.S. companies that want to sell to the Government of Canada face no such obstacles. Only provinces may impose local content restrictions if they wish to do so. More often than not, however, provinces do not use government procurement to favour Canadian industry or industry from their province.

Canadians expect more from their government when it comes to protecting their jobs and the economic vitality of our country. The policies in place to protect and foster the Canadian transportation industry up to this point are inadequate and outdated. In our increasingly competitive global marketplace, it is crucial that we as lawmakers support the economic development of local industries.

In drafting legislation on Canadian content levels, we must strive to strike the right balance between promoting our manufacturers and respecting international trade obligations. Therefore, I call on my hon. colleagues to support Motion No. 183 for the benefit of all working Canadians and the future vitality and competitiveness of our manufacturing sector.

I would like to congratulate my colleague, the member from Thunder Bay, on his initiative. I have had deputations from the aerospace industry who equally have pointed out this inequity in terms of providing access to our Canadian markets but being shut out of aerospace opportunities that exist in the United States and in other countries.

This legislation is an attempt to find a balance, not to be protective and not to be hiding behind tariff barriers, but to give equity and the competitive ability to Canadian workers and to Canadian technology, which we know is so well placed in terms of it being state of the art.

Given a level playing field internationally, I know that the Canadian worker, the Canadian investor and the Canadian economy can compete and prosper, but this kind of legislation is absolutely needed as it applies to and bridges investments that Canadian taxpayers are making in the transportation sector. I hope this legislation and the proposals being put forward by my colleague will find the acceptance and the support of the members of this House.

● (1815)

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, thank you for giving me the opportunity to speak to motion M-183, which I will reread:

That, in the opinion of the House, the government should implement a policy, which is consistent with North American Free Trade Agreement and World Trade Organization policies and guidelines, to mandate Canadian content levels for public transportation projects, and to ensure that public funds are used to provide the best value to Canadians by supporting domestic supplier and labour markets.

The Bloc Québécois agrees with the underlying principle of this motion. But it is important that our colleagues in this House understand that purchases of public transportation equipment do not come under federal jurisdiction. There are no purchases of federal public transportation equipment. Public transportation is a provincial responsibility. When this motion is before the committee, we will try to reach an agreement with the sponsor of this motion on wording it so that the principle of the bill and provincial jurisdiction are respected. It is the provinces that purchase equipment through their transit companies, and they have to be able to achieve the objective of the bill.

That objective is to support domestic suppliers, a goal that the Bloc Québécois has always defended. Even though there is a small problem with the motion, we will do everything we can to reach an agreement so that this objective is attained. There are very significant investments in all sorts of areas related to transportation, including public transportation. The government supports many purchases.

I would like to say by the way that it is not just transit-related procurement. In its areas of jurisdiction, the federal government purchases about \$40 to \$50 billion worth of goods and is not obliged at all under the agreements to have Canadian content. That is just not something that the Government of Canada decided to do. It would be important to us, though, because if half the federal government's procurement in its areas of jurisdiction had been in Canada, more than 21,000 jobs a year would have been created across the country. Instead, they were created abroad. For example, in the fall of 2003, the Bank of Canada decided to procure its currency paper from a German supplier rather than from Spexel in Beauharnois. Spexel closed its doors in April 2004, throwing 100 people out of work. That was the result of the procurement of non-Canadian content.

In another example, the government withdrew its Canadian-content requirement for army boots this year. That was bad news for Tannerie des Ruisseaux in Saint-Pascal-de-Kamouraska. The change in the attribution rules for this \$7 million contract cost 50 jobs. The Bloc Québécois already tabled a bill about this back in November 2005 through my colleague from Rivière-du-Nord. Clearly, we will support this motion.

As for public transit, it is very important, in Quebec to Nova Bus, a company in Saint-Eustache, and Bombardier Transport in La Pocatière, which are in the rail and monorail business, as well as to companies all over Quebec and Canada that supply parts and equipment because a number of trade agreements have been signed. However, foreign countries favour their own companies.

The United States, for example, has passed laws favouring American suppliers. The Buy American Act covers federal government procurement. It asks the government to favour American suppliers if the price differential in comparison with foreign suppliers is less than 6%. The same Buy American Act also covers federal transfers to the states and local governments. It flatly requires that some of the procurement must be American. In the case of rolling stock, 100% of the final assembly must be done in the United States and 60% of the components by cost must be sourced in the United States.

● (1820)

In the case of non-rolling transit equipment, the final assembly must be done in the United States and all the components must be made there.

Private Members' Business

In short, if companies want to penetrate the U.S. market they must have plants in the United States. This legislation explains why Quebec companies like Bombardier Transport—which manufactures railway cars in La Pocatière and Saint-Bruno—and Multina—which produces interior and exterior finishings for trains and buses in Drummondville—have plants in Plattsburgh, New York. Our corporations are forced, therefore, to have foreign branch plants in order to comply with the Buy American Act. Once again, there is nothing like that here in Canada.

The European Union requires its member states to favour European suppliers. In sectors not covered by trade agreements, the EU asks its members to reject outright bids from outside its borders unless they have 50% European content or the price differential is more than 3%.

The European countries buy locally. Since 2000, 98% of the subway cars ordered in Germany have been built in Germany. All the subway cars ordered by France were made in France, including some made by Bombardier, which has a plant there. All the subway cars ordered in the United Kingdom were made there, including three-quarters of those cars that were made in a Bombardier plant. More than 91% of Belgian subway cars were made in Belgium.

Nearly all other countries do the same. Japan closes its markets to foreign companies; only Kawasaki has access there. Mexico confers a 10% price advantage to local manufacturers. It is not surprising, therefore, that Bombardier has built a plant in Mexico. China demands that 70% of the value of public transit equipment be made in China and foreign-owned companies must sign a technology transfer agreement.

In Canada, obviously, it depends. At the federal level, there is no law that requires the government to favour Canadian suppliers in its purchases. In an effort to overcome that failing, in November 2005, my Bloc Québécois colleague from Rivière-du-Nord introduced Bill C-440. If it had not died on the order paper, it would have required the government, whenever trade agreements permit, to favour Canadian suppliers. It introduced a 7.5% price preference. The federal government would have been obliged to select a domestic supplier if that supplier's price was not more than 7.5% higher than a foreign competitor. In certain cases, it also provided for the clear exclusion of foreign suppliers. That was Bill C-440, tabled by my colleague from Rivière-du-Nord in 2005.

In terms of the provinces and local governments, once again, it depends. In Quebec, the government already asks local governments and transit commissions to buy Quebec products. Montreal's Agence métropolitaine de transport called for a minimum of 30% local content in its most recent contract for suburban trains and awarded additional points to bidders with a higher local content.

In Ontario, it is a little less systematic and things are done on a case-by-case approach. Most large purchases are made in Canada, including those from the plant in Thunder Bay, in the riding of the sponsor of Motion M-183.

In British Columbia, it varies. In the case of the new line linking the airport in Richmond to downtown Vancouver for the 2010 Olympics, the contract was awarded—following a call for tenders with no requirement for Canadian content—to Rotam, a Korean

company. The same conditions apply to the light rail system planned for Vancouver in 2011.

In Alberta, the Calgary and Edmonton commuter train cars will be built in California. The government did not worry about where the trains would be built.

We know that municipalities, provinces and the federal government are investing a lot of money to maintain, improve and replace infrastructure. Given that major infrastructure investments will be made, Motion M-183 must go through, with the sponsor's consent, of course.

I hope that we will come to an agreement on Motion M-183 with a small amendment that takes into account the fact that this matter falls under provincial jurisdiction.

The Bloc Québécois will support it so that the proposed funds, billions of dollars to be invested in the coming years by all levels of government—municipal, provincial and federal—can benefit Canadian and Quebec companies as much as possible. We have to do this because every other country in the world does it. All industrialized countries have this kind of policy.

It is high time we offered some encouragement to our own companies, which create jobs and are having a very hard time in the manufacturing sector these days. It is time we supported them.

• (1825)

That is why, with a few small amendments, we will support Motion M-183.

[English]

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, I realize there are only a couple of minutes left, but I would like to make a few points based on the motion moved by the member for Thunder Bay—Rainy River.

The motion is that the Government of Canada implement a policy to mandate Canadian content levels for public transportation projects and to ensure that public funds are used to support domestic suppliers and labour markets.

As the House is well aware, last November the Government of Canada unveiled the building Canada plan of \$33 billion. This plan represents an unprecedented federal contribution to Canada's public infrastructure.

We are taking action by making strategic investments in infrastructure that contribute to a growing economy, a cleaner environment and strong and prosperous communities. We are doing it in partnership with the provinces, territories and municipalities. This is the way Canadians want their governments to work together.

We can all sympathize with the intent of the motion to ensure that Canadian firms and suppliers get access to contracts for transit systems, but Canadian firms and suppliers, especially those in the transportation sector, are among the best in the world.

Considering the size of this investment, it is important now more than ever to ensure that Canadian taxpayers are receiving the full value for their tax dollars. Put simply, competition is the best way to achieve value for their money.

Adjournment Proceedings

If we as the federal government set parameters about the Canadian content in transportation or any other sector, are we then limiting competition?

• (1830)

The Acting Speaker (Mr. Royal Galipeau): It is with regret that I must interrupt the hon. member for Niagara West—Glanbrook, but the time provided for the consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

When Motion No. 183 returns to the House, there will be eight and a half minutes left for the hon. member.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

VETERANS AFFAIRS

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I rise today to pose a question to the government with regard to the veterans independence program and in particular, about a promise made by the government when it was in opposition to extend the benefits of the veterans independence program to all Canadian veterans, second world war and Korean veterans. The Conservatives said that this would be done upon taking government.

I will refer a number of times to Joyce Carter. Joyce's name is familiar in this chamber. She is a very special Canadian, a lady who is a war bride, the widow of a second world war veteran. She has done an incredible amount of work on this issue. She is from Sampsonville in Richmond County on Cape Breton Island. She has done a tremendous job on this and we hold her in high regard. She is the bearer of several pieces of correspondence from members across over the years and I certainly will refer to them. Sue King is another lady who has done a lot of work in trying to elicit some action from the government. Certainly the member for Kitchener Centre has been a strong advocate of this program as well.

I will go through a brief chronology. The Conservative Party of Canada released a policy document on March 19, 2005, that a Conservative government of Canada would immediately extend VIP benefits to widows and veterans from the second world war and the Korean war. The current Prime Minister, who was then the leader of the official opposition, wrote a letter, bearing his own signature, to Mrs. Joyce Carter, in which he reiterated that promise to immediately extend those benefits upon taking government.

• (1835)

Hon. Wayne Easter: They did not do it.

Mr. Rodger Cuzner: No, it was not done.

On October 4, 2005 there was another piece of correspondence from the current Prime Minister, signed by his assistant yet off the desk of the current Prime Minister, to immediately implement that. The parliamentary secretary signed a piece of correspondence on October 28, 2005.

After the 2006 election, the Conservatives took office. Being the benevolent guys we are on this side, we gave them six months to get their legs under them. I asked the minister a question in the House on June 9, 2006. His reply was, "very soon". The Conservatives stepped away from "immediately" and went to "very soon".

On February 12, 2007 in committee when pushed on the question, the minister said, "We are committed". He was even stepping back from "very soon" which was back from "immediately" to "we are committed".

A year and a half later on June 12, 2007, I posed a question to the minister, to which the reply was, "We will get the job done". A couple of days later, the leader of the official opposition asked a question of the Prime Minister, who said, "We intend to act". This was over a year and a half later.

On October 26, 2007 I asked the minister again. I continued to push this on behalf of the people expecting this action from the government. His response, "We are going to get it fixed".

It is over two years. We are way past "immediately". A written promise was made by the Prime Minister when he was in opposition. There is an expectation out there. There is absolutely no need for the unfairness, the hypocrisy of stepping away from this promise to the veterans. It is long past time for action. It was "immediately", which became "very soon". All those quantifiers—

The Acting Speaker (Mr. Royal Galipeau): The hon. Parliamentary Secretary to the Minister of National Defence.

Mr. Laurie Hawn (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, what has been committed is in fact an act of hypocrisy on the part of the Liberal Party. That is not the question we were given.

I will answer the question we were given, which was with regard to the government's record on supporting our veterans, and particularly the announcement of an ex-gratia payment related to agent orange testing at CFB Gagetown in the summers of 1966 and 1967.

Before I do so, I will set the record straight for all members. Agent orange testing was not conducted at CFB Gagetown for 28 years, as the hon. member suggested in the question he really should have asked. It occurred in the summers of 1966 and 1967, for a total of seven days.

He further claims in his question, which he should have asked, that 150,000 veterans were exposed to herbicide testing. It would indeed be interesting to learn how the hon. member came to that conclusion.

However, before we are so informed, let me address the proud record of achievement the government has established in meeting its commitment to our veterans.

[Translation]

In our first two budgets we increased spending in veterans programs and services by over \$523 million, or half a billion dollars more than the Liberals spent in their last budget.

We have introduced the veterans bill of rights.

Adjournment Proceedings

We have introduced the new veterans charter to meet the immediate and long-term needs of soldiers transitioning to civilian life.

We have announced an \$18.5 million investment in the veterans job placement program.

We are committed to paying \$9 million a year to set up five more operational stress injury clinics.

We have appointed the first veterans ombudsman, Colonel Patrick Stogran, a decorated veteran and head of Canada's first deployment to Afghanistan.

We are committed to paying \$1 million a year to support the families of Canadian Forces members and an additional \$13.7 million to improve veterans services with respect to the standards set out in the veterans bill of rights.

Those are our commitments and accomplishments.

[*English*]

It is one of accountability to those who have served and those who continue to serve our country today.

Speaking of accountability, we have kept our promise to respond to concerns raised by members of our military, veterans and area residents about the possible health effects of herbicides used at CFB Gagetown.

Unlike previous governments, which sidestepped or ignored this issue for years, I am proud of the remarkable leadership the Minister of Veterans Affairs has demonstrated on this file.

In September, after research led by the Department of National Defence, our government announced a one-time, tax-free *ex gratia* payment of \$20,000 to eligible recipients connected to the testing of unregistered U.S. military herbicides, including agent orange, at CFB Gagetown in 1966 and 1967. We have started delivering on that commitment and cheques are starting to go out. That is five weeks after the announcement.

Eligible recipients could include those who worked or trained at CFB Gagetown or who lived in a community any part of which was within five kilometres of the base when agent orange was tested in 1966 and 1967.

This has been a complex file that has demanded patience, resolve, understanding and commitment. The government has responded with fairness and compassion, with a plan that is principled and transparent and that reflects our open and transparent government.

We are committed to serving and protecting those who served and continue to serve and protect us. That is the right thing to do and our solution for the agent orange file is the right thing to do. As a veteran, I appreciate that.

Mr. Rodger Cuzner: Mr. Speaker, the parliamentary secretary is absolutely right. I did ask a question in the House that day on agent orange, but the supplemental question was on the veterans independence program. What I tried to do was show an obvious link that the government had continued to break its promises to our veterans.

With regard to the veterans independence program, I think the cupboard is bare over there. I think the government is void and has nothing to invest in this.

Very specifically, will there be something in the budget on the 26th to help the veterans independence program? Can we give Joyce Carter any kind of hope?

Mr. Laurie Hawn: Mr. Speaker, were I to reveal what was in the budget, I would be in a lot of trouble and I cannot do that. What I will say is our government has clearly demonstrated a deep commitment to our veterans and their families.

We promised to not only improve services and benefits for veterans, but to introduce a veterans bill of rights, and we have done that. Funding for veterans programs and services has been increased by over \$523 million in our first two budgets, half a billion dollars more than what the Liberals spent in their last budget. The government appointed Canada's first Ombudsman for Veterans.

The Minister of Veterans Affairs has demonstrated great leadership in addressing and responding to issues raised by members of the Canadian Forces, veterans and area residents about the possible health effects of unregistered U.S. military herbicides tested at CFB Gagetown forty years ago.

After an extensive review, our government has announced a one time tax-free payment of \$20,000 for eligible recipients connected to the testing of unregistered U.S. military herbicides, including agent orange, at CFB Gagetown in 1966 and 1967. In just over one month we have begun to get the cheques out. We got—

• (1840)

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Malpeque.

CANADA POST

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, on February 11, I asked the Minister of Transport, the minister responsible for Canada Post, why the government was allowing the elimination of individual mail delivery in rural Canada.

It was the Minister of Transport's memo of December 13, 2006, that, instead of forcing Canada Post to hold the line in terms of individual mailboxes, seems to have given the impetus to intimidate rural Canadians into giving up their right of service, a right they have had since the horse and buggy days.

This review by Canada Post will cost \$600 million nationwide over five years. What is this review for? Is it to anger rural Canadians? This amount of money over six years is criminal. This issue could have been solved at the local level between the individual mailbox holder, the driver and the postmaster. However, we have this national program that is angering and frustrating rural Canadians and intimidating them to move toward community mailboxes.

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There is no question that we will hear from either the minister or the parliamentary secretary about the safety issue. Yes, we, too, are concerned about the safety of rural drivers, but when I asked the people in Prince Edward Island how many safety concerns they had about drivers, there was but one.

What would happen if we turned over the management of school buses or garbage trucks to Canada Post? Would they be forced off the road too?

Other approaches could have been taken rather than the approach being taken by Canada Post. The point is that there are other ways. What is wrong with the people in the minister's office? Can they not find a sensible way to solve this problem and maintain rural delivery?

The result of this review is leading to the elimination of individual delivery. We know that for sure. I can show members road after road where 20% to 50% of residents are not getting individual delivery. We also know that more cars are being forced onto the road with the greenhouse gas impact. We know there will be litter from these community mailboxes. We know there is greater risk to human safety by increasing the potential for accidents. One box on Rustico Road in Milton holds the mail for 31 people, which means that 31 cars are now on the road where previously there was one. What do those individuals have to do? They must turn around somewhere and go back, increasing the risk of accidents.

What about congestion at these boxes? People stop on both sides of the road. It is an accident waiting to happen. What about human safety? These boxes are not located in urban Canada where there are street lights beside the boxes. These boxes are sitting on dark, rural roads where people sometimes have to get their mail after dark. What about rural safety?

It is time the minister and the government were concerned about rural Canada and started looking after the interests of rural Canadians.

I have one other point to make. The intimidation should not be allowed to happen. The minister needs to act.

Mr. Brian Jean (Parliamentary Secretary to the Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I am very pleased to have the opportunity today to comment on rural mail delivery, because the Conservative government is the only government that stands up for rural Canadians.

Not only is this government supportive of rural Canadians, but we understand the importance of ensuring that they receive quality rural mail service. It is very important to the people who live in rural Canada.

In December 2006, during the first year after being elected, the government acted. The government directed Canada Post to develop and implement an operational plan to restore and maintain mail delivery to rural roadside mailboxes.

The government expects Canada Post to do its very best in relation to achieving this goal, while taking into consideration the health and safety of employees and respecting all applicable laws. Canada Post did act and is acting as best it can in the best interests of Canadians to make sure this job gets done.

There are approximately 843,000 rural mailboxes, representing about 6% of Canada Post's 14 million delivery points. Canada Post has implemented a plan to review the safety of delivery to every rural mailbox.

The rural mail safety review is a result of the health and safety concerns expressed by postal employees delivering mail to roadside mailboxes.

Canada Post, like all federal employers, has legal obligations under both the Criminal Code and the Canada Labour Code. These are mandatory obligations to ensure that employees have safe working conditions. The safety review responded to more than 40 health and safety related rulings by Labour Canada and more than 1,400 complaints by employees.

In recent weeks, Canada Post has responded to the concerns of the hon. member for Malpeque by meeting him in his riding. This also included a tour of the rural routes being assessed and a demonstration of the traffic safety assessment tool. The member knows full well what is going on in his riding.

This tool was developed for Canada Post by independent traffic safety experts. The safety review incorporates a community outreach process, whereby all affected customers are contacted directly. That is right: Canada Post contacts directly every single customer who is affected by this. Wherever possible, delivery is maintained.

However, where a box is determined to be unsafe by this method, the first objective is to work with the customer to move it to a safe location. In the event this is not possible, customers are given a choice between delivery to a nearby community mailbox that is deemed safe or a free box in the local post office.

In closing, I would like to also point out that Canada Post is working with the Prince Edward Island transportation department in the member's own province to ensure that community mailbox sites meet the province's standards for safety.

● (1845)

Hon. Wayne Easter: Mr. Speaker, there is no question that I do indeed know my riding and I know Canada Post is closing down post offices for postal boxes. I know that for sure.

The parliamentary secretary used a number: 1,400 employee complaints. I have applied under access to information for those complaints. I already know this: about 800 of those complaints are not for safety at the mailboxes but for ergonomic damage when the employee's arm gets tired from reaching out the passenger side window. This is obviously the way that the parliamentary secretary is like many of the others in getting his talking points from the PMO and using figures to try to bamboozle the public.

The bottom line is this: we are losing individual rural mailbox delivery. We want it back. There was a motion passed in this Parliament to say that we should have it. It passed a while ago. It is the minister's responsibility to live up to that motion, which means individual rural mail delivery. We want the minister to see that it is done.

Mr. Brian Jean: Mr. Speaker, we on this side of the House respect the laws of the country, both the Canada Labour Code and the Criminal Code, and indeed, they both apply in this particular instance.

Also, there is a moratorium on rural post office closures. The member is wrong in what he says about that. I am sure he misspoke.

This particular issue, however, is not just over two years old. It is older than that. The problem existed when the member was a member of the government and a minister. If he wanted to make

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some changes at that time, changes that he thought were possible, then he should have done it at that time.

We on the Conservative government side have inherited a Liberal mess in many areas.

However, let me be clear. Mail carriers have died delivering mail in certain instances. We on this side of the House have to make sure that Canadians stay safe and that rural mail delivery is going to be restored and maintained wherever possible. We are doing just that.

● (1850)

The Acting Speaker (Mr. Royal Galipeau): The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:50 p.m.)

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