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OFFICIAL REPORT
(HANSARD)

Tuesday, May 5, 2009

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, May 5, 2009

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to 14 petitions.

* * *

PETITIONS

CANADA-COLOMBIA FREE TRADE AGREEMENT

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, this morning I have the pleasure to table petitions signed by people from Burnaby, other parts of British Columbia, Saskatchewan and Ontario who are concerned about the Canada-Colombia free trade agreement.

They note in particular their concern about violence against workers and members of civil society by paramilitaries in Colombia, pointing out that more than 2,200 trade unionists have been murdered since 1991 as well as violence committed against indigenous people, Afro-Colombians, human rights activists, workers, farmers, labour leaders and journalists.

They call on the Government of Canada to do a full human rights impact assessment while the agreement is being negotiated to ensure that the principles of fair trade would be taken into account with full environmental, social and human impact studies, so that the agreement sincerely respects labour rights and the rights of all parties affected.

PASSPORT OFFICES

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, I am very proud to rise in the House with a petition from residents of the wonderful communities of Englehart, Matachewan, Kirkland Lake and the central Timiskaming region of Ontario, who are concerned about the lack of walk-in passport service in the northeast of Ontario.

I think it is the only rural region in Canada that does not have walk-in passport service. It means that residents who are in the mining industry and other areas who have to get emergency passports end up having to go to Toronto to get service. They are looking to establish a fully operational passport office in the city of Timmins to serve the people of all of northeastern Ontario and to alleviate the current workloads and delays.

[*Translation*]

FOREIGN AFFAIRS

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Speaker, I am presenting this morning a petition that is part of the United for Peace campaign. It is signed by many Quebeckers and Canadians who generally support peacebuilding efforts in Canada and throughout the world.

The petitioners are calling upon the Parliament of Canada to recognize and support the United Nations Declaration on the Rights of Indigenous Peoples. They are also calling upon Parliament to show leadership in resolving the Israeli-Palestinian conflict in a manner consistent with human rights and international law, and to encourage all parties to the conflict in the Philippines to resume peace talks. Finally, they are calling upon Parliament to support solutions that go to the roots of the conflict in Colombia.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, Question No. 93 will be answered today.

[*Text*]

Question No. 93—**Mr. Scott Andrews:**

With regard to the issue between the Government of Newfoundland and Labrador and the Department of Public Safety, and more specifically Correctional Services of Canada (CSC), regarding a new prison in Newfoundland and Labrador to be located in Harbour Grace: (a) are discussions currently ongoing between the federal government and the Government of Newfoundland and Labrador with regards to a new prison and, if so, (i) what is the status of these discussions, (ii) who has been involved in these discussions on behalf of the federal government, (iii) has there been any discussions with the federal Department of Finance or the Treasury Board Secretariat with regards to financing a new prison for Newfoundland and Labrador; and (b) has any investigation been undertaken with regard to structural requirements and, if so, (i) what is the capacity of any proposed new structure, (ii) what are estimated construction costs of a building to meet existing demand, (iii) what are the timelines for constructing such a facility?

Hon. Peter Van Loan (Minister of Public Safety, CPC): Mr. Speaker, the reply from Correctional Service Canada is as follows:

S. O. 52

With regard to a) the province struck a capital planning committee to discuss the replacement of Her Majesty's Penitentiary and invited Correctional Service Canada's, CSC, participation.

(i) A number of meetings were held between the capital planning committee and the consulting firm engaged by the province to develop a design concept. The province also engaged a consultant to carry out a site impact analysis study in respect of the location of the replacement for Her Majesty's Penitentiary. The respective ministers responsible for corrections have met and exchanged letters on a number of occasions during the past year.

(ii) The regional administrator policy and planning of the Atlantic region is CSC's representative on the provincial capital planning committee.

(iii) No discussions with the Department of Finance and/or Treasury Board Secretariat in respect of financing a new prison for Newfoundland and Labrador have occurred.

With regard to b) (i) (ii) (iii) CSC is unable to answer the specific questions for part (b) of the parliamentary question as they fall under the responsibility of the Province of Newfoundland and Labrador.

* * *

[English]

STARRED QUESTIONS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons, CPC): Mr. Speaker, would you be so kind as to call Starred Question No. 97. I ask that it be printed in *Hansard* as if read.

[Text]

Question No. *97—**Mr. Jim Maloway:**

Concerning the rehabilitation of the Disraeli bridges in the riding of Elmwood—Transcona in Winnipeg, which are expected to be closed for 16 months, did the government have any communications or requests for assistance from the Mayor of Winnipeg to shorten the length of that closure or to construct an additional span which when finished would allow for no closure at all and, if so, what are the details of these communications?

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I am informed by Transport Canada that there are no records of communications or requests for assistance from the Mayor of Winnipeg concerning the rehabilitation of the Disraeli bridges.

I am informed by Infrastructure Canada that there are no records of communications or requests for assistance from the Mayor of Winnipeg concerning the rehabilitation of the Disraeli bridges.

[English]

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

• (1005)

REQUEST FOR EMERGENCY DEBATE

SEAL HUNT

The Speaker: The Chair has received a request for an emergency debate from the hon. member for Cape Breton—Canso. I will hear his arguments on this matter now.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Mr. Speaker, I stand before you with a request to hold an emergency debate.

I am sure all members of the House are very much aware of the actions taken by the European parliament to ban all products that are generated from the Canadian seal hunt. I cannot state emphatically enough the devastating impact this is going to have on rural communities throughout eastern Quebec, Newfoundland, Cape Breton, in fact, throughout all of the Atlantic provinces.

This is an international affront to Canada. We cannot sit back as a Parliament and stand for this. We have to stand together as a Parliament and make sure that all persons in the European parliament understand what is being undertaken in that house.

The seal hunt for many is the only opportunity they have to generate any household revenue throughout the course of the winter months. It may seem meagre to some, but when someone is trying to feed a family and pay the bills of an average household in a remote or rural area, in an outport or in a coastal community, it is significant.

What the European parliament has undertaken puts a great number of Canadians at risk, a great number of Canadian households at risk.

I hope that all parliamentarians will show courage. I hope that you, Mr. Speaker, will see the merit and the wisdom in hosting this debate to make sure that this issue gets a fulsome debate to show how Canadians are going to be hurt. I ask that you entertain this important issue and this request.

The Speaker: The Chair recognizes the importance of the issue raised by the hon. member for Cape Breton—Canso.

The Chair also notes that the Standing Committee on Fisheries and Oceans tabled a report on the subject of the seal hunt on February 11th. There are three motions for concurrence in that report standing in the names of three different hon. members on the notice paper which could be moved under concurrence in committee reports and generate a three hour debate on the subject immediately, if not sooner.

In the circumstances, I think the matter can be left to be dealt with by the House in the normal course since these motions are there. I do not know that it requires the use of the emergency debate provisions of the House.

Accordingly, I am going to deny the hon. member's request at this time.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I am rising on the same issue.

I would like to draw to your attention this one important fact that makes a distinction between what the official opposition whip has asked for today in terms of an emergency debate and the items that are on the order paper relating to a committee report.

The significant new event that has happened overnight is the decision taken by the European Union. This stands out as an international affront to Canada. It is extremely important, it seems to me, for the Parliament of Canada to act in an urgent manner in response to that.

The participation of parliamentarians in an emergency debate within 24 hours of the Europeans making their decision is the appropriate kind of response, not dealing with this matter as a routine item in respect of a committee report, but in fact, the Canadian Parliament taking an extraordinary measure in response to this extraordinary and inappropriate measure taken by the Europeans.

It is the symbolism of an emergency debate within 24 hours that I think is the important thing, and I would ask that you, Mr. Speaker, take that important urgency into account in your deliberations.

•(1010)

[Translation]

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, I agree with the remarks made by the House leader of the Liberal Party as well as with the request for an emergency debate made by my colleague, the whip of the Liberal Party. Indeed, the report that is on the order paper was tabled before the European Council's decision was known. This decision was made yesterday, and in view of the urgent situation it creates, especially in terms of its economic impact on many families in two regions of Quebec in particular, namely the Gaspé and the Magdalen Islands and the lower North Shore, with all due respect, Mr. Speaker, I think you should accept the request for an emergency debate that is before you.

[English]

The Speaker: In light of the representations, I will take the matter under further advisement and return to the House later this day with a decision on the matter.

[Translation]

In these circumstances, the parties may have discussions among themselves to determine whether it is possible to have another type of debate on a concrete motion.

In my opinion, the difficulty with an emergency debate is that there is no motion that condemns or says anything about what is happening. It is simply a motion for the adjournment of the House.

[English]

Members may wish to express their views on this matter in the form of a formal motion. That might be done by another technique that is open to hon. members to negotiate, if they choose to.

In any event, I will come back to the House at 3 o'clock with respect to the matter, having reviewed the points raised by the hon. members who have already risen on this point.

Government Orders

GOVERNMENT ORDERS

[Translation]

CUSTOMS ACT

The House resumed from May 4 consideration of the motion that Bill S-2, An Act to amend the Customs Act, be read the second time and referred to a committee.

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am pleased to speak today on this bill which addresses the administration of customs.

In recent years, as the aftermath of 9/11, there has been a very marked tightening of customs security. There is at the same time an awareness that a balance must be struck between security and the need for proper service and for avoiding problems because of the way things are being done. If all the priority is given to security alone, the end result may be hindrance of the border-crossing mechanisms.

The border between Canada and the U.S. is a very long one. Obviously it can be crossed by road, or even just on foot, but it can also be crossed in a plane. This bill before us is an attempt to remedy the situation. The Bloc Québécois will be voting in favour of this bill because we feel that the measures it contains are appropriate. Time will tell whether they actually succeed in improving the situation on any ongoing basis, but the bill is evidence of good will and we hope it will be passed.

Primarily, though, this bill is designed to provide Canada Border Services Agency officers with the information, tools and flexibility they need to identify threats and prevent criminal activity, while ensuring that legitimate goods and travellers can cross the border efficiently. Under the amendments that have been announced, all businesses that are part of the import chain are required to provide the Canada Border Services Agency with electronic data on their shipments before the goods reach Canada.

In the last few years, particularly with the cooperation of the U.S., a system was put in place to ensure security within the companies themselves. Care is taken to ensure that the products are protected and isolated, and also that shipping does not reopen to question their seal or their security when handled, when additions are made to them, or when they are processed. This is what these amendments reflect.

With this advance electronic information on transportation, the Canada Border Services Agency will be able to make better decisions about admitting goods and analyzing the risks they pose to Canadians and Quebecers. We see this as a positive measure. Of course, we have to ensure that implementing this electronic system will not interfere with existing laws and regulations, such as those governing privacy. However, in the transportation sector, this kind of situation occurs infrequently, and we have not seen any such complications in the existing act.

Government Orders

Other changes will allow the Canada Border Services Agency to fully establish customs controlled areas. These areas will be specific territories, legal entities. When an individual arrives at an airport, customs officers will have the authority to exercise the rights set out in the act. This will clarify notions that are set out in the existing act but that do not enable customs officers to take appropriate action. That is what this bill seeks to fix. Officers will enjoy greater freedom to examine goods and question and search people, regardless of where they are in these areas, not just at exit points, as the current law states. The current law does not allow officers to search individuals until they have left the customs controlled area. People exhibit all kinds of behaviours within the areas themselves, and in the past, situations have arisen that may have required officers to intervene, but they could not. This bill would resolve that problem.

At first sight, the bill seems adequate, but an in-depth review and close questioning of Canada Border Services Agency inspectors and government officials will be necessary. As I said at the start, we must not nitpick to the point where we would be creating a situation more complicated than the one we already have. What we need is a fluid border for land and marine crossings but also for the movement of people and goods by air.

• (1015)

That will be the primary concern of the Bloc Québécois when the bill goes through detailed analysis in committee. That is why we will want to hear witnesses from the government agency and from companies that do transborder trade and want decent services. We can also expect that organizations advocating privacy protection and individual rights will want to make sure that the legislation does not complicate the situation on the Canadian side and does not undermine citizens' rights.

The bill was introduced on January 29, 2009 by the Conservative leader in the Senate and later sent to this House. We do not think that the introduction of bills first in the Senate which then sends them to this place is the best way to do things. It is always better to introduce bills first in the elected House of Parliament instead of the other chamber, where members are not elected. This way of proceeding should be changed to ensure the government does not use it to get around the urgency of certain issues or to introduce through the back door measures it does not want to introduce directly.

This bill is identical to the one introduced on December 2, 2008 and to Bill C-43, which was introduced on February 15, 2008 during the second session of the 39th Parliament. Both these bills died on the order paper. We can therefore understand how anxious the Canada Border Services Agency is to have the act finally amended. The Bloc will cooperate on passing the bill and will support it at second reading by not prolonging the debate. However, it will also make sure that the committee hears witnesses and considers the bill in a timely manner.

Bill S-2 amends the Customs Act to clarify certain provisions of the French version of the act and to make technical amendments to others. We felt it was important to correct these provisions. Often, bills are initially drafted in English, and there are regularly problems with the translation, which can lead to misinterpretation of the act once it comes into effect. These things must be corrected. The

current bill makes much-needed improvements and should be passed as soon as possible.

The bill also imposes additional requirements in customs controlled areas, grants the minister the power to authorize entry, amends provisions concerning the determination of value for duty and modifies advance commercial reporting requirements. The search powers of customs officers are expanded to include individuals and their goods that are in or are leaving a customs controlled area. The current Customs Act does not allow officers to go and get someone who refuses to be searched and stays in the buffer zone. This legal vacuum causes unacceptable situations and needs to be addressed.

The bill also provides that regulations may be enacted that describe the time frame and manner in which information about passengers may be provided by prescribed persons. This is the whole issue of personal information that I was talking about earlier. With regard to searches, we must ensure that customs officers do not have undue authority and that the rights of Canadian citizens and foreign travellers are properly protected.

The current Customs Act was passed in 1986 and is the result of the total revamping of the 1867 act. This shows that the customs sector has been around for a very long time. When Canada was created, a customs service was established and has evolved over the years. The pace of change seems to be accelerating, driven by the arrival of new electronic technologies that can be used both to improve the system, but also by people who want to bring illegal goods into Canada. In that regard, it is very important to ensure that our technologies are up to date in order to detect potential inadvertent errors or malicious acts.

• (1020)

As we have heard, since 1986, the act has been amended continuously in response to free trade and related international agreements, and to fine-tune international trade measures.

Again recently, we have seen how certain countries can also use customs legislation to practice a form of protectionism. We hope that is not the case at this time and that Canada does not anticipate that kind of situation. In the past, the fluidity of the border between Canada and the U.S. has benefited Canada and particularly Quebec. We also know, however, that since the establishment of free trade agreements that are casting the net wider in light of globalization, we are seeing increased competition. We must ensure that Canadian products are imported and exported properly. The same is true when it comes to people crossing our borders, and that is how we must look at this bill.

I will elaborate on this.

Clause 2 of the bill removes the authorization-by-regulation requirement by which the minister currently approves access to a customs controlled area by a person.

There will be no need for a regulation to allow that. It will be possible to do so directly under the act. The minister will be able to grant that access directly.

Government Orders

Clause 3 of the Bill removes an exemption that applied to persons boarding a flight to a destination outside of Canada who were leaving a customs controlled area. By the removal of this exemption, such persons are obligated to present and identify themselves to an officer and to report any goods obtained in the area and answer questions asked by an officer.

We will examine closely what this means in order to avoid administrative duplication, for example. It will be important to verify such concerns.

Clause 4 amends the regulation-making powers of the Governor in Council to include regulations prescribing the persons or classes of persons who may be granted access to customs controlled areas and the manner in which a person must present himself or herself upon leaving, or while in, a customs controlled area.

Therefore, these are fairly technical points that are being amended in order to give customs officers more latitude as well as the ability to act more quickly and efficiently within customs controlled areas.

Clause 7 amends the methods available to adjust the transaction value of the goods being imported when the vendor receives a benefit from a subsequent sale... This may lead to higher valuations and therefore higher duties being paid by importers.

They must try to state the real value of the goods to ensure that we do not open ourselves to the black market or to a market that does not reflect the true value of the good.

Clause 11 [amends the bill] so that a customs officer is authorized to conduct a non-intrusive examination of goods in the custody or possession of a person in or leaving a customs controlled area, in accordance with the regulations.

After seeing how people often behave in customs, it is important that, on occasion, action be taken to allow the non-intrusive examination of goods that is not detrimental to the individual and that does not create an undesirable situation for the person concerned.

We could say that this bill makes the connection between the customs provisions that impose duty and tariffs on importers and the security measures in various other laws.

The proposed amendments to the method of calculating the value of imported goods could reduce the number of disputed duty calculations. We hope that the number of disputes will decrease and that border traffic will flow more freely but with adequate control.

It is also thought that revenue from duties could increase if the value of goods imported is more likely to be adjusted upward as a result of the proposed changes to the methods for determining customs value. There is no point in pretending that the changes will probably result in additional revenue for the government because they will be taxed on the real value of the goods much more than is done at present.

The purpose of the provisions of the bill that require information to be provided in advance is to improve the risk assessment of goods at the border. In the past, particularly with the implementation of what is called C-TPAT, an American law to ensure oversight of what is happens in factories, we have seen that there is no rechecking done at each stage during transport. We hope that there could be this new type of facility for the new powers granted. Combined with the creation of the broader search power for officers in customs controlled areas, this measure could reduce the number of dangerous counterfeit products entering Canada through customs controlled areas.

● (1025)

We have seen in the past that goods entering Canada were in fact illegal copies that infringed rights and patents that had been paid for, for example, but most importantly they were goods that could have negative impacts on health and that could even affect children's health. As well, there are people who travel and may bring back samples of products. We also want to ensure that there is less and less counterfeiting occurring, to eliminate the problem at the source rather than having this unacceptable situation.

We are also told that border services officers may now search persons only when they leave controlled areas. In future, it will be possible to do that inside the controlled area itself, and this will be easier because we know that, at present, the officer questions people as they leave and can even conduct a search if the officer thinks it necessary.

In the new scenario, officers will be able to ask the same kinds of questions inside the controlled area, and if there are reasonable grounds, they will be able to conduct a search. They will be given adequate training and people who enter a controlled area will be informed of the possibility of a search. They would have notice. So we see the bill as a whole and the perspective the minister wishes to take.

I hope that this bill will reflect a different philosophy from the one we see at present in the government's approach, for example in connection with Mr. Abdelrazik's return to Canada. He is a Canadian citizen who is currently at the embassy in Khartoum and wants to return here. There is an international convention that allows him to return to his country, even if he is on a UN no-fly list.

The Canadian government is currently refusing to apply the agreement that it signed. The government behaves this way in regard to a symbolic matter, but we certainly hope it does not when it comes to the implementation of an actual piece of legislation, such as the one we will be voting on with Bill S-2. If this kind of behaviour turns up in other similar cases, if it occurs in the enforcement of a law, if the bill we are voting on allows this sort of thing, I think these kinds of excesses would be totally unacceptable. That is why the committee must ensure that the bill respects with all individual rights.

I invite all groups that want to make presentations to do so in committee. When the bill comes back to us at report stage and at third reading, all the necessary changes will have been made to ensure that customs officers can do their jobs more effectively and satisfactorily and speed up border crossings for airlines, while at the same time showing respect for the citizens who are being processed, both Canadians and people from abroad who are visiting us.

Over the last few years, there has been a major drop in tourism to Canada. Every time we make a decision about customs, we should ensure that we are not adding another obstacle, as we did to some extent by increasing the cost of passports.

Government Orders

The Americans now require passports of people even when they are using a land crossing and we have seen the additional costs involved. This will probably cause some American families interested in vacationing in Canada to go instead to another American state. For a family of four or five, that is an additional cost that could equal the cost of two, three or even four vacation days. As a result, some will prefer to stay in the United States and spend their money there, even though we were trying to create a free trade area in which everyone would benefit from more exchanges.

When we pass bills like S-2, we will have to adopt a perspective and take an approach that avoids this kind of complications. We will also have to look into whether the situation will be different at small airports and large airports. We should ensure as well that the customs controlled areas that are created—I am thinking of small airports like those in Gatineau or Rivière-du-Loup where there are no customs services as such—do not require additional security services to be established that are not necessary and currently not required.

We will have to pay particular attention to this if we want to have a bill that facilitates the flow of people rather than impeding it.

● (1030)

I will conclude on that note and encourage the House to pass this bill as soon as possible.

The Acting Speaker (Ms. Denise Savoie): Is the House ready for the question?

Some hon. members: Question.

[*English*]

The Acting Speaker (Ms. Denise Savoie): The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Ms. Denise Savoie): I declare the motion carried. Accordingly the bill stands referred to the Standing Committee on Public Safety and National Security.

(Motion agreed to, bill read the second time and referred to a committee)

* * *

[*Translation*]

CANADA NOT-FOR-PROFIT CORPORATIONS ACT

The House proceeded to the consideration of Bill C-4, An Act respecting not-for-profit corporations and certain other corporations, as reported (without amendment) from the committee.

The Acting Speaker (Ms. Denise Savoie): There being no motions at report stage, the House will now proceed without debate to the putting of the question on the motion to concur in the bill at report stage.

Hon. Keith Ashfield (for the Minister of State (Small Business and Tourism)) moved that Bill C-4, An Act respecting not-for-profit corporations and certain other corporations, be concurred in at report stage.

The Acting Speaker (Ms. Denise Savoie): The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Ms. Denise Savoie): I declare the motion carried.

(Motion agreed to)

● (1035)

[*English*]

The Acting Speaker (Ms. Denise Savoie): When shall the bill be read the third time? By leave now?

Some hon. members: Agreed.

Hon. Keith Ashfield (for the Minister of State (Small Business and Tourism)) moved that the bill be read the third time and passed.

Mr. Gord Brown (Leeds—Grenville, CPC): Madam Speaker, I am pleased to have this opportunity to address the House on the third reading of Bill C-4, An Act respecting not-for-profit corporations and certain other corporations.

First of all, I would like to thank the chair, the member for Wellington—Halton Hills, and the rest of the Standing Committee on Industry, Science and Technology, the committee on which I sit, for the committee's hard work in the examination of this piece of legislation. The extensive bill we were required to study dealt with highly complex subject matter, and the time and the seriousness for which the committee approached the task are greatly appreciated.

[*Translation*]

I would also like to thank all those who appeared before the committee to make comments and suggestions. In studying this bill, the committee was able to draw on the collective expertise of these witnesses, which allowed it to improve the bill through a number of amendments based directly on their recommendations.

[*English*]

This bill, which was returned to the House by the committee, is an important step forward for the volunteer and not-for-profit sectors in Canada in terms of governance.

The corporations that will benefit from Bill C-4 touch on all aspects of our lives. Some are charitable organizations, others represent groups of individuals or companies or provide services for their members or for their communities regardless of their mission or size. All of these organizations will benefit from the provisions of the new Canada not-for-profit corporations act.

It must be remembered that the current legislative framework for federally incorporated not-for-profit corporations has not been substantially altered in over 90 years. As a result, the current legislative framework imposes an administrative and financial burden on the organizations involved. Bill C-4 proposes that this framework be replaced by new legislation, the Canada not-for-profit corporations act, which will help alleviate those burdens.

Government Orders

[Translation]

Under the new legislation, incorporating a not-for-profit organization would only take a few days and would involve very little paperwork. The requirements imposed upon these corporations would be reduced to the strict minimum to ensure good governance depending on their size and objectives. The new act will give not-for-profit organizations the flexibility they need to concentrate on their mission. For example, these organizations and their members will finally be able to make full use of modern electronic means to communicate and to hold their assemblies and meetings.

[English]

The new act will provide a modern governance framework for the volunteer sector based on member accountability that will allow it to fully play its role. Members will be equipped with the tools they need to effectively manage their organizations. They will also be able to take appropriate measures to correct certain situations when necessary.

In addition, the governance framework will provide the Canadian public with a means of ensuring that sums of money raised are used appropriately and in a responsible manner, which should help boost Canadians' level of trust in not-for-profit corporations.

In order to be able to operate, most not-for-profit corporations count on the support of Canadians from all walks of life. Millions of Canadians are either employed directly in the not-for-profit sector or volunteer their time. In one way or another, they do this to help not-for-profit corporations.

Coming at a time when the expectations of the Canadian public and the members of these organizations have never been higher, the proposed new governance structure in the Canada not-for-profit corporations act will greatly clarify the roles and responsibilities of the directors and officers of the corporations.

The clear duty of care and the due diligence defence against liabilities will help ensure that federal not-for-profit corporations will continue to be equipped to recruit and retain the services of energetic and talented individuals as officers and directors.

● (1040)

[Translation]

For all these reasons, this bill is long overdue. During the committee hearings on Bill C-4, a number of witnesses stated that this new bill would greatly improve the governance system and legal framework of not-for-profit corporations and corporations without share capital in Canada. All agreed on the need to pass Bill C-4, some insisting that it be done quickly.

[English]

When such an important framework statute that affects our economy is being modernized and updated, certainty as to how the changes will come about and be enforced is of great importance to all stakeholders.

The government recognizes this and will take concrete steps to help the not-for-profit sector to transition into the new act. With that in mind, a number of tools such as guides and fact sheets along with model articles of incorporation and model bylaws are being

developed by Corporations Canada to help not-for-profit corporations and their directors adjust to the new regime.

Notification of the passage of this bill along with information on the availability of materials that will assist in the transition to the new legislation will be sent out to all corporations that will be impacted. This information will be posted on Corporations Canada's website for easy reference, and officials will be available to assist, if required.

Finally, Corporations Canada will work with other government departments and voluntary sector umbrella organizations to deliver training materials to affected corporations.

[Translation]

I am convinced that the flexibility and ease of use provided by this new legislation will be recognized, accepted and welcomed by the volunteer sector.

[English]

Let us wait no longer. Corporations in the voluntary and not-for-profit sectors need a framework that is free of excessive demands and also of red tape. They need it as soon as possible. I therefore encourage all members to support this initiative aimed at providing organizations that are important to Canadians with a modern framework that will allow them to devote their full energies and resources to fulfilling their primary purposes of providing much needed services to millions of Canadians.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Madam Speaker, one of the big challenges facing the non-profits right now is the fact that the CCRA, Revenue Canada, is coming down on them like a ton of bricks. As we are all aware, this has been an outfall as a result of the Banyan Tree Foundation NGO issue. In the CCRA's zeal to try to find some malfeasance in the non-profit sector, it has spread a broad net and is tying up non-profits which are trying, with minimal resources, to do an enormous amount of good work.

I want to suggest two things for the member. First, that he ask the Minister of National Revenue to call off the attack dogs and start dealing more reasonably with non-profits. The government should listen to their concerns and develop a structure that would allow them to work effectively with the limited resources they have. The member should also bear in mind that our non-profit organizations do an extraordinary amount of work with volunteers across our country. I know the government is trying to do that with the bill but it inadvertently is causing non-profits enormous pain and suffering and comprising their ability to help the people in need who need help from non-profits due to the government's failure to do its job in many areas, from housing to other issues that are affecting those most in need.

Second, I would recommend that the member ask the Minister of Finance and the Minister of National Revenue to change the tax structure to allow foundations to occur in Canada in a similar fashion to what occurs in the United States. If the member were to do that, we would liberate a lot of money.

Government Orders

The last issue concerns the transferring of assets to non-profit organizations, such as real estate. The Canadian Real Estate Association has some very constructive solutions that would enable people to give their real estate assets to non-profits, which would be a huge boon for non-profit organizations to acquire assets that they could use for housing and to run the programs for those most in need.

I would ask the member if he has any views on that and if he is willing to take that to cabinet.

• (1045)

Mr. Gord Brown: Madam Speaker, as a board member of the United Way in Leeds—Grenville since the year 2000, I understand very well the challenges that the not-for-profit sector has to face.

The committee spent a great deal of time listening to witnesses who came before the committee. There were in excess of 300 clauses in the bill. I did address in my presentation that a great deal of time was spent going through the various challenges that the non-for-profit sector is facing.

Many of the things brought forward in the bill would help alleviate the very questions that the hon. member has asked in terms of making it much easier for not-for-profit corporations to operate, but also there would be far more accountability and it would instill more confidence in Canadians in what they do and, hopefully, will make them more generous in their contributions to these various not-for-profit corporations.

[*Translation*]

Mr. Guy André (Berthier—Maskinongé, BQ): Madam Speaker, I had asked the hon. member a question about Bill C-4. How will this bill provide clear, additional protection for the directors of these not-for-profit corporations against possible lawsuits that could be filed against them in the course of their activities as volunteer directors?

[*English*]

Mr. Gord Brown: Madam Speaker, one of the problems with attracting directors to these not-for-profit corporations is the liability they may incur by sitting as directors of these corporations. What has been addressed in the bill is much more clear in terms of what their responsibilities are. From what we heard from the various witnesses, they are very happy, not only with the accountability but clearly laying out the responsibilities of directors.

[*Translation*]

Mr. Marc Garneau (Westmount—Ville-Marie, Lib.): Madam Speaker, as the Liberal critic for industry, science and technology, it is an honour for me to say a few words about Bill C-4, An Act respecting not-for-profit corporations and certain other corporations. Let us recall that this bill originated with the Liberal Party about a decade ago. Its object was to revise the regulations and the governance rules of not-for-profit corporations.

As we know, this bill deals specifically with not-for-profit corporations; it would replace part II of the Canada Corporations Act and it would apply to some entities presently covered by part III of that act.

The bill would also provide for continuance of corporations established by special acts of Parliament under the Canadian

Business Corporations Act. Lastly, it would repeal the Canada Corporations Act.

• (1050)

[*English*]

Bill C-4 was developed as a result of the previous Liberal government's commitment to the voluntary sector task force initiated in 1999 to modernize the governance of the non-profit sector. It proposes substantial changes to regulations going back to 1917.

Many of the corporate governance provisions, as well as many other provisions found in the bill, are modelled on the corporate governance provisions contained in the Canada Business Corporations Act, the statute that regulates federally incorporated for-profit corporations, for example, business corporations.

[*Translation*]

In general terms, this legislation seeks to provide a modern governance framework to regulate some 19,000 federally incorporated not-for-profit organizations, including community organizations, cultural organizations, national charitable organizations, religious organizations and many others.

First in July 2000, and again in March 2002, Industry Canada released consultation reports and organized new consultation meetings across the country to discuss various reform options.

[*English*]

Following the second round of consultations, Industry Canada released a paper entitled "Reform of the Canada Corporations Act", the federal, not-for-profit framework law. Two years later, the Liberal Party introduced the first version of the non-profit corporations act as Bill C-21. The bill passed second reading, underwent three committee meetings but did not reach a final vote before the election call of 2005.

Under the Conservative government, the bill was reintroduced as Bill C-62, but only passed first reading before being lost in the September 2008 election call.

[*Translation*]

Bills C-62 and C-4 certainly contain amendments to Bill C-21, including the definition of what is meant by "a soliciting corporation".

As we know, soliciting corporations are those that receive any or all of their funding from public sources, by fundraising, for example, or by other means.

It can be seen that Bill C-4 is sufficiently flexible to effectively meet the needs of not-for-profit corporations of all sizes by providing clearer rules, as well as accountability and transparency in the entire not-for-profit sector.

Government Orders

All in all, the bill makes significant changes to the area of financial responsibility, to the rights and responsibilities of officers and administrators, and to the rights of members.

[*English*]

If passed, Bill C-4 will implement new rules on financial reporting based on the organization's annual revenues and sources of funding; new rules on standard of care for directors and new rules for director liability; new rules that permit written resolutions in place of meetings and allow corporations to avail themselves of technological advances; new rules permitting members access to certain information to monitor director activities and enforce their rights within the organization; and a streamlining of the incorporation process and a reduction in the regulatory burden for the not-for-profit sector.

[*Translation*]

In other words, with this new bill, the sometimes endless and often complicated incorporation process will be streamlined and simplified. Organizations will be able to fill out electronic forms and pay fees on line, and the current requirement that applications for incorporation are subject to a departmental review will be eliminated. This will make the incorporation process easier and faster.

[*English*]

A new office of director of corporations would replace the current system of ministerial review and discretion. This director would have administrative and regulatory functions and would be able to issue incorporation, amalgamation or dissolution certificates; investigate and make enquiries about compliance; and access key corporate documents, such as membership lists and financial statements.

As stated, the new bill would also make significant changes in terms of financial accountability; the rights and responsibilities of directors and officers and members' rights.

Improving transparency and accountability is a major objective of the new legislation through new rules on financial reviews and disclosure. All non-profits would need to make their financial statements available to their members, directors and officers, in addition to the director appointed under the act.

● (1055)

[*Translation*]

Directors of soliciting organizations will have to make their records available to the public. This legislation will also improve financial accountability with new accounting audit rules. These rules recognize that not-for-profit organizations have different levels of revenue and different funding sources.

All soliciting and non-soliciting organizations classified under the new legislation as having "significant" revenue will be subject to an accounting audit. I want to point out that the stakeholders targeted by this new legislation supported the proposed changes during initial consultations, as did the witnesses who testified during the earlier committee meetings.

[*English*]

In the original consultations, strong support was given for the proposed reforms dealing with standard of care, due diligence, defence, indemnification in insurance and limited liability of directors and officers.

Some of the areas where there was less unanimity between those consulted originally included clarification of the rules governing not-for-profit corporations versus registered charities, whether there should be classifications under the bill that would stipulate different requirements based on the type of not-for-profit organization, whether or not it should be necessary to file bylaws, and, as well, the level of auditing required.

[*Translation*]

The committee certainly examined these points in detail. In the meantime, speaking as a person who has been involved in not-for-profit organizations, I must say that I support this legislation wholeheartedly. I want to emphasize that my Liberal colleagues and I are eager to work with our colleagues on the government side to pass this important legislation, which has been a long time coming.

As a new member, I have really enjoyed my first committee task, which was to make a constructive study of Bill C-4, and I believe that we succeeded.

[*English*]

On a personal note, I enjoyed the committee process surrounding Bill C-4. This was my first experience in committee work and I was certainly conscious that I was participating in an important undertaking on behalf of the people of Canada. I was also conscious that Bill C-4 had been on the books for a very long time and that there was urgency in moving it forward.

During the course of the past three months or so, the industry committee heard from a variety of witnesses, some of whom had appeared before the committee in earlier days. The committee also had the opportunity to interact with officials from the government. I would like to take a moment to commend them for their professionalism. They certainly helped me understand some of the very complex aspects of Bill C-4, being one of the few non-lawyers in this House.

During the witness hearing period, we had the pleasure of hearing from the following groups, among others: the Canadian Society of Association Executives; the Canadian Bar Association; the Certified General Accountants Association of Canada; the Canadian Institute of Chartered Accountants; United Way of Canada; Imagine Canada; the General Synod of the Anglican Church of Canada,

[*Translation*]

During all the consultations with the witnesses before the committee, it became clear that all stakeholders had the best interests of the bill at heart and had monitored its progress closely for many years. The fact that they had taken the time to prepare their submissions and to travel to Ottawa to speak to us is evidence of the importance they assign to Bill C-4. Their goal, above all else, was to clarify and simplify by making constructive suggestions.

Government Orders

As I said, we also consulted with a team of government experts. I will, if I may, summarize briefly what they had to say about the improvements proposed by Bill C-4.

This bill greatly simplifies the incorporation of not-for-profit corporations by replacing the discretionary approval process of the minister to issue letters patent with one that is closer to a legal procedure.

It simplifies the administrative formalities and related costs for small corporations, by allowing them to dispense with the financial review, subject to membership consent.

It provides the not-for-profit corporations with all necessary flexibility to organize their activities via their by-laws.

It permits members to receive information via electronic means, including the holding of meetings by electronic means, if members so desire.

It provides an unequivocal defence for board members and directors against unjustified civil proceedings.

It provides members with a new set of rights, including the right to financial information, the right to propose items for discussion in preparation for annual meetings, and the right to recourse if there is abuse and a dispute arises with the corporation.

It provides a great deal more transparency to corporations funded by public donations or government grants. It sets out clear rules and procedures for a broad range of potential situations, including funding through borrowing or trust indentures.

We are well aware that a number of these provisions will never be used by the bulk of these corporations, but the new legislation will eliminate ambiguities which can, in some cases, cost thousands, if not hundreds of thousands, of dollars in legal fees before any settlement is reached.

● (1100)

[English]

I believe that the latest version of Bill C-4, although no one would ever claim perfection, is a very sensible document. It modernizes the law dealing with Canadian not-for-profit corporations. Needless to say, it has been a long time coming. I hope we can take it expeditiously through the remaining steps of its journey.

Some clarifications, particularly with respect to soliciting corporations, were added as a result of the witness consultations. On the issue of simplifying the bill by removing certain parts that apply to only a very limited number of corporations, the decision was taken to keep them in the bill for the sake of completeness.

While the bill may be a relatively thick document, it is thick so that it can cover all aspects of the law dealing with not-for-profit corporations. Most corporations will be dealing with a much smaller part of the law in their daily operations.

In summary, I believe Bill C-4 is a good bill. It is the product of constructive work between all committee members, and I look forward to seeing it become law.

[Translation]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Madam Speaker, I listened with interest to my colleague's speech, especially in light of the fact that I was industry, science and technology critic when this legislation was first introduced a few years ago. The drafting of a completely revised bill was delayed by elections. I believe it was urgent that it be done. Indeed, members of the committee did a good job and at this stage, the bill should be adopted as soon as possible.

However, as my colleague mentioned, bills can always be improved. This bill does not contain a classification system for existing types of organizations. This means that a charitable organization whose purpose is to provide services to non-members will be in the same situation as a mutualist organization that provides services to its own members. Under this bill, all not-for-profit organizations covered by the act will belong to the same general category. The Canadian Bar Association sees that as a weakness in the bill.

Could my colleague tell me if he thinks this situation should have been rectified? Was this noted in committee and did the committee decide to leave the bill as is? It seems to me that the current updating of the act, which had not been done in a very long time, may require further adjustments in three, four or five years to take the size of not-for-profit organizations into account.

I would like to know my colleague's point of view on this to ensure that the maximum has been done already so that the act is perfectly adapted to the new realities of the 21st century.

● (1105)

Mr. Marc Garneau: Madam Speaker, I thank my colleague from the Bloc for his very pertinent question which was thoroughly presented by his colleagues who were members of the committee.

The classification of not-for-profit organizations was presented as the member did in his question. However, after listening the Bloc members' arguments, the committee decided not to proceed with a classification of not-for-profit organizations for the moment.

[English]

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Madam Speaker, many citizens in our communities are in dire need, particularly during the economic downfall that has happened in our country and around the world.

There have been a number of very constructive solutions from the non-profit sector. One of those has to do with tax credits, in that non-governmental organizations should receive the same tax benefit as political parties. Why on earth do donors to political parties receive a much higher tax benefit than donors to NGOs, which many of us would argue are certainly more worthy of receiving money for helping those most in need?

Government Orders

Does my colleague think that is something we may want to consider? Does he have any other ideas? Madam Speaker, I know that this is a big interest of yours. This is one of the prime responsibilities of government. The government has really failed to help those most in need. In the city of Victoria, there are 1,400 people living on the street. The absence of a credible platform dealing with housing is a huge problem. No matter what other issues an individual may have, that individual will never be able to deal with those issues unless he has a roof over his head.

It is important for the government to work with other parties and sectors outside the House to have a credible housing strategy. Realtors have some very constructive suggestions, one of which would be changes within the revenue act to include a tax rollover provision. This provision would enable people to sell assets they currently have and roll that money over if they purchase, rebuild or refurbish a new structure within one year. The government could make it a quid pro quo. If a person selling an asset to buy an asset accessed the rollover strategy, the person would be obligated to spend some of that money on affordable housing.

Does my hon. friend have any comments on these issues? Perhaps he could provide other solutions given his vast experience.

Mr. Marc Garneau: Madam Speaker, my hon. colleague from Esquimalt—Juan de Fuca is always thinking broadly in terms of policy in an incredible number of different areas dealing with government business.

During our deliberations in the three months that we saw witnesses, the issue of tax benefits did not come up. Like the hon. member, I certainly agree that people in the not-for-profit corporations, and I am an honorary patron of one myself, devote an incredible amount of their personal time to good causes, without remuneration. The great majority of not-for-profit corporations are made up of volunteers, and they do wonderful things.

The idea of recognizing the enormous contribution they make through some form of tax benefit is certainly appropriate, and perhaps it should be brought up at a future time. For the purposes of Bill C-4, it was not an issue that was raised specifically within the context of the law itself.

• (1110)

[*Translation*]

Mr. Guy André (Berthier—Maskinongé, BQ): Madam Speaker, I have a question for the member.

As he said in his speech, he met various witnesses during the study of the bill. I will ask two questions. First, some would want to impose more controls on the role of directors of not-for-profit organizations. Does the member think that the people who will sit on the boards of the new not-for-profit organizations will be better informed of their roles and responsibilities because of the new structures?

My second question relates to the eligibility for charitable organization numbers which has been creating a problem for a few years. Many charities or advocacy groups, for example, would like to get charitable organization numbers and be able to issue tax receipts. That has been more difficult for some years now. Was the issue raised during the study of the bill? Does my colleague believe

that the fact that there is absolutely no classification of not-for-profit organizations will allow the government to issue more of those charitable organization numbers?

Mr. Marc Garneau: Madam Speaker, I would like to thank my colleague for his question.

The issue of a charitable registration number has not been raised during debate this time, but it was raised in the past when I was not yet sitting in the House of Commons. The question was not raised again during these discussions and meetings with the witnesses.

We know there is another department involved when it comes to charitable organizations, the Canada Revenue Agency. At this point, there is a consensus among the members of the committee, who believe it is important to keep these two areas, not-for-profit organizations and charitable organizations, in their own niches.

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Madam Speaker, a number of NPOs will undoubtedly be very happy to see that Bill C-4 is moving ahead and that there is a common desire to modernize Quebec and Canadian corporation laws.

For some years, a number of stakeholders, including experts, public servants and not-for-profit organizations, have been asking the government to modernize the legislation. Starting early in this decade, some people have participated in consultation sessions, while others have sent briefs to Industry Canada calling for speedy modernization of the Canada Business Corporations Act. It does seem that after several vain attempts, Bill C-4 may finally pass. It would seem to be very obvious that there is a common desire on both sides of the House to modernize the Canada Corporations Act, particularly given that the bills introduced by previous governments have many similarities.

We will recall that the Liberal Party introduced a bill in 2004. Then, several years later, in 2008, the Conservative government also introduced a bill with a different number, but that contained essentially the same points and same clauses as were in the bill introduced at the time of the Liberal government. Had it not been for the election, I believe that the bill presented by the Conservative government in June 2008 would have been accepted. Today, we are at the third reading stage for Bill C-4. Even though this is third reading, I think it is important to provide a summary of this bill.

The primary objective of this bill is to propose a new Canadian not-for-profit corporations act that will provide those organizations with a more modern and transparent framework. To that end, the NPO operational framework will base its corporate governance model on the one in the Canada Business Corporations Act. The new act will gradually repeal the Canada Corporations Act and replace Parts II, III and IV of that act. This transition period will be spread over three years. Although the bill is complex, the new framework that will govern not-for-profit corporations should greatly simplify and clarify the role of NPOs in our society, both for their members and directors and for the general public.

Government Orders

During consideration of Bill C-4 in committee, a number of witnesses explained to us how important it was to enact it. Although some groups had suggestions to make regarding the document, the message from the witnesses was practically always the same.

We strongly support Parliament's objective of providing a modern, transparent and accountable framework for governance in the not-for-profit sector in Quebec and Canada.

Recognizing the important role that not-for-profit organizations play in our society, the Bloc Québécois is convinced that Bill C-4 should pass. According to the testimony we heard at the Standing Committee on Industry, Science and Technology and what the groups I met on the Hill had to say outside of the committee, this bill will be beneficial.

There are several reasons why the Bloc is in favour of this bill at third reading. As I said in a previous speech, Bill C-4 will considerably improve the efficiency and transparency of the process for incorporating not-for-profit organizations.

● (1115)

Not-for-profit organizations are currently required by law to keep itemized accounts of their activities, but they are not required to make the accounts public. These organizations are ultimately responsible, though, to the public. It is only natural for organizations which raise funds to be transparent and for the financial statements they submit to the government director—who supervises or collects all the information—to be available to the public and any citizens who want to know about the funds that were raised.

The legislation in Bill C-4 would require not-for-profit organizations to open their financial records to their members. That is very important. This information is often controlled by a particular member and is not available to other members because of procedures or obstruction. The government administrator and manager as well as the director—it is important that this should be the government—would make this information public. Above all, the information should be available to the grassroots of the organization. The effect will be to help directors and officers manage their organizations and agencies better and enable members to follow the financial situation of the organization between annual meetings to ensure that the funds really are being used for the stated purposes and objectives.

This framework is necessary for transparency and for the free flow of information within organizations outside of the annual meetings. These meetings are only once a year, of course, and information should naturally circulate the rest of the time as well.

When this bill was being studied in committee, one of the main points that kept returning, in addition to the objective of being modern and transparent, was improving the efficiency of not-for-profit organizations, especially by replacing the letters patent system by an as of right system of incorporation. This makes it much easier to establish not-for-profit organizations.

The current system of discretionary approval by the minister is eliminated and the process for granting incorporation is simplified, which helps organizations that could benefit from increased flexibility. In addition, the new process is less costly for both not-for-profit organizations and the government.

Another change that will facilitate the process for these organizations is the fact they will no longer be required to get their by-laws approved by the director or the government agency for not-for-profit organizations. As a result, they will have the flexibility they need to develop by-laws that reflect their particular needs. All this will increase public confidence in not-for-profit organizations and enhance their credibility.

During committee review of the bill, the Bloc Québécois felt that there were some minor flaws in the legislation that we would have liked to fix. However, none of the amendments that we proposed—and that were rejected by committee members—justifies rejecting Bill C-4. There is no classification system for NPOs in the existing act, and Bill C-4 still does not include a mechanism to change that. The need for such a mechanism was not recognized and was not supported by a majority on the committee, but I think that over time the importance of a NPO classification system will be recognized.

● (1120)

Government officials told us that the new legislation does not need a classification system because the framework is permissive and flexible, allowing organizations to choose how to apply many provisions.

As well, section 154 of the Canada Corporations Act currently stipulates that the federal minister may grant a charter of incorporation if the corporation thereby created pursues:

...objects to which the legislative authority of the Parliament of Canada extends, of a national, patriotic, religious, philanthropic, charitable, scientific, artistic, social, professional or sporting character, or the like objects.

This is like a big funnel, because if a corporation asks to be incorporated as a not-for-profit organization and fits in that broad range, it can be recognized as such and thus have the right to operate as a not-for-profit organization.

We would have liked to amend clause 3 of the new legislation, which does not require NPOs to state their purpose in their articles of incorporation, thus sidestepping the whole notion of specifying what action an organization can take in accordance with its objects.

This is an important issue, considering that the federal Parliament has jurisdiction over only those organizations that do not pursue provincial objects.

Finally, we proposed an amendment to clause 181, dealing with public accountants. Based on the testimony heard, public accountants already meet all the qualifications required under a provincial act or regulation, depending on the province, to perform their duties under clauses 189 to 192. Most provinces have regulations to monitor the accounting profession. That provision seemed a little redundant to the Bloc, particularly because a public accountant who provides accounting services must already meet the requirements imposed by his association, whether these requirements are related to a matter of law or practice. The required monitoring level is adequately covered by other clauses in Bill C-4.

Government Orders

Again, despite the fact that we proposed amendments to the committee, and that these amendments were not accepted, we feel that this does not justify rejecting Bill C-4. The issues that the Bloc Québécois raised in committee were legitimate. Public officials presented arguments that reassured committee members. As for us, we wanted to examine the matter thoroughly, so as to avoid any potential conflict between the provinces and the federal government.

Not-for-profit organizations have been waiting a long time for changes that will modernize the Canada Corporations Act. In the light of the testimony we heard, and in the interests of transparency, effectiveness and fairness, the Bloc continues to believe that these changes are legitimate and essential. Those involved with not-for-profit organizations deserve to be able to work with a Canada Corporations Act that will effectively meet their needs.

Since I have a little time left, I will summarize the objectives of Bill C-4. This bill will, in a concrete way, simplify the establishment of not-for-profit organizations. We live in the age of speed.

• (1125)

In my view, the general public, and all those who work as volunteers, do not wish to be overly burdened by nitpicking regulations or forms that have to be filled out. Now we have something that would make their lives simpler.

The bill clarifies the duties and responsibilities of directors. When they belong to not-for-profit organizations that raise their funds from the public, I feel that directors must be aware of the duties and responsibilities that the role requires. Bill C-4 specifies those responsibilities.

The bill would establish means by which directors and officers could defend themselves in liability cases. Sometimes, members of the organization or of the public decide to sue an organization. In a previous career, I was a community recreation director in the city of Chicoutimi and I had an experience like that. Of course, it was not a federal organization, it was local. A conflict arose between a group and the organization responsible for certain activities. The citizens hired a lawyer and launched a legal attack on other volunteers—it was volunteers against other volunteers—with prosecutors and lawyers.

Bill C-4 would allow some protection when complaints are unfounded or groundless. This means that, when a complaint is made, it will have to be well-founded and serious.

Furthermore, the bill will provide members with increased rights to participate in the governance of their corporation. If a member decides he or she wants to see a list of members, can he or she consult it? Bill C-4 allows such consultations. Can he or she consult the accounting records? Bill C-4 also allows a member or director the opportunity to do so.

The bill will establish a better mechanism to oversee the organization's accounts. When doing the accounting or auditing the books, it is important that public accountants audit the books, especially in the case of a Canadian national organization.

Presentations have been made on the matter. We did not see the need to give too many explanations or details. We felt that Bill C-4 clearly states that it is sufficient to be recognized by a professional

corporation in order to audit the books. Bill C-4 already includes that, but with a much more detailed definition of a corporation.

Those are the objectives. If I still have a little time left, I would also like to remind the House of the Bloc Québécois' position. I believe I have one minute left?

The Bloc Québécois is in favour of the principle underlying the bill and the overall wording of the bill, considering how outdated the current Canada Corporations Act is. Bill C-4 will modernize the act, encourage transparency and ensure accountability among those who are responsible, both on the board of directors and among the members of a corporation.

• (1130)

[*English*]

Mr. Charlie Angus (Timmins—James Bay, NDP): Madam Speaker, I listened with great interest to my hon. colleague's analysis of this bill and the plan by the Conservative government to try to actually deal with not-for-profit corporations.

Just over a year ago the government cancelled the program that was in place across Canada to support volunteers and the important work they do in our communities. There was very little funding to support the volunteer networks that existed. Yet the government clearly decided that it was not a priority. I do not know what my hon. colleague found in his communities, but in mine the voluntary sector suffered a great deal because of that loss.

While looking at a bill to help the non-profit sector in this country, we in the NDP were certainly hoping that we would see some leadership and a plan that would actually ensure that we have strong, stable and vigorous non-profit sectors, because they do so much of the grassroots work.

It seems this is a bill that tinkers with the regulatory framework. There are 170 pages of complex regulations. It might work if we were protecting corporate assets, but certainly the people who are supposed to protect corporate assets never did that job no matter how many pages of regulations there were.

When we are looking at 170 pages of regulations for the non-profit sector, it seems to me we are excluding many people, average lay people who might want to help a local organization and want something simple, like the *Robert's Rules of Order*, a simple set of rules. Yet the regulatory framework that the government is imposing on the non-profit sector will certainly make it much more difficult to encourage people to participate in the non-profit sector and volunteer work in our communities, because of the onerous levels of regulations that are being imposed.

I would like to ask my hon. colleague what he thinks about this level of regulation on the volunteer sector by a government that is notorious for saying it thinks regulation on the financial sector and every other sector should be lessened.

Government Orders

[*Translation*]

Mr. Robert Bouchard: Madam Speaker, I think I would answer my colleague by saying that Bill C-4 regulates and governs organizations of a national character, that is organizations across Canada.

Obviously, we must help volunteers and make their task easier. However, local and provincial non-profit organizations are regulated by the Quebec government or other provincial governments. Having read and studied Bill C-4, I think it should be acknowledged that it brings improvement, modernization and more transparency and protection for volunteers.

I would like to get back to what my colleague said about the program to support volunteers that the Conservatives cancelled. They weakened a lot of programs helping disadvantaged people and the voluntary sector when they cut their financing by \$1 billion. This is an aberration. Instead of cutting these funds, the Conservative government should have transferred the money to Quebec. I think Quebec and the other provinces are directly responsible for developing the voluntary sector at the local and provincial levels.

• (1135)

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusking, NDP): Madam Speaker, my colleague has explained Bill C-4 but I want to mention that the organizations would have preferred to see changes to secure stable, long-term financing. They would also have liked to see some rules that would clarify and improve the charitable status process. We are concerned about charities.

Would my colleague agree that this bill may discourage people from establishing non-profit organizations? Does he think this bill could be costly for these organizations?

Mr. Robert Bouchard: Madam Speaker, Bill C-4 creates legislation regulating and governing organizations incorporated across Canada. In my opinion, what may discourage both volunteers and non-profit organizations is not Bill C-4 but this government, which is cutting programs indiscriminately. That is what will discourage the voluntary sector and stifle new corporations at the local and provincial levels.

Mr. Guy André (Berthier—Maskinongé, BQ): Madam Speaker, I would like to ask my colleague a question following his excellent speech here in the House.

One of the things that the Bloc Québécois wanted to see in this bill was a better system for classifying organizations according to their missions and goals. Why did some members of the committees and some departmental officials say no to that? What impact does this lack of classification have? For example, what is the impact of that policy on an economic organization, which is not the same as a volunteer or charity organization?

Mr. Robert Bouchard: Madam Speaker, we wanted a classification system. There are so many different kinds of organizations. Any organization that meets set criteria, whether it is charitable, political or social, is placed in the same category.

We think that it would have been easier to classify organizations according to type. For example, an organization involved in minor hockey in Canada would be in the sport category. It would be

distinct. Sports-related organizations and charitable organizations would have different criteria.

Time will tell, but we think that this kind of classification would have been a good thing for organizations. Maybe there should be criteria enabling organizations to get recognition or to be granted a charter in their field.

[*English*]

Mrs. Carol Hughes: Madam Speaker, I do have some concerns with regard to this bill. I just want my colleague to explain this a little bit more.

This bill is not going to improve the way that voluntary sector organizations do their business. It may improve their accountability and transparency, which is, of course, important to members and the public. However, it does nothing to address the broad concerns of the sector, such as securing long-term, stable financing, clarifying and improving the terrible status process, and addressing advocacy needs.

Could he explain to me whether he has these same concerns? Maybe he can try to give me one point as to why I should be supporting this bill.

• (1140)

[*Translation*]

Mr. Robert Bouchard: Madam Speaker, the main purpose of Bill C-4 is not to propose funding, but to modernize regulations governing rights of incorporation in Canada.

One good reason to make that happen is transparency. When an organization raises funds from members of the public, it is accountable to those providing the funds. Financial reports have to be made available. Any member belonging to a national corporation should have access to the list of members and, as a member, should be able to review the organization's financial information and management policies. The current act does not allow for such things.

Bill C-4 introduces transparency and a modern approach. Organizations should be accountable to those who contribute financially.

[*English*]

Mr. Glenn Thibeault (Sudbury, NDP): Madam Speaker, I am very glad to be here today to discuss Bill C-4, an act to amend the not-for-profit corporations act. It is of importance for not-for-profits in our communities right across our great land.

I can offer some advice, as the former executive director of the United Way in Sudbury, that there were several initiatives we were involved with that caused us to slow down the process because of the bureaucracy, red tape and heavy paperwork involved. This amended legislation that we amended in committee would actually help us change some of that.

However, before I go into the discussion that took place at the industry committee in these past few weeks, let us first look at how we got to this point.

Government Orders

For five weeks in the spring of 2002, a team from Industry Canada crossed the country listening to the views of stakeholders on proposals for a new not-for-profit corporations act. Over 300 individuals participated in the consultation sessions, while others sent in briefs to the consultation website.

A preliminary round of consultations was held in the previous fiscal year, and feedback from those first consultations and commissioned research studies was incorporated into the two discussion papers circulated prior to this second round of consultations. Written in plain language, "Reform of the Canada Corporations Act: Draft Framework for a New Not-for-Profit Corporations Act" promotes a corporate governance structure grounded on the themes of transparency, accountability, fairness, and efficiency. The second volume, "Discussion Issues for a New Not-for-Profit Corporations Act" highlights some of the proposals in more detail.

What was determined by these consultations?

A number of stakeholders who had participated in the preliminary round of consultations thanked Industry Canada for incorporating many suggestions in the new framework proposal.

Participants were generally supportive of the various reform proposals, as well. Strong support was expressed for the proposals concerning: the due diligence defence, the standard of care and insurance, and limiting liabilities of directors and officers. There was a divergence of views among participants on issues such as: a classification system, the filing of by-laws, and audit requirements.

At the end of the consultations, participants had several overarching concerns. Co-ordination with other federal statutes and provincial legislation was imperative. Many participants were concerned with ensuring that new legislation would fit with other federal statutes and provincial legislation. In each venue, participants concluded that coordination and consistency at the federal and provincial levels was imperative.

There is ongoing confusion about the distinction between not-for-profit corporations and registered charities. Many issues that arose were tax specific and, as such, under the jurisdiction of the Canada Revenue Agency and the Ministry of Finance.

Discussion of many issues returned to the need for a classification system. Although participants were divided on the need for a classification system, discussion of many other issues returned to the question of whether to include a classification system in a new act.

I will now look at some of the structures within the act that caused some concern.

The first structure that was of concern was the classification system. Reaction about the merits of including a classification system in the new not-for-profit legislation was mixed across the country. However, participants returned to this issue time and again, often noting that other issues could not be resolved without deciding on the issue of a classification system.

Those opposed to the inclusion of a classification system felt it would unduly complicate matters. One of the reasons offered was that it would be difficult to classify some organizations because of the varied work that they do and/or the services that they provide. For

example, the United Way that I used to be involved with offers leadership development services which provide support, governance training, fundraising training, training to all sorts of small not-for-profits and charities throughout the greater city of Sudbury and, at the same time, offers services to do people's taxes, to help people find shelter. Those are some of the services that we offer, as well as fundraising.

• (1145)

A number of participants were in favour of a classification system that was either based on levels of revenue or number of members or that distinguished between public benefit, mutual benefit, religious and, in some cases, political organizations.

Another area of concern was the filing of by-laws. There was general agreement that moving away from the archaic letters patent system was a positive step. With respect to the filing of by-laws, a number of participants expressed support for the simpler structure proposed; in fact, a minority of participants agreed that there should be no filing requirements at all.

There was a difference of opinion on whether by-laws and amendments should take effect immediately upon passage by members, or only when filing was complete.

Some did not see the benefit of filing at all if by-laws become effective when passed. Others noted that there could be problems if by-laws did not become effective at the moment when members passed them, particularly for organizations that do not meet frequently. One person predicted that with a filing requirement but no scrutiny, Industry Canada would end up with "the worst of both worlds": organizations that are not in compliance with the law and filed by-laws that are inaccurate. Participants in a number of cities voiced concern about the possibility of an increased security risk without thorough scrutiny.

Recognizing that some organizations have rapid turnover and limited corporate memory, many participants supported the notion of the government acting as a central repository. There were several requests for Industry Canada to put by-laws online if it accepts the repository role.

Most participants agreed that model by-laws would be very helpful, and urged they be kept simple. Some asked for the creation of an easily updateable web interface, including secure access and summary reports.

Government Orders

Another area of concern was the disclosure and accountability. A majority of participants across the country were in favour of the framework proposal that organizations be required to make corporate financial statements available to members, directors, officers, and the director. However, not all agreed that members should be subject to a fee for copies of the financial statement, and many more disagreed with the proviso to allow exemptions to the requirement.

Those opposed to the requirement were concerned that a requirement to make financial statements available could be burdensome and expensive. A number of participants at one meeting objected strongly to the director having access to financial statements at any time. One suggested that the law be written in as narrow a context as possible, only granting the director a right to information for a specific purpose.

It was proposed that a clearer definition of “financial statement” be developed. A number of participants took exception to the notion that financial statements are presented to members “for their approval”. A suggestion was made to change the language on page 45 to read, “directors would be required to present the audited reports”, without mentioning approval or acceptance.

Several participants in Edmonton, Regina, and Toronto were very concerned about the proposal to allow exemptions from the disclosure requirements, arguing that issuing an exemption would place Industry Canada between the auditor of an organization and the organization itself. Exemptions were seen to contravene the principles of transparency and accountability, and should only be granted according to clearly articulated criteria.

Another issue was membership lists. A majority of participants agreed with the framework proposal that would allow members to obtain copies of the membership list of their organization, provided that the framework is narrowly defined and access is restricted. Several asked that the issue of selling lists be addressed. Some participants noted that it would be essential to ensure that the new act mesh with other federal legislation including the Personal Information Protection and Electronic Documents Act and the Anti-Terrorism Act.

In order to circumvent the release of membership lists that include names, addresses, and telephone numbers, it was suggested that an organization charge for undertaking mailings on behalf of members in order to ensure that the privacy of members is not breached.

The definition of member was confusing to some and worrisome to others.

● (1150)

The definition of “member” was confusing to some and worrisome to others. Some organizations define members as anyone who receives services while others include donors. The statement on page 35 of the “Draft Framework for a New Not-for-Profit Corporations Act”, ‘the act would contain a provision defining a member as anyone designated by the board of directors’, alarmed some participants and elicited a promise to clarify the wording.

Some participants believed that signing an affidavit in order to obtain a membership list would be pointless. The cost, and the expense of tracking down individuals to sign the affidavit in the first

place and pursuing legal action in the event of an infraction, was also seen as problematic.

In addition, the proposed timelines were questioned. The allotted 15 days for changes was seen as too short, and the requirement to maintain records for six years was viewed as “impossible” for many organizations.

Rather than the framework proposal that stipulates a prescribed amount as a threshold above which corporations would be required to have annual audits, most participants across the country favoured a graduated approach, or one based on classification or size.

Many supported the Saskatchewan model in which provincially incorporated not-for-profits with revenues of over \$100,000 must be audited, those between \$25,000 and \$100,000 must have at least an internal review, and those with less than \$25,000 have no audit requirements. Concurrent with this was widespread support for the adoption of a graduated standard such as a review engagement, which is less than an audit but satisfies an understanding of the costs involved.

Other suggestions included differentiating between organizations that receive public funding and those that do not, or basing it on classification. For example, if an organization is classified as political it should be required to have an audit regardless of its size, a charitable organization with tax benefits should be subject to a threshold, and mutual benefit organizations could determine their own thresholds.

Suggestions were made to adopt the Canadian Generally Accepted Accounting Principles rather than keeping separate books for protection against not-for-profit corporations using their tax benefits to subsidise for-profit activities, or to have separate statutes for charitable and noncharitable organizations.

Yet another issue was auditors. Representatives of the Canadian Institute of Chartered Accountants did not agree with the framework proposal as it pertains to auditor qualifications and proposed that the new act adopt the Canadian Business Corporations Act definition of “auditor”. The opposite view was conveyed by representatives of the Certified General Accountants, or CGAs, of Ontario. There were several calls to have audits not be restricted to either CGAs or CAs if made mandatory. Some agreed that a smaller organization should be able to agree to an internal review by a non-accountant, provided that individual had no ties to the board.

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Two specific suggestions were made about the wording in the “Draft Framework for a New Not-for-Profit Corporations Act”: First, the last paragraph on page 46 be amended to read, “The auditor meets the standards of the auditing profession.” Second, on page 47, “Right to attend meetings,” would imply that the auditor’s expenses to attend all meetings would automatically be paid by the corporation, something that might be a burden for small organizations. It was suggested the wording could be changed to “the auditor is entitled to attend at the request of the board, and expenses will be paid.”

Something I know quite personally about is directors' liability. The vast majority of participants at the 10 consultations favoured the adoption of the framework proposal that specifies that every director or officer of a corporation would owe a duty of care to the corporation. This objective test would create a uniform standard of care for directors and officers, and is clearly understood by Canadian courts.

It was noted that there could be ambiguity in the notion of “acting in best interest.” As many organizations registered as not-for-profit corporations address a public good, one participant wondered about a potential conflict of interest when a director acts in the best interest of the entity as opposed to the community it was designed to serve.

Participants emphasized the need for consistency with other statutes such as the Canadian Human Rights Act, the Employment Standards Act, and the Income Tax Act, commenting that little can be changed in one without amendments to the others.

There was unanimous approval of the framework proposal that would include a due diligence defence for directors and officers of not-for-profit corporations. Participants saw this as a codification of common law and the right thing to do.

•(1155)

A majority of participants favoured adoption of the framework proposal that would broaden the scope of situations to allow organizations to identify directors and officers, to provide mandatory review of directors and officers in specific circumstances and to allow corporations to purchase insurance. Many participants were concerned about insurance issues, and many supported advancement of defence costs. Many participants across the country were very concerned that the cost of insurance would be prohibitive for small organizations and impossible to obtain.

A majority of participants also agreed with the framework proposal that would place no statutory limit on liabilities for directors and officers and would encourage proper care and diligence in management of organizations. Participants who supported the framework proposal liked the idea of clarifying but not limiting liability. Some remedies were suggested for these concerns.

Mainly, the draft framework proposal does not make a recommendation with respect to the derivative remedy. The concept of including a derivative remedy received mixed reviews across the country. Those opposed to providing for derivative action said that its inclusion would be used to burden organizations with frivolous actions, or allow a third party to hijack the agenda of an organization.

Those who favoured the inclusion of this remedy felt its inclusion was necessary in order to ensure accountability and credibility. A number of other saw this mechanism of accountability as important and urged that it be included as a hallmark of modern statutes. Others suggested keeping derivative as a remedy, but limiting access so that small, special interest groups could not abuse it in clarifying the rules under which it could be used.

Participants were mixed in their reaction to the framework proposal, which does not provide for an oppression remedy. Those who agreed with its exclusion included a participant who argued that any one disgruntled member could use it to halt the workings of an organization. It was pointed out that the common law remedies were made for truly distressful situations.

Among those who argued in favour of including this remedy was one participant who contended that there were many disputes within not-for-profit organizations and therefore a real need for remedies. In Quebec a participant found this option redundant because such protection was already available under civil law.

A strong consensus emerged across the country for the proposition that the dissent right and appraisal remedy should not be included in the new act, but the corporation should be free to include similar provisions in its articles or bylaws.

The framework proposal includes no provisions respecting natural justice and fair procedures. The majority of participants from across the country agreed with the framework proposal. Many participants liked the fact that corporations would be free to include these provisions in their articles and bylaws, rather than enshrining them in the act.

Most participants in St. John's, Halifax, Winnipeg, Edmonton and Vancouver agreed with the framework proposal not to include a modified proportionate liability regime, while several participants in Montreal, Ottawa, Toronto and Regina did not agree with it. A number of the comments made during the consultations were actually points of clarification that reflected the highly technical nature of this subject area.

One participant saw no valid reason for including MPL in the statutes as not-for-profits were not the types of corporate organizations that needed it. Another disagreed and urged that MPL be included, stressing the importance of consistency in legal approaches. Secured creditors rely on audited statements and auditors would be liable to secured creditors, as would directors and officers. A suggestion was made to make the NFP statute consistent with the CBCA.

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The CICA argued that the MPL should be included in the act for the sake of fairness. Accountants should be responsible for their own acts, but not the acts or omissions of others. A person who makes a relatively smaller, non-existent contribution to a wrongful act should not, in all fairness, have unlimited liability.

The framework proposal, which has no provision allowing for the creation of corporations sole, met with strong approval across the country. However, the provision to allow standard, not-for-profit corporations to be set up with only one director and one member was not enthusiastically embraced. Many participants in most cities preferred to see a minimum of three directors.

Bill C-4 is long overdue legislation for a very crucial, important part of Canadian society. I urge all members to support this amended and improved bill so the Canadian Parliament can improve the systematic framework for not-for-profits.

• (1200)

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I congratulate my colleague on his speech. He informed us of the extensive consultations that were conducted. There was a great deal of collaboration amongst the various parties in order to adopt this bill.

It is appropriate at this time to acknowledge the extent to which non-profits in our society contribute to the quality of the social and economic life of Quebec and Canada.

However, I would like to make one comment. My colleagues who sat on the committee made suggestions that were not retained concerning a situation that may require the review of part of the law in a few years. I am referring to the classification system for non-profit organizations. I will give two examples. There are charitable organizations, that is organizations that provide services or benefits to individuals who are not members. For example, people collect money for a cause of some kind. There are also mutualist organizations, which provide benefits to their members.

The fact that there is no classification in the law to distinguish between these categories represents a problem that could grow in the future. In any event, that is the opinion of the Canadian Bar Association. Organizations with quite different purposes will all be in the same category. That is unsatisfactory.

What does my colleague think about that and why did the committee not retain this suggestion?

[*English*]

Mr. Glenn Thibeault: Mr. Speaker, I, too, agree that there still needs to be more improvement in the bill, but most of the not-for-profits and organizations we met with talked about it being a step in the right direction.

At the start, we, too, had many concerns about the bill. Until it was amended, we were very concerned about some of the rules and regulations. I hope the organizations that the hon. member mentioned will continue to press the government to include this in the bill.

Mr. Robert Oliphant (Don Valley West, Lib.): Mr. Speaker, I want to ask the member a question around auditing and review engagements and the thresholds that are in the bill. I am speaking as someone who has spent 24 years working in not-for-profits, with a variety of levels of income and scope of business, from \$50,000 to \$80,000 a year up to over \$1 million a year.

While there are differences, we have to protect our smaller not-for-profits from the exorbitant costs that auditors sometimes charge. I have a concern about review engagements actually protecting the integrity of smaller organizations. While we need to ensure those organizations continue in their not-for-profit business and do not have costs thrust upon them, I have a concern about the integrity of those organizations and their ability to keep public confidence.

Is the member convinced that those thresholds are the correct thresholds for audits and review engagements and the differences that are involved?

• (1205)

Mr. Glenn Thibeault: Mr. Speaker, as a former executive director of an agency that gave out funds, I know of many instances where we provided \$10,000 to organizations and it would then cost them \$5,000 to get an audit. There was no point in giving them the \$10,000 because they would have to spend it all on an auditor. The bill addresses that, but there still needs to be some accountability.

One way we were able to help organizations, specifically in Sudbury, was to create what we called leadership development services through the United Way. Volunteer accountants were more than willing to provide services to those organizations. The bill looks at creating some type of threshold to ensure that those audits continue to happen.

As for not-for-profits and charities across our great land, they always find ways to make things work so they can be, as the member mentioned, accountable and transparent to the public.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I thank my colleague for his review of the discussions that took place at committee. It was very helpful to know the work that went into this stage of the bill.

I want to ask him about some of the things that were not there, the concerns of the voluntary sector. One thing we often heard from voluntary sector people was that they had no opposition to being accountable and transparent in how they were operating their agencies. However, they were concerned about having the skills to do that kind of financial accountability, to get the support for the required financial management. Did the committee have any discussion on that?

Concerns were also raised about some of the complications around advocacy work. Many of the agencies saw this as important, but limitations were placed on their ability to do that. There were complications with the so-called 10% rule of activity that could go into political or advocacy kinds of work.

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Concerns were also raised about the complications of establishing charitable status in the first place, how the process took so much time and the complication of that. Were there any discussions about simplifying that process?

Then there has always been the suggestion that volunteers should receive some kind of tax relief for the work they put into non-profit agencies. Did that issue come up in the committee discussions?

Mr. Glenn Thibeault: Mr. Speaker, I wish the member had been at committee because there were some very good suggestions. There was some discussion relating the smaller not-for-profits, those that have a staff of one or two and base their who organization off the work of their volunteers. Therefore, it would be great if we could get those volunteers some tax relief.

However, we have to be very concerned when we create an act that will be 170 pages long and the ability of one person to review it. Through the committee process, we heard that loud and clear. Hopefully we will continue to bring this forward to the government so when it looks at instituting all of this, it will take that into consideration.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapuskasing, NDP): Mr. Speaker, I have listened to my colleague. There are some good points about the bill, but then we still have some concerns about it.

The whole idea of trying to encourage non-profit organizations to come on board, to be profitable at times and to assist the needy in our communities is quite important.

Could he clarify how the government could advocate for better changes in either clarifying or improving the charitable status process? That is very important for us to know.

Mr. Glenn Thibeault: Mr. Speaker, in committee we talked about how we could look at the not-for-profit act and how we could change that. I cannot give the member an answer for the government because it relates to some of its decisions.

What I can say is the government was looking at ways of making things easier for the small organizations to ensure that if they wanted to go through the process of becoming a registered charity, those avenues would be there. Some of the organizations raised that couple of times.

• (1210)

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Speaker, I am pleased to rise today to speak to Bill C-4, an act respecting not-for-profit corporations and certain other corporations.

The legislation has seen several incarnations since first being introduced by the Liberal government in 2004 and makes important modernizations to the regulations governing Canada's valuable not-for-profit sector. While provisions within this bill are modelled on those of the Canada Business Corporations Act, the creation of dedicated legislation governing Canada's voluntary sector will better respond to and address the needs of this country's charities, community organizations and other not-for-profit entities.

Canadians value volunteerism and charitable organizations. On average, each Canadian is a member of four non-profit or voluntary

organizations and some 22 million people donated approximately \$9 billion to such enterprises in 2004.

Among other things, Bill C-4 eases much of the regulatory burden on non-profit organizations in this country by allowing these organizations a heightened degree of flexibility in how they choose to operate. A major potential benefit under this new legislation enables non-profit corporations to hold meetings electronically as opposed to sometimes costly and less responsive face-to-face meetings currently required.

The new ability to file documents under Corporations Canada electronically may also serve to reduce strain by reducing paperwork and other regulatory burdens currently faced by non-profit entities. Given that the non-profit sector employs some two million people across the country working in some 160,000 not-for-profits, this flexibility to adapt bylaws based on the needs of the specific organization stands to benefit a significant portion of the population.

I am pleased to have had the opportunity to work with other members of the industry, science and technology committee to review this legislation and respond to some of the concerns put forth by stakeholders. Recognizing the importance of getting this long overdue legislative framework right for the nearly 19,000 federally incorporated not-for-profit organizations, it was necessary to ensure that those concerns were heard and addressed through our study of Bill C-4. In fact, a number of issues highlighted by witnesses appearing before the committee have been acted upon through amendments presented during a clause-by-clause review of the bill and have not been adopted and incorporated into this legislation.

Chief among the concerns raised by stakeholders, particularly by the Canadian Bar Association, was the need for clarity concerning important definitions within the legislation. The diversity of the non-profit sector in Canada is a great source of strength but it also poses challenges in balancing the needs of large organizations that solicit public funds with small sporting organizations or mutual aid societies for example, when it comes to setting a new legislative framework.

While there are few differences between how non-soliciting and soliciting corporations are treated under the act, there are rules governing the number of directors required, the filing of financial statements with government and agreements transferring powers within the organization. This is why I and other Liberal members of the committee made it a priority to ensure the distinction between soliciting and non-soliciting corporations was clearly and precisely laid out within the bill.

I am pleased the committee saw fit to adopt an amendment prescribing the test period for determining whether a not-for-profit corporation was soliciting to the corporation's most recent financial period. It was also vital to ensure newly minted soliciting corporations would have adequate time to make preparations for compliance with the more onerous regulations inherent in this classification.

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As such, we brought forward a clarification ensuring the change in status would only take effect at the conclusion of the next ensuing annual meeting of the corporation. These changes would go a long way to ensuring non-profit corporations will be prepared for compliance should such a change in status occur.

A further issue of balance with this bill concerns the complexities of what I will call contingency sections of the act. The size and complexity of this bill are largely due to provisions contained in clauses 6 and 7 dealing with debt, trust indentures and receivership, which are situations that likely will never be faced by most of the non-profit organizations incorporated federally.

The inclusion of this complex regulatory road map fills in some of the gaps that currently exist but also enforces compliance on all non-profit corporations in the sector, whether they will ever need these provisions or not. This is a concern for me, as it seems to streamline a process for very few corporations at the expense of many smaller charities, community groups and foundations that will never require these clauses of the bill. The committee agreed that it would be better to offer clear direction to organizations that wished to proceed in this manner than to leave a further regulatory void.

● (1215)

Several organizations, including Imagine Canada, articulated concerns surrounding some rights of members being enshrined within the act itself as opposed to within individual bylaws or articles of non-profit corporations. Some stakeholders felt that the important issue of voting rights of members must be subject to periodic review and change as the mandate and nature of the organization changes, and should not be specified within the act itself.

Bill C-4 does require that each non-profit corporation determine what voting rights will exist for members but does not prescribe the mechanisms for doing so, and authorizes the creation of a class of non-voting members. Should a situation arise where fundamental changes to the corporation are possible, non-voting members would be given the right to vote under this legislation.

According to Industry Canada officials, non-voting members will have the right to vote when, for example, their membership is to be exchanged to another class or their class rights are to be changed; the corporation intends to amalgamate with another corporation; the corporation intends to continue into another jurisdiction; the corporation intends to sell off all or substantially all of its assets; and, if the corporation intends to dissolve. It would seem that these situations would likely be rare, and this is again the case of building in a contingency to ensure appropriate procedures are set out for organizations to follow.

Some concerns surrounding the liability of officers and directors were raised during hearings on the legislation. Boards of directors and officers from many of Canada's charities, foundations and other non-profit entities are often composed of volunteers who dedicate their time to ensuring important causes are furthered to improve the lives of Canadians. At times, some organizations can find the recruitment of these volunteers to be a challenge, as it often means taking on a degree of personal liability and responsibility for the actions of the organization.

Bill C-4 introduces provisions for the due diligence defence for directors and officers, which satisfies many of the concerns raised by organizations intervening on behalf of the non-profit sector.

I am pleased to support Bill C-4, which comes after many years of work and review undertaken by industry officials, advocates in Canada's voluntary sector and the many organizations that made presentations on this legislation.

Not-for-profit organizations provide many of the services cherished by Canadians. Universities, colleges and hospitals across this country provide vital services to their communities and are general regional employers.

In 2003, the non-profit sector accounted for some \$112 billion in revenue. Thousands of organizations are supported by over 12 million volunteers, fully 45% of the Canadian population aged 15 and older, who contributed an average of 168 hours each. This totalled 2 billion hours, the equivalent of more than 1 million full time jobs in 2004 alone. Truly, there is no end to the value this sector offers to Canadians.

As a new member of Parliament, it is a pleasure for me to have taken part in the study of this bill. It was impressive to see the balanced approach taken by my colleagues on the industry, science and technology committee in reviewing the legislation. I thank all of my colleagues for their hard work on this matter, for those who intervened and for those who made presentations during the committee hearings. I look forward to seeing this long overdue legislation become law.

[*Translation*]

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I am pleased to speak today to Bill C-4, An Act respecting not-for-profit corporations and certain other corporations.

I would like to start by saying that the Bloc Québécois is in favour of this bill. As several of my colleagues have already mentioned, the current act governing not-for-profit corporations is considered somewhat outdated. For the past few years, a number of representatives of community and economic organizations governed by that act have been calling on the government to update the Canada Corporations Act.

I would like to tell this House that before I became a member of Parliament, I worked regularly with several not-for-profit corporations that came under part III of the Companies Act of Quebec's Department of Financial Institutions and Cooperatives. I realized at the time that the people working in these not-for-profit organizations faced a number of challenges. They had to deal with issues such as funding for these organizations, which is a never-ending problem. Often, these people work in various areas of activity, whether it is with disadvantaged people, youth or women or in volunteer centres that provide street worker or mental health services. I am talking about areas with well-targeted clientele. These people spent hours and hours working in often difficult financial circumstances.

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These people were also managed by the administrators of these not-for-profit organizations, community volunteers who worked evenings and weekends and handled the organization's finances, managed staff and looked after community relations. This work is very demanding. I admire all the people who give of their time to help others. In my community, in Berthier—Maskinongé, all these organizations are made up of people with big hearts. That was the theme of this year's National Volunteer Week, and it is worth pointing that out today.

In summary, many people who work in these areas were aware that some provisions of the act were outdated and simply no longer addressed the increasingly complex and diverse demands of today's not-for-profit sector. The law in Quebec has been adjusted. The federal government is now following suit and, with this bill, is trying to make things easier for these not-for-profit organizations by providing a better framework for their actions.

Let us give a brief overview of the background to this bill. Following on a paper published by Industry Canada—my colleague from the Bloc Québécois sits on the Standing Committee on Industry, Science and Technology—titled “Reform of the Canada Corporations Act: the Federal Non-profit Framework Law”, the federal government held a series of round table discussions with a view to preparing the various possibilities for reforming the not-for-profit law.

• (1220)

After those round table discussions, the government felt it was time to make some concrete proposals for a reform of the legislation on not-for-profit organizations.

Since 2002, in fact, there have been a few attempts by the Conservative and Liberal governments to introduce bills, but these have all died on the order paper.

Finally, last January, a bill was at last introduced, the one we are debating today in this House.

In short, the underlying principle behind Bill C-4 is to propose a new Canadian legislation on not-for-profit organizations which would make their administration more effective and more transparent. Transparency and effectiveness are vital to these organizations, particularly the ones I am familiar with, because they are faced with increasing challenges. Day in and day out, they have to deal with the poverty and the ageing of their respective populations.

The underlying principle behind this new legislation would be to take into consideration the financial means, size and objectives of the organization as far as these management mechanisms are concerned.

With this new act these organizations will, I believe, and I am certain my colleagues share my opinion, be able to operate within a more flexible framework with respect to such things as presenting financial statements or setting up by-laws.

For example, the new legislation encompasses: voting procedures, by-laws regulating general meetings, special meetings, regular meetings, and notices of meetings, and quorum. The new provisions will be better suited to not-for-profit corporations in today's reality.

Another part of the bill talks about financial statements. It states that the corporation must make available to its members the financial statements and any report submitted by its public accountant. As we know, not all not-for-profit corporations are required to perform audits. It depends on the financial statements and on the money administered by these corporations. Some not-for-profit corporations manage very small amounts of money and, therefore, are not always required to do an audit. However, when a large amount of money is involved, it is normal for these corporations to have financial statements that meet the criteria of an audit.

That part of the bill provides that corporations must table a copy of their financial statements and of the report submitted by their public accountant to the director, who will then make these documents available to the public.

So, this bill sets more specific operating rules. To this end, the operational framework for NPOs would be similar to corporate governance under the Canada Business Corporations Act.

The new legislation would gradually repeal the Canada Corporations Act and would replace parts II, III and IV of that act.

• (1225)

In addition to significantly clarifying the role of these corporations in our society, both for their members and directors, the bill will also establish defences for officers and directors, in the event of liability.

We must protect the directors who serve on the board of these not-for-profit corporations and who, as we know, do so on a voluntary basis and often with little information on the responsibilities and duties that come with their role within these organizations. We must protect them from the sometime dubious practices that can be used by a member and which have the effect of laying responsibility on all members of these corporations.

I personally believe that the bill achieves that goal. In this regard, it would be important if, at some point, Parliament could look at another issue related to this legislation, namely how to better train the directors who sit on the boards of these not-for-profit corporations.

It is all very well to enact a law that defines the roles and responsibilities of members of organizations, but people are not always informed and do not always have the time to read a law that is 150 or 200 pages long before joining the board of a not-for-profit organization. Often, if we simply look at the mission and objectives of the organization and see a little of the everyday work that is involved in sitting on an organization's board, they do not always have the time to learn about all the procedures that their role, responsibilities and duties involve, and the relevant laws.

It is the role of government to give the volunteer members who often sit on the boards of these not-for-profit organizations more information. Very little information is provided. I just wanted to point that out.

Government Orders

This bill will also give members of those organizations additional rights, and will thus allow them to participate fully in the governance of their organizations. As well, it will establish a better body to oversee the organization's accounting, and this is very important. Another benefit of this bill, one that I think is very important, is that it increases public confidence in not-for-profit organizations and their credibility among the general public.

It is important that the people who sit on the boards of these organizations, often as volunteers, and the organizations themselves, which often have few resources for taking action in the community, be perceived by the public as a whole in a positive way.

For example, in my riding, there are often organizations that deal with young people in difficulty or with disadvantaged or illiterate people, and there are many prejudices often expressed against those organizations.

Having a law that can provide more protection for the directors and managers of those organizations is an accomplishment in itself, and it will certainly facilitate the organizations' work.

Bill C-4 is indeed complex, because it imposes an entirely new framework on not-for-profit organizations, those under federal jurisdiction of course. Organizations under federal jurisdiction and organizations under the jurisdiction of Quebec and the provinces must never be confused. However, this legislation had become necessary here, in Parliament, because the existing law did not reflect our modern circumstances.

The issues this bill addresses are important and it involves major and necessary changes in the way not-for-profit organizations operate.

• (1230)

Bill C-4 involves transparency and accountability, that is, financial responsibilities. At present, the law does not require that detailed accounts of their activities be disclosed. Under Bill C-4, not-for-profit organizations will now be obliged to make their financial records available to their members, directors and officers, as well as the director. That is a step forward.

In more concrete terms, this bill will certainly simplify the incorporation of not-for-profit organizations. Incorporating a not-for-profit organization should be a relatively simple matter. The process should not be surrounded by hard and fast administrative procedures that would make it so that people who came together to create a not-for-profit organization would be reluctant to take action to provide greater support for the community in whatever area or field of activity it might be.

What is interesting in this bill is that the minister will no longer have the right to agree or refuse to allow a group to incorporate a not-for-profit organization.

As I already mentioned, this bill will clarify the duties and responsibilities of the directors. It is important for people who sit on boards to know what their responsibilities, duties and roles are in not-for-profit organizations. This kind of information needs to circulate more freely. My experience has been that people who sit on the boards of these organizations sometimes learn on the job. People show up at the general meeting some evening and end up on the

board. They do not always know, though, what their responsibilities are.

More specifically, this bill will set forth defences for managers and directors in case they are held responsible. It is important to protect volunteers who sit on boards against suits from the public, other institutions or other businesses as a result of a purchase or any other situation. I think that the volunteer directors of these not-for-profit organizations should be protected.

The bill will also increase the rights of the organizations' members and help them participate in the governance of the organizations. These people need to be in charge of what they are doing and have a certain amount of autonomy in the exercise of their duties on boards and in voluntary organizations. The bill provides a certain latitude in this regard.

Finally, the bill provides a better mechanism for overseeing the accounting of these organizations. It is hard to be against that. I think that any organization that receives money and grants should be ready to account to its donors.

In summary, I have taken a good look at Bill C-4 and I think it is a step forward. However, as my colleague in the Bloc Québécois indicated previously, we would have liked to see at least some procedures for classifying the different kinds of organizations. There are no classifications in this bill. Whether it is a charitable organization, an economic organization or a cultural organization, there is nothing in the bill to enable the public or the government to know what kind of organization it is.

• (1235)

[English]

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I would like to ask the member a couple of questions about how we can actually improve on this bill. I think the government needs to hold a public stakeholder meeting to deal with the non-profits. They labour and struggle. They serve the most under-privileged and some of the most desperate people in our country because of the failure of our social programs in many cases. They pick up the pieces. Many of them are run by volunteers who give hundreds, if not thousands, of hours every single year in service to their neighbour. I think the government may want to do a better job of honouring those Canadians from coast to coast who are donating their time, efforts, skills and talents to serve some of the most needy people in our country.

However, apropos to this particular bill, I would like to ask my hon. friend whether he thinks the government ought to again have a public round-table meeting, that it make the tax deductible donations to non-profits equivalent to the tax donations to political parties and that it facilitate the way in which groups can actually get tax charitable status.

Government Orders

For example, the Hospital for Sick Children, with its HealthyKids international program, which is an amazing program, is having real trouble in trying to get tax-free status. It is an absurd situation. I really encourage the Minister of National Revenue to get on that, and that is a message more for the Minister of National Revenue than my colleague.

● (1240)

[*Translation*]

Mr. Guy André: Mr. Speaker, I want to thank my colleague for his excellent question. The financing of not-for-profit organizations is a major concern, particularly those that help people in distress, as my colleague mentioned.

Should there be a tax credit? Should it be easier to obtain charity status so that these organizations can get a tax credit? Indeed, in 1984 and 1985 the Conservatives tightened the eligibility criteria that allow not-for-profits to get charity status. This status is often denied to organizations that are not strictly charitable in nature. This is a way to get charity status or a tax credit, which is important.

Since being elected not so long ago, the Conservative government has cut many programs that provided funds for not-for-profit organizations, such as programs for the voluntary sector, women's programs and literacy programs. When people are declared ineligible for EI benefits, the population becomes poorer, which increases the need for not-for-profit organizations. The government should therefore make it easier to help these people.

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, I first want to congratulate the member for Berthier—Maskinongé for his speech. He gave us a good summary of Bill C-4. It is obvious that he is very well acquainted with the voluntary sector and the structure of not-for-profit organizations. This is very interesting and commendable. I also think that volunteers who work at the local and national levels deserve our admiration.

He talked about a lot of things but I want to ask him a question about financial statements. These have to be made available to members, to the director appointed under the act and to organizations collecting funds.

I would like the member to tell us why, in his opinion, financial statements are useful and should be made available to the public and to members.

Mr. Guy André: Mr. Speaker, I thank my colleague for his question. I know that in his own region, he worked in recreational activities, and so he also met many volunteers. He is also aware of the importance of transparency in volunteer organizations.

As I said earlier in my remarks, when we give money to these organizations, it is normal, since this is public and private money, that they are accountable for the money they receive and spend to carry out their missions.

I think this bill strengthens somewhat the moral and legal requirement that these organizations should make their financial statements available to their members. That is one of the reasons we support this bill.

● (1245)

Mr. Jean Dorion (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, first I would like also to congratulate my colleague for Berthier—Maskinongé on his remarks. He showed his command of the content of this bill, but there is a point on which he could elaborate further, and that is the issue of democracy. I would ask him to comment more on this.

We live in communities where anonymity is prevalent. People want to protect their private life. They do not give their names and addresses to many people, but they do disclose them to the associations they belong to.

Does my colleague think that the provisions of this bill, which require the organization to give its membership list to all members who ask for it, are a step forward democratically, compared to the situation that prevailed in the past?

Mr. Guy André: Mr. Speaker, it is indeed important that the ability of not-for-profit organizations to send their membership list to all members be written into this bill. It is important first so that the association knows who its members are; but it is equally important that other members of the association also know who the members are.

Ethics, governance and democracy are now back in vogue. This is as it should be because, more and more, people want transparency and ethics to be part of democracy. These are concepts that must be 100% enforceable, and this bill makes that possible.

Mr. Roger Pomerleau (Drummond, BQ): Mr. Speaker, my thanks also go to the hon. member from Berthier—Maskinongé for his overview of the bill that is before us today. As he described, not-for-profit organizations have always faced a number of problems, such as raising funds, finding directors, having countless forms to fill out.

Now it has been decided to update the act. The Bloc Québécois is going to vote for the bill in order to make the act more transparent and to improve governance and make the sector easier to manage.

The hon. member points out that, given the increasing poverty and the increasing age of the population, this is urgent. We know that it is good in theory, but, given that he has worked with organizations on many occasions, what exactly does he think of it in practice?

The Deputy Speaker: The hon. member for Berthier—Maskinongé has only 30 seconds left.

Mr. Guy André: Mr. Speaker, there is still a long way to go in the funding of not-for-profit organizations. The same goes for knowing what information to provide to members working in these organizations about their roles, responsibilities and duties as members. There is also a long way to go in providing more protection for their involvement.

Government Orders

All in all, there is a lot to be done and a lot that could be improved in this bill. Nevertheless, we are going to vote for the bill because it is a step forward for these organizations.

• (1250)

Mr. Nicolas Dufour (Repentigny, BQ): Mr. Speaker, the Bloc Québécois has repeatedly said that it supports Bill C-4, given that the present Canada Corporations Act has become outdated.

Modernization of the act is certainly a step in the right direction, as has been said several times. The new act would take into account the financial resources and size of the organization in establishing its management mechanisms. It offers a flexible framework for the presentation of financial statements and for the internal rules of the organizations subject to it.

As well, we see a significant increase in efficiency and transparency in the process of incorporating not-for-profit organizations. Replacing the letters patent system by an as of right system of incorporation facilitates the creation of NPOs considerably. Elimination of the minister's discretion in this regard is essential. All of this will enhance public confidence in NPOs and enhance their credibility in the public's eyes.

I would like to give a little background to the enactment of the not-for-profit corporations act. The Canadian Corporations Act provides the framework for the incorporation and governance of federal not-for-profit corporations. The kinds of corporations governed under Part II of the Canada Corporations Act (CCA) include religious, charitable, political, mutual-benefit and general not-for-profit organizations.

In recent years some concerns have been raised that the act is outdated and that its provisions no longer meet the requirements of the modern not-for-profit sector. There have been public calls for its reform and in 1999 the federal government's Voluntary Sector Task Force called for improvements to the regulatory structure that governs the sector. Industry Canada's proposal to modernize the CCA was part of the task force's plan.

In July 2000, Industry Canada issued a consultation paper, "Reform of the Canada Corporations Act: The Federal Nonprofit Framework Law". Subsequently, the department held a series of roundtable discussions in cities across the country to consider the ideas presented in the document, and the various legislative options open to it. Following the suggestions made at the roundtables, the government decided to make concrete proposals for reforming the not-for-profit law.

On November 15, 2004, the Liberal government introduced Bill C-21, which never reached second reading. On June 13, 2008, during the second session of the 39th Parliament, the Conservative government adopted substantially the same direction as the Liberals and introduced Bill C-62. With the hasty election call last September, it died on the order paper, as did a number of other good bills, including the one presented by my hon. colleague to provide a tax credit for young people from the regions who go outside their region to study. This was an excellent bill, which had reached the end of the process and unfortunately, because of the Conservatives' stubborn desire to trigger an election, died on the order paper. I find this regrettable because at last we had a concrete private member's bill that could really have helped young people, students, to stay in their

region. Because of the hasty election call, it died on the order paper. We will recall that what was uppermost in the Conservatives' minds was to save their jobs, rather than to save the jobs of workers and young people.

This morning I read in the newspaper that scientists—if I can change the subject for a moment—are starting to leave Canada because of cuts to science and research. We have to set the tone.

I want to get back to Bill C-4. On September 3, 2008, a similar bill was introduced at first reading by the Minister of State (Small Business and Tourism).

• (1255)

Once again, it died on the order paper when Parliament was prorogued last September 4. This was another bill that died on the order paper because of Conservative ideology. The Conservatives wanted to prorogue the House because they were afraid they would be defeated. Twice in six months they tried to save their jobs.

The minister finally re-introduced the same bill on January 28, 2009. This was Bill C-4, which we have been debating all day. The purpose is to propose new Canadian legislation on not-for-profit organizations that will establish a more modern, transparent framework for them to operate within. To this end, the system for not-for-profit organizations will be similar to the system for companies that fall under the Canada Business Corporations Act. The new bill will gradually repeal the Canada Corporations Act and replace its parts II, III and IV.

According to the minister, Bill C-4 will reduce the administrative costs of not-for-profit organizations and strengthen and clarify the rules governing them. More specifically, the bill will simplify the process for incorporating not-for-profit organizations, clarify the duties and responsibilities of their directors, set forth defences that their directors and officers can advance in case they are held responsible for something, increase the rights of the members of these organizations and allow the members to participate in the governance of their organization, and establish a better mechanism for overseeing the accounting of these organizations.

Bill C-4 is very complex. It imposes a whole new framework on not-for-profit organizations. Here is a brief summary of each of its 20 parts.

Part 1 identifies the purpose of the bill and allows for the incorporation of organizations without share capital so that they can carry out their lawful activities. It defines what a soliciting corporation is, namely any organization that solicits funds from the public or a government or any other organization that receives donations from the public or government grants.

Part 2 replaces the current letters patent system with an as of right system of incorporation. After receiving and examining the required documents, the director immediately issues the certificate of incorporation. This will help not-for-profit organizations establish themselves much faster and start providing direct assistance to our fellow citizens.

Government Orders

Part 3 stipulates that these organizations have the capacity of a natural person.

Part 4 states that these organizations must keep accounting records and a list of their members and directors and must make this information available to their members. My colleagues just asked the hon. member for Berthier—Maskinongé and his answer with quite clear. Having accounting records and a list of members will greatly improve the transparency and governance of these organizations. There really will be transparency and not just the impression of it. Part 4 also provides measures to protect the privacy of the members of these organizations. We were discussing this point just a little while ago. It is also very important to keep the membership list private. My colleague from Longueuil—Pierre-Boucher said that with the advanced technologies of today, people need transparency but also their privacy. Bill C-4 covers that part too.

Part 5 gives corporations the authority to borrow, issue debt obligations and invest as they see fit. It also stipulates that corporations are prohibited from distributing their assets to their members, except in furtherance of their activities or as otherwise permitted by the act.

Part 6 deals with the technical aspects of debt obligations and Part 7 deals with the technical aspects of trust indentures.

• (1300)

Part 8 describes the authority and role of receivers, receiver-managers and sequestrators.

Part 9 stipulates that corporations must have a minimum of one director and that soliciting corporations are required to have at least three directors. It also clearly sets out the obligations of directors and corporations as well as the due diligence defence.

Part 10 stipulates that the by-laws set out the conditions of membership, whereas articles set out the various classes of membership and associated voting rights, which makes a clear distinction between the two.

Part 10 also establishes the voting procedure, including electronic absentee voting. It sets out the rules governing the way in which members can submit proposals at meetings, establishes the procedure for calling meetings of the members, including the obligation to give members advance notice of the meeting, and defines what constitutes a quorum.

Part 11 states that a corporation shall place before its members its financial statements and any report submitted to it by its public accountant. As was said earlier, the bill's purpose is to increase transparency and efficiency, and that aim is furthered directly in this part of the bill.

Part 11 makes it mandatory for soliciting corporations to table a copy of their financial statements and of the report of their public accountant with the director, who will then make these available to the public. Thus, donors to these non-profit organizations will know precisely where the money goes.

As members, we are giving a hand up to the corporations in our ridings. In this way it will be possible to see clearly where the money of our very important organizations is going, especially in more

difficult times such as the ones we are experiencing currently. We can see how important this is. I attend numerous activities in my riding, which gives me an opportunity to take the pulse of these organizations and see how they operate. This will allow people to concretely see the expenditures and investments these organizations make to give back to the community, which is, to my mind, extremely important.

In Part 12 we see that the level of financial audit that is required is determined by the level of gross annual revenues of the corporation, and depends on whether or not the organization concerned is a soliciting corporation or not. This part states that the public accountant must be qualified to conduct the financial audit while being independent of the organization. The purpose, as you will have understood, is here again to promote transparency. The bill institutes the obligation of placing financial statements at the disposal of members, directors and officers when the organization is a soliciting corporation which solicits funds from the public, and these documents must of course also be made available to the public.

Part 13 establishes the procedure to be followed when the corporation undergoes fundamental changes, including amendments to the articles or by-laws of the corporation, amalgamation, continuance, reorganization or arrangements.

Part 14 describes the procedure for liquidation and dissolution of a corporation incorporated pursuant to the act. It establishes that in cases of dissolution of soliciting corporations or charitable organizations, any property remaining shall be distributed to one or more qualified donees within the meaning of the Income Tax Act, and not to its members.

Part 15 lists the various powers which a court may confer upon an inspector to conduct an investigation, through an order, to follow up on complaints submitted by an interested party.

Part 16 contains provisions regarding the remedies that a complainant can exercise, specifically, the derivative action, the oppression remedy and injunctions. It establishes a defence against the above-mentioned actions and remedies that is based on tenets of faith. A religious corporation can use this defence when it can prove that the act leading to the action was reasonably based on the beliefs of its members. In this type of case, no order is made under the act against the corporation in question.

• (1305)

Part 16 also sets out the offences and punishments for violations of the Act, mainly, with respect to false and misleading statements, and improperly using information taken from a corporation's register of members or other directories.

Part 17 allows for the use of electronic communications between the corporation and its members. We have been talking about this a lot in the Bloc Québécois, and, in light of technological advancements, we believe that this possibility will become extremely important, crucial, actually—emphasis on “crucial”—to corporations' survival. We are now in the Internet age, and it is becoming more and more complicated to reach certain groups, such as young people, who are big Internet users. Electronic communications such as emails would make it easier for organizations to reach and attract them.

Government Orders

Keep in mind that, as the population ages, it will become important over the next few years to attract young people to community and non-profit organizations. Without new blood, these organizations could cease to exist because of a lack of new members to ensure their survival and continued dedication to causes such as protecting the poor. In my riding of Repentigny, Maison La Trace de l'Assomption helps those most in need. It has an incredible team of five directors who do wonderful work for the town of L'Assomption and its most needy residents.

I do not mean that this organization would not be able to find new volunteers, but sometimes the idea that it might experience difficulties recruiting new volunteers touches me personally. Since I am young myself, I understand that ways must be found to go and find new blood, just as political parties must do. The Bloc Québécois does this and has been encouraging young people for years, contrary to the big federal parties who find it somewhat more difficult to do so. My colleague is nodding his head, showing that he agrees with my position. Honestly, we have to help young people to join these organizations and encourage them to volunteer. As someone who has done a lot of volunteering, I know that this work is extremely gratifying, and helps people to mature. It increases a person's self-esteem immeasurably.

To get back to Bill C-4, part 18 sets out the general administrative provisions needed for the application of the act.

Part 19 identifies the passages of the legislation which apply to bodies corporate without share capital incorporated pursuant to a special act of Parliament. It also provides a procedure to revoke organizations incorporated pursuant to a special act of Parliament and associated with a body corporate that was later dissolved.

To conclude, part 20 provides for a three-year transition, for organizations incorporated under part 2 of the act governing community organizations. It also repeals parts II and III of the CCA.

The main issues are subdivided into four categories concerning four different aspects of the changes created by the adoption of this bill. The first classification concerns flexibility and permissiveness. There is no non-profit organization classification system in the Canada Corporations Act. There is no such provision in Bill C-4 either.

I must conclude but I could talk for hours. You can see that I am very interested in this file and very knowledgeable about it, because of the lengthy discussions that took place with my Bloc Québécois colleagues.

• (1310)

We would have liked to see this in Bill C-4.

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, I would like to congratulate the member for Repentigny on his brilliant speech about Bill C-4.

As he pointed out, Bill C-4 modernizes the existing act and makes the system more democratic.

I would also like him to comment on an element he did not mention, but that I am sure he can discuss: the elimination of the minister's discretionary power. I would like him to comment on the

fact that the powers are now in the hands of members and organizations.

Mr. Nicolas Dufour: Mr. Speaker, I would like to thank my colleague for his excellent question.

The elimination of the minister's discretionary power is an important element. We all know how much the Conservatives like to interfere in everything.

The example I have in mind is the Social Sciences and Humanities Research Council. The Conservatives want to make sure that everyone knows they are funding SSHRC grants, but the grants are exclusively for the study of business and the economy. As I said at the beginning of my speech, scientists, great thinkers, a lot of them from Quebec, are relocating to the United States. Right now, the Université de Montréal is losing a lot of scientists to the United States.

Considering how the Conservatives have been acting for years, I have to say that I am very happy about the elimination of the minister's discretionary power. At least we will have one area in which the Conservatives do not run the whole show. They usually try to control everything. Imagine if the Conservative government had won a majority. Thank goodness the Bloc Québécois was there to prevent a Conservative majority. This is the beginning of a great victory because the Conservatives will not be able to interfere in this area, take control, and impose their own ideology and dogmatism.

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Chairman, I am very happy to rise to speak on Bill C-4, An Act respecting not-for-profit corporations and certain other corporations.

We are indeed at the last stage, in the House of Commons, of a long process that began several years ago. The act governing these matters is completely obsolete. It must consequently be modernized and that is the purpose of Bill C-4. The new act will take financial means into account, as well as the size of the corporation and the implementation of management mechanisms. It offers a flexible framework for the submission of financial statements as well as the establishment of regulations and the structures of the organizations it will govern. There is a considerable increase in the efficiency and transparency of the incorporation process for not-for-profit corporations.

I sat as a member of the Standing Committee on Industry, Science and Technology. We had already begun working on this matter in 2004. This is a very hefty act which demanded an array of detailed analyses. I think that the members from all parties who sat on the committee did their work very well. And consequently, today we have an interesting bill.

The letters patent system of incorporation has been replaced by an as of right system. The incorporation of not-for-profit corporations is greatly facilitated by this procedure. The abolition of the minister's discretionary power in this regard was more than necessary to eliminate the discretion that could be exercised by the minister, which went back to a whole other era. This needed to be corrected.

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This will increase the confidence of the public and the credibility of not-for-profit corporations. And we know that the public already has a very favourable view of the nature of not-for-profit organizations. In our work especially, members know that many organizations work to help our citizens and provide different types of support and help their own members. If these organizations did not exist, the state would have to step in instead, in one way or another. From that perspective, it was urgent that the federal act which governs federally incorporated not-for-profit corporations be modernized.

In fact, the Canada Corporations Act, which is the existing act, and will still be in effect until we have passed this bill, provides the frame of reference for the incorporation of not-for-profit federal corporations.

In fact, the types of corporations governed under part II of the Canada Corporations Act include religious, charitable, political, mutual-benefit, and general not-for-profit organizations.

In recent years, some concerns have been raised that the act is outdated, as I was saying earlier. Since 1999, there have been public calls for the act to be reformed. It has been ten years now. A voluntary sector task force created by the federal government called for improvements to the regulatory structure that governs the sector. Industry Canada's proposal to modernize the act was part of the task force's plan.

In July 2000, Industry Canada issued a consultation paper entitled "Reform of the Canada Corporations Act: The Federal Nonprofit Framework Law". The department then held a series of round-table discussions in cities across the country to consider the ideas presented in the document. That process eventually led to the Liberal government introducing Bill C-21 on November 15, 2004. The bill never made it to second reading.

At that point, we entered a cycle of minority governments, which we are still going through and which I do not think we will get out of for a while yet, in both Quebec and Canada, because the population does not have enough confidence in a single party today to give it a majority mandate. That is especially true in Quebec, where people feel that they have been regularly shortchanged by federalist parties, which have a Canada-wide vision. As a result, they have often put Quebec's interests on the back burner while putting Canada's interests first, and these two sets of interests are not necessarily the same.

So, we are caught in this cycle of minority governments, and we do not know how much longer the cycle will last. In my view, as long as any party aspiring to become the government does not introduce a project that reflects Quebecers' wants, among other things, the party will not win people's support. Based on experiences in recent years, such as the Conservative party's recognition of the Quebec nation, which was an empty shell and not followed by any other commitments, I think the population has received a very clear message and, as a result, it has not been willing to give such a mandate.

• (1315)

We are now seeing the same thing with the Liberal Party, which is boasting about the fact that it will reform the employment insurance

system, when we know very well that that same party is the one responsible for the Axworthy reform in 1994. Even though the Liberals had promised Canadians that they would stop the Conservative reform, instead what we saw was an even speedier reform that hurt the unemployed and had them contributing the most to reduce the deficit. And no one ever returned the favour. I do not think this period is over.

However, in terms of Bill C-4, which is currently before us, this new Canadian legislation on not-for-profit corporations is making its way through the various stages. In this Parliament, we have the opportunity to vote at third reading and send it to the other place. We hope the new legislation will come into force quickly.

I agree with the minister who said this bill will cut administrative costs faced by not-for-profit corporations. That is a good thing, and it will strengthen and clarify the governance rules that apply to these corporations. The only reservation that the Bloc Québécois has expressed in committee and that it strongly defended, although unsuccessfully, is that the bill contains no classification measures. All not-for-profit corporations will be lumped into the same category. I think that constitutes a weakness and that we will be back in this House in three, four or five years to amend the act accordingly. Only then will people see that the Bloc Québécois was right about that.

Overall, the Bloc Québécois believes that this is a good bill that will simplify the incorporation of not-for-profit organizations. Previously, corporations had to obtain letters patent with clear objectives. Now, all they need is articles of incorporation that are recognized. I believe that this will be simpler. The bill will clarify the directors' duties and liabilities. We have seen in the past in this sort of organization that when things are going well, there are no problems. When things are not going well, it is important that each person's liabilities be well defined and that the directors know what they are getting themselves into when they join the board of a not-for-profit organization. There was a need for clarification.

The bill will also establish defences for officers in the event of liability, so that a director's personal property is not at risk. These issues will be clarified in the act, which may motivate more people to get involved in not-for-profit organizations. Our society will benefit, because not-for-profit organizations often fill needs that the government cannot fill and the private sector is not filling either. Consequently, it is appropriate to keep going in the same direction.

The bill will also give members greater rights by enabling them to play a role in the governance of the organization. The liability of members versus directors was not always clear in the old act. These things are clarified in the bill, and anyone who joins a not-for-profit organization will have a clearer understanding of his or her rights, responsibilities and authority and will be able to act accordingly.

The bill will also establish a better oversight and accounting mechanism for corporations. We believe that this will be a great improvement. This bill has many parts that are very complicated, but I would just like to mention a few.

Government Orders

Part 1 outlines the bill's purpose, which is to allow the incorporation of organizations without share capital for the purposes of carrying on legal activities, and defines the concept of a soliciting corporation. This expression designates any corporation that solicits funds from the public or a government or any corporation that receives private donations or government grants. We can see that this clarification is designed to distinguish soliciting corporations from non-soliciting corporations. I believe that this will be an appropriate clarification.

As I said, the present letters patent system is being replaced with an as-of-right system. Once again, this represents some worthwhile progress. It also sets out the capacity of a corporation as a natural person. This is a simplification as far as the legal interpretation of these matters goes, and will be to the benefit of both members and the corporation itself. A number of more technical aspects are also clarified, for instance the technical aspects relating to issuing debt obligations and trust indentures. These are more technical and more complex matters that would do well to be clarified.

● (1320)

It is stipulated that the by-laws must set out the conditions for membership, and the articles of incorporation the categories of voting rights for each.

There is a section specifically on members' rights, as well as another complete section on complainants and their recourse in the event of such things as abuse, and the possibility of court orders. It establishes a defence based on religious doctrines against the actions and recourses referred to. A religious organization can make use of this defence when it can reasonably prove that the act leading to the court action was based on a tenet of faith held by the members of the corporation. In such a case, the court may not make an order under this legislation against the organization in question.

There is a clear delineation of individual and collective rights, while taking into consideration the charter implications but without this meaning that people will have to take their recourse as far as a charter challenge on each occasion. These clarifications will be welcomed. There is also indication as to how organizations are to communicate with their members electronically, something that was not there before. The act is obsolete and was drafted at a time when there was nothing like the Internet and various other means of electronic communication. It is important that this be included, especially since it will result in significant savings.

There are a number of general administrative provisions as well to ensure that the framework functions very smoothly, but there are still a few questions left untouched. For instance, there is still no classification system, as I have said before. I think that great attention needs to be paid to the application of the law, and perhaps the Senate will re-examine this matter.

There is transparency and accountability. The current law requires non-profit organizations to keep detailed accounts of their activities; however, there is no requirement—as there is under this bill—to disclose this information. With Bill C-4, non-profits must make their financial statements available to their members, directors and officers as well the director. This makes it possible for directors and officers to have better oversight of the corporation's management, for members to monitor the organization's financial position

between annual meetings and to ensure that the monies are truly used for the stated purposes and objectives.

We were speaking earlier of the interest in democratization so that members truly know what organization they belong to, what powers they have and how to obtain information. This clarification is welcomed by most stakeholders and organizations. This bill is the result of consultations undertaken in various parts of Quebec and Canada. This is the umpteenth version and one which, I believe, will result in an important consensus in this House.

The current legislation allows anyone to obtain a copy of the list of members of a non-profit organization, and the law contains a list of permissible uses. The new bill would restrict this right to members, creditors and directors. This provision will make it easier for members to communicate, to require directors to keep an up-to-date list of members, to protect the sales of certain types of non-profit organizations, prevent the misuse of such a list and ensure that it is not forwarded to just anyone. We have all received documents inviting us to apply for a certain credit card or program. We wonder where they get their information? On occasion, these lists were provided under this law, which was not specific and did not prohibit this type of transfer of information. That will now be prohibited. That is a useful benefit.

In terms of effectiveness, the former law had a system of letters patent that were very difficult to obtain. Under the law, establishing a corporation was not a right. Now, it will be one and it will be much easier to be approved. In an "as of right" system the establishment of a company is automatically granted. With this major change, the procedure for discretionary approval will disappear.

This is an improvement to the whole of the system and advances its democratization. The incorporation process will be simplified and corporations will benefit from increased flexibility, and a more efficient and less costly system. In that regard, improvements are considerable and well-thought-out.

● (1325)

As regards fairness, we can see that with the new legislation the clear definition of the duties and responsibilities of directors will facilitate the recruitment and retention of qualified people on boards of directors. This was not always the case under the previous act.

The due diligence standards that are being proposed are well defined by the courts. Thus, they offer an established instrument to not-for-profit corporations. This standardizes diligence standards for directors, and the bill takes harmonization with other federal acts into account.

It was urgent that this be done, as the acts that are affected were obsolete and referred to several acts that were no longer in effect or had been modernized.

Government Orders

This too is important: directors and officers are currently exposed to much liability. The new legislation introduces several measures to limit liability, for instance, the incorporation of the organization, which creates a legal entity that can be held responsible; a clear definition of diligence standards; the possibility for the director of defending him or herself by invoking a due diligence defence; new provisions which would compensate the director for costs incurred and costs entailed by legal action pursuant to an unfounded suit or incidents which would, in the opinion of the corporation, justify compensation.

After several years of consultation, this act now appears to us to be one which deserves our support. There will be some specific follow-up to be done on certain aspects of the bill but overall this is a positive piece of legislation. The Bloc Québécois contributed to making this a bill of the highest possible quality. We have arrived at the final stage and I think that the House of Commons will see fit to pass this bill. We will thus have carried out the modernization of the not-for-profit corporations legislation, which will be to the advantage of this entire sector.

• (1330)

[*English*]

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, in my hon. colleague's province of Quebec, some innovative things have been done in early learning. Some of the new science that has come out recently has shown the effects of child abuse and the withdrawal of some of a child's basic needs. This is important in the context of non-profits because many non-profits work toward filling those gaps.

Some of the new neuroscience that has come out has clearly shown that physical activity in children turns on parts of the brain that are involved in learning. It has been found that when a child participates in 30 to 45 minutes of good physical activity, such as aerobics, every day, those parts of the brain are turned on and the children can focus more easily and learn better. It has been found that the outcomes for children in school are profoundly better and more superior when kids have a chance to be physically active. Dr. Tremblay and others in Montreal have been groundbreakers in this area.

Does my friend think the government has a responsibility not only to encourage non-profit organizations to do what they do, but it has a role to play to work with the provinces and learn from what certain provinces are doing superbly?

I would like the member to highlight some of the early learning work that happens in the province of Quebec that other provinces in Canada could learn from.

[*Translation*]

Mr. Paul Crête: Mr. Speaker, I thank the hon. member for his question, though I find the question a little far removed from Bill C-4. Certainly, the more not-for-profit organizations that have clear objectives and members who know what they have to do, the more possibilities there will be for those raising funds for good causes such as preventive health programs, and the better off we will all be.

Certainly, in Quebec, very important and interesting measures have already been taken. Everything to do with health is under

provincial jurisdiction, of course. Just last week, I had meetings with people responsible for health in my region. They stressed how important it is to discuss prevention.

There is the whole area of curative medicine that must come into play when people are sick. But we also have a responsibility for comprehensive preventive medicine. This is not just the practice of medicine; it is also making each person responsible for his or her own health and making the government responsible—in Quebec's case—for health education. There is the role of physical education, the way in which each individual must be responsible for his or her own health. We must also make sure that we have all kinds of tools for our young people so that they are able to determine the quality of their own health and so that they can avoid having to resort to curative medicine unless there is no other choice.

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, I congratulate the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup for his excellent presentation. He spoke to a point that we argued for in committee, the classification of organizations.

In the hon. member's opinion, how would Bill C-4 have been improved if a classification of organizations had been accepted and made part of the bill?

Mr. Paul Crête: Mr. Speaker, I would like to thank my Bloc Québécois colleagues for expressing that point of view in committee. It should have been part of the legislation but, sadly, it was not. It is not enough to make us vote against the bill, but I do think that it is an important point. The Canadian Bar Association agrees that failure to include a generalized classification system is one of the bill's major shortcomings.

For example, charitable organizations work for the good of the general public by trying to help people who are neither directors nor members of the association. In other words, these organizations have money that they want to make available to a specific clientele. Such organizations are much different from mutualist organizations, which seek to help their own members. If the legislation included this kind of classification, both organizations and the government—in providing services to organizations—would have been able to adopt a much more precise approach.

Without a classification system, all organizations will end up in a melting pot. I believe that, in the end, additional regulations will be needed, but the government and most committee members did not want to incorporate regulations into the legislation. Perhaps regulations will be introduced, but if not, we will be back here in a few years to consider amending the law as a result. I am sure that a classification system would have been a very good move, and I think that the government should have heeded the Bloc Québécois' recommendation.

• (1335)

Mr. Roger Pomerleau (Drummond, BQ): Mr. Speaker, I want to thank the hon. member for his remarks.

Government Orders

I would like to remind him that, as members, we all know of numerous organizations and non-profit organizations in our ridings that do incredible work. So we have all come across volunteers and seen them working every day. However, during election periods, we have an outstanding volunteer working for us, the official agent.

In my view, he is, in some ways, the ideal volunteer who meets all of the requirements of the new act we have been discussing. The hon. member was just explaining the merits of Bill C-4 and why we will be supporting it.

This bill will simplify the constitution of non-profit organizations. A volunteer agent could be chosen from among everyone in the organization.

It will clarify the duties and responsibilities of the directors. A volunteer agent's role is laid out in the elections act in a way that it is not generally explained to the members of society.

It will establish lines of defence for the directors and officers in liability cases. An official agent's role and responsibilities are very well explained, as are the ways in which he is to fulfill those responsibilities.

It will give members more rights, allowing them to be involved in their organization's governance. We know that the official agent's documents are clearly printed and made public a few months after an election.

It will establish a better mechanism for monitoring the organization's accountability. We know that the financial agent must keep the books according to a specific method and that they are examined twice before being made public.

Can the hon. member tell me if he does not see that by adopting Bill C-4 we are perhaps making the people and volunteers in these organizations and non-profit organizations a little more like financial agents during an election?

Mr. Paul Crête: Mr. Speaker, my colleague makes a very good case. In fact, we will be establishing a regulatory framework that it is much more clear and precise and one that applies to organizations under federal charter. Non-profit organizations have a provincial and Quebec charter. In this case, the framework will be much better defined. It will result in more volunteers for organizations. When the scope of activity is clearer and more specific, it is much easier to be engaged in an organization.

Modernizing the act will increase the participation of citizens in society through various non-profit organizations. This will be the case for what is truly democratic, such as the electoral process, and also for other types of movements that more closely resemble the type of organization they wish to have.

Our work basically acknowledges the importance of the quality of volunteer work.

● (1340)

[English]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

(Motion agreed to, bill read a third time and passed)

* * *

CRIMINAL CODE

Hon. Rob Nicholson (Minister of Justice, CPC) moved that Bill C-26, An Act to amend the Criminal Code (auto theft and trafficking in property obtained by crime), be read the second time and referred to a committee.

Mr. Rob Moore (Parliamentary Secretary to the Minister of Justice, CPC): Mr. Speaker, I am pleased to speak today in support of Bill C-26, An Act to amend the Criminal Code (auto theft and trafficking in property obtained by crime).

The bill is aimed at tackling the separate but related problems of auto theft and trafficking in stolen property and other property obtained by crime. The bill reintroduces offences for tampering with a vehicle identification number and for trafficking in property obtained by a crime, which was initially set out in Bill C-53, a bill that our government introduced in the 39th Parliament.

Bill C-26 also proposes a new distinct offence of theft of a motor vehicle, which is similar to the offence proposed in Bill C-343, a private member's bill introduced by the hon. member for Regina—Qu'Appelle, which died on the order paper in the last Parliament. I would be remiss if I did not mention at this time the efforts of the member for Regina—Qu'Appelle for his outstanding work on behalf of his constituents and for raising awareness of this serious issue.

Auto theft is one of the most pervasive forms of property crime in Canada. While there has been a downward trend in auto theft rates in the last decade, it stills remains one of the highest-volume offences in Canada. In its December 2008 report on motor vehicle theft, Statistics Canada reported that in 2007 approximately 146,000 motor vehicle thefts were reported to the police across Canada, averaging 400 thefts per day.

Motor vehicle theft has created a significant impact on owners, law enforcement and the insurance industry. The Insurance Bureau of Canada estimates that auto theft costs Canadian more than \$1 billion each year, including non-insured vehicle theft, policing, health care, legal costs and out-of-pocket costs such as insurance deductibles.

Motor vehicle theft also creates public safety concerns for Canadians, as stolen vehicles are often involved in police chases or dangerous driving, which can result in injury or death to innocent bystanders. Such was the case of the tragic death of Theresa McEvoy, a Nova Scotia educator and mother of three children who was killed on October 14, 2004, when her car was struck by a youth driving a stolen vehicle. Sadly, this is not a rare incident. A study carried out by the National Committee to Reduce Auto Theft reported that in the period of 1999-2001, 81 people were killed as a result of auto theft and another 127 people were seriously injured.

Government Orders

The bill therefore proposes that a new offence of motor vehicle theft be added at section 333.1 of the Criminal Code. It is true that many offences in the Criminal Code already address motor vehicle theft, such as theft, fraud, joyriding, possession of property obtained by crime and flight from a police officer. However, the bill would create a distinct offence with an enhanced penalty for a third and subsequent conviction in the form of a mandatory minimum sentence of six months imprisonment.

The creation of this distinct offence is an important measure that will assist prosecutors. A problem currently facing the courts is that very often a prosecutor is unaware that the offender is a career car thief. Normally, the offender is simply charged with theft over \$5,000 or possession of property over \$5,000 and there is no indication on the available record as to the type of property that was stolen. The result is the prosecutor and the judge do not know if they are dealing with a prolific car thief or with a car thief involved with organized crime. The proposed distinct offence will help give the courts a clearer picture of the nature of the offender for bail hearings and when it comes time to impose a sentence.

In a report published in 2004, Statistics Canada estimated that roughly 20% of stolen cars were linked to organized crime activity. Organized crime groups participate in the trafficking of stolen autos in at least three ways. First, they operate chop shops, where stolen vehicles are disassembled and their parts are trafficked, often to unsuspecting customers. Second, organized crime is involved in the process of altering a car's legal identity through changing its vehicle identification number, commonly known as its VIN. Third, high-end, late-model luxury sedans and sport utility vehicles are exported from Canadian ports to far-off locations in areas such as Africa, the Middle East and Eastern Europe.

The bill takes serious steps to address organized crime's involvement in motor vehicle theft in a number of ways, including by the proposed creation of two new offences of general application that will target trafficking in property obtained by crime whether stolen property or property obtained by fraud or other crimes. Let me be clear, though. The scope of the proposed trafficking offences is comprehensive and will extend to all forms of trafficking and property obtained by crime, not just stolen autos.

• (1345)

To understand how the proposed offence of trafficking and property obtained by crime would help, consider what ultimately happens to personal property when it is stolen during a typical break and enter. Members in the House probably have constituents who can relate to the offence of break and enter. When thieves break into homes, the first thing they usually do with the goods is sell them to a fence, who buys them at a significant discount and then sells the stolen property at a profit, either to pawn shops, legitimate businesses or directly to customers who have ordered a specific item such as a high-end bicycle or electronics.

In the theft cycle it is the fence who provides the avenue to pursue the financial incentive that motivates the thief to commit the initial crime.

Another example of trafficking involves the stealing of vehicles to export or dismantle for parts. This is a lucrative business for organized crime and one that affects the legitimate retail industry.

Stolen parts are easily fenced and often sold to unsuspecting customers or garages. It is far easier to traffic automotive parts than entire vehicles, especially when exporting by sea.

Selling automotive parts can also be more lucrative than selling an entire automobile because parts from cars older than five years old are often worth much more than the vehicle would be worth if it was sold as a whole.

Chop shops that disassemble stolen cars thrive in urban areas, especially those with easy access to ports. Canadian chop shops export automotive parts throughout the world.

Presently the general offence of possession of property obtained by crime in section 354 of our Criminal Code carries a maximum of 10 years imprisonment for property valued over \$5,000. It is the principle Criminal Code offence that is used to address trafficking in property obtained by crime. There is no specific trafficking offence that adequately captures the full range of activities involved in trafficking, such as selling, giving, transferring, transporting, importing, exporting, sending or delivering stolen goods. The current theft and possession provisions also do not recognize organized crime involvement in these activities.

There is an organized nature to the activities involved in dealing in property obtained by crime. Take auto theft as an example. Chop shops often keep as little inventory as possible to avoid detection and to minimize the risk of multiple counts in the event of a raid. The offence of possession of property obtained by crime does not capture the fact that the chop shop operation processes far more motor vehicles than are normally seized during a raid. Additionally, the police often only charge the person who is in possession of the property at the time of the raid. In many cases none of the other players can be fully prosecuted during the existing theft or possession offences.

To more effectively address organized crime, including commercial auto theft, it is necessary to target all the middlemen, including the seller, the distributor, the person chopping the car, the transporter and the person arranging and organizing these transactions. This is also the case in regard to the trafficking of stolen property in general.

The proposed reforms in Bill C-26 will give law enforcement and prosecutors new tools to target those who participate in any part of the entire range of activities that are involved in the disposal of illegally obtained goods. To this end, it will make it an offence to traffic in or possess for the purpose of trafficking in property obtained by crime.

The proposed offences will be based on a wide definition of trafficking. It will include the selling, giving, transferring, transporting, importing, exporting, sending or delivering of goods or offering to do any of the above. As such this, new law will target all of the middlemen who move stolen property from the initial criminal act through to its sale to the ultimate consumer.

Government Orders

I should mention that there are victims at both ends of the spectrum, the individuals who have had their property stolen and the unsuspecting purchasers of goods obtained through the theft from innocent victims.

This government believes that serious crime should be appropriately punished. Accordingly the proposed trafficking and possession for the purpose of trafficking offences will have higher penalties than the existing possession offence in section 354 of the Criminal Code. If the value of the item trafficked exceeds \$5,000, the maximum penalty will be 14 years imprisonment. If the value is less than \$5,000, the matter will be a hybrid offence and will carry a maximum penalty of five years imprisonment on indictment or six months on summary conviction.

● (1350)

As noted, the movement of stolen property across Canada's international borders, especially automobiles, is a particular problem. However, at our ports now, Canada Border Services Agency officials cannot use their administrative powers under the Customs Act to stop suspected stolen vehicles from leaving our ports. In order for the CBSA to be able to bar the cross-border movement of property obtained by crime, goods must first be classified as prohibited goods for the purpose of importation or exportation.

No such classification is currently set out under federal law. If customs officials come across suspected stolen automobiles, they do not currently have the administrative authority to detain the shipment, or even to determine themselves whether the cars are stolen by accessing databases. They can, of course, refer clear cases of criminal activity to the police, but the application of administrative customs' powers would be far more effective in helping to interdict the export of stolen goods.

To address this concern, I am pleased to say that the bill proposes to supply the necessary express prohibition against the importation or exportation of property obtained by crime. This would trigger the administrative enforcement powers of the Canada Border Services Agency.

In the case of auto theft, for example, CBSA officers would be able to investigate, identify and detain imported vehicles or vehicles about to be exported, and to search databases to determine whether such vehicles were indeed stolen. These actions could ultimately produce evidence that would allow the police to conduct criminal investigations and lay criminal charges.

As I have mentioned, another one of the ways in which organized vehicle theft is facilitated involves disguising the identity of stolen vehicles. This process involves stripping the vehicle of all existing labels, plates and other markings bearing the true vehicle identification number, and then manufacturing replacement labels, plates and other markings bearing a false vehicle identification number obtained from imported or salvaged vehicles.

There is currently no offence in the Criminal Code that directly prohibits tampering with a vehicle identification number. Like trafficking, the current Criminal Code provision used to address VIN tampering is the general offence of possession of property obtained by crime.

The proposed amendment would make it an offence to wholly or partially alter, obliterate or remove a VIN on a motor vehicle. Under the new offence, anyone convicted of tampering with a vehicle identification number could face imprisonment for a term of up to five years on indictment, or punishment on summary conviction.

As of October 1, 2008, when Bill C-13 came into force, the general penalty for an offence punishable on summary conviction is now a fine of not more than \$5,000, or a term of imprisonment not exceeding six months, or both. This would be an additional offence. A person could be charged with both the possession of property obtained by crime and the proposed VIN tampering offence, which could result in a longer sentence. In order to ensure that the proposed VIN tampering offence does not capture lawful behaviour such as automobile body repair, recycling and wrecking, the offence also includes an express exemption provision.

This government is serious about fighting crime, and this legislation is a strong measure to help law enforcement and prosecutors punish criminals who commit auto theft and trafficking in property obtained by crime.

I want to take this opportunity to thank our Minister of Justice, who has carried the ball on a number of significant measures that tackle violent crime, gang crime, organized crime and motor vehicle theft. As he is fond of saying, we are just getting started.

There is so much more we can do, and we are doing that. This bill is a big part of protecting all Canadians from the offence of motor vehicle theft.

● (1355)

Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.): Mr. Speaker, it is my pleasure today to rise in the House to speak to Bill C-26, which was formerly introduced as Bill C-53 in the last Parliament. That Parliament was stopped, so we did not get to consider that bill.

This is an act to amend the Criminal Code, specifically with respect to auto theft and trafficking in property obtained by crime. The theft of autos has become a very prolific business for organized crime in the country. I do not mean to pick on cities, but certainly with respect to Montreal and Winnipeg, we, at the justice committee, have heard time and again about the auto theft challenge for mayors.

Being a former mayor, I understand that complaints about the state of one's city come from the people to the mayors and councillors. It becomes a complaint that resonates through a city, and it can affect the image of a city. No city wants to be called the car theft capital of Canada or a province or a region.

Anything we can do through the Criminal Code, through provincial regulations, through public safety programs, public education programs is important. Initiatives as simple as telling people to lock their cars or not to park their cars in certain areas have started at the municipal level. The Federation of Canadian Municipalities has addressed the issue that is so rampant in some of its member cities with respect to how to prevent auto theft, how to avoid the occasion of auto theft.

At the other end, organized crime has made it a business. It has become the Fortune 500, so to speak, of stealing autos in larger centres.

In the middle, all we can do in Parliament is review legislation with a view to making the situation more tolerable in our large cities, and indeed throughout the country, with respect to auto theft. That is one part of this bill.

I would like to say that the Conservatives are learning; they are getting a little better. The parliamentary secretary said such nice things about the Minister of Justice. I would not want that to go to their heads. The fact is that Bill C-53, which when introduced was virtually going to end auto theft according to the Conservatives, has now been changed in this bill, Bill C-26, and it is a separate offence in the Criminal Code in order to deal with auto theft. The Conservatives made it a separate offence, which is a good thing. We applaud that. We will be supporting it.

However, I think it is important for members of the House and the public to know that despite all the rhetoric that appears on CTV, CBC, and all the other networks across this country, from the spokespeople of the Conservative Party, we cannot do everything from this Parliament. It is not possible.

What is possible is to work well with the Federation of Canadian Municipalities. It is not to make enemies of mayors and councillors, which the government has done so often, but to work in harmony with all levels of government to make auto theft a priority—

• (1400)

The Speaker: I hesitate to interrupt the hon. member, but of course the time demands it. There will be 16 minutes and a bit remaining in the time allotted for his remarks once the debate resumes.

The hon. government House leader is rising on a point of order.

Hon. Jay Hill: Mr. Speaker, there have been negotiations between all parties and I believe you will find unanimous consent for the following:

That, notwithstanding any Standing Order or usual practices of the House, the notice period for a Take Note Debate be waived in order to allow for a take note debate tonight that would take note that the seal hunt is a humane and legitimate economic pursuit, and that the European Parliament's recent decision to ban the importation of seal products is misinformed, inflammatory, counterproductive, and should be rejected.

The Speaker: Does the hon. government House leader have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

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

[Translation]

The Speaker: The member for Hull—Aylmer on a point of order.

Mr. Marcel Proulx: Mr. Speaker, could you delay the vote a little so we can obtain a final, word-for-word copy of the motion? In that way we will be able to make an enlightened decision.

The Speaker: The member is asking that the vote be postponed to later, perhaps around 2:15 p.m.

Statements by Members

STATEMENTS BY MEMBERS

[English]

SNOWBIRDS

Mr. Ray Boughen (Palliser, CPC): Mr. Speaker, on Friday, May 1, I was fortunate to witness the Snowbirds demonstration team, Squadron 431, performing their acceptance show at 15 Wing Moose Jaw. The next day I was able to see them perform again in celebrations for Canadian Forces Day.

Spectacular. Amazing. Unbelievable. I am not sure that any of these words are strong enough to describe the performance of the Canadian Snowbirds. The show is truly a ballet in the sky, and the skill and expertise of the pilots is something to behold.

The Snowbirds are a Canadian icon. They showcase our armed forces throughout North America in a unique and exciting way. They are ambassadors as well as entertainers.

I encourage all of my colleagues and all Canadians to take in a Snowbirds show. Their schedule can be found on website snowbirds.forces.gc.ca.

I ask all members to join me today in wishing the Snowbirds a great 2009 show season.

* * *

BRACELET OF HOPE

Mr. Francis Valeriote (Guelph, Lib.): Mr. Speaker, I ask the House to join me in congratulating Bracelet of Hope, a humanitarian initiative which began in Guelph. Bracelet of Hope is the idea of local physician, Dr. Anne-Marie Zajdlik, and is raising money to support an HIV-AIDS clinic in Lesotho in Southern Africa.

This group raises money by selling bracelets of hope, one of which I have been wearing for several years, successfully raising \$1 million to date. The idea has spread around southwestern Ontario as the organizers work toward seeing a bracelet on the wrist of every Canadian.

I invite hon. members to visit braceleteofhope.ca to learn more about this worthwhile initiative.

I ask the House to join me in thanking everyone who has worked on the Bracelet of Hope campaign to help put an end to AIDS in this African country.

This is the kind of news that makes me proud to be a Canadian and very proud to be from Guelph.

* * *

[Translation]

THE OUTAOUAIIS WILD BALL HOCKEY TEAM

Mr. Richard Nadeau (Gatineau, BQ): Mr. Speaker, the Outaouais Wild, a ball hockey team representing a Gatineau mental health centre called Centre Inter-Section, has come back to the region with a gold medal from a sporting event held in Montreal from April 29 to May 3, the Défi sportif.

Statements by Members

This international event is the only one of its kind in the world, and brings together more than 3,000 mentally challenged athletes representing about fifteen countries and thirteen different sports disciplines.

In its eighth appearance at these games, the Gatineau team beat the Montreal Échelon in the finals.

The Bloc Québécois joins with me in congratulating all of the winning ball hockey team, as well as the centre they represent, Centre Inter-Section.

* * *

●(1405)

[English]

PENSIONS

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, the Iroquois Falls paper mill has been the jewel in the crown of Abitibi for 100 years. Even as AbitibiBowater totters under bankruptcy protection, this mill continues to turn a profit.

Yet, retirees who have spent their entire lives paying into the pension fund are now finding that their pensions are being cut or suspended altogether.

I spoke today with a man who had 35 years of service before he was let go. Then his severance was cut off which left him with no income whatsoever.

Economic restructuring cannot be done on the backs of workers and retirees. All across Canada our pension plans are under attack, whether its Abitibi, Nortel or Air Canada. On top of that, millions of Canadians have not set aside any pension funds whatsoever despite working hard.

There is a pension crisis in this country and we have a government that is completely asleep at the switch.

We need to reform the federal bankruptcy laws to put workers first and not last. We need an overhaul of the Canada pension plan, and finally, we need a government that is willing to stand up for workers, retirees and seniors citizens in this country.

* * *

[Translation]

FISHERIES

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Speaker, I would like to congratulate the Miramichi Headwaters Salmon Federation, which has received one of the 2009 National Recreational Fisheries Awards from the honourable Minister of Fisheries and Oceans.

[English]

The federation has contributed directly to the development of recreational fishing in the Miramichi Headwaters region, much of which lies in the riding of Tobique—Mactaquac. The group helps to protect and improve fish habitat by operating a fish rearing facility and promoting conservation.

The organization is actively involved in recreational fishing issues and the development of fishing through campaigns targeting young

anglers, support for other groups, and involvement in habitat restoration and the stabilization of riverbanks.

Its fish rearing facility also enables other associations to stock rivers and streams that develop the sport fishing potential in various waterways in the area.

The Miramichi Headwaters Salmon Federation is very much deserving of this very prestigious national recreational fisheries award, and I sincerely congratulate the group's president, Randy Lutes, his wife Judy, and all the volunteers for this tremendous achievement.

* * *

[Translation]

QUEBEC ENTREPRENEURSHIP COMPETITION

Mrs. Lise Zarac (LaSalle—Émard, Lib.): Mr. Speaker, I am proud and pleased to draw attention to the exceptional performance of two organizations from my riding of LaSalle—Émard.

Last month, at the Quebec entrepreneurship awards gala, LaSalle community radio, under the direction of Denis Routhier, was awarded first prize in the social economy category, while second prize in that same category went to the seniors' café at the Centre du Vieux Moulin, under the direction of Héléne Lapierre.

My sincere congratulations to the two prize winners for this fine recognition of their efforts. Their success is indisputable evidence of the value of team work, as well as of the quality of those working untiringly to serve the people of LaSalle—Émard well.

My wholehearted wishes for the best of success in the future.

* * *

[English]

SRI LANKA

Mr. Stephen Woodworth (Kitchener Centre, CPC): Mr. Speaker, about 10 days ago I had the privilege of meeting with a roomful of Canadians of Tamil origin from my riding of Kitchener Centre.

They were very distressed about events in their homeland with Tamil civilians trapped in conflict by the advancing Sri Lankan army. They were deeply concerned about the mortal peril facing their loved ones.

My heart went out to them and the hearts of all Canadians go out to them.

These Canadians need to know that the Government of Canada has already called on the government of Sri Lanka to declare an immediate ceasefire. They need to know that Canada has already called for unhindered international access for the evacuation of the sick and wounded, and for the delivery of much needed humanitarian assistance to civilians.

Canadians of Tamil origin need to know that our government has millions of dollars in humanitarian assistance ready to go. Canada will keep up the pressure.

Statements by Members

[Translation]

RICARDO ALARCÓN DE QUESADA

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, Ricardo Alarcón de Quesada, president of Cuba's National Assembly since 1993, is visiting Canada.

His resumé is impressive. He earned a doctorate in philosophy and was professor emeritus at the University of Havana before becoming Cuba's representative at the UN, where he was vice-president of the General Assembly, president of the Council of Administration to the United Nations Development Programme, and vice-president of the United Nations Committee on the Exercise of the Inalienable Rights of the Palestinian People. He was also Cuba's Minister of Foreign Affairs.

Mr. Alarcón dedicated his life as a public servant to denouncing the embargo against Cuba and to forging close ties with other states while expressing the hopes of the Cuban people and defending the inalienable right of peoples to govern themselves.

It is an honour for me, on behalf of my Bloc Québécois colleagues, to wish Mr. Alarcón, one of the great men of this world, an excellent visit to Parliament Hill.

* * *

• (1410)

[English]

PORK INDUSTRY

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, jobs in my riding depend on the pork industry which is why the Government of Canada is standing up for pork producers on the international stage by encouraging Canadian families to support struggling hog producers by picking up some pork next time they go to the grocery store.

We know that Canadian pork is safe. We appreciate the countries who have acknowledged this fact and kept the borders open and trade flowing. We will do everything we can to fight for our producers and industry.

That is why the Minister of Agriculture, along with the Canadian Pork Council are hosting a barbecue tomorrow. We would like to invite all members, staff and media to a barbecue in the East Block courtyard tomorrow at noon to enjoy some top quality Canadian pork.

We have invited ambassadors from around the world as well so that they will get the message that our Canadian pork is safe. See everyone there tomorrow.

* * *

[Translation]

CANADIAN RED CROSS

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, on behalf of the Liberal Party of Canada and all of my colleagues here in Parliament, I would like to congratulate the Canadian Red Cross on its 100th anniversary.

[English]

For 100 years the Canadian Red Cross has been there to provide relief from suffering across our country and around the world. This is thanks to the thousands of dedicated volunteers who work in the organization.

Canada is one of the highest contributors of delegates to the International Committee of the Red Cross which provides protection to civilians and the injured in areas of conflict like Afghanistan, Sudan, Gaza, and provides assistance after earthquakes, tsunamis, floods and famine.

Courage, humanitarianism and sacrifice are the hallmarks of the Canadian Red Cross.

We in this Parliament, and indeed all Canadians, salute the Canadian Red Cross and its members on their centennial anniversary, and give thanks for the sacrifices they make to help relieve the suffering to those in their time of greatest need.

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[Translation]

QUEBEC'S PLACE AT UNESCO

Mrs. Sylvie Boucher (Beauport—Limoilou, CPC): Mr. Speaker, three years ago today, the governments of Canada and Quebec signed a historic agreement that recognized Quebec's special interest in culture and science and its desire to benefit more from the combined efforts of the federal and provincial governments. As a result, for the first time in history, Quebec has an important voice at UNESCO.

With its policy of open federalism, the federal government recognizes Quebec's unique personality within a united Canada and a flexible federal system. Gone are the traps the Liberals set to strip Quebec of all its ideas and jurisdictions. Gone is the Bloc's extreme polarization, which seeks only to destroy Quebec's history and culture.

Quebec has a real voice at UNESCO. It is not a Liberal or Bloc voice, but a unique, Quebec voice.

* * *

[English]

CANADIAN FLAG PINS

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, the maple leaf is the symbol of our national goals and aspirations. Canadian troops put their lives on the line for the values symbolized by the maple leaf. It speaks to our pride as Canadians.

Today that pride is diminished. In the middle of a manufacturing meltdown, the Conservative government outsourced the production of Canadian flag pins to China. Why is the Prime Minister giving our tax dollars to foreign factories? Why does the Prime Minister not support Canadian jobs?

New Democrats stopped the Liberals from outsourcing our pins in 2005. It is outrageous that we have to do it again.

Canadians simply want some fairness and accountability, but the Conservative government is incapable of delivering.

Statements by Members

Of the \$3.8 million that the federal government spends on Canada Day celebrations, it is giving \$3.2 million to Quebec, leaving a mere \$600,000 for the rest of Canada, and only \$100,000 for all of Ontario, our most populace province.

Thankfully, my Canada Day barbecue has never needed the government's support, but Ontarians do. They need the support of the government to protect their jobs, both in the manufacturing sector and in the tourism industry.

In the lead up to Canada Day, the government could and should have done both.

* * *

SEAL HUNT

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): Mr. Speaker, despite the European Union's unfortunate and ill-informed vote on the seal hunt, the Government of Canada will remain firmly behind our seal hunters and their right to hunt. We will continue to work on their behalf.

It is unfortunate that while this government laboured on this file, the Liberals continued to undermine Canada's efforts with one Liberal senator, Mac Harb, even introducing a bill to ban the hunt, a bill that one anti-seal hunting group is crediting with helping convince the Europeans to vote against our hunters.

Canadians should know that this Conservative government will not sit back and do nothing, like the Liberal Party. We will not give up this fight and, if we must, we will take action with the World Trade Organization to overturn this wrong, unfair and unjust ruling.

* * *

●(1415)

[*Translation*]

OFFICIAL LANGUAGES

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, last night, I took an Air Canada flight from Montreal to Ottawa, which was two hours late. Imagine my surprise when the flight attendant gave me instructions only in English. Given my persistence in asking if she spoke both official languages, she replied, in an arrogant tone, that she also spoke two languages: Chinese and English.

A similar experience was described last week in *Le Soleil* by someone from my riding who was travelling from Montreal to Quebec City. The flight attendant threatened to cancel the flight if he did not stop causing a disruption, when all he was doing was demanding service in French, just as I was.

If the government were serious about its desire to ensure that the Official Languages Act is respected, it would put more pressure on Air Canada, which is the subject of nearly 25% of all complaints received by the Commissioner of Official Languages. Yet the regulations are clear: services are to be provided in both official languages in airports serving Quebec, among others. We have also seen this same "who cares" attitude towards respecting the French language in the planning of the Vancouver Olympic Games.

[*English*]

SEAL HUNT

Mr. Todd Russell (Labrador, Lib.): Mr. Speaker, we have been warning the Conservative government about it for months, and today it has finally happened. The European Union has voted to ban products of the legal, sustainable, humane, and economically important Canadian seal hunt.

The Conservatives and their patronage appointed fisheries ambassador have failed to stand up for the interests of Canadians. In what other industries will the Conservatives allow the European Union to dictate Canadian policy?

Even as Canadian and EU officials are set to start talks on expanded free trade, the Conservatives have failed the people of Newfoundland and Labrador, Nunavut, Quebec's Lower North Shore, the Magdalen Islands, and Atlantic Canada generally.

Who else will the Conservatives sell down the river to Brussels?

* * *

TAXATION

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, last month the Liberal leader said, "We will have to raise taxes". I congratulate him on ascending to the role of leader of the Liberal opposition. I have some questions for him, though. Which taxes would he raise, by how much and who would be forced to pay?

On Saturday his party answered with a resolution favouring a carbon tax. That is, of course, a tax on home heating and on transporting goods like food. The Liberal leader fathered the idea when, during the 2006 leadership race, he said, "We've also got to have popular, practical, believable policies that may involve some form of carbon tax".

Instead of denying or running away from his words, we would have advised him to stand behind what his party said at its convention.

Let us have a great Canadian debate. Do we want higher taxes under the Liberal leader, or lower taxes under this Conservative Prime Minister?

* * *

BUSINESS OF THE HOUSE

Hon. Jay Hill (Leader of the Government in the House of Commons, CPC): Mr. Speaker, there seemed to be a bit of confusion with the point of order and the motion that I presented to the House prior to statements by members, so I would like to read it again and see if we can get unanimous support for it. I move:

That, notwithstanding any Standing Order or usual practices of the House, the notice period for a Take Note Debate be waived in order to allow for a take note debate tonight that would take note that the seal hunt is a humane and legitimate economic pursuit, and that the European Parliament's recent decision to ban the importation of seal products is misinformed, inflammatory, counterproductive, and should be rejected.

Because I am seeking unanimous consent for this motion, I would like to further explain that the notwithstanding part of the motion applies to the waiving of notice and the unusual wording in this take note motion and does not set a precedent for future take note debates.

• (1420)

The Speaker: Does the hon. government House leader have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

ORAL QUESTIONS

[Translation]

SCIENCE AND TECHNOLOGY

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, Rafick-Pierre Sékaly, a world expert on AIDS, is leaving the Université de Montréal to go to the United States. The 25 researchers on his team are all going with him. Dr. Sékaly has said he hopes his departure will sound the alarm.

Has the government heard the alarm bells? Where is this government's strategy to prevent the departure of our best scientists?

[English]

Hon. Gary Goodyear (Minister of State (Science and Technology), CPC): Mr. Speaker, the only government that cut funding to HIV-AIDS was the Liberal government in 2005.

What the report fails to tell Canadians is that the Conservative government committed \$94 million to HIV-AIDS research this year. We committed \$111 million to the Bill & Melinda Gates Foundation for HIV-AIDS, and this research is still getting all that funding from this Conservative government.

[Translation]

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, those are not the facts. The Conservatives have been cutting funds to scientific research, in real terms, every year since they were elected, and our brightest minds are leaving the country.

So, I repeat the question. What is this government doing to prevent the exodus of all our brightest minds?

[English]

Hon. Gary Goodyear (Minister of State (Science and Technology), CPC): Mr. Speaker, the comment of the member is absolutely false. In fact, the last time this country faced a recession, in the mid-1990s, the Liberal government cut scientific research by \$442 million.

We take a different approach. We have increased funding by \$5.1 billion. Let me read what the member for Etobicoke—Lakeshore has said:

Oral Questions

I would look for program review within the government to pull as much savings as we can out.

Those are the Leader of the Opposition's own words.

Mr. Michael Ignatieff (Leader of the Opposition, Lib.): Mr. Speaker, that is the only government anywhere that does not seem to understand that investing in science, research and technology is the key to the jobs of tomorrow. President Obama is investing more. The Ontario government is investing more. The Conservative government cut \$148 million from our research granting councils.

How does the government expect Canada to compete in the information age with policies derived from the stone age?

Hon. Gary Goodyear (Minister of State (Science and Technology), CPC): Mr. Speaker, I know that the member was living in the United States during the cuts under the Liberal government.

Let me just inform the member that nobody on the Liberal side voted against the strategic reviews in 2006 when strategic reviews came up for a vote. None of the members opposite voted against that.

This government took the recommendations and put that money back into science and technology. Not only did we do that, but we added \$5.1 billion. On Friday I was in the United States, and they wanted to hear the good news of what Canada—

The Speaker: The hon. member for Dartmouth—Cole Harbour.

* * *

EMPLOYMENT INSURANCE

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, EI access needs to be fixed. Who says that? Just about everybody: policy think tanks, poverty advocates, working people, the chamber of commerce, the TD Bank, the C.D. Howe Institute, provincial premiers. Even the finance minister's wife knows it.

The Conservative government stands alone in its mean-spirited isolation, unwilling to assist unemployed Canadians in their hour of need, unable to admit that they have failed workers, unable to put people ahead of politics.

Why will the Conservatives not apologize for their mistake, step up for Canadians and fix access for the victims of this Conservative recession?

• (1425)

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, that is exactly what our government has done. We have expanded regular benefits by five weeks. We have increased the maximum period of benefits to 50 weeks. We have expanded work sharing and now 93,000 Canadians are having their jobs protected.

Oral Questions

Yes, we did inherit a system from the Liberals. Yes, it was not quite right. That is why we fixed it. That is why we are addressing it. That is why we are trying to make sure that Canadians do get the benefits they need in a timely manner.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, excuses, denials and misleading statistics do not feed families and they do not pay the rent. The government has failed Canadians. The government has failed to manage the economy, failed to create jobs, and failed to extend EI to those who need it.

How can the government be so callous in turning its back on the people of Canada? Its arrogant refusal to step up and extend EI access is a national disgrace from coast to coast to coast.

When will it stop the excuses, give up the denials, accept responsibility and extend EI to the victims of this Conservative recession?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, maybe the member is not aware, but access is up for EI. Benefits are up for those who are unfortunate enough to lose their jobs.

Let us take a look at Oshawa. In Oshawa, it is now two weeks easier to claim benefits and get them for four weeks longer than was the case a year ago under the plan that the Liberals had. We have increased it.

Let us realize that while we are increasing benefits and while we are increasing access, the Liberals are only increasing rhetoric and they want to increase taxes, too.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Liberals have no credibility when it comes to employment insurance. In 1993, on the eve of the general election, Jean Chrétien, who was then the opposition leader, promised a change of direction on employment insurance. Once elected, the Liberals made further cuts to EI. The Conservatives did the same thing in 2006, although they promised to restore the program for older worker adjustment, which they never did do.

If it wants to get some credibility back, why does the government not take a page from our assistance plan, which includes several proposals to improve employment insurance, including eliminating the waiting period?

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Mr. Speaker, I want to remind this House that the members opposite, the Bloc Québécois members, have voted against all the measures we have introduced to try to support Canada's economy and help people who lose their jobs. We have provided \$12 billion to support infrastructure and turn our country into one huge construction site starting this spring. In addition, we have introduced measures to extend the employment insurance benefit period by five weeks.

What has the Bloc Québécois done? It has voted against these measures. Every time we propose something positive, the Bloc does not even dare agree with us. They could at least take what we are offering and see what happens. But they always say no, no, no.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, fortunately, ridicule never killed anyone. With the economic

situation getting worse every day, what the unemployed really need is an overall improvement in the employment insurance system. The Prime Minister asked for proposals and we made some. He has a copy of our assistance plan.

What is the government waiting for to show some leadership on this issue? It must act now so that people will have enough money to make ends meet and stimulate the economy at the same time.

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Mr. Speaker, allow me to again mention four measures we have introduced to support people who lose their jobs and are in difficulty.

First, we are extending the employment insurance benefit period by five weeks. That is five weeks more than usual, because times are tough and we know that it can take people longer to find work.

Second, we are extending work-sharing agreements by 14 weeks, not one, not two, not three, but 14 weeks.

Third, there is workforce training. People can receive employment insurance while they take training. Those are three of the four examples.

• (1430)

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, with the changes imposed by the Liberals in the 1990s and the Conservative government's complicity today, the employment insurance system is ineffective and unfair, in part because it treats unemployed workers like potential cheaters.

Will the government take a page from the Bloc Québécois assistance plan and reform employment insurance by taking an approach that assumes that claimants are acting in good faith?

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Mr. Speaker, the Bloc Québécois would like us to eliminate the waiting period. Their theory is that someone starting with 30 weeks of employment insurance would still stay at 30 weeks, just starting two weeks sooner. Our approach is that the same person with 30 weeks of employment insurance would receive 5 more. That is what we are offering. The Bloc voted against it.

We have also frozen the premium rate, something else that the Bloc voted against. We made a \$1,350 credit available for home renovations as a way to support the economy, but the Bloc voted against that. The Bloc is always opposed.

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, what the minister said is not correct. The present economic crisis is showing us, without a shadow of a doubt, that the current employment insurance program is not meeting the needs of either unemployed people or the economy. Abolishing the waiting period, for example, would improve employment insurance and would get household expenses moving again.

Will the Conservative government immediately undertake a massive reform so that the employment insurance program once more becomes accessible and generous?

Oral Questions

Hon. Jean-Pierre Blackburn (Minister of National Revenue and Minister of State (Agriculture), CPC): Mr. Speaker, why does the hon. member not want to see the complete set of measures that have been put in place to support the economy? When we are offering good things for the general public and for people who have lost their jobs so that they can be protected for longer, why does he vote against them?

As well, going back to the regional system, it was in 1977 that the Liberal government established the method that adjusts for regional unemployment rates. We think that the method has proved its worth; it has existed for 32 years. In a region that is in more difficulty, it is reasonable for people to have to work a little less in order to take advantage of employment insurance.

[English]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, 16 years ago when the Liberals were in office under Jean Chrétien, guess what the situation was? Over 75% of workers who needed help from EI could get it. But after the years of the Liberals and the Conservatives in government, less than 40% are able to get access to the help they need. Sixty per cent of workers get the door slammed in their face by the government.

The House adopted our proposals for change 56 days ago. When is the government going to take action—

The Speaker: The hon. Minister of Human Resources and Skills Development.

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, I do wish that the leader of the NDP would get his facts right for a change. Repeatedly we have told him that, according to Statistics Canada, over 82% of those who pay into EI can collect EI and do. That is according to Statistics Canada.

I do wish the hon. member would recognize this and stop trying to scare people. Getting laid off is a terrible enough emotion on the family. I know; I have been there. I wish he would learn to stop misrepresenting the facts and to try to help these Canadians as we are doing.

* * *

PENSIONS

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, across this country we are hearing from the people who are getting the door slammed in their face by the government when they go looking for help when they have lost their jobs.

It is not only help for EI. What about their pensions? There is virtually no action here. Workers and retirees from GM, AbitibiBowater, Air Canada and others are worried about their pensions. In fact, back in 2005, the NDP forced the Liberals to cancel a corporate tax cut and put \$100 million aside for a pension protection plan.

When is the government going to get serious about dealing with the pensions that need some protection right now?

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, if the member opposite had been paying attention, he would know that there has been a consultation under way for several months, that it was announced in the budget, the budget he voted against without ever reading it. He apparently still has not read Canada's economic

action plan, because it lays out the steps we are taking to resolve the pension issues that are of primary importance to Canadians.

● (1435)

[Translation]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, as Gaëtan Ménard of the Communications, Energy and Paperworkers Union of Canada put it so well this morning: “Money in pension plans is deferred pay that workers have set aside in order to retire with dignity.” The government must do more to protect pensions, especially in the face of all the potential bankruptcies.

Is the government at least prepared to consider the possibility of guaranteeing the pensions of our retirees?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, we have already doubled the time required for payments to 10 years for federally regulated pensions. This is very important. Of course, with the decline in some of the capital markets, the value of some of the pension plans has declined. This requires some additional capital payments by some employers.

I say to the member opposite that what is important is that the workers, some of them represented by unions, the pensioners and the employers work together toward solutions. We are certainly prepared to work with them.

* * *

[Translation]

EMPLOYMENT INSURANCE

Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.): Mr. Speaker, the number of people unemployed is rising, eligibility criteria remain the same and more and more families find themselves in a very precarious financial situation.

Does the minister realize that her refusal to adopt a single eligibility criterion for all of Canada means that an increasing number of individuals will have to rely on social assistance?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, that is not at all correct. The fact is that employment insurance is adjusted based on regional conditions. That is why, in the Kitchener area, unemployed workers are eligible for employment insurance four weeks earlier than last year and they can receive an extra 13 weeks of benefits compared to last year. It is very important to recognize this. We increase benefits, whereas they want to increase taxes.

Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.): Mr. Speaker, the minister just does not want to understand. A person who is ineligible for employment insurance is very likely to need financial assistance until a new job becomes available. Applications for social assistance are on the rise and the provinces will have to shoulder the growing costs of social programs.

Can the minister accept the idea that new eligibility criteria for employment insurance would also help the provinces face the current crisis?

Oral Questions

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we have systems to support those who are unemployed. Unfortunately, there are some people who have never worked and do not have the skills to work. That is why, in our economic action plan, we will invest \$2 billion in training for individuals, who will receive employment insurance benefits even if they do not qualify. We invest in our unemployed workers. The Liberals wish to invest in taxes.

[English]

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, a candidate for the leadership of the Ontario Conservative Party said:

The federal EI program is unfair to Ontario. Ontarians who pay into EI during good times should get benefits when they need them, just like they were promised. EI reform is vital to help Ontarians make ends meet and get back on their feet....

Does the Prime Minister agree with the provincial member for Whitby—Oshawa's assessment, or does he agree with her husband, the federal member for Whitby—Oshawa, who thinks the system is just fine?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, recognizing that these are difficult times for a great many people, we do have to recognize that we have made changes to the existing Liberal system. We have enlarged it and added five extra weeks of regular benefits.

I wonder whether the member for Markham—Unionville agrees with the following statement. When asked about a macro overhaul or retrofit of the employment insurance system, somebody said, "We don't have time to do that. Let's just make some temporary changes that stand to benefit folks who have lost their jobs, especially in Ontario."

Mr. Speaker, do you know who said that? The leader of the Liberal Party in Ontario.

• (1440)

The Speaker: Order. I remind hon. members that it is just Tuesday, not Wednesday. We could have a little more order in the House.

The hon. member for Markham—Unionville has the floor now.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, from the C.D. Howe Institute and TD Bank to the Canadian Labour Congress, everyone agrees that a single national hours worked rule for employment insurance is simply the right thing to do. It is right for fiscal stimulus. It is right for social justice. It is right for a strong Canada.

Can the minister give us one reason she will not do what is right economically and morally? Why will she not fix EI before Parliament adjourns for the summer?

Hon. Diane Finley (Minister of Human Resources and Skills Development, CPC): Mr. Speaker, we have done a lot to fix the problem with the EI system that was left to us by the Liberals.

We have expanded it. We have hired extra staff to ensure Canadians, who, unfortunately, need EI benefits, can get them in a timely manner. We have expanded work sharing so that 93,000 jobs

across this country are now being protected. These are jobs from which people are not getting laid off.

The hon. member says that everyone knows. Well he should look behind him because the member for Beauséjour said, "I don't believe we need to make further improvements in EI".

* * *

[Translation]

SCIENTIFIC AND TECHNOLOGY

Mr. Robert Vincent (Shefford, BQ): Mr. Speaker, a leading AIDS researcher with the Université de Montréal, Rafick-Pierre Sékaly, has decided to go work in the United States, taking with him 25 researchers from his team. According to Mr. Sékaly, the young researchers will have more opportunities to put their skills to work in the United States, where President Obama has earmarked \$10 billion for investments in medical research, while here in Canada, the Conservatives are cutting funds for scientific research.

Does the Minister of State (Science and Technology) realize that these cuts in basic research funding are forcing our scientists to leave?

[English]

Hon. Gary Goodyear (Minister of State (Science and Technology), CPC): Mr. Speaker, this government supports science and technology. Every budget that this government has tabled has increased funding for science and technology. This time we put \$5.1 billion of new money into science and technology and the Bloc voted against all of it.

[Translation]

Mr. Claude Guimond (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Mr. Speaker, not only has the Mont-Mégantic Observatory seen its funding cut, now the *Coriolis II*, the only university-owned oceanographic vessel in Canada, has had its funding cancelled. These cuts to scientific research are especially appalling given that Canada is already lagging behind the rest of the G7 in terms of the proportion of gross domestic product spent on research and development.

Does the government realize that its ideological attitude towards scientific research is destroying Quebec's industries of the future?

[English]

Hon. Gary Goodyear (Minister of State (Science and Technology), CPC): Mr. Speaker, that member is absolutely incorrect. Canada is number one in the G7 in terms of GDP expenses on R & D.

The decision with respect to the observatory is made by an independent peer review scientific panel. The member voted no for the \$5.1 billion. The government makes the decision to put the money in but an independent panel makes the decision as to which scientist gets the funding. That panel chose someone else.

Oral Questions

[Translation]

FOREIGN AFFAIRS

Ms. Johanne Deschamps (Laurentides—Labelle, BQ): Mr. Speaker, despite the fact that Mr. Abdelrazik's name is on the UN no-fly list, some exceptions do exist to allow citizens to return home. The Minister of Foreign Affairs is aware of those exceptions, although he refuses to use them.

Now that the Standing Committee on Foreign Affairs and International Development is asking to hear from Mr. Abdelrazik, will the government act accordingly and do whatever it takes to allow him to appear before the committee?

• (1445)

[English]

Mr. Deepak Obhrai (Parliamentary Secretary to the Minister of Foreign Affairs, CPC): Mr. Speaker, as this matter is currently under litigation and will be before the courts this week, we have no further comment on this situation.

* * *

[Translation]

CROSS COUNTRY CANADA

Mr. Pascal-Pierre Paillé (Louis-Hébert, BQ): Mr. Speaker, Quebec cross country skier Alex Harvey has been dropped to the Cross Country Canada B development team because he refused to move to western Canada for training. This demotion will have a significant financial impact on this athlete, who is ranked 26th in the world.

Does the Minister of State (Sport) intend to demand an explanation from Cross Country Canada for the clearly abusive treatment imposed on this young athlete?

[English]

Hon. Gary Lunn (Minister of State (Sport), CPC): Mr. Speaker, I am not aware of this matter but I would be happy to look into it for the member if he brings it to my attention.

* * *

INFRASTRUCTURE FUNDING

Mr. Gerard Kennedy (Parkdale—High Park, Lib.): Mr. Speaker, communities across Canada are suffering from this recession and they are desperately waiting for some real action from the government.

It has been 35 days since the government has had infrastructure dollars available and 54 days since the budget received royal assent. The finance minister himself said that we need to make full use of the six month construction season.

Could the minister tell the House today how many jobs have been created with the infrastructure stimulus fund?

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, we are providing an important shot in the arm to the Canadian economy through the economic stimulus fund. It is \$4 billion, which we are working hard to transcend into up to \$12 billion so we can get projects going right across the country.

I can report to the member opposite that shovels are beginning to be put into the ground, that jobs will be created and that there is finally some hope at the end of the tunnel in these challenging economic times.

We are getting the job done. We are working in partnership with the provinces and municipalities.

Mr. Gerard Kennedy (Parkdale—High Park, Lib.): Mr. Speaker, we use shovels for the right thing.

The sad reality is that the government's approach is making the recession worse.

Last week in Edmonton, I attended one such announcement made by the government. The Minister of Labour claimed that it was part of the budget. It turns out the funding was not approved, it was not from the budget and it was not creating any jobs for the foreseeable future.

When will the minister and his gang stop misleading Canadians with photo ops and re-announcements and start getting dollars out to communities and create real jobs right now?

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, it is clear that the member opposite is not doing his homework. Right across the country we are seeing investments being made and jobs being created. I would encourage the member opposite to do his homework. Now I understand why the professor sent the member to the back row.

* * *

[Translation]

THE ECONOMY

Ms. Martha Hall Findlay (Willowdale, Lib.): Mr. Speaker, the Standing Committee on Governmental Operations and Estimates is examining the stimulus package in the 2009 budget. The Minister of Transport, Infrastructure and Communities made a commitment to appear before the committee in order to discuss the stimulus measures. Ever since, however, the minister has done nothing but decline invitations to appear.

Could the minister explain why he has changed his mind?

[English]

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I was before the committee just last week and I have always made myself available to the committee. I would be very pleased to answer any specific questions that the member has and I look forward to doing just that.

Ms. Martha Hall Findlay (Willowdale, Lib.): Mr. Speaker, I want to quote from an email sent by the minister's staff to the clerk of the government operations committee now declining the committee's request to appear. It reads, "We think it would be more damaging to have him appear than not appear".

I know I may have been a little firm with the minister the first time he appeared but he is not usually short of things to say. Could he explain what exactly would be damaging and to whom?

Oral Questions

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I would like to have the opportunity to go before the committee and read the quote from the leader of the Liberal Party, “We will have to raise your taxes”.

Canadians from coast to coast to coast want to know from the member for Willowdale which taxes she will raise, how much they will be raised by and whether the Liberals will finally come clean with Canadians and be honest about their tax increasing plan.

* * *

● (1450)

JUSTICE

Ms. Dona Cadman (Surrey North, CPC): Mr. Speaker, as a member from British Columbia, I was curious to learn what the newly anointed Liberal leader had to say with respect to his party's crime fighting agenda, or lack thereof.

Surprisingly, I did not hear one mention of crime during the Liberal leader's speech, despite the fact that the convention was held in my province which has experienced a wave of gang activity, including dozens of homicides over the past few months.

Did the Minister of Justice hear anything encouraging from the Liberals to assist Canadians and victims?

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, we did hear a lot about the Liberals getting back to supporting a carbon tax.

However, I must tell the House how disappointed I was when the Leader of the Opposition addressed the convention and there was not one word about getting tough on crime or standing up for victims or law-abiding Canadians.

That is the difference between our two parties. Canadians know that when it comes to standing up for victims and law-abiding Canadians, only one party and one government is prepared to do that and that is this Conservative government.

* * *

PUBLIC APPOINTMENTS COMMISSION

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, sadly, the 2006 Conservative campaign promise to fix the accountability deficit left by the Liberals has been left in the dust, as today the Conservatives have become one of the most secretive governments in recent memory.

One of their key promises to establish a public appointments commission was quickly broken when the Prime Minister's hand-picked choice for commissioner was rejected by Parliament. Since then, the commission has been mothballed and hundreds of partisan appointments go unvetted every year.

Will the Conservatives stand up for accountability and transparency and finally fully establish the public appointments commission?

Mr. Pierre Poilievre (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, we are in the process of establishing that public appointments committee. The process was delayed when opposition

parties engaged in partisanship and blocked a very qualified person to begin that process in motion.

However, the member is correct in saying that the Liberal Party is not accountable, and it will not be accountable until it explains the words of its leader, which were, “We will have to raise taxes”.

The Liberal Party has a responsibility to explain which taxes will go up, by how much and who will have to pay.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, clearly the grieving period is over. Once upon a time, Conservatives believed in open government. In opposition, they pushed for greater transparency, for proactive disclosure, for independent analysis, for access to information and for budgetary oversight.

Now that they have power, things have changed, and dramatically. Rather than welcoming the work of the Parliamentary Budget Officer to shed light on government finances, one minister has dismissed his work as a complete pain.

Will the government ensure independence and full and proper funding for the Parliamentary Budget Officer?

Mr. Pierre Poilievre (Parliamentary Secretary to the Prime Minister and to the Minister of Intergovernmental Affairs, CPC): Mr. Speaker, if that member wants to do something really meaningful about accountability, right now he will stand up and point his finger at members of that caucus who broke their word to their constituents when they said that they would oppose the wasteful \$1 billion gun registry. They campaigned election after election against that wasteful boondoggle but member after member stood up and betrayed their constituents.

The member can show real leadership by pointing to his colleagues, by shaming them and by demanding they get back on track.

* * *

[*Translation*]

HEALTH

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the people of the City of Shannon are circulating a petition demanding that the federal government recognize its responsibility for water table contamination and commit to compensating the victims.

Will the federal government show just a little compassion by compensating the victims for the irreparable harm it has done to them?

Hon. Peter MacKay (Minister of National Defence and Minister for the Atlantic Gateway, CPC): Mr. Speaker, I thank the member for her question.

This government has made a major commitment already. We have invested over \$40 million in projects to upgrade and maintain the base's water supply systems. In addition, the government has announced that it will invest \$13.3 million to complete construction of the water supply system for the people of Shannon.

Oral Questions

•(1455)

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the minister responsible for the Quebec region said that Mayor Labeaume can close wells if he wants to because that is within his jurisdiction, as though the mayor's decision had nothing to do with TCE contamination of Val-Bélair's water.

Will the minister be serious for a moment and tell us that her government intends to compensate the City of Quebec for costs arising from the closure of the contaminated wells?

Hon. Josée Verner (Minister of Intergovernmental Affairs, President of the Queen's Privy Council for Canada and Minister for La Francophonie, CPC): Mr. Speaker, as I said yesterday, expert reports have found Val-Bélair's water to be potable. That being said, Mr. Labeaume had the right to close the two wells. I would like the member to know that I talked to Mayor Labeaume very early this morning. I also talked with the municipal councillor for the area. We all agreed to meet for the purpose of finding a solution.

* * *

AGRI-FOOD INDUSTRY

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, Canadian pork producers need a government that has some influence in China, but the Conservatives have sabotaged Canada's relations with that country.

Does the government realize that it is not helping our pork producers when the Minister of International Trade has said that China is one of the fiercest and most deeply entrenched tyrannies on earth?

[*English*]

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 and, of course, this misdirection is not helpful.

I have spoken with the Chinese ambassador and, as of today, he is making our plea back to Beijing to ensure they understand the sound science and get back to dealing with good, top quality Canadian pork.

Hon. Scott Brison (Kings—Hants, Lib.): Mr. Speaker, Canada's pork producers need a government that has some influence in China to persuade the Chinese that there is no science behind any ban on Canadian pork.

The Conservatives' rhetoric has damaged Canada's relations with China.

The government does not seem to realize that it is not helping Canada's pork producers when it has a trade minister who says that China is one of the fiercest and most deeply entrenched tyrannies on earth.

When will the Conservatives stop their gratuitous attacks on China and actually work with China to help defend Canada's pork industry?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, I do

not know what mystery the member is reading over there. Those are some sorts of off-the-wall quotes he is making.

That trade minister was in China less than two weeks ago and was very well received. The Chinese are continuing to work with us on various fronts. There is great bilateral trade between the two countries. We want to ensure they understand the science around the pork situation we face in Canada. We will get that message through to them on a number of levels, in spite of what member does and says.

* * *

SCIENCE AND TECHNOLOGY

Ms. Megan Leslie (Halifax, NDP): Mr. Speaker, ImmunoVaccine Technologies is currently researching a cancer vaccine in Halifax that is ready for human clinical trials.

The lidar atmospheric laser radar and the Nova Scotia-led PEARL are measuring the front lines of climate change. However, despite being on the forefront of science, these research projects are facing sudden death, as their funding commitments expire with no renewal from the federal government.

Will the minister explain how accelerating the brain drain and stifling innovation is going to help Canada's economy recover?

Hon. Gary Goodyear (Minister of State (Science and Technology), CPC): Mr. Speaker, the member is completely misinformed. This government has put in \$5.1 billion. That is the decision by the Conservative government to support scientists and science and technology. That member voted against all of it.

These decisions are made by independent peer review panels, scientists reviewing the scientific quality of the research, and that is exactly how it should be. I cannot believe the member is suggesting that the government get involved and interfere with an independent panel.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, obviously the research community is not buying the government's spin on its funding cuts, rubber stamped by Liberals. A cut is a cut is a cut, and the brain drain has already begun.

I cannot believe the government is not more concerned about the loss of one of Canada's leading vaccine experts, Dr. Sékaly, and 25 of his associates, who are leaving from Montreal to the United States, where the research funding has been practically doubled.

Does the government not know it is going in the wrong direction, that it should be investing in science and research, not—

•(1500)

The Speaker: The hon. minister of state.

Hon. Gary Goodyear (Minister of State (Science and Technology), CPC): Mr. Speaker, once again, let me point out that this government made a decision to put \$5.1 billion into science and technology. A lot of that is for basic discovery research. The NDP voted against all of it.

Oral Questions

Last week, I had the pleasure of announcing the Canada Vanier scholarships, which are attracting scientists from all around the world. The president of McGill University told me that 900 scientists have come from around the world to do their research in Canada. The reason they are doing that is we have a gold medal game going on here. We support our scientists.

* * *

HEALTH

Ms. Candice Hoepfner (Portage—Lisgar, CPC): Mr. Speaker, scientists around the world agree that H1N1 flu in pigs is not a food safety issue. The OIE and the WHO also continue to state that eating pork is not a food safety issue. We see some countries keeping their borders open, while others are closing their borders and limiting trade.

Canada is a trading nation and many of our pork producers make their living off exports. In these tough economic times, what is the government doing to ensure our pork producers are treated fairly?

Hon. Gerry Ritz (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, I want to thank the member for Portage—Lisgar for the great work she is doing on behalf of her pork producers.

The science is clear. Canada's pork is safe. I spoke with U.S. agricultural secretary Tom Vilsack last night. The U.S. is Canada's major trading partner for pork. The Americans are doing everything they can to work with us to prove the science, to keep those borders open and pork flowing.

We will defend Canada's pork producers in whatever venue necessary. The claims that are being made by some countries are absolutely outrageous.

To that end, we, as the government, have organized a pork barbecue on the Hill tomorrow. I invite everyone to come and take part and enjoy some great top quality Canadian pork.

* * *

AIRLINE INDUSTRY

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Mr. Speaker, Liberals led the call for an airline passenger bill of rights. The House unanimously approved, 259 to 0, my motion calling on the government to bring forward this consumer protection legislation.

I will point out that both the current and the former ministers of transport voted in favour of this resolution. However, now, one year later, even the airlines cannot hide the fact that the government has done absolutely nothing on consumer protection in this industry.

Will the government ever bring forward meaningful, enforceable consumer protection provisions for airline passengers? If the Conservatives will not, we will.

Hon. John Baird (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, the Liberals had 13 years to do the job. They were just getting around to it had they only had that fifth term.

We strongly support greater rights for air travellers. There were many good points in the member's motion. We were pleased to see the airlines come forward yesterday with some proposals to strengthen the rights of consumers. They could be put into force through tariffs or they could be enforced through an independent commission. We certainly will give them fair consideration.

* * *

[Translation]

FISHERIES AND OCEANS

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, the European Parliament voted this morning to ban the sale of seal products in the EU. The ban is to take effect in 2010.

Do the Minister of Fisheries and Oceans and her government have an action plan prepared to challenge that decision and do they intend, among other things, to lay a complaint with the World Trade Organization.

[English]

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Speaker, the EU has dealt a serious blow to the livelihoods of many of our coastal communities across the country. This is totally unacceptable and we will take whatever trade action is necessary to protect the markets for Canadian seal products. Unlike the Liberal Party, we will stand up for Canadian sealing families.

* * *

CITIZENSHIP AND IMMIGRATION

Ms. Olivia Chow (Trinity—Spadina, NDP): Mr. Speaker, countless temporary foreign workers, live-in caregivers and undocumented workers are exploited by their bosses because of their precarious status in Canada.

Almost 1,000 Canadians took to the streets of Toronto last weekend, urging the government to crack down on those who prey on the most vulnerable. The House is very aware of just how close to home these injustices take place.

When will the minister take action to stop the exploitation, the ripoffs of the most vulnerable by these bosses who have power and have the money to do the exploitation?

Hon. Jason Kenney (Minister of Citizenship, Immigration and Multiculturalism, CPC): Mr. Speaker, first, if people are in possession of information about potential violations of the law by employers, we encourage them to contact the appropriate police or departmental authorities. If they are aware of employees being paid in cash without taxes being paid, we encourage them to contact the Canada Revenue Agency.

When we hear these stories of exploitation of live-in caregivers, it is totally unacceptable if employers take away passports and force people to work outside of the requirements of the provincial labour codes. I am working at the federal level to see that the laws are properly enforced and the rights of these workers properly protected.

• (1505)

Mr. Paul Calandra (Oak Ridges—Markham, CPC): Mr. Speaker, the Liberal MP for Brampton—Springdale is in hot water for hiring two live-in caregivers and then refusing to sponsor their immigration applications, essentially keeping them in a position of involuntary servitude. The abuses the Toronto *Star* documents include improperly seizing their passports, requiring evening foot massages for the member's relatives, cleaning the chiropractic offices of family members.

Could the minister tell me what more the government can do to protect live-in caregivers from these kinds of tragic abuses?

Hon. Jason Kenney (Minister of Citizenship, Immigration and Multiculturalism, CPC): Again, Mr. Speaker, we have launched consultations with live-in caregivers and those interested in this issue to seek ways that we can better enforce regulations to protect the rights of caregivers. I encourage provincial ministers of labour to do likewise, to follow the excellent lead of the Government of Manitoba in this respect.

Let us be clear. These are often vulnerable workers. They are filling an important labour market need. The program does provide a very important pathway to permanent residency for live-in caregivers, but none of us should tolerate the abuse of their basic rights. I call on the provinces—

* * *

PRESENCE IN GALLERY

The Speaker: Order, please. I would like to draw to the attention of hon. members the presence in the gallery of His Excellency Ricardo Alarcon De Quesada, the President of the National Assembly of the Popular Power of Cuba.

Some hon. members: Hear, hear!

* * *

POINTS OF ORDER

ORAL QUESTIONS

Hon. Lawrence Cannon (Minister of Foreign Affairs, CPC): Mr. Speaker, I would like to correct the record on a response I gave yesterday to a question from the hon. member for Pickering—Scarborough East.

Yesterday, I stated that the Parliamentary Secretary to the Minister of Foreign Affairs had met and spoken with Mr. Kulisek in Mexico. In fact, the parliamentary secretary has not met with Mr. Kulisek, but he has met with Mr. Kulisek's wife in regard to this case.

I would also like to mention that our ambassador to Mexico has visited Mr. Kulisek twice, most recently this past April.

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GOVERNMENT ORDERS

• (1510)

[English]

CRIMINAL CODE

The House resumed consideration of the motion that Bill C-26, An Act to amend the Criminal Code (auto theft and trafficking in property obtained by crime), be read the second time and referred to a committee.

The Speaker: When this bill was last before the House the hon. member for Moncton—Riverview—Dieppe had the floor and there are 16 and a bit minutes remaining in the time allotted for his remarks.

I therefore call upon the hon. member for Moncton—Riverview—Dieppe.

Mr. Brian Murphy (Moncton—Riverview—Dieppe, Lib.): Mr. Speaker, I intend to use my 16 and a bit minutes to drive home the fact that certainly the official opposition supports this bill, but there are a number of questions as we send the bill to committee that we as parliamentarians might reasonably ask the government.

I left off after my three and a bit minutes of speech before oral questions in suggesting that the Federation of Canadian Municipalities and municipalities across the country have been directly and indirectly calling on the federal government to do something about auto theft for some time. As the Insurance Bureau of Canada says in its publications, auto theft is not just an insurance or policing problem, it is not a victimless crime and it is not just a properly crime. Auto theft affects cities and the way we think about our communities. Many mayors are concerned. A mayor's nightmare might be that his or her community ends up in the top 10 list of car theft capitals in Canada. No one wants that.

Unlike a lot of other major crimes that are monitored by the media, such as spousal abuse, sexual abuse, murder and assault, the root causes of which are very difficult and profound for cities and leaders to deal with, auto theft is probably something that can be affected by a community response and not just a federal government response. For example, the communities themselves could help by educating the public as to where not to park and certainly by providing better lighting. That is the minimal end of it.

However, with respect to investment in technology, the government has a very poor record. For instance, the Insurance Bureau of Canada says that investing in industries would give us certain deterrents such as immobilizers. Immobilizers are electronic devices that arm automatically when a vehicle is switched off. They prevent the unauthorized starting of a vehicle. Canada should be a leader in this technology. Instead we heard today about world-leading scientists leaving the country, that is the track record of the government.

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Auto theft is a global problem. It is profitable for criminals. It is expensive for law-abiding citizens. In fact, although auto theft might not affect every small community in this country, it does affect everyone's insurance rate. The Insurance Bureau of Canada suggests that up to \$35 of one's insurance premium per year is attributable to auto theft. For those of us who have never had a car stolen and paid auto insurance for as many years as we have been paying insurance, one gets the depth of the problem with respect to auto theft. It is a \$1.2 billion per year cost that affects not only the people who have had their vehicles stolen, but everyone who pays insurance.

It is an economic issue which the government should be doing more about than presenting a bill. In the last Parliament, Bill C-53, the government's first stab at it, was not really carefully drafted. The Conservatives have come back with advice from the opposition and from the IBC law reform section. They have improved it to put in a separate offence for auto theft. Cheers for that.

There is some literature out there that says that this only affects high-end SUVs and high value import models, but it is not so. To give an idea of how this affects the average Canadian driver, the top 10 stolen vehicles for 2007 include models that are very popular, such as the Honda Civic, the Honda Civic SIR, the Dodge Plymouth Grand Caravan, and everyone who has ever been a van dad or a van mom knows that the Dodge Caravan is a very popular vehicle. Other models in the list are the Grand Caravan Voyageur, the Plymouth Shadow, and the Neon. These are vehicles that average Canadians drive. They are stolen and chopped up sometimes by criminal organizations, which I will get to in a minute.

• (1515)

The statistics indicate that there are over 1,200 instances of auto theft per 100,000 population in the province of Manitoba as a high, down to roughly less than 150 instances per 100,000 population in provinces like Newfoundland, Prince Edward Island and New Brunswick. The mayors of Winnipeg, Abbotsford, Edmonton, Regina, Saskatoon, Montreal, Vancouver, Calgary, London and Hamilton must be very concerned that their cities are at the top of the heap when it comes to motor vehicle theft.

We on this side of the House will not be opposing this legislation. The bill will be sent to committee where we will discuss some of the statistics and some of the things that could be done in a better way to tackle the issue of auto theft.

After over three years in government and with cities like that which are not all in Liberal held ridings, and in fact very few of them are, one would think the Conservatives would understand that auto theft is a bigger problem than the bill it brought in two years into its mandate and one which was not really drafted that carefully. Finally, over three years into its mandate, the government has drafted a bill that would do something toward the problem of auto theft.

The mayor of Winnipeg appeared before committee about a year ago. He is looking for federal legislation. With the power the federal government has and the programs and policies it has access to, one would think the federal government would be doing more about auto theft.

People in the cities that I just mentioned from the ground up might push their MP, who in turn might push the Minister of Justice and

those responsible for science and technology to do something about auto theft. One would think the government would present a bill that would meet no opposition. After three and a half years, there should be more to it.

The issue of how the Insurance Bureau of Canada has made this information available is quite relevant. The information has been online, for anyone who cared to look at it, for the last seven years. This has been a problem over the last seven years.

I applaud the steps in the bill in defining car theft as a separate offence, and getting at the issue of organized crime as an element, which is the next aspect of my speech. I want to start with how this affects the average Canadian.

Although we think it is important to target organized crime as it profits from the theft of autos and the chop shops and the creation of a whole industry out of the theft of vehicles, the other reality is that only one out of five auto thefts, according to the Insurance Bureau of Canada, benefits organized crime. The four other auto thefts are auto thefts per se. These are the items that touch every Canadian and the items the government should be doing something about.

Although I said the bill is not perfect, it is a good start in that it is updating the Criminal Code. The Criminal Code is a massive document, a panoply of rights and derogations created by maybe one of the last really good Conservative prime ministers going back two centuries. Sir John Thompson, who was from my part of the world, Nova Scotia, basically wrote or scripted or copied and pulled together the Criminal Code in 1892, I believe.

The Criminal Code has grown. It needs a more wholesome review than just the piecemeal approach that has been taken by legislators for the last 50 to 60 years. We have to look at a more catholic view of codes around the western world, the jurisdictions with common law as their source of law, and do something about reforming the Criminal Code.

As we go along we have to realize, obviously because that document is so old and such a compendium of additions over the last 100 years, that more than Criminal Code amendments could be brought to bear on issues touched by the Criminal Code. The case in point is auto theft and organized crime.

• (1520)

We know that one in five cars in Canada is stolen for the purpose of aiding organized crime or gangs. One of the elements in this bill which has long been suggested is to create a separate offence for tampering with the vehicle identification number. The vehicle identification number is a system of 17 alphanumeric characters that provide a unique identifier for each vehicle.

There are those who will take out the 17 digit VIN unintentionally or perhaps without the purpose of benefiting and aiding gang-related or organized crime coffers. In the code, there is a reasonable hybrid offence dealing with that. In one instance, where it has been proven to the satisfaction of the prosecutor that there was intent for criminal purposes to obliterate the VIN, it is a more serious, indictable offence. However, in the cases where that intent cannot be shown, the hybrid aspect allows a prosecutor to proceed, or I suppose by amendment at a trial, a defendant's lawyer could convince a judge that the case should proceed for sentencing purposes by way of summary conviction. I think the maximum is set at \$2,000.

The Insurance Bureau of Canada is certainly in favour of such a move, but the Criminal Intelligence Service Canada recently noted:

The Insurance Crime Prevention Bureau has identified an increase in four main fraud techniques that are used by organized crime to steal vehicles. These include: the illegal transfer of Vehicle Identification Numbers (VINs) from wrecked vehicles to similar ones that have been stolen; a legitimate VIN is used to change the legal identity of a stolen vehicle of the same make, model, and colour, a process called "twinning."

We would have thought that a VIN might be obliterated by someone selling a vehicle to hide the previous vehicle's imperfections. Mr. Speaker, I do not know how often you have to trade in vehicles, but you want to make sure that the vehicle you have is the vehicle it appears to be from the VIN. However, we are seeing that a vehicle in the wreck heap is actually having its VIN used for another vehicle that has been stolen, thereby purporting to confuse the consumer and perpetuate a fraud.

As in the case of possession of property obtained by crime, in this new aspect of the offence, the property must have been derived from the commission of an indictable offence in Canada or outside Canada. In addition to proving criminal origin, the prosecution would have to prove that the accused had knowledge of the criminal origin. The issue with respect to how this will hurt organized crime will have to be looked at in the discussions at committee.

The Standing Committee on Justice and Human Rights just returned from a 12-hour day of hearings in Vancouver with respect to organized crime. The discussion was wide ranging. We discussed aspects with respect to the illegal marijuana grow-ops and the currency of organized crime in that part of the world. We also know from our research looking into this bill and now supporting this bill as it goes to committee that some of the currency of organized crime is in stolen vehicles with or without obliterated VINs.

Further, the stolen vehicles are resold, but there have also been vehicles that have been stolen and chopped up into parts for export. In section 355.1 of the code, the definition of "traffic" covers a wide range of activities, including selling, offering and delivering. As we move this bill to committee, it is important for all of us to be very aware that prosecutors and Department of Justice officials themselves will have to convince us that this is a good bill of goods that we are buying here in terms of trying to use the provisions of auto theft prevention as a means also to prevent profit from going to organized crime.

It is all well and good to go on the news and say that we are fighting organized crime and present an auto theft bill. There are two goals: to prevent auto theft, clearly, and for the first part of my speech I talked about the public, the mayors and the FCM from time

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immemorial having an interest in having that reduced on its own; and also to reduce the cash stream, the lifeblood and currency of organized crime.

• (1525)

Therefore, we need to get underneath this trafficking definition and ensure that as the new law is enacted it will actually have an effect on organized crime. As I mentioned, four out of five vehicles are stolen not for the purposes of organized crime in Canada. As I mentioned, the onus is a little bit higher when it comes to obliterating the VIN number. There needs to be actual knowledge or intent. As I also mentioned, the definition of trafficking might be easier when it comes to things like drugs. There is an item in a cash consideration.

As you know, Mr. Speaker, from your days in law school, consideration can be a mere peppercorn but it also can be wads of cash. With vehicles and chopped parts, it is not that clear.

I want to say finally that, not as an old grey mayor but an old mayor, I am really compelled to do something for mayors. When we had the mayor of Winnipeg in committee a year or so ago, I felt very strongly that as legislators we had to do all that we could.

This is a nice little bill and we will support it when it goes to committee. We are doing what we can on this side to make places like Winnipeg safe. What we also must remember is that the Conservative members have the levers of power. They have the purses that short term political success brings but they can do a lot more with respect to encouraging a reduction in auto theft. One of those things is to talk to the municipalities more often.

For all those ministers to give a score card to us, but the number of times they have been to FCM, I bet, would be pretty pathetic. We will be support the bill as it goes to committee.

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.):

Mr. Speaker, the member for Moncton—Riverview—Dieppe, being a former mayor, spoke about speaking to the mayors of Sarnia and Winnipeg. I would like to hear his opinion about what the mayor of Moncton has said. He also spoke about what the mayor of Montreal said.

We come from a riding in the east end of Montreal where we are close to a shopping centre. Car theft is predominant and not enough action has been taken.

However, I would like to hear, as a former mayor, what his current mayor has said about the issue and if we will need to get the bill moving fast or if there will be many amendments that his mayor has suggested.

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Mr. Brian Murphy: Mr. Speaker, I am sure it is not a competition but in 2007, Montreal had the most stolen vehicles and the fewest recovered of any city in Canada. That is the other aspect. I know that Mayor Katz of Winnipeg was here and he spoke about the tools that the municipalities have which are limited, but they have to do with prevention and awareness.

One of the aspects is that vehicles can be stolen but if they are not being recovered it leads to an inference that there is a higher incidence of organized crime involved with those thefts.

The government could do a couple of things. It keeps really good statistics on this and Juristat is okay but we have no idea as parliamentarians exactly where the hotbed of organized crime input or activity with respect to car theft might be. The government might be able to assist us with that. More important, it might be able to assist municipalities with respect to this. This is the kind of strategic investment that the government should be making in municipalities and communities outside the whole shovel ready infrastructure aspect.

Cities are sophisticated and, by their very nature, cosmopolitan centres of our population. For the first time we have more urban people than rural people. Cities need the tools that the Government of Canada could provide through research and development and technology transfers.

The government needs to get on with this. I have not heard the Minister of Intergovernmental Affairs answer a question, make a speech or say anything for a couple of years now. Is this not something that could be discussed, with what must be happening, which, I hope, are meetings with the provincial counterparts who in turn could invite the third sphere of government, as we call it, the third community of interest, those communities and cities out there that need federal assistance with respect to preventing auto theft and making our communities safer.

• (1530)

Mr. Ed Fast (Abbotsford, CPC): Mr. Speaker, I commend the member for his speech and for his work on the justice committee. He and I are both members of that committee and, even though we are often on opposite sides of issues, it is nice to see that from time to time we can actually make common cause work toward the betterment of our Canadian society.

One of the questions I want to ask him has to do with an experience we have had in British Columbia. I, too, speak to our mayors on a regular basis, my mayor, George Perry; the mayor of Langley, Peter Fassbender; the mayor of Mission, James Atebe; and Dianne Watts from Surrey.

One of the strategies that our police force has actually implemented is the bait car program. The bait car program sets up vehicles that are obvious targets for theft. They are rigged with GPS units, tracking devices and, from time to time, even with a video camera. Police have been able to nab thieves because they are going after these high profile automobile targets. They have had considerable success in reducing auto thefts throughout the Vancouver and Fraser Valley regions.

I would ask the member if there has been some exploration of using a bait car program to reduce the incidents of auto theft in his province.

Mr. Brian Murphy: Mr. Speaker, I thank the chairman of the justice committee, the member for Abbotsford, for his question and for his hard work. I also compliment him on his past municipal experience. I know he is one of the MPs who understands the statistics I have from the Canadian Centre for Justice Statistics that cite Abbotsford as the second highest CMA, census metropolitan area, of incidents of car theft at or around 1,000. This must be a very acute problem for his mayor and for himself.

I have read about the bait program and it is a wonderful thing. New Brunswick, of course, which is ranked the third lowest jurisdiction for car theft, has, as the member may know, a much more dispersed population and the program has not been used. Auto theft is a problem, obviously, but it is not as big a problem as we understand it to have been in the western provinces.

It is great that the member has an understanding of the issues that municipalities face. I just wish that all of his colleagues to his left, right, centre, above and below him had the same depth of understanding.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, I had to respond when I heard the member ask the question about the bait car program because in Manitoba, I think we did look at that program and decided that was not the way to go.

I can tell the member from New Brunswick what we did in Manitoba that has proven to be very successful. We were the car theft capital of Canada for a few years until three or four years ago when we made the decision to mandate immobilizer use through our public insurance corporation. We had a voluntary program for a couple of years and very few people were taking us up on it. Two years ago we finally made it mandatory for people to install them. We gave it to them for free and we gave an insurance credit for them to do it.

We had one day last month when there were zero car thefts in Manitoba. We have gone from the highest in the country for a number of years to zero one day last month. I think the member should look at the Manitoba program and maybe look for some answers there.

Mr. Brian Murphy: Mr. Speaker, that is why in my speech I did not mention that the Insurance Bureau of Canada has recommended or has been pushing the immobilizers. I was not aware of the degree of success. I realize there has been success in Winnipeg.

The Insurance Bureau of Canada talks about the immobilizers automatically interrupting the power and only if one has the correctly coded key can the car be mobilized again. They say, "It is the most effective means of preventing drive-away theft". It begs the question what not drive-away theft is. It means that when someone steals it but they cannot go anywhere. It is sort of like having a minority government. It is a government but it cannot do what it wishes.

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• (1535)

Mr. Brent Rathgeber (Edmonton—St. Albert, CPC): Mr. Speaker, I also have the pleasure of serving on the justice committee with the member and I thank him for all his work, insight and experience as a former practising barrister and solicitor.

In his comments, he indicated that he thought Bill C-26 was a good bill but he called it imperfect. I am curious as to how he might improve it and what his thoughts are on the sentencing provision that provides for a sentence of a minimum of six months incarceration following the third or subsequent offence. Has he thought perhaps that is too lenient and that maybe we might want to think of mandatory incarceration on a second offence?

Mr. Brian Murphy: Mr. Speaker, I thank the member for his work on the justice committee. He brings to the justice committee a legal bearing, which is good. It is always nice to welcome a fellow barrister and solicitor.

The issue I referred to in my speech surrounding the bill is the definition of trafficking, as we need to deal with it. This is new territory and the separate offence for auto theft and the level of proof, because in some cases there would be a hybrid way of proceeding, might be difficult. We will need to look at it at committee. In other words, I would like to hear from prosecutors and other people involved with administering the law.

As an aside, there seems to be a bit of a gap in our procedure over here. We often hear from defence lawyers and Department of Justice officials but the separation of powers does not allow us to talk to judges that much. We also do not often hear from prosecutors but we should because they are the ones who are proffering the indictments and laying the charges in many provinces, sometimes it is the police, but they would give us evidence or give me advice anyway as to how, in some ways, the bill will be a difficult hurdle to prove.

[*Translation*]

Mr. Réal Ménard (Hochelaga, BQ): Mr. Speaker, thank you for the opportunity to speak, and I want to thank the hon. members for listening.

From the outset, I would like to say that the Bloc Québécois will support this bill. Of course, we will take our work seriously during committee meetings, and we will propose amendments. However, we recognize, and have for a few years now, that car theft and the cross-border trafficking of parts used to build cars are an important issue.

When discussing the issue of car theft, we must keep in mind that there are two levels to this. The first is organized crime. One in five cars stolen in Canada is linked to organized crime networks. I have been a member of this House for 16 years now. Despite the fact that I look very young, this is my sixth election campaign. I have been a member of this House for 16 years. I have always been interested in the issue of organized crime, which is now in its fourth generation. Organized criminals are operating in new ways. There is the whole issue of organized crime infiltrating into the above-ground economy. For a long time, the main products in the organized crime line up were drugs, illegal betting and gambling, and the control of certain licensed establishments. But, in the past few years, we have seen organized crime infiltrate into the above-ground economy, including,

unfortunately, the construction industry. Members of the RCMP appeared before the committee to name a few of the industries where organized crime was more likely to take hold. They talked about the automobile industry, the landscaping industry and the construction industry. I am not trying to imply that the entire construction industry has fallen prey to organized crime. It is, however, one of the more vulnerable industries. Why? Because there is the possibility of overbilling. There are a lot of contracts out there, and a lot of money is changing hands. The issue of car theft is clearly tied to the issue of organized crime infiltrating into the above-ground economy.

There is also a second level, car theft. These are groups of young people who steal cars for the weekend and commit petty theft. They want to joyride and to have a good time and they cannot really be lumped in with organized crime. In either case, it is, of course, extremely distressing and causes a great deal of inconvenience for the victim. It also has an impact on the way society works.

To give an idea of the extent of this phenomenon, I can say this. In Canada in 2006—quite recently, that is—about 160,000 vehicles were stolen. According to the Groupement des assureurs automobiles, there were more than 38,000 vehicle thefts in Quebec in 2006. That is a significant number. Quebec is not the leading province for vehicle thefts. By comparison, per 100,000 inhabitants, Quebec has 507, Alberta has 725 and Manitoba has 1,376. The average across Canada is 487.

• (1540)

Let me repeat, 38,800 vehicles were stolen in Quebec in 2006. Quebec is not in the lead when it comes to vehicle theft. In Alberta, for example, there are 725 thefts per 100,000 inhabitants, in Manitoba, it is 1,376 per 100,000. I heard the testimony from the mayor of Winnipeg when we began hearings on Bill C-53 in the last Parliament. I know that it is an extremely serious problem in Manitoba.

Bill C-26 is not perfect because it contains mandatory minimum sentences. I will come back to that. Everyone recognizes that the Bloc Québécois is an extremely thorough and consistent party in the positions it takes. Each time that mandatory minimum sentences appear in a bill, we express our reservations and we try to amend the bill by working at the committee stage to have the mandatory minimum sentences removed. I will talk about that later.

But all in all, this is a good bill and the Bloc Québécois, in its legendary wisdom, will support it because, once more, we recognize that this is a major problem all across Canada.

Clause 5—

An hon. member: Oh! Oh!

Mr. Réal Ménard: I would like to appeal to my neo-Bolshevik colleagues and friends in the NDP for some quiet, and for some recognition of the fact that the Bloc Québécois is a very wise party.

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I even feel that if the Speaker were to ask for the House's consent on that, he would almost get it.

With that said, let me continue by telling this House that, if clause 5 of this bill is passed, it will amend the section on the possession of property obtained by crime. More specifically, it will create a new offence, trafficking in property obtained by crime. That offence will be punishable by a maximum sentence of 14 years. I repeat that the Bloc Québécois never sees a problem with maximum sentences in a bill. Maximum sentences, after all, do not tie judges' hands; they allow judicial discretion to be used, because justice must always be tailored to each individual. Each crime, each offender and each circumstance in which crimes have been committed must be considered. Each aspect must be analyzed on its own merits by a court of law.

Clause 5 of this bill will also define trafficking. "To traffic" is defined as to sell, give, transfer, transport, export from Canada, import into Canada, send, deliver or deal with in any other way, or offer to do any of those acts.

I think the parliamentary secretary explained one of the difficulties that are cropping up at this time. Customs officers sometimes see that material has been imported, or is about to be exported, that would make it possible to rebuild a vehicle. But if these components do not appear on lists of prohibited items, it is impossible for the customs officers who guard our borders to intervene. Clearly this is not a desirable situation and the definition of "trafficking" which we are proposing will allow this situation to be rectified.

Moreover, clause 3 of the bill amends section 353 of the Criminal Code and will create a new offence. In addition to the offence of trafficking in property obtained by crime, an offence specific to tampering with vehicle identification numbers will be created. In Canada, all vehicles must have an identification number, and clearly when a car is stolen, thieves will attempt to alter or falsify that identification number.

● (1545)

If the bill is passed, we will amend section 353.1(1) of the Criminal Code. This new type of offence will specify that: "Every person commits an offence who, without lawful excuse, wholly or partially alters, removes or obliterates a vehicle identification number on a motor vehicle."

In this bill, the defence of having a lawful excuse will be permitted. We understand that the fact of altering, removing or obliterating a vehicle identification number while performing normal maintenance work should not lead—and my colleague agrees—to charges being laid under the new offence to be created.

Bill C-26 also introduces a mechanism which includes a minimum mandatory sentence. This is a provision of the bill which the Bloc Québécois is going to attempt to amend in committee. This new provision is clause 331.1, wherein a person who commits automobile theft and is convicted for the third time on proceedings by way of indictment will be sentenced to a minimum punishment of imprisonment for a term of six months. The Bloc does not agree with this provision of the bill. This is not as serious or as worrisome as other bills the Conservative government has tabled. This minimum sentence will be tempered by the fact that crown

prosecutors will have the choice of laying charges by way of indictment. After three indictments, the minimum sentence will apply. However, motor vehicle theft may also be dealt with through summary conviction.

This provision means that the Bloc Québécois in its great wisdom and sense of nuances, and its extremely nuanced vision of justice—a perception of fine distinctions which its spokesperson totally and completely shares—considers that this provision tempers our position with regard to the bill. Since there are no hard core mandatory minimum sentences such as we are used to seeing from the Conservative Party in other bills, we will be able to propose an amendment to the bill and offer our support to the government for Bill C-26.

An explanation is in order. Why is the Bloc Québécois against mandatory minimum sentences? This is a position all of my colleagues, the party's critics and my predecessors in the area of justice have perpetuated. First, there is no correlation between the existence of mandatory minimum sentences and the recidivism rate and crime rates. Rather, the opposite is true: several studies looking at the American model which the Conservative government holds in high esteem have proved that, for instance, where drug trafficking is concerned, mandatory minimum sentences have not caused a decrease in recidivism rates and drug consumption. On the contrary, as my colleague from Jeanne-Le Ber said, a man who always has a sense of fine distinctions and is not given to excess, and is thus a man who is capable of assessing the true worth of a bill, we are against mandatory minimum sentences because there is no link between such sentences, recidivism and crime rates, and also because they can have an adverse effect on the system. I invite the Minister of Foreign Affairs to ponder that.

When a crown attorney has a choice between laying charges that entail mandatory minimum sentences and charges that do not entail mandatory minimum sentences, it has been proven scientifically that the prosecutor will chose to lay charges that do not entail those sentences.

● (1550)

The Standing Committee on Justice and Human Rights is a great committee, one of the best committees a parliamentarian can ever sit on. Yesterday at this committee we heard the testimony of a retired judge, Mr. Jerome Paradis. He came to explain the perverse effect of mandatory minimum sentences and it will be my pleasure to circulate that brief to journalists and to my Conservative colleagues. This is not an opinion held only by the Bloc Québécois, the member for Hochelaga or the member for Jeanne-Le Ber. The opinion comes from a former judge, a magistrate, who administered justice and presided over lawsuits; he came before the Standing Committee on Justice and Human Rights to remind us of the perverse effects of mandatory minimum sentences. That is the reason the Bloc Québécois, from its inception, has always been opposed to mandatory minimum sentences. As everyone knows, the Bloc Québécois is the primary political force in Quebec and will remain so, we hope. We will certainly work very hard to keep it that way.

We might think that car theft is a phenomenon that affects mainly luxury vehicles. That would be wrong. I have here a list of the top 10 stolen cars in Canada in 2006. I would appreciate it if no one commented on the merits of each model, since everyone has their own opinion. The most stolen car model on that list is the 1999 Honda Civic two-door. It is followed by the 2000 Honda Civic. The third most stolen car is the little four-door all-wheel drive Subaru. There are in fact takers on the market. In fifth place is the 1999 Acura. The sixth model is the 1994 Dodge Grand Caravan/Voyager. The seventh most stolen model is the 1994 Dodge/Plymouth Caravan. In eighth place we have the Acura Integra. Ninth place is held by a little Audi. And tenth on the list of most stolen cars is the 1994 Dodge/Plymouth Shadow.

These are not necessarily luxury vehicles, but again, the consequences of car theft are easy to understand when you live in a remote community, when you live in the regions and when you depend on it.

I am a member from Montreal, myself. In my riding there are nine metro stations. I can go anywhere in my riding by metro. But I entirely grasp the consequences of these car thefts in communities where there is no public transit.

I would like to point out that there are two kinds of car theft. There is the organized crime kind. In fact, two weeks ago, I presented a motion myself at the Standing Committee on Justice and Human Rights concerning organized crime. We have to be constantly on the lookout for ways to update the Criminal Code and give our police services more effective tools to combat organized crime. I would reiterate that mandatory minimum sentences are not the way to do that.

When I was elected to the House in 1993 I was 31 years old. Obviously, everyone ages in this House. It was explained to me that organized crime was proliferating when we lived in a society where there was a wealth index, where there were communications channels and where there were ways of using stalling tactics in the courts that were authorized by our legislative bodies.

I would like everyone to know that we will be supporting this bill, but that we are going to be making amendments in relation to the mandatory minimum sentences.

I will be pleased to answer any questions my NDP colleagues would like to ask.

• (1555)

[English]

Mr. Brent Rathgeber (Edmonton—St. Albert, CPC): Mr. Speaker, I would like to thank the hon. member, with whom I have the pleasure of sitting on the justice committee. Generally we agree on many things, but one thing we always and consistently do not agree on is the imposition of mandatory minimum sentences.

My friend, and other members of the committee, specifically from the New Democratic Party, who have concerns about mandatory minimums, will often cite criminology surveys that allege deterrence is not advanced by mandatory minimum sentences.

I would like to ask the member something specifically. He will know, as a lawyer and as a student of criminal law, that there are two

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aspects to deterrence: one is general, and the other is specific. With respect to specific deterrence and the offender who is involved in serial auto theft, three, four, five, convictions, at what point does society say that enough is enough and we will have to deal with that person's disrespect for the property of others by imposing a jail term? At what point does that serial behaviour become intolerable?

[Translation]

Mr. Réal Ménard: Mr. Speaker, I want to thank the hon. member for his question. He is a member of the committee whom I hold in high regard. His opinions are almost always balanced. He is a moderate person, reminding us of St. Augustine, who said that virtue lies in moderation.

That being said, I repeat that it is not a matter of mandatory minimum sentences. From the first offence, the court must assess the context in which the offence was committed, whether it was a repeat offence and what the implications are for the family who was put in the situation of being deprived of a means of transportation. In certain circumstances, we must impose a sentence of six months, one year or two years. However, we always have more success with maximum sentences, which allow the court to assess the circumstances in which the crime was committed.

I would very much like to know to which studies the member is referring to support the principle of mandatory minimum sentences. I have been on the Standing Committee on Justice and Human Rights for a number of years, and we have never seen any studies indicating that mandatory minimum sentences were, in any way, deterrents.

• (1600)

[English]

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, we are supporting getting Bill C-26 to committee so we can fix some of the many problems. Whenever the Conservatives bring forward justice legislation, they always seem to have things that need to be improved.

I need to ask the hon. member how he feels about the hypocrisy of the Conservatives' one-note approach to justice. We have seen broken promises around police officers, cutbacks in crime prevention programs, and cutbacks in prosecutors across the country. The courts are more and more stuffed up.

Conservatives essentially put forward more legislation when they deal with any justice issues, but they will not do anything else to help the police forces across this country actually deal with issues of crime. They will not put any money into crime prevention. They cut back on prosecutors so the court system simply cannot contend with what is being brought forward.

Given the Conservatives' hypocrisy on crime, does the hon. member really think the Conservatives are credible on this issue?

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[*Translation*]

Mr. Réal Ménard: Mr. Speaker, it is a fact that, in certain circumstances, the government, despite the compassion we know it has, has been hypocritical—and I hope that that is parliamentary. It is a fact that I, myself, met with the Canadian Association of Chiefs of Police during their lobby day on Parliament Hill. They told us that, basically, the Conservatives had committed to allowing the provinces to hire 1,000 new community police officers and that, unfortunately, they had not yet fulfilled that promise, which was creating a lot of problems in certain communities.

It has always been our belief that when choosing between creating mandatory minimum sentences and making it possible for police investigations to be resolved more quickly, we obviously want to give more power to the police. So I share the analysis and concern of the hon. NDP member.

[*English*]

Mr. Ed Fast (Abbotsford, CPC): Mr. Speaker, I am pleased that my colleague is going to be supporting the bill. I am anxious to see what kinds of amendments he brings forward. I am afraid he is going to remove the mandatory minimum sentence of six months that the bill now provides for.

In my neck of the woods, which is British Columbia, we have serial car thieves who are convicted, not once, not twice, not 10 times, but 50 and 100 times for stealing cars. They are in and they are out, and they are in and they are out. They are not getting the time they deserve.

I noticed the member referred to the fact that his party, the Bloc, supports maximum sentences. Of course they do. No one ever gets sentenced to the maximum, or even close to the maximum, except when it comes to murder; that is usually life in prison, if it is first-degree murder.

I want to ask the member specifically, as a colleague of mine on the justice committee, whether he is proposing to remove the mandatory minimum sentence of six months from this bill. I hope not. I trust he will be sensible enough to persuade his colleagues to leave that in, because the residents of British Columbia are demanding that we crack down on these serial car thieves, who are a real nuisance and a terror in our communities.

[*Translation*]

Mr. Réal Ménard: Mr. Speaker, I thank my colleague for his question. This is a committee chair I am very fond of and I know how he loves music. There is something of Charles Aznavour about him, which we like.

I believe we must be very clear. If someone has been found guilty 150 times in his province without any proper sentence, I would hope that the Crown prosecutors of that province would do their job and file an appeal. I would like to be shown evidence of a case where a person was found guilty of 150 car thefts without any proper sentence.

I understand, moreover, that in this bill, as I believe I explained in my speech, the matter of minimum sentences is less of a concern because these apply to convictions on indictment. Prosecutors do, however, have total freedom to opt for summary conviction, where there is no minimum.

I do not want to commit myself today to the kind of amendment we will be making. We will study the matter and work very seriously in the Standing Committee on Justice and Human Rights. We will listen to the witnesses. I would repeat, however, that we are opposed in principle to the inclusion of mandatory minimum sentences in government bills for reasons I have had an opportunity to explain on numerous occasions in this House.

• (1605)

[*English*]

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, as I indicated, Winnipeg went from the car theft capital of Canada, to a day last month where absolutely no cars were stolen. We did that through an immobilizer program and a gang suppression unit.

Now, if 15 years ago the previous federal government had required car manufacturers to install immobilizers in their cars for a \$30 fee, which is what it would have cost, this problem would have been taken care of. This was under the previous Liberal government. It takes about 13 years to get the old cars off the road.

We have managed to do it in only two years in Manitoba, by enforcing the immobilizer program and getting them into cars, and by giving people an insurance reduction. We have proven it will work.

If the government would simply require that all new cars being sold in Canada have immobilizers, this problem would solve itself. I understand that last year the government in fact did that; it has required that all new cars have immobilizers.

Does the member have any comments about what the previous Liberal government failed to do over the last 13 years?

[*Translation*]

Mr. Réal Ménard: Mr. Speaker, I thank the hon. member for his question.

I think that there is an element of a worthwhile solution there. Do we need to require all car manufacturers to include an immobilizer? I did not think that was the case, I believed it was not mandatory. But I will consider his suggestion. We will certainly have occasion in committee to verify whether installation is mandatory or optional. We should perhaps follow the lines of the solution Manitoba has gone for.

I promise our colleague that we will look into this in committee.

[*English*]

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I rise today to speak to Bill C-26. It is important to set this in a timeline context.

For a good number of years, somewhere between 7 and 10 years, it has been quite apparent that we have a major problem with regard to car thefts. At one point, we almost had a competition, on an annual basis, as to which city would be the car theft capital of the country. This is not something about which we did not know. It is not something about which the previous Liberal government did not know. It is certainly not something about which the current government did not know.

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I will make some comments on why the government has not addressed this problem. It is true not only about these amendments to the code, but a good number of others as well. The strategy and tactic of the government calls for criticism.

First I will deal with this bill and why it has taken so long to get here. The bill had a predecessor in the last Parliament, which was tabled for first reading in April of 2008. Coincidentally, at that point, the Conservative Party and the Conservative chair of the justice committee was using one of their tactics in the justice committee, which was also used in at least in three or four other committees, of destroying the functionality of that committee.

His initial stance with regard to the issue was one that I supported. However, once it was obvious the majority of the committee would overrule him on that, he refused to allow the committee to function. Therefore, from April of 2008 until after the election, the committee did not meet. It did absolutely nothing. The predecessor to this bill, which was Bill C-53 in the last Parliament, simply sat with nothing happening on it, as did all the other work of the justice committee on all the other justice and crime bills.

There was not only this role by the Conservative chair of the committee, but then the election intervened. I am sure there was no consideration given to the bill or any other crime bills at the time when the Prime Minister decided to have an election. We had the election, we came back to work and in December the Prime Minister decided to prorogue, again I am sure without consideration to the reality of the need for legislation in a number of areas in the Criminal Code.

We finally saw the first crime bill in February of 2009. The justice committee did not get to consider a crime bill for a whole year, from April 2008 until April 2009. That was the first government bill it had any opportunity to deal with all because of the conduct of the government.

In addition to that, in terms of specific events, the government has been absolutely determined to use crime and crime issues for partisan political purposes. From the very time the Conservatives were elected, and we can maybe argue that the tactic and strategy existed even before they were elected, they would take an individual issue and introduce a bill that would have a very narrow scope and few clauses to it to deal with the issue. The Minister of Justice would have a press conference, issue press releases and create news stories around the fact that they were addressing an issue.

Then a week or two later, the Conservatives would choose another issue as opposed to doing what they should have done, which was to address all the issues of which the government and Parliament were aware. In a large number of cases, they had all party support. In spite of that all party support, they continued with this strategy, and have continued with it right up to today.

•(1610)

It is a strategy that I think more and more people are recognizing for its lack of credibility, if the government is really serious about getting tough on crime as opposed to being smart on crime, which it does not seem to be capable of doing.

Last week the justice committee was in Vancouver. One of the tactics of the Conservatives when they asked questions of the

witnesses was to tell them what they had done. They would list the bills and then ask the witnesses if they agreed with them. Their specific tactic was to address each issue separately. In fact, I think that specific question was put to the mayor of Surrey. He responded by saying he did not agree with them. He said that a lot of issues needed to be addressed. He was speaking from a community that had been particularly hard hit by crime in the last few months. He said there was no time to wait for the government to address them one at a time.

That is the point I have been making repeatedly for the last several years, as I have watched the government turn crime and crime issues to its partisan advantage as much as it can.

We need a major revamp of the Criminal Code. This is my version of what the 2009 Criminal Code should be. I believe at least a third to a half of it could be done away with and accommodated into fewer and clearer sections, sections that would be easier for our police, our prosecutors and our judges to enforce.

The best way of doing that review of the code and bringing it up into the 21st century would have been to commission the Law Commission to conduct a review, prepare a white paper on it and get a whole new Criminal Code that would be much shorter, much clearer and much simpler to enforce. What did the government do? It did away with the Law Commission, by refusing to fund it any more. That was two budgets ago. We are now faced with this.

Now we come to this bill and to the issue of auto theft. It should have been addressed by the Liberals when they were in power a good number of years ago. It should have obviously been addressed, as well, by the current government. It should have been dealt with effectively by including it into several omnibus bills, which could have been brought forward much more efficiently.

I want to make one more point about not using small omnibus bills. I am talking about addressing five to ten issues all at once. When we follow the strategy and tactics of the government, we need to have hearings on each one of the bills. We have to call witnesses, oftentimes witnesses who would address each one of these sections if they were in an omnibus bill. Now they have to come back repeatedly. Our justice department officials have to spend all this extra time in hearings, watching each bill go through. They are there to assist in that regard. The strategy the government is employing is a great waste of time, energy and resources. It is not fair to the witnesses and it is certainly not fair to the Canadian public.

When we deal with this specific bill and the issue of auto theft, we need to look at the effect it will have. I want to be very clear that we are supportive of creating the new offence. We are supportive of creating an offence that would make tampering with the VIN number a crime. This issue was around at the time I was in law school in the late 1960s and early 1970s. It has taken us all this time to finally deal with it.

Government Orders

We are dealing with, as well, introducing a new section on the whole concept of trafficking in stolen goods. It was not in the bill of last April. I have some problems with this. It is a concept, outside of trafficking in drugs, that is fairly new. We have to be very careful as to whether it will survive, not so much a charter challenge, but a challenge as to whether the offence is clear enough and the risk that it could be struck down for that. I have some difficulty with the way the section has been drafted. We will have to take a very close look at it.

• (1615)

I want to echo some of the comments of my colleague from Elmwood—Transcona on what the Manitoba government has done. We heard this from members of a delegation in Ottawa last year. They probably would have been at one point in front of the justice committee, but the committee was not sitting due to the tactics of the Conservatives on the committee.

They told all the caucuses what they needed with regard to fighting auto theft. They also told us what they had done. It has been the most effective tactic in the country. My colleague said that there was one day last week where there was not one auto theft in all Manitoba. Two years ago Winnipeg was the auto theft capital of the country. There were literally as many as 50 to 100 thefts of cars on a daily basis in that city.

The statistics my colleagues from all parties are using with regard to auto theft are somewhat dated. Members are using figures from 2006 and 2007. If we look at 2008, and I believe even more so what we see at the end of 2008 and 2009, cities like Winnipeg and Vancouver have moved dramatically to reduce the amount of auto theft. They have not done this with legislation, and I am not taking away the need for the legislation. In the case of Vancouver it has used practical police tactics. In the case of Manitoba, the provincial government has used its public auto insurance to, in effect, force people to put an anti-theft immobilizing device on their car for free, if they want auto insurance. This issue came up, but I cannot remember in what other context.

Representatives of the Insurance Bureau of Canada officials were in front of the committee at one point in the last year. I asked if they proposed their private sector companies do the same thing. They said, no, that they believed in freedom of choice. In spite of this, as we heard from my colleague from Moncton—Riverview—Dieppe, IBC has a brief which shows the amount that auto theft costs it.

One thing the government should do is urge provincial governments, which have public insurance plans, to follow the model in Manitoba. It has literally cut auto theft by over 60% in a little over a year. That is an effective tool.

Today the chair of the justice committee spoke about Vancouver and its use of bait cars. I remember seeing one of the examples on national TV. I watched an individual being recorded, taped, all of it, not realizing he was in a bait car. The individual was subsequently apprehended, charged and convicted.

We could use those kinds of techniques, and the federal government should urge the provinces to do so. Their responsibility is enforcement.

Finally, from a practical standpoint, the government needs to comply with its promise that it will put more police on the streets. The use of the bait car, for instance, would be much more effective in Vancouver if there were more police officers there. When we were there last week, it was again confirmed that it had the lowest proportion of police officers to the general population of any major city in the country. In spite of the protestations of innocence and compliance by the government that it would put those extra 2,500 officers on the streets of this country, it has hardly met any of that.

With regard to the specifics, we agree that making auto theft a specific separate offence makes sense. It will make it easier for us to get convictions.

• (1620)

However, I do not want to mislead the Canadian public, as opposed to Manitoba driving down by almost two-thirds its auto theft because of its tactics around auto insurance. The figure we saw was as much as 47% of auto thefts reduced in Vancouver over the last two years from its peak, where it is now.

This section will not reduce auto theft to any significant degree. I would accord it a one to three percentile potential of reducing auto theft. We still need it because it will make it easier for our police and prosecutors to get convictions in very specific types of cases.

The need for the VIN number is a section that is really important because it targets members of organized crime. They are the ones that change the VIN numbers. They take it off if they can or in some other way alter it, and oftentimes ship the vehicle out of the country. It is very important that section gets passed.

I have made comments on the trafficking. It makes sense for us to be doing that. I am just not sure this section will accomplish it.

I do want to make one concern public at this point. The government is imposing additional responsibilities for enforcement of both export and import of stolen vehicles and stolen auto parts on the Canada Border Services Agency. There has been nothing in what the minister said when the government made the bill public in that usual press conference it always has. There was nothing about providing additional financial resources to our Border Services Agency.

Living on the border-crossing that is the busiest in the country, border officers are way over-taxed already in trying to deal with the trafficking of people, the trafficking in guns and the trafficking in drugs. That is true of our Border Services Agency at just about every crossing in this country. Unless additional financial resources and additional staff are put into it, this part of the section will be ineffective because there is no way they will be able to enforce it.

Finally, we have the concern that the Bloc has, and I want to address a couple of points to that, particularly the introduction of a mandatory minimum here after a third conviction for auto theft.

Government Orders

I want to be very clear that there are other sections of the bill that are clearly going after the organized crime sector, which has been estimated to be anywhere from 20% to 40% of all stolen vehicles in the country. They tend to be the high end ones, but not always.

We have to understand the way the system works. The organized crime members do not steal the cars themselves. They find people, usually young people, to do that. This section will be used primarily against young people, oftentimes people who have already been in conflict with the law in other ways, have other convictions, and oftentimes are abusers of drugs and alcohol.

In terms of what we should be doing to make these amendments most effective in reducing auto theft in this country is to be targeting organized crime. As I have said, I give the government full credit for doing that belatedly because it has taken it so long, but a good number of these sections are directed right at that. This one is not. This one will not get anybody who is a real senior member or even a mid-level member of an organized crime gang. It will be hitting those young people who are picked up, oftentimes from other sources and used specifically for this purpose. That is all it will be for.

Generally, mandatory minimums do not work and this will be another one of those cases where it will have no impact at all.

• (1625)

Mr. Rob Clarke (Desnethé—Missinippi—Churchill River, CPC): Mr. Speaker, I would like to thank my colleague for such a strong speech.

I myself have been a police officer for 18 years. In my policing service, I have seen a lot of clients out there who steal cars repeatedly, over and over again.

One of my stories that I would like to point out is as follows. I was working on a night shift and, lo and behold, Johnny goes driving by. He is in the car. I subsequently pull it over and the car is stolen. This is not the first time Johnny has stolen a car. It is about the fourth or fifth time. I arrest him, release him the next morning, take him to court, and he is released. What does Johnny say? “Nothing is going to happen to me”. Where do I see him again? He is stealing another car.

When we talk about maximum sentences, they are only used as guidelines. Now, as a government, we are trying to act as a deterrent. I can only see mandatory minimum sentences as working.

What I see here today is gone the common sense of protecting victims. The victims are the ones who are suffering here. What about Mary, who has just had her car stolen for the second time or the time third because that is all she can afford, and who now has to pay the insurance premium to get her car fixed? That could be \$500, \$700 or \$1,000. She cannot afford that.

Our government is trying to make a means in which to protect everyday citizens. All I hear are lawyers standing up in the House trying to play on this maximum sentence. From a policing standpoint, my colleague mentioned 2,500 police officers. If it were not for the Liberals—

The Deputy Speaker: Order. The hon. member for Windsor—Tecumseh.

Mr. Joe Comartin: Mr. Speaker, I am not sure there was a question there, it seemed to be all commentary.

Let me say a couple of things to the member. One, he cannot, in spite of all his years of experience in the police field, point me or this House to one study that shows that mandatory minimum penalties work with very few exceptions.

I have been a supporter of mandatory minimums with regard to impaired driving because that whole strategy that we as a legislature and as a country developed, the educational part of it, the enforcement part of it, and the legislative part of it, was an effective mechanism to reduce impaired driving. But even now the numbers of impaired driving are slipping back up. Even in that area, it is questionable, long-term, whether a mandatory minimum works.

I want to go back to the immobilizer, the locking device. Johnny, as he described him, would not have been able to penetrate that immobilizer. We know there are some very sophisticated, organized crime engendered crimes and thefts, and we know there are some of them who have figured out a way to break through the immobilizer. It is very rare, but it is possible. But Johnny is not going to break through the immobilizer. That is the most effective way.

What I am concerned about when I talk about protecting the Canadian public is effective techniques that will do it. This legislation is only going to touch a very small part of that. If we really want to be effective, we have to have some way of shutting it down so the car does not get stolen in the first place.

• (1630)

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, I would like to congratulate the member for Windsor—Tecumseh for coming out to beautiful British Columbia last week and listening to British Columbians when it comes to crime issues.

On one side, when we look at my neighbours in Surrey, they are concerned about car thefts. We need to have some kind of legislation to make sure that they are protected against those car thieves. On the other hand, I also have a border that is minutes away from my riding, which is also very busy. I have come to know that the government has cut funding so that the CBSA cannot hire any more new officers.

How would this hon. member suggest the government handle these issues, so that on one side we can have the laws and on the other hand we have the enforcement to deal with these situations?

Mr. Joe Comartin: Mr. Speaker, I think the key is the approach that we take on it, as opposed to the government's approach where it is simplistic. We throw a mandatory minimum or two at it and maybe create a new offence, and that is going to solve the problem. If we approach it on that basis, all that does is accept that we have failed, we are going to have crime, and we are only going to penalize it.

Government Orders

The approach has to be, I believe, based on three principles: first, is prevention; second, is enforcement; and the third, is punitive. We have to think of the punitive as being our last resort.

When we talk to the insurance bureau and when we talk to individual car owners, does it really matter if the person gets three months, six months or two years if their car has been trashed and stripped down for parts? What they want is the car not to be stolen.

What we should be looking at, at any given time, is the basic principle of what do we need to put into play that will prevent the car from being stolen in the first place. That is true about any crime. The way to do that is to put more police officers on the street. We know that is the case and it is a particular problem in the Vancouver area.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I listened with great interest. The member for Windsor—Tecumseh is certainly one of the brightest minds on justice issues in the House of Commons.

As he knows, in British Columbia, Gordon Campbell is being strongly criticized for saying that he was going to be smart on crime and then cutting back on crown prosecutors and cutting back on corrections officials. He is actually being very hypocritical on that.

We have the same problem with the federal Conservatives. They have cut crime prevention programs, they refuse to keep their promises around additional police officers across the country. We have had cutbacks in the court system and perhaps most egregiously but symbolically, police officers came here on the Hill just a few weeks ago asking, as they have now for years, for a public safety officer compensation fund. The Conservative government continues to say no to protecting the families of police officers and firefighters who fall in the line of duty.

How more hypocritical can the Conservatives be than to offer some legislation but refusing to take action on any other issue?

Mr. Joe Comartin: Mr. Speaker, I have to say to my colleague that I have been admonished by the Speaker for using the term hypocrisy when referring to someone else. Therefore, I will not be able to echo that sentiment.

However, there is a serious lack of credibility on the part of the government when it does all of the PR work that it does and promotes itself as being tough on crime and then we have the Canadian Professional Police Association coming out and saying, “You promised us 2,500 police officers. You didn’t deliver. You betrayed us”. That is its word. “Betrayal” was its word.

If we need a validator on the credibility of the government on the issue of tough on crime, I do not know who else we could turn to better than the police association.

• (1635)

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, I always appreciate and enjoy listening to the member for Windsor—Tecumseh.

I wonder if he would address a couple of points. He made the point with respect to the way we package these bills. He said we have done them individually and that we should be putting them all together.

Would he not admit, because he was in the previous Parliament and had an opportunity to see our justice legislation, that but for the fact that the ones that we could not get passed individually, we put them all together into the Tackling Violent Crime Act. We would not have passed that bill through the House of Commons and the Senate but for the fact that we threatened, when we introduced the bill, that either it gets passed in its present form or we would call an election. In February 2008 I went to the Senate and I made the same point there, that either the Senate gets this thing passed by the end of February or my advice to the Prime Minister would be to call an election.

Would the member not admit that that is the only reason we were able to get that passed because otherwise we would get what is known as cherry-picking. People do not like one section and they want an amendment with endless witnesses before them. That is the one thing.

I disagree with him with respect to somebody who gets convicted of three auto thefts. I actually consider that a very serious crime. I know, Mr. Speaker, that you have been on this issue and that you have shown some leadership on this. I have to disagree with the member on the idea that he is just a poor fellow mixed up on drugs and alcohol, and that he has only been convicted three times of stealing a car.

I challenge the member to call up the Attorney General for Manitoba. This is not another member of the Conservative Party who just wants to get tough on crime. I would ask the member to talk to him. I have been to Winnipeg six times in the last 14 months and he makes that point to me again and again.

We get a certain small number of people out of control who are repeatedly stealing cars, and picking them up even if they get a conviction. The Manitoba government wants action on this. It thinks that six months after one has been convicted for the third time, and again it is at the option of the Crown to proceed by indictment, that it is time the individual spent some time to break up this kind of criminal activity that he or she has been guilty of.

Mr. Joe Comartin: Mr. Speaker, let me deal with the two questions. First, in terms of the strategy they used to try to force the Senate to finally respond, the reality of putting that all together was that we ended up between elections losing one of the bills that I was particularly interested in. We ended up having to go back over the issue of raising the age of consent for sexual attacks.

I think that strategy was a purely partisan one of trying to get the Liberal senators to come on side. It did not speed up the processing of those five bills. In fact, because we then had an election, several of those bills ended up having to go back through the whole process again, through the House and then back up to the Senate. So I do not agree at all with his analysis that the strategy was an effective one.

With regard to the second part, I am hearing from the prosecutors and attorneys general as well that the real problem we are having with a lot of the lighter sentences that are being given, because there is not any mandatory minimum, is that we do not have enough time for the prosecutors, and in many cases the police who assist the prosecutors, in putting forth enough evidence to get decent ones. After three offences or 50 offences, does six months make sense? It does not make sense. We want something longer than—

Government Orders

The Deputy Speaker: The hon. Minister of State and Chief Government Whip is rising on a point of order.

* * *

BUSINESS OF THE HOUSE

Hon. Gordon O'Connor (Minister of State and Chief Government Whip, CPC): Mr. Speaker, I move:

That, when the House begins proceedings under the provisions of Standing Order 53.1 later today, no quorum calls, requests for unanimous consent or dilatory motions shall be received by the Speaker and provided that Members be permitted to split their time by so indicating to the Chair.

The Deputy Speaker: The hon. member is seeking unanimous consent to move a motion. Is there unanimous consent for the Minister of State and Chief Government Whip to move this motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

* * *

CRIMINAL CODE

The House resumed consideration of the motion that Bill C-26, An Act to amend the Criminal Code (auto theft and trafficking in property obtained by crime), be read the second time and referred to a committee.

Mr. Ed Fast (Abbotsford, CPC): Mr. Speaker, I will be splitting my time with the member for Surrey North.

I am pleased to add my voice in support of Bill C-26, which would amend the Criminal Code to strengthen our ability to fight auto theft and the trafficking of property that is obtained by crime.

In last November's Speech from the Throne, our government promised a tough approach to serious crimes. Auto theft and other serious property crimes have been a high priority for our government since we were elected in 2006.

The bill before us would create a number of new offences to tackle the trafficking of property gained by crime and the tampering with a vehicle's identification number.

Stakeholders, such as law enforcement agencies, provincial governments, and even the residents of my riding, are deeply concerned about the impact of auto theft on their communities. They have called on our federal government to do something about this serious crime, and this legislation is our response.

While auto theft rates remain unacceptably high, there are a number of remarkable success stories in our fight against auto theft. Let me take a few moments to highlight some of these.

Police services in Winnipeg have developed comprehensive strategies that specifically target those youth who we know commit a significant portion of all auto thefts. The result has been that, in 2007, the Winnipeg Police Service recorded a 33% drop in the number of vehicle thefts.

In the Vancouver area, which I am familiar with, the police have had great success with their bait car program. This is a program that uses police-owned decoy vehicles, which when stolen can be monitored through surveillance and GPS tracking. In some cases, they even include video cameras to actually record the criminal driving off in the stolen car. Again, we have seen a significant decline in auto theft in many parts of our region, including my own riding of Abbotsford. I would be pleased to give members details of a YouTube site that highlights one of these successful bait car arrests.

Insurance companies have also done their part. As many of us know, they are providing financial incentives to those customers who install immobilizers or other anti-theft devices. Again, this initiative is having a marked impact on the number of vehicles being stolen in our communities.

I also want to give credit to the police. They are now using something called automatic licence plate recognition technology, which speeds up their identification of stolen cars as they are driving through the streets of our communities. They have been using that technology in Abbotsford as recently as February of this year.

While effective programming such as these success stories that I have recounted are a crucial aspect of any crime-reduction strategy, any such program must be founded upon strong laws that give law enforcement the necessary tools to fight auto theft and other property crimes.

The creation in Bill C-26 of a distinct offence of motor vehicle theft would send a strong message to would-be thieves that the criminal justice system is serious about fighting auto theft in Canada. Our proposed offence would be a hybrid offence with a maximum penalty of 10 years' imprisonment on indictment and 18 months' imprisonment on summary conviction. There would of course also be a mandatory minimum penalty of six months' imprisonment for a third and subsequent conviction, as members have already heard from some of the other parties in the House. This is a balanced and modern approach to a serious repeat offence. That is reflected in the fact that the opposition parties in the House are actually supporting the bill on auto theft.

While not all auto theft is linked to organized crime, criminal organizations play a very significant role in this type of criminal activity. Organized crime groups participate in auto theft in three principal ways. First, they operate so-called chop shops where stolen vehicles are disassembled and the parts are trafficked to mostly unsuspecting buyers.

A second area of activity involves the alteration, obliteration or destruction of the vehicle identification number, the VIN. The VIN is removed from a stolen car to mask the identity of the vehicle. All vehicles in Canada are required to have a VIN number in order to clearly distinguish them from other motor vehicles. Criminal car theft rings typically replace the VIN of a stolen vehicle with one from a legitimate vehicle of the same make and model, thereby altering the vehicle's identity.

Government Orders

•(1640)

The bill contains a new criminal offence of wholly or partially altering, obliterating or removing a VIN number on a motor vehicle. Anyone convicted of tampering with the VIN could face imprisonment for a term of up to five years on indictment or six months on summary conviction, and a fine of not more than \$5,000.

The third way that organized crime groups participate is by actively engaging in stealing and exporting late model, and in some cases, high-end vehicles, particularly sport utility vehicles and luxury sedans. The movement of stolen property, especially automobiles, across Canada's international borders is a very profitable enterprise for organized crime.

Indeed, trafficking in property obtained by crime is the lynchpin that makes theft and other property crimes profitable. A complex criminal industry moves these goods from the initial theft to unsuspecting consumers, and in the process, the stolen property often moves through the hands of numerous criminal intermediaries, making tracing of the property and identification and conviction of the perpetrators that much more difficult.

In response, our bill attacks trafficking by creating two new offences. The first would cover the selling, giving, transporting, importing, exporting, sending or delivering of property obtained by crime. The second offence would cover simple possession for the purpose of trafficking. Police would be able to use these offences to specifically target the middlemen that I referred to earlier, who move stolen property through all the links in the chain of a criminal enterprise.

The proposed trafficking offences would carry serious penalties. Trafficking in property obtained by crime with a value over \$5,000 would be a strict indictable offence with a maximum penalty of 14 years' imprisonment. Trafficking in property that is stolen that has a value of under \$5,000 would be a hybrid offence with a penalty of up to five years' imprisonment on indictment and six months on summary conviction.

The penalty for simple possession of illegally obtained property is 10 years, and the proposed trafficking offence that the bill addresses would add an additional four years, for a total of 14 years maximum, to reflect the fact that trafficking is a more serious form of criminal activity than simple possession. This is certainly consistent with other 14-year maximum penalties that apply to serious property crimes, such as fraud over \$5,000, and possession of counterfeit money.

I also want to stress that the proposed trafficking offences would apply to all illegally obtained property, not just to property obtained by theft. For example, property obtained by crimes such as fraud would also fall under these new penalties. The new offences would certainly cover the various crimes that comprise commercial auto theft, such as the operation of a chop shop and the exportation of stolen vehicles out of Canada.

Let me conclude. Bill C-26 again shows that our Conservative government is serious about fighting all kinds of crimes. Property crimes, especially auto theft, cause serious economic and social harm to Canadians. As a former victim of auto theft, I can speak from personal experience of the sense of violation that one feels when

one's car is stolen and vandalized. Canadians will simply not tolerate this kind of activity anymore.

I ask my colleagues in the House to support Bill C-26 and pass it as quickly as possible. As chair of the Standing Committee on Justice and Human Rights, I will certainly do everything I can to expedite the bill's passage.

•(1645)

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, I listened with interest to the member's speech.

I am supportive of Bill C-26 and it being tough on enforcement. I am concerned because in the member's speech I did not hear anything on the other side of the equation, which is that those criminals who are committing these property offences go to jail and eventually come out.

As the critic for public safety, I have talked to police chiefs and police officers across the nation. They are concerned about the government's complete lack of action on programming and dealing with problems like addiction. This is causing a huge problem.

Criminals are going into the prison system but they are not getting the treatment they need to deal with what often are addiction issues. Somewhere north of 60% of those incarcerated are facing addiction issues. They come out of jail and they repeat the offence. Why? Because they have to feed their addiction and that is how they get money.

The Calgary police force has introduced the notion of a safe jail, yet it is not getting support from the government so that those individuals can get the support and services they need to break the cycle of addiction.

The member talked about being tough on crime. Could he talk about how we could actually stop the victimization in the first place by addressing issues like addiction? Why were those not referred to in his speech?

•(1650)

Mr. Ed Fast: Mr. Speaker, I do not know where the hon. member has been. We have had a number of budgets that have addressed specifically the issue of treatment.

When it comes to crime, we have some short-term challenges, we have some medium-term challenges and we have long-term challenges. Bill C-26 addresses specifically a short-term challenge, which is auto theft. The intent is to make our communities safer and protect the property of our citizens.

My colleague is quite incorrect to suggest that our government has done nothing to address the issue of treatment. In fact, in the 2007 budget, our Conservative government made \$111 million available over five years to address drug treatment across Canada.

I would encourage the member to get his facts right before he gets up in the House and makes a statement that is entirely incorrect and does not reflect the facts.

Government Orders

Mrs. Shelly Glover (Parliamentary Secretary for Official Languages, CPC): Mr. Speaker, I am a former police officer on leave of absence from the Winnipeg Police Service, as many of my colleagues know. I believe I am the most recent active member of a police service serving here in the House of Commons.

I want to assure members opposite that when I say I support this bill, it is because I have personal experience in dealing with not only victims, but the accused who have stolen cars.

I want to thank our government and the member who spoke on this.

In Winnipeg we face many of these types of crimes. This is a serious crime that causes a number of injuries and deaths. I am proud to be part of a government that is addressing this issue. I just want to thank the member for bringing this to light.

I want to ask the member a specific question about some of our youth. We have a problem with joyriding in Winnipeg. I want to bring to light that this legislation will also apply to youth in our wonderful city. It will be a crime in the Criminal Code that will affect youth. At what point are we in the process with regard to the sentencing principles for youth?

Mr. Ed Fast: Mr. Speaker, my colleague from Winnipeg is to be commended because her city and her province have been leaders in addressing the issue of auto theft.

We heard in the House earlier today that there has been a close working relationship with insurance companies to make sure that immobilizers are used in cars.

We have also heard testimony, and I mentioned it in my speech, about the specific targeting of youth, the ones who are most likely to commit auto thefts, in order to make sure that we can remove those individuals from the communities into situations where they can get the help they need.

One member of the House mentioned earlier today that there was a day this year when there was not one auto theft recorded in the city of Winnipeg. That is remarkable. It means that the city is making progress. We are making progress in British Columbia with the bait car program which has proven to be significant in reducing auto theft crime in our communities.

The member and I are going to work together to address this significant challenge.

Ms. Dona Cadman (Surrey North, CPC): Mr. Speaker, I am honoured to speak in support of Bill C-26, An Act to amend the Criminal Code (auto theft and trafficking in property obtained by crime).

Over six years ago, my late husband, Chuck Cadman, introduced legislation to address VIN tampering, auto theft and property crime. I am very pleased and I know many of my constituents in Surrey North are too, to see that this government is listening to common sense and working to protect our property and our communities.

Auto theft and other forms of property crime plague Canadian communities and make our streets unsafe. To address this serious problem, Bill C-26 proposes to create a new offence of motor vehicle theft, a new offence to address tampering with an automobile vehicle

identification number, and new offences to address trafficking in property obtained by crime.

Trafficking in property obtained by crime is the marketing chain that processes the fruits of theft in other crimes like fraud. One form of trafficking in property obtained by crime is the movement of stolen automobiles and their parts. This is where organized crime is the most involved in auto theft, either through chop shops that dismantle stolen cars for parts, the act of altering a car's VIN number to hide its identity, or the sophisticated international rings that smuggle stolen high-end luxury cars from Canada to far-flung locations in Africa, the Middle East and eastern Europe.

It is also important to note that organized car theft rings employ youth. In 2002, 40% of persons charged criminally for stealing a motor vehicle were between the ages of 12 and 17.

Transport Canada reports that organized vehicle theft groups recruit youth to steal cars in order to protect the upper levels of the theft ring. They rely on the legal system to be lenient with young offenders and when apprehended, these offenders are unable to identify other members of the ring because they work in isolation and are purposely not introduced to the other members of the organization.

Motor vehicle theft is an ideal recruitment tool for general involvement in organized criminal groups. Academic research shows that youth whose first offence is motor vehicle theft are most at risk of continuing on the criminal career path.

Section 354 of the Criminal Code, the general offence of possession of property obtained by crime, which carries a maximum of 10 years' imprisonment for property valued over \$5,000, is the principal Criminal Code offence that is currently used to address trafficking in property obtained by crime. This possession offence does not adequately capture the full range of activities involved in trafficking.

The proposed offences would provide for a wide definition of trafficking that would include the selling, giving, transferring, transporting, importing, exporting, sending or delivering of goods, or offering to do any of the above, of property obtained by crime. As such, this new law would target all of the middlemen who move stolen property from the initial criminal act through to the ultimate consumer.

Both proposed offences have higher penalties than the existing offence of possession of property obtained by crime. If the value of the item trafficked exceeds \$5,000, anyone convicted of this offence could face imprisonment of up to 14 years. If the value does not exceed \$5,000, it would be what is known as a hybrid offence, and subject to imprisonment for up to five years on indictment, or up to six months on a summary conviction. This penalty would be consistent with the existing penalty scheme of the Criminal Code.

Government Orders

It is also worth noting that if any indictable offence is found to have been committed for the benefit of, at the direction of, or in association with a criminal organization, there is an additional offence that would also apply. It would be open to the prosecution to prove the additional element of a link to organized crime and obtain a separate conviction under section 467.12 of the Criminal Code. The maximum penalty for this offence is 14 years, which must be served consecutively to any other sentence for the crime in issue.

• (1655)

The proposed trafficking offences would also respond to the concerns of stakeholders, such as the Insurance Bureau of Canada, that have long advocated for stronger enforcement to prevent the export of stolen vehicles.

Under the Customs Act, in order for the Canada Border Services Agency to apply the administrative powers of the Customs Act to the cross-border movement of property obtained by crime, such goods must first be classified somewhere in federal law as a prohibited good for the purpose of importation or exportation. This bill would supply that classification provision.

Today, CBSA officers are only authorized to examine and detain goods entering or exiting Canada in order to determine whether or not the importation or exportation complies with federal legislation controlling the movement of goods across our borders. The CBSA mandate does not include a broad law enforcement role and its officers thus have limited authority to deal with the movement of stolen property. The express prohibition provision in this bill would allow CBSA officers to examine and detain stolen goods, which could ultimately result in the police laying criminal charges.

With this proposed amendment, CBSA officers could identify targets, conduct examinations and detain these goods. They could then search law enforcement databases to determine whether the goods had been reported as stolen and refer the case to the police in appropriate cases.

There is no offence in the Criminal Code that directly prohibits the alteration, obliteration or removal of a VIN. The proposed amendment would make it an offence to wholly or partially alter, obliterate or remove a VIN on a motor vehicle. Under the new amendments, anyone convicted of tampering with a VIN could face imprisonment for a term of up to five years on indictment, or six months, or a fine of not more than \$5,000, or both, on a summary conviction.

In order to ensure that honest activities such as automobile body repair, recycling and wrecking are not captured by the offence, there is an express exemption provision in the offence that would exclude its application to legitimate motor vehicle repairs or maintenance.

A conviction for this offence would more clearly and accurately document a person's involvement in an organized vehicle theft ring as part of the person's criminal record. This, in turn, would help police and Crown prosecutors to deal appropriately with these people in subsequent investigations and prosecutions.

Finally, the creation of a distinct offence of motor vehicle theft will send a strong message to auto thieves that the criminal justice system is serious about reducing auto theft rates and putting offenders in jail.

The proposed offence has a mandatory minimum penalty of six months' imprisonment for a third offence. This is a proportionate and reasonable penalty for an extremely serious problem in Canada.

I believe that the government has brought forward a strong piece of legislation that will be of great assistance to law enforcement and prosecutors.

I would urge all members of this House to support Bill C-26 and to send it to committee for further consideration. Our communities need this legislation and they need it now.

• (1700)

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, one of the concerns that we have heard and one of the commitments made by the government is the need for more police officers. We understand the government has made a commitment of 2,500 more police officers but has not yet honoured it.

I am advised that the city of Surrey has one of the highest ratios of police officers to residents. I wonder if the member could comment on her government's commitment to increase the number of police officers and what her expectations are.

Ms. Dona Cadman: Mr. Speaker, we have made a commitment to getting more police officers. One thing we are having trouble with is recruitment. There is a definite need for more police officers, all over the country.

• (1705)

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I am very concerned about how the government is treating police officers.

A couple of weeks ago, Canadian Police Association representatives, police officers from right across this country, were here. We had the broken promise on the 2,500 police officers that the government committed to and then failed to deliver.

Perhaps most egregiously, we had the broken promise around the public safety officers compensation fund. Conservative members voted for my motion to put this into place for firefighters and police officers, where in the event they died in the line of duty their families would be taken care of. The government has steadfastly refused to move on that.

Does the member think the Conservatives have betrayed police officers, firefighters and public safety officials by refusing to do what they said they would do before they were elected to government?

Ms. Dona Cadman: Mr. Speaker, that is a good question. I would say that the CPA does not speak for all police officers. A lot of it is for municipalities and others.

Mr. Mark Warawa (Parliamentary Secretary to the Minister of the Environment, CPC): Mr. Speaker, it was the member from Surrey North's late husband, Chuck Cadman, who came from ICBC, as did I, and both of us joined the fight against auto crime. I got a chance to spend some time with Chuck Cadman here in the House.

Government Orders

In 2004, I introduced my private member's bill, Bill C-293, which is basically the bill that is presented today. I want to thank the hon. member for continuing the work of Chuck and I.

It was the Conservatives who voted in favour of my private member's bill at that time, but the Liberals, the Bloc and the NDP all voted against it.

I want to ask the hon. member what she thinks has caused the change. Does she sense that the opposition will now support getting tough on auto crime, or will they permit this very serious crime to continue?

Ms. Dona Cadman: Mr. Speaker, I think the opposition is with us on this. I think they realize we do have a definite problem in this country, and they are willing to work with the government to help forward our beliefs.

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, I am wondering whether the hon. member could perhaps deal a bit with crime prevention and the fact that the budget is underspent by more than half. Does she see crime prevention as an important part of the solution? Could she speak to that? I am very concerned that we have been underspending that budget and not doing nearly enough on prevention.

Ms. Dona Cadman: Yes, Mr. Speaker, we are working with the provinces on this. Everybody, all municipalities and all governments, have to work together to make this work. I do not think it will be one person or one party that will make a difference. It will be everybody working together.

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, I would like to split my time with the hon. member for Winnipeg South Centre. Being one of my associates on the northwestern caucus, she has done tremendous work when it comes to being tough and smart on crime. I have to give her credit.

As I rise today to speak to Bill C-26, auto crime has been a major problem for my constituents in Newton—North Delta and my neighbours in Surrey for years. The city of Surrey has a terrible reputation for car theft, which has only become worse in recent years.

There have been a couple of versions of this bill drafted by the government. I hope that this one will get it right, but it is not quite there, from my perspective.

As far back as 2003, the numbers were bad. There were 8,105 vehicles reported stolen. Cars were often stolen for a short time to allow thieves to commit other crimes, such as robberies, drug dealing, break and enters, and dangerous driving, which has often resulted in fatal collisions or serious injuries.

Recently we have seen how car theft has become a major activity among the gangs, which hold such a terrible grip on our community. This is what makes auto theft so dangerous to the safety of our communities. Auto theft leads to other crimes, crimes that are associated with gang violence.

Yet outside my community, auto theft is a serious problem for all Canadians. Has the government given it a serious response this time around?

Though due attention has been given to criminal organization activity, it is too broadly based. As we all know, tougher action from Parliament is needed to hold criminals accountable.

The government's approach to tough crime legislation is less than adequate. Instead of moving forward with workable legislation, it would rather resort to blaming the opposition for its failure to move legislation forward.

The bill does target the altering or destroying of the vehicle identification number of a stolen car. But criminals often use guns to commit their crimes, and here the government still has done very little. The Conservatives have quietly put off regulations requiring the marking of imported firearms, a regulation that would help stop the flow of illegal firearms and gun crime.

The regulations were supposed to come into effect on December 1, 2007, but the government needlessly postponed this requirement until December 2009. We all know what happened then. No legislation was more important than proroguing Parliament in order to save the Prime Minister's skin.

Like so many other issues, a short-sighted political agenda has again driven counterproductive Conservative policies. Fortunately for the residents of my riding, the City of Surrey thinks further ahead. It believes that crime prevention strategies must be comprehensive and collaborative.

• (1710)

More than five years ago, the Surrey RCMP began a crime reduction initiative focusing on reducing auto theft and property crime. It identified and targeted prolific offenders. Two teams, the auto crime target team and the integrated municipal provincial auto crime team, were created to focus on a few offenders who were responsible for a large number of these crimes. Surrey partnered with the police, courts, corrections services, all levels of government, social service agencies and residential and business organizations. This work helped form the blueprint of the Surrey crime prevention strategy, which is still a pioneering document two years later.

The results speak volumes about this kind of approach. Auto theft decreased in Surrey by 38%, from 2003 to 2006. Furthermore, the program made 737 arrests. From surveillance operations held from April 2004 to December 2006, 100% of charges recommended to the crown were approved. They had an 87% remand success rate. That means that 95% of the cases resulted in guilty pleas.

Members of the auto crime and property crime target teams were proud to accept the 2007 Vehicle Theft Award of Merit, presented by the International Association of Chiefs of Police, in New Orleans, on October 16, 2007.

The bottom line is that in Surrey, collaboration and cooperation has been the key to successfully targeting auto theft.

What this government must take away from my community's example is the concept of partnership, which is often lost on that side of the House. The Conservatives have dropped the ball so many times in this regard that the police associations I recently spoke with have given up on a real dialogue.

Government Orders

That said, we need some legislation for auto theft, and passing this legislation will help. It will target the transfer of goods that have been acquired criminally and the possession of property known to be obtained through crime for the purpose of trafficking. This will help close the chop shops that sell stolen cars for parts. It will help to shut down the gangs that ship stolen cars abroad to be sold in the black market. This is very important.

However, a crime and punishment agenda that fails to include all levels of the community is limited in its effectiveness.

Closing legal loopholes is necessary, and that is why I am supporting the bill.

While policing and crime prevention still play a vital role, reducing crime requires the attention of everyone in the community. Sometimes success at the community level is about challenging our own way of thinking, and sometimes it is about challenging others, including our own citizens. That is why heavy-handed tactics of the government, including a lack of community consultation on most of its proposed legislation is a huge obstacle in the way of progress.

Before I conclude, I want to re-emphasize that tougher penalties for the type of chronic criminals who commit these crimes are vital to turning the tide. However, it is just as important that the federal government, and everyone in the House, becomes immersed at the community level. That is what I have tried to do, and that is what I will try to keep doing over the next years.

I am proud to say that my communities of Surrey and Delta were very early leaders on this file, but obviously more has to be done and done fast.

• (1715)

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Speaker, Bill C-26 is a very good bill and a bill that should be supported. However, the government should be concentrating on things that work rather than just public relations.

I want to point out that the former Filmon government in Manitoba back in the nineties brought in several measures that it thought were good at the time, such as the restitution measures and the denial of a driver's licence to young offenders. However, those measures did not work as auto theft rates at that time kept going up. It was not until the Manitoba government, two years ago, brought in a mandatory immobilizer program in cars, that auto theft rates dropped, which indicates that we are getting results.

We had a federal Liberal government in power for 15 years and all it had to do was mandate automatic immobilizer installation in the factory. The Insurance Bureau of Canada priced it out at around \$30. The Liberals never did that. Had they—

• (1720)

The Deputy Speaker: I will have to stop the hon. member there to allow time for the hon. member for Newton—North Delta to respond.

Mr. Sukh Dhaliwal: Mr. Speaker, when it comes to the legislation, tougher laws are part of the process and we should all support that. At the same time, we need to ensure we have the resources.

The hon. member from Winnipeg South Centre, who sits beside me, is committed to the people of Manitoba. She brings issues forward and we all collectively work together to ensure the lives of the people in Manitoba are taken care of. We are here to duly represent our constituents.

Mr. Brent Rathgeber (Edmonton—St. Albert, CPC): Mr. Speaker, I am encouraged by the member's comments indicating that he will be supporting Bill C-26.

I specifically would like to know if he is supportive of the minimum mandatory sentences that would impose a minimum jail sentence of six months incarceration for a third or subsequent offence. Does he think that will help in the fight against auto theft in cities such as Surrey, which he represents, where organized crime has been out of control for quite some time now?

Mr. Sukh Dhaliwal: Mr. Speaker, I was happy to see the member for Edmonton—St. Albert in beautiful British Columbia listening to people telling him about crime in my community.

Whenever the issue of crime has been raised in the House, irrespective of who or which party raised it, I have always stood in my place in support of being tough on crime. I have always supported that initiative.

Mr. Mark Holland (Ajax—Pickering, Lib.): Mr. Speaker, the RCMP plays an important role in front line policing in British Columbia. I wonder if the member could comment on the Conservative government's broken promise to give pay parity to the RCMP officers to ensure they are paid the same as any other officer and how that might impact morale?

Mr. Sukh Dhaliwal: Mr. Speaker, when it comes to our first responders, particularly the RCMP officers, they cannot raise their own voices because they do not have a union. Their first and foremost priority is saving the lives of Canadian citizens and protecting us and making us safer.

I find it shameful that the Conservative government has withdrawn its support for a raise in pay for these hard-working police officers. I personally see the government—

The Deputy Speaker: Order, please. Resuming debate. The hon. member for Winnipeg South Centre.

Hon. Anita Neville (Winnipeg South Centre, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak to this bill, however brief, as I see the clock is moving quickly toward the end of the day.

Much has been said today about the situation of the high auto theft in the city of Winnipeg. I was pleased to be here in Ottawa to hear the delegation that came from Manitoba in September of 2007. We have heard many references to the mayor of Winnipeg attending but many more were with him. The premier was with him, the leaders of the opposition parties were with him, the leaders of the aboriginal community, the mayor of Brandon and several members of the community who had been affected by auto theft and auto crime.

They came forward and had a whole series of representations to make to those they met and they had several meetings here, but a good deal of it focused on auto theft. They asked, quite specifically, for tougher penalties for those involved in serious crimes, particularly motor theft, and they asked, very specifically, to have auto theft made an indictable offence.

On my return to Winnipeg, I began a series of consultations in the community, meeting frequently with the District 6 Police of the Winnipeg Police Force in my own riding, meeting with community members who were involved with crime prevention and meeting with many of the perpetrators of the crimes in a round table with young people involved in auto theft. I heard various interesting things.

We have heard much today about the numbers in auto theft. I have the most recent ones taken off the website today from the Winnipeg Police Department. The combined actual and attempted auto thefts from the beginning of January until yesterday were 1,522, compared to approximately 2,700 last year. Indeed, the numbers are going down and they are going down, as we have heard earlier, because of initiatives taken by the province, initiatives like the immobilizer prevention programming, intervention programming, suppression programming and consequences for young people, which often includes a lifetime suspension of a driver's licence for repeat offenders.

When that delegation came from Manitoba, they asked the federal government to act. They asked the federal government, as I indicated earlier, to make auto theft an indictable offence and to respond with stiffer penalties.

The government took a very long time in responding. I know you, Mr. Speaker, introduced a bill, which I was pleased to support, at one time. I also was pleased to have the opportunity to introduce a private member's bill. However, because of my place on the order paper, my bill has yet to be brought forward in the House. It is Bill C-526, which I introduced originally in March 2008. My bill asked that a person who commits a motor vehicle theft for a second or subsequent offence be guilty of an indictable offence and liable to a prison term not exceeding 10 years and would require a mandatory minimum sentence of a year.

I am not, for the most part, someone who endorses mandatory minimums. I think that prevention is equally important. However, I saw first-hand, when I met with this group of young people in a round table, what the impact of the prospect of going to jail had on them and the efforts that they were willing to make through remedial action, programming and supports in the community that would ultimately turn their lives around.

I was quite stunned when I heard a young man say that at the height of his car theft activity he and a partner were stealing up to 21 cars a day. I am not quite sure how they physically managed it but that is what he indicated to me. I asked him why he was here, why he was taking the program that he was and what was he doing. He described the program he was taking. He described the job opportunity that he had and described the fact that he now had a son and wanted a better life for his son.

Government Orders

● (1725)

Therefore, coupled with the requirements for the prospect of incarceration, there must be the opportunities for remediation prevention.

The Deputy Speaker: Order please. The hon. member will have four and a half minutes left to conclude her remarks the next time the bill is before the House.

* * *

HUMAN PATHOGENS AND TOXINS ACT

The House resumed from May 4 consideration of the motion that Bill C-11, An Act to promote safety and security with respect to human pathogens and toxins, be read the third time and passed.

The Deputy Speaker: It being 5:30 p.m., the House will now proceed to the taking of the deferred recorded division on the motion at the third reading stage of Bill C-11.

Call in the members.

● (1755)

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

(Division No. 59)

YEAS

Members

Abbott	Ablonczy
Aglukkaq	Albrecht
Allen (Welland)	Allen (Tobique—Mactaquac)
Allison	Ambrose
Anders	Anderson
Andrews	Angus
Arthur	Ashfield
Ashton	Bagnell
Bains	Baird
Bélanger	Bennett
Benoit	Bernier
Bevilacqua	Bevington
Blackburn	Block
Boucher	Boughen
Braid	Breitkreuz
Brison	Brown (Leeds—Grenville)
Brown (Newmarket—Aurora)	Brown (Barrie)
Bruinooge	Byrne
Cadman	Calandra
Calkins	Cannan (Kelowna—Lake Country)
Cannis	Cannon (Pontiac)
Carrie	Casson
Charlton	Chong
Chow	Christopherson
Clarke	Clement
Coady	Coderre
Comartin	Cotler
Crombie	Crowder
Cullen	Cummins
Cuzner	D'Amours
Davidson	Davies (Vancouver Kingsway)
Davies (Vancouver East)	Dechert
Del Mastro	Devolin
Dewar	Dhaliwal
Dion	Dosanjh
Dreeshen	Dryden
Duncan (Vancouver Island North)	Duncan (Etobicoke North)
Duncan (Edmonton—Strathcona)	Dykstra
Easter	Eyking
Fast	Finley
Flaherty	Fletcher
Folco	Foote
Fry	Galipeau
Gallant	Glover
Godin	Goldring

Private Members' Business

Goodale
Gourde
Grewal
Guergis
Harris (St. John's East)
Hawn
Hill
Hoepfner
Holland
Hyer
Jennings
Kamp (Pitt Meadows—Maple Ridge—Mission)
Karygiannis
Kennedy
Kent
Komarnicki
Lake
Layton
LeBlanc
Lemieux
Lobb
Lunn
MacAulay
MacKenzie
Maloway
Marston
Martin (Sault Ste. Marie)
Mathysen
McCallum
McGuinity
McLeod
Mendes
Merrifield
Minna
Moore (Fundy Royal)
Murphy (Moncton—Riverview—Dieppe)
Murray
Nicholson
O'Connor
Obhrai
Pacetti
Payne
Petit
Prentice
Proulx
Rafferty
Rajotte
Rathgeber
Reid
Richardson
Ritz
Rota
Savage
Saxton
Schellenberger
Shea
Shory
Silva
Simson
Sorenson
Stoffer
Strahl
Szabo
Thompson
Toews
Trost
Uppal
Van Kesteren
Vellacott
Volpe
Warawa
Wasylcia-Leis
Weston (West Vancouver—Sunshine Coast—Sea to Sky Country)
Weston (Saint John)
Wilfert
Woodworth
Yelich
Zarac — 243

Goodyear
Gravelle
Guarnieri
Hall Findlay
Harris (Cariboo—Prince George)
Hiebert
Hoback
Holder
Hughes
Jean
Julian
Kania
Keddy (South Shore—St. Margaret's)
Kenney (Calgary Southeast)
Kerr
Kramp (Prince Edward—Hastings)
Lauzon
Lebel
Lee
Leslie
Lukiwski
Lunney
MacKay (Central Nova)
Malhi
Mark
Martin (Winnipeg Centre)
Masse
Mayes
McColeman
McKay (Scarborough—Guildwood)
McTeague
Menzies
Miller
Moore (Port Moody—Westwood—Port Coquitlam)
Mulcair
Murphy (Charlottetown)
Neville
Norlock
O'Neill-Gordon
Oliphant
Paradis
Pearson
Poilievre
Preston
Rae
Raitt
Ratansi
Regan
Richards
Rickford
Rodriguez
Russell
Savoie
Scarpaleggia
Sgro
Shiple
Siksay
Simms
Smith
Stanton
Storseth
Sweet
Thibeault
Tilson
Tonks
Tweed
Valeriot
Van Loan
Verner
Wallace
Warkentin
Watson
Wong
Wrzesnewskyj
Young

NAYS

Members

André

Asselin

Bachand
Bellavance
Blais
Bouchard
Brunelle
Carrier
Demers
Desnoyers
Duceppe
Faille
Gaudet
Guimond (Rimouski-Neigette—Témiscouata—Les Basques)
Guimond (Montmorency—Charlevoix—Haute-Côte-Nord)
Laframboise
Lavallée
Lessard
Malo
Ménard (Marc-Aurèle-Fortin)
Ouellet
Paquette
Pomerleau
Thi Lac

Beaudin
Bigras
Bonsant
Bourgeois
Cardin
DeBellefeuille
Deschamps
Dorion
Dufour
Gagnon
Guay
Lalonde
Lemay
Lévesque
Ménard (Hochelaga)
Nadeau
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Vincent — 44

PAIRED

Members

Bezan
Day
Laforest

Crête
Freeman
Oda — 6

The Deputy Speaker: I declare the motion carried.

(Bill read the third time and passed)

The Acting Speaker (Mr. Barry Devolin): Order, please. It being 6:00 o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

● (1800)

[English]

SERVICE CANADA

The House resumed from March 2 consideration of the motion, of the amendment and of the amendment to the amendment.

Mr. Glenn Thibeault (Sudbury, NDP): Mr. Speaker, I am pleased to speak to the motion introduced by the member for Brossard—La Prairie. Since I was elected, passports and how they are processed have been a huge part of what my constituency office does. One of the main issues raised by my constituents is the need for more passport-issuing centres in northern Ontario.

First, let us look at the current state of affairs with regard to passport services at my constituency office in Sudbury. Right now, my constituency office in Sudbury processes hundreds of passports each month. In fact, my office alone has processed approximately 1,600 applications since December 2008. This is about 70 passports a week on average. Finally, it holds the record for number of passports processed in one week, nearly 200 immediately after the Christmas holidays.

In addition to this massive volume of passport applications, my office in Sudbury also receives about a dozen inquiries a week from people who have had problems or need updates on passports not sent through our office. Often, there are major problems with these applications. With the limited resources our office has, this can be detrimental to the other important work that my office undertakes.

Private Members' Business

I will now discuss some of the major concerns that I have with the current situation regarding the issuing of passport services. With the massive number of applications processed each day and the often problematic nature of some of them, the resources of our offices are diverted from the important task of helping constituents with other federal issues.

My riding office, in particular, is experiencing a massive increase in the amount of constituents coming through the door, looking for more information on their EI claims, for example: the nearly 700 Xstrata workers who were laid off earlier this year and the 168 Vale Inco workers who were laid off less than a month afterwards, because of the government's caving in to corporate interests and their refusal to uphold an agreement under the Investment Canada Act; the CBC employees laid off in Sudbury, Thunder Bay and other parts of northern Ontario, because the Conservative government did not approve any bridge funding to save northern Ontario's voice; and hundreds of other people from northern Ontario and Sudburians who do not qualify for EI under the flawed system the Liberal government set up and the Conservative government refuses to amend.

My constituents are entitled to get the help they need with their EI claims at my office. They should not be prevented from receiving these services because my office is busy making up for the lack of passport resources in northern Ontario. My constituents are also entitled to get the information and assistance they need in understanding and receiving their Canada pension plan.

The unfortunate cost of processing the enormous volume of passport applications is that a large share of the constituency staff time and resources are diverted away from assisting constituents and other urgent difficulties.

I want to be quite clear. I am in no way opposed to helping my constituents with their passport applications. However, this is not the only role of a member of Parliament. As I previously stated, there are several other areas that require the attention and assistance of an MP's constituency office. My fear is that these different areas of assistance, such as EI claims, pension enquiries and retraining options, are not as looked after as they could be due to the volume of passport applications.

First, let me address what has already been accomplished on the issue of passport services. At this point, I must give credit to my colleague for Sault Ste. Marie, who has been on this issue from the start of his tenure as a member of Parliament. The member has persistently asked the government to open up more passport offices and to open up passport offices in regions of the country where there were none, such as northeastern Ontario. The member for Sault Ste. Marie has often suggested that a new passport office should be opened in Sault Ste. Marie, as the city is an international border community.

The member continues to press for a full passport office. He has raised the question in question period, in the House of Commons statements, through several ministry and community meetings and in the petition campaign. In fact, the member is responsible for an amendment that was accepted by the author of the motion, regarding the inclusion of Service Canada offices in communities that are at international borders, like the city of Sault Ste. Marie.

The northern Ontario team of New Democrats is united in improving passport services, not only in my riding of Sudbury, but in ridings all across northern Ontario that are suffering from a lack of passport-issuing offices.

• (1805)

It is clear more staff have to be hired and more resources given to employees who are currently run off their feet with all the government business now done by Service Canada.

I will address the potential future challenges that will exist should the House not adopt this motion.

The most unfortunate reality of this situation is that for the next short while the volume of passport applications processed by the constituency offices all across northern Ontario and Canada will only become worse. Why, may one ask? The amount of passport applications will multiply due to the implementation of the western hemisphere travel initiative on June 1.

As of June 1, all Canadian citizens entering the United States by land or water will be required to present documents to obtain entry, mainly a passport. What is the western hemisphere travel initiative? This western hemisphere travel initiative is a U.S. law that requires all travellers, including U.S. and Canadian citizens, to present a valid passport or other approved secure document when entering the United States from within the western hemisphere.

The new document requirements were implemented for air travel in January 2007. Final document requirements for those seeking to enter the United States at land or water ports of entry will take effect on June 1, 2009.

Due to the nature of the WHTI, it will not be enough to have passport services at all Service Canada outlets. Staff at Service Canada are already delivering numerous services: employment insurance, CPP, CPP disability, old age security, guaranteed income security, social insurance numbers, Canada summer jobs, boat licences, common experience or residential school payments, employment programs, job banks and more.

This is a bad situation. In essence, Service Canada outlets with limited resources will only get worse if we do not help them. What is needed, as my colleague from Sault Ste. Marie rightfully raised in his amendment, is passport services at all regional Service Canada outlets in addition to service at international border crossing sites, like the city of Sault Ste. Marie.

With passport services not only at regional Service Canada outlets, but also international border crossing sites, the sizeable amount of passport requests would be shared among a large number of offices, improving the overall effectiveness of the service. This would mean less overworked employees, more time with each application and, down the road, less problems and complications with passport applications.

Private Members' Business

When many individuals point out that northern Ontarians can go with one or two passport offices, one in Thunder Bay and another in Toronto, I find that insulting. Toronto is nowhere near practical for constituents in my riding who would need to drive four hours to get their passport services. Thunder Bay is even more ridiculous at close to 12 hours away.

I will now explore the bigger issue that has been raised by my colleague from Sault Ste. Marie, which is the already thin nature of the resources at Service Canada centres.

The New Democrats are supportive of this bill in principle as it would address a very large issue for many residents in my riding. It would provide an opportunity to engage in a dialogue with the government about both the inadequacy of the services that are now being delivered through Service Canada and about how difficult it is, particularly given the economic climate that we are in.

The spirit of this motion is supportable as an interim measure in that it would be a step toward full passport operations in the northern Ontario region. It would make the current overburdening situation in my northern constituency office significantly less than it is currently. We support the notion of passport offices in regional Service Canada centres.

We also support the amendment by the Bloc that those Service Canada offices that have already been dedicated to deliver passport services be included in the motion, meaning that passport offices would not only be open in regional passport offices, of which a northern Ontario office would be in my riding of Sudbury, but that Service Canada offices now delivering these services would have a full-fledged passport service in place in those offices.

In conclusion, the New Democrats are in favour of any motion that would seek to improve passport services administered by Service Canada. However, if no commitment is seen from the government to deal with the problems raised regarding the limited resources Service Canada currently has, many of which have been addressed throughout this debate, it will do little to solve the problem at the heart of this motion.

• (1810)

Hon. Bob Rae (Toronto Centre, Lib.): Mr. Speaker, I want to congratulate my colleague from Brossard—La Prairie for bringing forward this matter and also my colleague from Sudbury in referring to this question.

I can well understand some of the reasons and concerns that have been expressed by the government about this motion, but it is also important for us to stress the very real difference that it can make to Canadians in terms of getting access to government services more broadly, but also specifically getting access to passports.

All members of Parliament can very much identify with the comments that were made by my friend from Sudbury when he discussed the very practical issues that his constituents face. As someone who had the good fortune of serving the people of Ontario for a number years, I am very familiar with the challenges, particularly in the north, with respect to travel and the difficulty of getting access to documentation and government services in a quick fashion. It is a long way from Sudbury to Toronto. It is four or five hours by car. It is an even longer way from Sudbury to Thunder Bay.

One of the realities that we have to face up to is that a passport is no longer a luxury which applies to a minority of Canadians. A passport is increasingly going to be a required piece of documentation for most Canadians and therefore getting access to passports in a relatively prompt fashion and in a way that allows people to respond to urgent situations facing their families is something that we believe is very important.

[*Translation*]

There was a time when a passport was not absolutely essential or necessary. That has changed a great deal, especially since the decision by our friends in the United States to require a passport from Canadians. When one considers the fact that people everywhere in the country need passports for many reasons, this motion becomes more and more important in order to provide them with access to the services of Service Canada.

The practical and important motion introduced by my colleague, the hon. member for Brossard—La Prairie, is a proposal that can be studied in committee. There we will be able to get answers from the government in order to see whether changes or amendments are necessary. Today we are discussing the principle of the measure the hon. member has proposed.

As my party's foreign affairs critic, I can say that I support this measure. It is very important for people to have access to the document we call a Canadian passport, for Service Canada to be able to meet people's needs more promptly, and for a service to be provided that fully meets the needs of the public.

[*English*]

I believe that the measure that has been proposed by the member is an eminently practical one and one that responds very much to needs which every member of Parliament I am sure can have a sense of how important it is to their constituents.

I can certainly speak, even in Toronto Centre, to the number of times where constituents need to have access to something on an urgent or emergency basis. I can only imagine the situation facing many of my colleagues when getting hold of a passport in a relatively simple, direct fashion upon the presentation of the necessary documentation becomes something that can readily be done.

Those of us who have known the member for Brossard—La Prairie as well as I have over the years will know that it is out of a strong desire on her part to serve her constituents, to respond directly to the needs of her constituents that she has brought forward this measure, and I know it will have the support of a great many other members regardless of party.

Private Members' Business

I want to congratulate the member for bringing it forward and for making it clear why this measure is a good idea and why it responds to the needs of our constituents. As I said, we can all imagine a time when a minority of Canadians would have had a passport. We are now at a time when close to 70% to 75% of Canadians have passports. That number will grow to 80%, 85%, 90%, and soon it will be a situation where virtually every Canadian will have a passport or have a need to have a passport. Therefore making sure that they can get it in a speedy and efficient fashion is a commendable idea and one that I would urge all members of the House to support.

• (1815)

Ms. Lois Brown (Newmarket—Aurora, CPC): Mr. Speaker, I rise today to speak to the motion tabled by my colleague, the member for Brossard—La Prairie, as well as the amendment by the member for Saint-Lambert, and the subamendment by the member for Sault Ste. Marie.

I believe it is important to stress the seriousness of the negative financial consequences the passage of this motion, including its amendments, would have on the organization and financial structure of Passport Canada.

As we know, over the past two years an enormous number of Canadians have obtained passports. They numbered 3.6 million for the 2006-07 fiscal year, and over 4.8 million for the following fiscal year. Clearly, over 53% of Canadians have a valid passport. This is a direct result of the American government's implementation of the western hemisphere travel initiative, or WHTI.

When our government was elected in January 2006, our Prime Minister made a commitment to improve the passport issuance process and to make it easier for Canadians to access passport services, regardless of where they live. That is what we have been doing for the past three years.

For example, we adopted two new initiatives, simplified renewal and a new guarantor policy. The adoption of these policies has simplified the application process and sped up processing times. Next, we sought to make it easier to access passport services, substantially increasing the number of service points for Canadians.

Through the receiving agents program, we now have 231 service points compared with only 30 in 2003. I would like to point out to my colleagues in the House that our government has been very proactive with respect to the receiving agent file.

I am amused that my colleague from Brossard—La Prairie is demanding the expansion of the receiving agents, although we know very well that while her party was in power, it did nothing substantial to improve service to citizens.

Our government has been very proactive on this file. Today, over 95% of applicants live within a 50 kilometre radius of a service point. I would also like to inform the House that the receiving agents process about 7% of the total volume of passport applications. Of the 198 receiving agents in the country, 141 are Service Canada offices and 57 are Canada Post outlets.

However, close analysis of the motion tabled by the member for Brossard—La Prairie reveals a problem. The motion stipulates that

all of Service Canada's regional offices should provide full passport services.

My colleagues are no doubt aware that Passport Canada is a self-financing agency, and as such must exercise great care in managing its finances. Passport Canada receives only \$62 for each adult passport application for an adult living in Canada and \$22 for children under the age of three. These fees are some of the lowest in the world and our processing times are among the shortest.

I would like to share a few facts in this regard with my hon. colleagues. Passport Canada's financial analysts have estimated that if receiving agent and citizenship validation services were to be offered at all Service Canada offices, it would cost at least \$13.5 million for the 2009-10 fiscal year and \$10 million for the subsequent four years. That means that for the first five years of this program, it would cost at least \$56.2 million for a volume of some 500,000 applications.

The cost of implementing this motion by the member for Brossard—La Prairie, which would increase the number of passport offices from 33 to 320, would be exorbitant. If it currently costs \$56.2 million over five years for improved receiving agent services, I do not even dare calculate the cost for these 320 offices that would provide the full range of passport services, from receipt of the application to the printing of the passport.

In 2010, Passport Canada will open a new office in Kelowna, which, according to preliminary estimates, will cost about \$1.5 million. If we were to multiply this figure by 320, I think we would see the problem.

• (1820)

Not only would passing this motion, including as amended, be problematic in terms of Passport Canada's finances, I would like to add a few points regarding the cost of providing additional security.

All travel documents issued by Passport Canada must satisfy very strict international rules. These rules are dictated by international organizations such as the International Civil Aviation Organization which reports to the United Nations. They involve factors such as format, security and issuance. In order for Service Canada to be able to provide full passport service from receipt of the application to issuance, the infrastructure for Service Canada offices would have to be adapted.

Passport Canada's financial analysts have estimated that providing this increased security for a small office, just for one small office, would require an investment of between \$1.4 million and \$4 million. If we were to go ahead with this proposal, Passport Canada would have to invest several hundreds of millions of dollars just to ensure the security of Service Canada offices. Such a situation would threaten Passport Canada's very survival. Members can imagine the effect this would have on the cost of a passport.

Passport Canada is a serious organization that attaches great importance to client services. Processing times are very fast. This is a well-oiled machine. Passport Canada's regular service time of two weeks is also one of the fastest in the world. Furthermore, Passport Canada is currently able to address the demand for passports and has been operating within its service standards since December 2007.

Private Members' Business

The Canadian passport has an excellent reputation internationally and Passport Canada's policies are analyzed by numerous countries worldwide. The introduction of an electronic passport with a 10-year validity period is a major project for Passport Canada. It is important that the organization be able to direct its financial resources toward implementing these priorities.

With the coming into force of phase two of the WHTI on June 1, 2009, all Canadians travelling to the United States by land or by sea will be required to present a valid passport. It is important, and even crucial, that Passport Canada and its employees adequately prepare for the new measures that will be introduced shortly by the American government.

Passage of this motion, including as amended, would impose an unreasonable and unnecessary financial burden on the agency in addition to seriously affecting the measures put in place by the agency in preparation for the challenge that lies ahead.

Although this agency experienced a major crisis in 2007, it rose to the occasion. Its employees even won a prestigious public service award in 2008.

In closing, I would like to stress once again that our government supports Passport Canada's efforts and is determined to ensure that funds managed by the Government of Canada are managed responsibly and effectively.

[*Translation*]

Mr. Jean Dorion (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, I am pleased to add my voice to those of my colleagues who have today supported the motion by the hon. member for Brossard—La Prairie, with amendments, particularly the one by my colleague from Saint-Lambert. This motion calls upon the government to improve its passport services.

In my riding on the Montreal south shore, the Bloc Québécois members have been calling for this for years.

Close to 700,000 residents could be served by a passport office on the south shore, yet the Canadian government is still refusing to open one there. While the people of Laval have their own passport office, the residents of Longueuil, Saint-Lambert, Boucherville and Brossard, and indeed of the whole greater Montérégie region, have to travel to Montreal to obtain the same services that are available on the north shore.

Last September, the Canadian government announced the opening of about one hundred new sites where people could hand in passport applications to Service Canada centres. That, however, was three days before the last election call, of course, so the three sites announced for Montérégie, including the one in Longueuil, are still not set up.

During a meeting last Sunday with the people of my riding in Boucherville, I had another chance to hear how dreadful the situation is: a citizen stood to tell me the last time he and his wife applied for passports, it cost them \$250. There is apparently no parking after 9 a. m. in all the streets around the passport office in downtown Montreal. The couple went there at about 8 o'clock but with the long lineup, they did not get out until a little after 9, when they found a big parking ticket on their car.

The Bloc Québécois has been protesting since 2004 about the fact that people from the south shore are not treated the same as people from Laval or Montreal's West Island. When the Liberals were in power, they too turned a deaf ear to the repeated requests of my Bloc predecessor, Caroline St-Hilaire, for a passport office on the south shore. It is ironic, therefore, that today's motion was introduced by a Liberal.

In the last election campaign, moreover, even the Conservative candidates joined in the demands that the Bloc candidates had been making for years and promised that a passport office would be opened on the south shore.

Today, both the Liberals and Conservatives have a chance to take a step in the right direction.

As a member of the Bloc Québécois, I would rather, of course, that Quebeckers could get a passport from their own country of Quebec. Until that time, though, I think we should make passport services more accessible to all citizens.

Time is running short now because as of June 1, travellers will have to have a passport to cross the American border by land.

This deadline of June 1, 2009, should prompt the government to act quickly and ensure that the Service Canada centres in the area can handle the passport applications from the residents of the south shore. This would ensure that people have fast, complete, accessible services.

Keeping just to my riding, there are several reasons why a passport office should be opened there, including the large population of the Montérégie and Centre-du-Québec regions, estimated at more than 1.5 million, and the traffic congestion and atmospheric pollution caused by the need to travel to Montreal Island for fast, complete services. How can a Passport Canada office be justified in Pointe-Claire with its small population when the unmet needs are on the south shore of Montreal?

The only option that the Government of Canada currently provides to the citizens in my region is to send their applications through Canada Post receiving agents.

● (1825)

Those agents charge an additional convenience fee of \$20 simply for checking the applications whereas citizens who deal directly with Passport Canada are given full service without any verification charges and with delivery times that are much more acceptable.

This way of doing things creates disparity among taxpayers because they are not entitled to the same services as those living on the other side of the St. Lawrence. Given that the cost of a passport is already very high, it is appalling that they are required to pay additional fees simply because of the negligence of the Canadian government, which refuses to open a passport office on the south shore.

Private Members' Business

I find it truly inconceivable that we have had to battle so long to obtain such a small concession as a Passport Canada office on Montreal's south shore. It is the same thing every time we ask for equitable service for the regions of Quebec. In my opinion, the Canadian government is too big and too detached from our Quebec nation to concern itself with our needs.

Since being elected, I have seen, day in and day out, the deliberate, stubborn refusal of the Canadian government to abolish the waiting period for employment insurance—a measure that would benefit workers affected by the economic crisis—and its refusal to give the same treatment to Quebec's manufacturing industries as it does to those of Ontario. The current government, like its Liberal predecessor, ignores the legitimate claims of Quebecers and even the unanimous consensus of their National Assembly, and offers up minute concessions in order to get re-elected.

As it promised to do, three days before calling an election, the Government of Canada must immediately open the three necessary receiving sites in Montérégie, including the Longueuil office. That would prevent the citizens of Longueuil, Boucherville and surrounding areas from having to cross bridges or endure long delays before obtaining their passports.

Therefore, I invite all MPs in this House to vote in favour of motion M-276.

• (1830)

Mrs. Alexandra Mendes (Brossard—La Prairie, Lib.): Mr. Speaker, I would like to thank my hon. colleagues from Toronto Centre, Sudbury and Longueuil—Pierre-Boucher for having supported and improved my motion to offer full passport services at all Service Canada offices.

We know that this issue affects every riding in every corner of our great country. It is becoming more and more important to have more accessible regional passport offices.

[*English*]

This motion and this debate have demonstrated a clear and present reality: Canadians are not getting equitable service when it comes to obtaining a travel document that has become a basic necessity.

Notwithstanding the lack of political will as displayed by the Conservative government, what this motion suggests is that we use to its fullest potential a department that was meant to provide citizens with a one-stop shop for all federally regulated services.

[*Translation*]

To create confusion, the members opposite have used misleading information and have tried to cast doubt on the reliability of Service Canada's regional offices. Allow me to illustrate what I mean by "mislead the House".

During the first hour of debate, the Parliamentary Secretary to the Minister of Foreign Affairs said that:

—at \$87, a Canadian passport is one of the cheapest in all the developed countries. In current Canadian dollars, the American passport costs \$127, an Irish passport costs \$128, a British passport costs \$130, and a French passport costs \$143.

The parliamentary secretary's math was correct, but he forgot one important fact that alters the value of these numbers.

[*English*]

Yes, as the parliamentary secretary was trying to prove or highlight, these foreign passports seem more expensive. However, all these passports are valid for 10 years, unlike our Canadian passport which is only good for 5 years.

[*Translation*]

The hon. member across the way seems to have neglected to mention this very important fact when he sought to prove that a Canadian passport cannot go up in price under any circumstances. Once again, the arbitrary facts coming from that side of the floor just serve to distort our debate.

The main concern the Conservative members keep raising is the cost of opening these regional offices. The government keeps saying that Passport Canada does not have the funds to set up these additional regional offices and to train staff, because Passport Canada operates on a cost recovery basis. It gets none of its money from the federal government.

Once again, this shows us that the present government has no political will. Those are mere excuses.

In 2007-08, the government offered \$55 million in one-time funding to help the Passport Office modernize its technology, meet demand, and comply with the new international security standards. Why could it not provide similar access to funding to help offset the costs incurred by Service Canada to integrate the issuing of passports with its present mission?

• (1835)

[*English*]

I remind the House that much of the infrastructure needed for this complementary service is already in place. The buildings and office space already exist. It only requires minimal training of the staff. Once up and running, these offices would be no different from any of the other current passport offices and they would work on a cost recovery basis. Like any good business model, if the demand is not great enough in a particular region, then and only then should Passport Canada look at different delivery services.

[*Translation*]

But the government has again tried to hide behind disinformation. The parliamentary secretary went on to say:

—there is a tremendous difference between receiving agent services and passport office services.

Passport Canada staff receive specialized training in handling and examining a wide range of documents. This includes birth certificates, evidence of citizenship and court orders.

Has that member ever gone to a Service Canada counter? Does the member know that, every day, Service Canada staff verify and authorize birth certificates, evidence of citizenship, court orders, and many other official documents?

Government Orders

In addition to this disinformation and the lack of government support, the parliamentary secretary went on to ask, "Where would we get the trained staff for the myriad of locations?"

[*English*]

I realize that they would require additional training, but these front-line workers are already well positioned and experienced in dealing with confidential and time-sensitive documents. I urge the House to support this motion and bring Canada the regional equilibrium currently lacking in passport issuing facilities.

The Acting Speaker (Mr. Barry Devolin): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Barry Devolin): The question is on the subamendment. Is it the pleasure of the House to adopt the subamendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Barry Devolin): All those in favour of the subamendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Barry Devolin): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Barry Devolin): In my opinion the yeas have it.

And five or more members having risen:

The Acting Speaker (Mr. Barry Devolin): Pursuant to Standing Order 93, the recorded division stands deferred until Wednesday, May 6, 2009, immediately before the time provided for private members' business.

GOVERNMENT ORDERS

[*English*]

SEAL HUNT

The Acting Speaker (Mr. Barry Devolin): Pursuant to order made earlier today, the House shall now resolve itself into committee of the whole to consider Motion No. 3 under Government Business.

I do now leave the Chair for the House to go into committee of the whole.

(House in committee of the whole for consideration of Government Business No. 3, Mr. Barry Devolin in the chair)

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC) moved:

That the House take note that the seal hunt is a humane and legitimate economic pursuit, and that the European Parliament's recent decision to ban the importation of

seal products is misinformed, inflammatory, counterproductive, and should be rejected.

The Assistant Deputy Chair: Before we begin this evening's debate, I would like to remind hon. members of how the proceedings will unfold.

Each member speaking will be allotted 10 minutes for debate, followed by 10 minutes for questions and comments. Members may split their time by so indicating to the Chair. The debate will end after four hours or when no member rises to speak.

Pursuant to the special order adopted earlier today, the Chair will receive no dilatory motions, no quorum calls, and no requests for unanimous consent.

We will now begin tonight's take note debate. The Chair recognizes the hon. Minister of Fisheries and Oceans.

• (1840)

Hon. Gail Shea (Minister of Fisheries and Oceans, CPC): Mr. Chair, I stand today to proudly indicate our Conservative government's support for the seal hunting industry. Tonight I will inform the hon. members of this House of the actions taken by the Government of Canada to combat the threat to the sealing industry posed by the European actions to ban the trade of seal products in Europe and the threat posed by radical animal rights activists, along with Senator Mac Harb, right here at home.

I can tell the hon. members that we have been working very hard at many levels to counter this threat to a historic Canadian industry. Our government has organized delegations to Europe, a public relations campaign, and bilateral diplomacy with European governments.

The Prime Minister has taken a firm position on the seal hunt and has raised this issue with his European counterparts. In my opinion, our Prime Minister has been the most vocal and supportive of sealers and their families in a long time.

Other ministers have raised the issue with their European counterparts, in face-to-face meetings, by letter, and by telephone.

The Minister of Fisheries and Oceans has been a key supporter of this industry, and the Ministers of Foreign Affairs and International Trade have played roles in working at the international level to advocate for Canadian sealers.

The Prime Minister also took the step of nominating Loyola Sullivan as ambassador for fisheries conservation. The ambassador is very well versed in the sealing industry and has been tireless in his efforts to bring the Canadian message to the European audience.

The ambassador has held countless meetings with officials in the EU capital of Brussels and in national capitals. Most recently he addressed a committee of the Italian Senate on this issue.

The Department of Foreign Affairs and International Trade has also been working extremely hard, both in supporting the ambassador and in their advocacy efforts in European capitals.

Government Orders

Our government took the early lead on defending the seal hunt from radical animal rights activists' baseless accusations and misinformation. In working with industry and European interests, officials from the Department of Fisheries and Oceans worked hard to bring about changes to the marine mammal regulations and licence conditions that govern the seal hunt.

They have consulted with sealers and industry representatives to ensure that the changes are comprehensible and workable. Officials are consulting with scientific personnel to ensure that proposed courses of action are consistent with good conservation and animal welfare principles. Fisheries officers and representatives of the Canadian Coast Guard are collaborating to enhance the monitoring and enforcement aspects of the hunt.

Earlier this year these regulations were further amended to enhance the humaneness of the hunt. The amendments are based on recommendations published by the international independent veterinarians working group and the European Food Safety Authority.

The seal hunt is older than Canada itself. The coastal peoples of Canada have survived for hundreds of years on what nature provides, and sealing is an essential part of that way of life. These marine mammals are valuable sources of food, fuel, shelter, clothing and other products.

There was a time when hunting wild animals was essential to all human survival. Today, many Canadians still rely on hunting and fishing to feed their families. Most societies harvest farm animals and some wildlife. Each country regulates its own practices in this regard and ensures that those practices are sustainable, well-managed and humane. I do not believe that the peoples of Europe would welcome interference from Canada in what is so clearly an internal matter.

By way of comparison, I can tell the hon. members that over 30 million pelts of fur-bearing animals are harvested annually by the fur industry in Europe. There is the hypocrisy. It is easy for a European parliamentarian to vote against the seal hunt when it will not affect his jurisdiction. Yet if the radical animal rights activists were to focus on a primary industry in Europe, they would not get their foot in the door. This is what makes the issue such an unfortunate reality for many on the east coast of Canada.

● (1845)

The legislation adopted by the EU is based on emotional reactions to publicity campaigns organized by anti-sealing groups. There is no scientific basis for concerns about sustainability of the harp seal population. There is no justification for concerns about animal welfare. Canada has made and will continue to make every effort to ensure the hunt conforms to the highest standards of animal welfare.

I can tell members, from visiting the EU, that there is a campaign of misinformation that certainly has been very effective. Pictures of white seal pups, baby pups that have not been hunted in Canada for over 20 years, are still being circulated in the population. Europeans are being told that if the Canadian hunt were allowed to go ahead, the seal population would become extinct. Quite the opposite.

There is a strong doubt as well about the legal basis for this proposal, and even stronger doubt about its compatibility with the

European Union's obligations to the World Trade Organization. If passed in its current form, this legislation has a potential to harm Canadians and others involved in the sealing industry.

Adopting broad regulations to ban seal products is an attempt to regulate a perceived moral issue through a trade measure. Such actions are inappropriate and may lead to unforeseen circumstances for the hunting of wild animals in Europe or elsewhere.

Canada supports the concept of developing international standards to ensure the humane killing of seals. Certification is consistent with the international approach to fisheries and the use of wildlife, and Canada has always been willing to work with partners and organizations to develop appropriate standards for animal welfare.

We have suggested this repeatedly to the Europeans, but our suggestions have fallen on deaf ears. I have heard first-hand from the Europeans, who privately will say that this issue of banning of Canadian seal products for them is a political issue. They will say it is not based on fact. They understand it is based on misinformation, but their voters are just so bent on banning the Canadian seal hunt, which has been driven by the non-government organizations that have been so very busy in Europe.

We do believe the development of acceptable international standards should be done through dialogue among sealing nations and appropriate experts rather than being imposed unilaterally through legislation. In order to be effective, the standards must be technically feasible and they must be affordable.

The question remains, what is the Government of Canada going to do now in the face of this legislation? First, we are going to continue to oppose the dissemination of false information. We are going to continue to inform the European process with factual material about the Canadian seal hunt. We are going to draw attention to the fact that this legislation puts all trade in wildlife products, including the big game hunting that is so popular in Europe, at risk.

We are going to study the final details of the exact wording of the legislation that was voted on today to determine how it may affect Canada's sealing industry, and we are going to consider all available options when it comes to defending the legitimate economic interests of Canada's sealers, including trade challenges should these be necessary.

I ask hon. members for their continued support of the seal hunt and counteracting this threat to the Canadian sealing industry.

Mr. Scott Andrews (Avalon, Lib.): Mr. Chair, it is a very serious debate we are having here this evening and it is a very important issue to many people on the northeast coast of Newfoundland and Labrador and for all of Atlantic Canada and Quebec.

Government Orders

The minister talked about the public misinformation campaign that is ongoing in the EU right now. I would like to know exactly what the government has done to counter that public campaign. How much advertising has the government done to try to counteract the campaign by the other groups?

My second question is on the World Trade Organization. Today the minister announced that she will be pursuing it through that particular organization, which is a good step. However, it will take two to three years before we see any results whatsoever through that process.

There is an opportunity now. The Prime Minister will be there tomorrow to talk in trade negotiations. So I would like the minister to be pretty specific, because something she said outside the House and the Minister of International Trade is contradictory in terms of exactly what the government's position is in the immediate three to four days when we are talking with the EU on trade. Maybe the minister could clarify her comments on that from earlier today versus the Minister of International Trade.

• (1850)

Hon. Gail Shea: Mr. Chair, since I have been at Fisheries and Oceans, this file has been first and foremost on my desk and has probably taken more of my time than any other file we have dealt with.

A couple of delegations have gone to Europe and during those visits have attempted to meet with as many parliamentarians as possible. When I was there, we had three or four full days of meetings with groups of parliamentarians and I met with senators. Another delegation had gone prior to that.

We have done some advertising through the media in the European Union. Ambassador Sullivan, as I said, who has been hired as our fisheries conservation ambassador, has spent countless hours, along with staff, in the European Union making personal contact with the very people whose jobs it will be to make the laws of the land.

All of that being said, it has not changed the minds of the European parliamentarians, which is very unfortunate. They take us aside and tell us privately that our position makes sense and that they support it, but that it is a political issue for them. It is an uphill battle.

With regard to the WTO, I know our trade lawyers are looking into the actual wording of what the European parliament voted on today. Our minister has said, unequivocally, that we would take this to the WTO and lodge a complaint because we feel it is contrary to WTO rules.

Of course, announcing a free trade agreement with Europe is a good thing. We hope that many businesses in this country will benefit from a free trade agreement with Europe, including the fisheries in Newfoundland, for example.

There are many benefits to this agreement. I see this as two separate items.

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Chair, I would like to say one thing before asking the minister my question. Today, after the results of the vote were announced, I said I

was disappointed that disinformation and demagoguery rather than truth had carried the day. I also said that I was not necessarily surprised.

And I said that I was frustrated with the resigned attitude of the government. It was my impression that the Department of Fisheries and Oceans and the government as a whole—because there is interdepartmental work to be done on this issue—seemed to have resigned themselves to this happening and eventually we would go before the World Trade Organization to challenge the decision. I would have preferred that we get in front of this, however, rather than doing the work after the decision. In particular, on February 24 we presented a unanimous motion of the committee calling for something to be done on this issue, such as an information campaign and other things.

I would like to understand the department's attitude better. Does the minister share my frustration, that is, she might possibly have liked to do more, but unfortunately she did not have enough support within the government to do more preparation or have a better action plan, in terms of visibility and impact?

[*English*]

Hon. Gail Shea: Mr. Chair, I cannot say that I agree with my colleague because, as I said previously, this file has taken up probably more time than any other file on my desk since being appointed minister.

We did our public information campaign, we wrote letters to all parliamentarians, a couple of delegations went to Europe and I bet there was not a week that went by that we did not have somebody in Europe speaking to someone about seals. I think we have done quite a lot.

I want to point to an interesting article that I read not that long ago dealing something that happened in the 1960s. It was the testimony of a gentleman from P.E.I. who said that back in the 1960s he was called by one of the special interest groups that at that time thought the seal hunt was inhumane. It hired him to go out and kill a seal so it could be filmed. That was fine. He said that the shock came when he was asked to torture the seal so it could be captured on camera.

Sometimes I feel that what we have fought is an image of something that was a perception in someone's brain because the image of the white seal pup on the white ice bleeding red blood was ingrained in people's minds and that is what people cannot get over.

• (1855)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Chair, I first want to thank the government for having three ministers here and two parliamentary secretaries. I know the government is taking this issue very seriously.

As the official critic for the federal NDP in this country, I pledge my whole support in whatever we can do to assist her and her government in getting this issue rectified as soon as possible.

Government Orders

There is no question that it is very difficult to go over the media concerns of an open air abattoir. However, we know what was done with veal and other animals in Europe. My colleague from South Shore and I have been together on this file for many years and it is one of the few issues that we absolutely agree on, which is that it is actually a harvest. I do not necessarily call it a hunt. When I lived in Yukon I used to hunt. The sealers are harvesters and they are taking a animal out of the ocean for the benefit of themselves to earn a livelihood.

For 20-some years, the United States has had what is called the marine mammal protection act which does not allow us to sell seal products to the lower 48, even though the Alaskan Inuit have the right to do so. We have yet to be successful from both Conservative and Liberal governments to get the United States to change its mind on that.

I have two questions for the minister. First, has she called or has the Prime Minister called the ambassadors in from the various countries to tell them our serious concerns? Second, does she have any other partners, Russia, Norway, the Scandinavian countries, that would assist us in this argument in dealing with the EU ban on our seal products?

I thank the hon. Minister of Fisheries and Oceans for her eloquent defence of seal harvest.

Hon. Gail Shea: Mr. Chair, I can assure the hon. member that we have been in touch with ambassadors and particularly the EU ambassadors to Canada.

In relation to the U.S. and whether or not there is a market for seal products, there are more seal products available now. At one time it was just the pelt, which was seen as a luxury item. We now have a lot of research being done on seal heart valves. We have omega-3 oils. I am sure there will be other value added products, which would be great because we have a good, healthy population of seals. If we can maximize a return from that, it will be good for the industry.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Mr. Chair, I will be splitting my time with the hon. member for Labrador.

I thank the House for the opportunity to speak to an issue of vital importance to the people of not only Newfoundland and Labrador, but to the people of Quebec, the Gaspé and Magdalen area, the people of P.E.I., New Brunswick, Nova Scotia, the people north to the Arctic and those who appreciate the fact that this country is built on natural resources.

Several members from my caucus enthusiastically embrace this debate tonight. I want to pay a special acknowledgement to the leadership of the Liberal Party of Canada and my whip, the hon. member for Cape Breton—Canso, who brought this to the floor of the House of Commons and to the Speaker's attention this morning and who was able to get this debate that we are engaged in tonight.

This issue is of vital importance to so many families, fishermen and aboriginal peoples throughout this entire country. It is absolutely essential that the House engage in this debate at this critical moment.

There is no doubt that we are definitely in a very low point in the history of the sealing fishery, but it is a place, unfortunately, we have been before and rebounded. I will put this in perspective.

In 2005, after many years of building up this industry and growing it not only in terms of the product, but in the markets for the product itself, 349,000 animals were successfully harvested and marketed. The total value of this industry in 2005 was \$70 million. We were not talking at that time about the European Union banning Canadian seal products. The European Union was coming to us to expand the trade in seal products. Protesters were few and far between on the ice floes. Quite frankly, this was an industry that was growing.

Today, in 2009, three short years later, the circumstances are extremely different. We will barely harvest and market 100,000 animals this year. The price of those animals has gone from a 2005 high of \$106 per pelt to, in three short years, \$10 a pelt. The value of the industry now is just about \$2 million to \$3 million, down from \$70 million.

The industry now is contending with the European Union ban. The European Union was talking about expanding seal products three short years ago and now it is banning it outright. Celebrity protesters now outnumber sealers on the ice floes probably two to one. That is where the industry has gone. We have been here before, however.

In the mid-1980s, the government of that day, under Mr. Mulroney and several fisheries ministers, decided to ban the white coat hunt but did not put in place any mechanism to rebuild the industry. They left it to its own devices. The industry was on its back. Market prices were even lower than what they are today, about \$5 a pelt. The value of the entire industry was about \$1 million and the trade in these products was virtually non-existent.

What a change between the mid-1980s and 2005. How did we get back there again? How did we get back to being an industry in trouble? What we will find is that somebody did not do the work.

It is up to us as parliamentarians to continue to engage the government of the day. We will rebuild this industry. This is a natural, viable, fully sustainable, ecologically supported, ethical and humane industry.

At a time when the world is reaching out for natural food products, for natural products for clothing, for materials and for medicines, this is an industry whose time should be coming, not declining. However, we have this very punitive, very unwarranted ban by the European Union that is based and vested in false information. How do we combat that? We combat it through sincerity, through logic and through fact. We beat back the tides of those who suggest that this is an inhumane industry.

Government Orders

•(1900)

I will take note to the point that while the European Union had no trouble passing this particular motion and subsequent legislation, it put in exemptions for itself. All of those who support this ban or the concept should hear me clearly: they also support 35,000 grey seals being culled in Sweden, not for any commercial purpose, not for any purpose for humanity, not for any purpose other than to dump them at sea, because the European Union built into its platform, that it is all right to cull seals if it suits what it calls an ecological purpose.

People should hear this as well: whoever supports the motion, supports the Government of Canada conducting a cull of the seal herd. The minister herself, today on Tom Clark's program, alluded to the fact that a Canadian government instituted cull may very well be on the horizon. Quite frankly, that is not acceptable.

For a planet starving for protein, for a planet looking for natural food products sustainably harvested, humanely harvested and delivered to the world in a fashion used by the seal fishery, why conduct this ban?

We could get into a to and fro as to who could do what and who should do what, but the evidence does speak for itself. We had a very successful seal harvest that was embraced by the European Union up until 2006. It is now in decline. We as parliamentarians have a responsibility now to work together to make sure that this harvest continues for generations to come. My party, the Liberal Party of Canada, is absolutely committed to that point.

•(1905)

Hon. Leona Aglukkaq (Minister of Health, CPC): Mr. Chair, before I ask my question, I would like to state that as a northerner, this issue is near and dear to my heart. I come from an area called Netsilingmiut. In English that translates to "the people of the seal".

As many members know, in the north the cost of living is very high. In my hometown a pineapple costs \$15, a turkey costs \$100 and a T-bone steak will sometimes cost \$25. We depend on the wildlife in the north for food security, whether it be the polar bear, the seal, the fish or duck. I have a brother who is a full-time hunter and continues to hunt to this day for a living.

One of the things that we have said many times in the north is that we are a product of our environment. We do not have farms in our communities. We depend on every animal, on the wildlife in our area for food security. Whether it be a polar bear ban or a seal ban, collectively this has huge implications to the population in the north.

To get to the question around the high cost of living, when we are dealing with the high cost of living in the north, we depend on the seal hunt. Not only that, the carbon tax proposed by the Liberal government would increase the cost of food even more. Does the member realize the impact this would have on people in the northern communities and in outside communities, whether it be the seal ban supported by their senator and/or the carbon tax?

Hon. Gerry Byrne: Mr. Chair, in terms of the suggested taxation issue that the minister raised on the floor of the House of Commons in the middle of an important debate on the future of the seal fishery, I would ask the minister in return, why did her government and her party promise during the election campaign to eliminate the excise tax, or at least cut it in half, on diesel fuel, but yet she stands for

supporting it and maintaining it? The Conservatives have indeed denounced that particular platform in their policy.

I hope tonight's debate does not devolve into the nonsense we have heard so often from the party opposite. I hope this is a high profile, high spirited and highly intellectual debate where we actually discuss the issues and come up with solutions to the problem.

In the context of the seal hunt and northerners, is she concerned that the minister said on Tom Clark's program that this proposed seal ban will negatively affect aboriginal populations in the north? The Minister of Fisheries and Oceans said that it should have a clouding, poisonous impact on the Canada-E.U. trade negotiations which will occur tomorrow, but the minister herself still agrees that those negotiations should continue. How does that make the hon. member and the minister feel?

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Chair, I would like to make one small point in passing. I sit here with my Liberal friends, but at the same time I would have liked us to be able to be together all round. I could also have been sitting with Conservative Party or New Democratic Party members, because I believe that this issue goes beyond party politics. Ultimately, it is a fight for the truth. It is a fight for respect. Our traditions have to be respected. When I look at the European decision my impression is not that our traditions and so on are being respected.

I would like to ask the member what action should be taken starting now in relation to the negotiations about the Canada-European Summit that are beginning? What approach should our negotiators there be taking?

•(1910)

[*English*]

Hon. Gerry Byrne: Mr. Chair, this has to be highlighted at the highest level. What an opportunity for the Conservative government to use the high level meetings that are being conducted personally by the Prime Minister to make a statement to the European Union.

Just weeks ago, members of the G20 nations stood, supposedly in solidarity with each other, and condemned any actions that would prevent free trade and condemned any actions that would impose trade barriers. Every member of the G20, Prime Minister Gordon Brown on one side, President Sarkozy on the other, stood and said, "We would never do that". What an opportunity lost. The Prime Minister had an opportunity to show leadership on the issue. He did not even raise the issue. Now today we are engaged in free trade talks while there is an illegal trade action currently under way by the European Union. Where is the leadership?

The Assistant Deputy Chair: Before we resume debate, I want to remind members that when members give a 10-minute speech, there are 10 minutes for questions and answers. When members are splitting their time, it is only five minutes for the speech and five minutes for questions and answers.

Government Orders

I would ask members to work with the Chair to try to ask their questions in about a minute and for those responding to take about a minute. In that way more people will get the opportunity to participate.

Resuming debate, the hon. member for Labrador.

Mr. Todd Russell (Labrador, Lib.): Mr. Chair, my colleague from Humber—St. Barbe—Baie Verte is doing a tremendous job in terms of representing our party on fishing issues. Certainly he has been vocal and is very knowledgeable on the seal hunt and the devastating impact this European seal ban will have on our communities. I want to thank my caucus colleagues, many of whom are here tonight, for their support.

This issue affects me personally. I come from a small community on the coast of Labrador, a little place called Williams Harbour. Right now there are only 45 people living there and there were not a lot more than that at its height. It has depended on the seal hunt. It is a part of our livelihood. Just like so many communities along the coast of Labrador, or in northern Canada, or around the coast of Newfoundland, they live on the land and they live on the sea. The seal hunt has always been a part of our tradition. It has always been a part of who we are.

Williams Harbour is also an aboriginal community, an Inuit Métis community. We know the importance of the seal hunt not just over a few decades or even a few centuries. It is something that goes deep into our being; it is something that forms a part of our identity.

When I hear of a ban and some kind of exemption for Inuit or aboriginal people, I categorically reject that ban. That is just trying to save face. It is trying to emphasize to other stakeholders that they are being sensitive. They have no idea how we live in those communities. They have no idea what it means to a family in terms of food and clothing, and in terms of supplementary industries. Many people in our communities depend on seal byproducts for the craft industry which helps the tourism industry.

I know so many families from communities like Black Tickle or other places in Labrador where a family's annual income is \$15,000 to \$20,000. When \$3,000 or \$4,000 is earned in the springtime, that means something to that family. That means paying a few bills, buying a bit of food, maybe helping their kid go to university or college. It is so easy for politicians in other parts of the world not to understand this, or try to understand it, and that includes some politicians and activists here in our own country.

This is a humane hunt. It is a sustainable hunt. It is a legal hunt. It is a hunt that is built on the principles of conservation. My hon. colleague from Humber—St. Barbe—Baie Verte talked about the fact that there is an exemption in the legislation that allows certain countries within the European Union to cull animals for conservation purposes.

We harvest animals here on a conservation ethic. We try to find that balance too, because there are many within our communities who know the impact that an overpopulated seal herd can have on other fish species. As one of our former premiers of Newfoundland and Labrador said, the seals are in the water and they are not eating turnips. They are eating other fish and there is no doubt about that.

My hon. colleague also said in 2005 we had a vibrant seal harvest. Over 340,000 animals were taken and marketed. They were worth something like \$70 million. People were asking for these products. That was three short years ago and now the government is saying it is going to take all kinds of action now that the ban is in place. People in our communities will ask what the government has been doing for the last three years to stand up for the sealers. What has the ambassador for fish conservation, the patronage appointment who was sent to Europe, been doing for the last three years to protect our sealers?

• (1915)

Hon. Peter MacKay: That is no way to talk about Loyola Sullivan, decent guy that he is.

Mr. Todd Russell: Yes, Loyola Sullivan.

Mr. Chair, why will they not make this a part of the EU expanded trade talks? It is fine to talk at home and try to win political points at home, but we have to put those words into action on the international stage because that is where the action is happening. I ask, what have they done in the last three years to protect our sealers? They talk a good talk, but they do not walk a good walk.

Hon. Chuck Strahl (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Chair, this is an important debate. At times it seems like it is a very sombre debate, and understandably so. We are all very worried about the European ban on the seal harvest.

In the first half of my hon. colleague's comments, I was able to nod in agreement. I do not know why he drifted off into the partisan issues at the end. It is very unwise, as a couple of people have said, to bring that into what should be a very serious debate.

He knows full well that the government has left no rock unturned, no opportunity lost, to try to impress upon the European parliamentarians the seriousness of this, the complete lack of science based on this sort of a ban, the futility of trying to carve out an Inuit-only component, when an Inuit-only component means the end of the seal industry and selling into a market that is non-existent.

He knows full well that Mr. Sullivan is an honourable man. The member called it a patronage appointment. I think he is a bigger man than that. He should know better than that. He has done yeoman's service for us over there. The fisheries minister has done the job. The foreign affairs minister has done the job. The Premier of Nunavut has been there.

I was in Nunavut for the 10th anniversary celebrations a month or two ago. European parliamentarians, who will get copies of this I am sure, should understand the impact this will have on the north. They say they care about the Inuit people. They care not a bit for the Inuit people who have spent thousands of years harvesting seals. What is more, they have done it in a way that is sustainable, that is humane and that has provided a small bit of economic opportunity.

Government Orders

I would ask that the debate focus on that instead of drifting into the political. We can do that if we have to, but let us concentrate on sending a message to parliamentarians that Canadians are united against what is a hypocritical and senseless ban on the seal harvest in Canada.

Mr. Todd Russell: Mr. Chair, I appreciate the words of my hon. colleague, who tries to teach a lesson in being non-partisan. We all have been privy in the House to the government talking about the seal hunt in very partisan terms over the last month. This did a disservice to the energy that should have been focused on the European parliament and not within this Parliament. If there is partisan rhetoric going around, the government is going to have to share its own burden in that respect.

When it comes to the impact on the north, there is a tremendous impact upon Inuit peoples and northerners, but no less impact upon the people who ring the coastline around the island of Newfoundland, along the shores of Labrador, down into the Magdalen Islands and other parts of Atlantic Canada. It has a different type of impact in certain parts of Atlantic Canada with a bit of different emphasis.

I want to put this on the record. We have asked for some assistance for our sealers this spring because they have been going through a difficult time with ice conditions and the low price of pelts. They are going through an ever-increasing difficult time now. We called for assistance from the government to help our sealers. Are there any plans in place on the part of the government to assist our sealers, Inuit, non-Inuit, aboriginal, non-aboriginal, people in the north and parts of Atlantic Canada as we go forward?

The government has to take action on the international scene, which there seems to be some hesitation about, but it also has to look at what we can do domestically, within our country, to help our sealers as well. I would like to hear from the government on that.

• (1920)

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Mr. Chair, there is no partisanship here. It was a statement by the Fur Institute of Canada and the Canadian Sealers Association. On the *Fishermen's Broadcast* in Newfoundland and Labrador today, they said that they were contacted by European parliamentarians about this issue in a general discussion. The European Union parliamentarians asked the Fur Institute of Canada and the Canadian Sealers Association where the Canadian government was. They said that it was non-existent on this issue, that it did not engage with them at all. That was made public on the *Fishermen's Broadcast* in Newfoundland and Labrador this afternoon.

Could my colleague, the member for Labrador, tell me if that was a partisan rant by the Fur Institute of Canada and the Canadian Sealers Association?

Mr. Todd Russell: Mr. Chair, my colleague from Humber—St. Barbe—Baie Verte raises a very good point.

One does not always have to turn a criticism or a critique into something that is partisan. However, if the government says that it has left no stone unturned and that it has had an aggressive campaign, I would ask it to answer a very specific question. There were 550 people who voted for the ban and 49 who voted against the ban. How effective has the government's campaign been if no rock was left unturned?

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Chair, as I said earlier, we may actually have got off to quite a start when it comes to partisanship and I do not think that anyone is in a position to teach anyone else lessons when it comes to the seal hunt. For myself, I have been a member for five years now and I have had an opportunity to play an active role on this issue. We would not have got to where we are today without unanimity among all political parties on the Standing Committee on Fisheries and Oceans, from the Bloc Québécois, certainly, but also from the Conservative Party, the New Democratic Party and the Liberal Party.

The reason we have got to where we are today is precisely that we were able to deal with the issue in a non-partisan manner. It seems to me that we are a little behind the curve, because demagoguery and disinformation have won out for 30 years now in Europe.

Yes, there has been a bit of action, but not enough to suit me. I have a lot of critical things to say about this, but they are intended as constructive criticisms. I also have a lot of ideas on this, or potential actions we could take to deal with the situation. To put us in context again, there have been 30 years of demagoguery and disinformation, which explains why this is no easy task. The challenge is enormous, immense. When it comes down to it, the ones we have to convince are the European parliamentarians, but also the 500 million Europeans. In the end, 500 million people in Europe have been contaminated by disinformation and demagoguery.

Each time I have gone there and have raised the seal hunting issue, I have had the impression—not that I was necessarily ill received, which is not the problem—that they had heard just one side of the story and here we were coming along with the other version. This is a counter-argument at last. It may be far too late in coming, in a way, because the damage has been done.

We can see that the European parliamentarians, who will very soon be off campaigning again, and are thinking of nothing else than re-election, of the elections looming on June 4, have almost unanimously decided to vote in favour of the ban. Only a very few, fifty or so, have decided to vote against it and one of those deserves our praise: Peter Stastny. Though I am not necessarily a backer of the Quebec Nordiques, since I am a Montreal Canadiens fan, I think it is worth noting that Peter Stastny was one of the opponents, and I read today that he was a pretty energetic opponent. Just as he has managed to score goals against my beloved Habs, I think he has scored some good goals in this instance, with a view to helping the truth win out. What we are trying to do in this issue is bring out the truth.

Government Orders

Things are now at the point that even greater intervention is needed. We can no longer content ourselves with having the Canadian embassy host the odd reception to talk about the seal hunt, giving a little presentation to a few individuals or calling people to a small meeting. We must go much further. That is why I believe we have reached a crossroads in this file. If nothing else, what happened today should shake us up and serve as a wake-up call. It should also serve as a wake-up call for the government, since it is not my intention to flatter them too much. We must all wake up, band together and come up with a real action plan that includes a real information and awareness campaign.

Personally, I have done little on this file strictly speaking, but in a way, I have done many things. I have had the opportunity to meet many parliamentarians and, if nothing else, I managed to get some of them to the Magdalen Islands so they could meet some of the people who live there. There were not many parliamentarians, only three. But the little effort I was able to make, along with the efforts made by the people of the Magdalen Islands in recent years, and the efforts we can all make in our own small way, can be significant.

• (1925)

We are at a crossroads. What is going on now must spur us into action, and we must also set aside partisanship. We must find a way to launch a massive information campaign with people who know about seal hunting, who engage in that activity, and who could eventually travel to Europe. They have already done so, but they must do so again. We could use the Centre d'interprétation du phoque, in the Magdalen Islands, which is a facility that already exists. A travelling exhibition could go to various places. It already does in Canada. We must make efforts in the right places. We must do something more significant than merely reacting to those who are challenging us, to abolitionists. These people are not defending animals. Rather, I see them more as abolitionists, who just want to abolish the seal hunt and who totally betray our history and traditions. We are well aware that the seal hunt is an activity that goes back 200 years or 300 years in the Magdalen Islands. I believe this is also the case in Newfoundland and Labrador.

It is an honourable tradition that is carried on with great pride. We must show very conclusively to Europeans that the seal hunt, which is a yearly activity, is not only aimed at selling sealskins to make money. It is an activity that is in the blood of the Magdalen Islanders, of the residents of Newfoundland and Labrador, and of those of the lower North Shore. It is an activity that triggers what will follow in the days and the months to come. That tradition is respectable and it is carried on honourably.

This is a good starting point. Indeed, in Europe, today or very soon, we are going to continue negotiating a free trade agreement. Ultimately, we must ask why we would act like barbarians when it comes to hunting seal, but not in the context of a free trade agreement between Canada and the European Union.

By that, I mean I can see that grandstanding and misinformation have prevailed, but we have tools at our disposal. We have to use them to the fullest. I am very pleased to see several ministers here this evening. It is clear that this has to be a team effort. The Minister of Fisheries and Oceans cannot do it alone. She will need help from the Minister of Foreign Affairs, the Minister of International Trade

and other ministers involved in one way or another in this matter. They will all have to work together on this.

As someone put it, we need more leadership. Leadership is the only thing that will help us deal with this problem, this challenge. As I have often said, we no longer have problems; we have challenges. If we think of situations as challenges, we find within ourselves enough energy to deal with them. If we see them as problems, they are much harder to overcome.

This is a challenge of monumental proportions, but we can face it if we think of the people who hunt and fish every day in an honourable and respectful way. We have many good arguments on our side, but the best one is that we are standing up for truth. Sealing abolitionists will say anything. They say that hunters still go after baby seals, that their methods are cruel, and so on. We stand for truth, equipped with a report from independent veterinarians. These animals are not killed inhumanely. The seal hunt is like an outdoor abattoir. Naturally, an outdoor abattoir is not an easy image to sell as fantastic and wonderful. We cannot think like that.

I think that this is a tremendous challenge, but we are up to it.

• (1930)

Hon. Peter MacKay (Minister of National Defence and Minister for the Atlantic Gateway, CPC): Mr. Chair, I congratulate my colleague on his speech.

He is right. It is appropriate and necessary for the government and all members of this House to work together on this matter. It is important for all Canadians to understand the facts. He has raised a number of good points.

[*English*]

The hon. member touched upon the fact that this is an issue that should be uniting Canadians, as we saw today in the House of Commons, where all members came together to facilitate this debate.

We can all spend time referencing past indiscretions and decisions. We can talk about the record of the previous government and the one before, and we can go right back through the generations. That will not help. The reality is that we have seven million seals in the North Atlantic that are eating fish at an alarming rate: seven millions tonnes a year.

Several members referenced, what had this government done? We have made interventions at the North Atlantic Fisheries Ministers' Conference. The previous minister of fisheries, Loyola Hearn, and Loyola Sullivan, the fisheries ambassador have been staunch advocates for those fishermen and women who rely heavily on this important industry. There are issues related to the industry that we have to delve into to educate Europeans, which is much of the task.

Government Orders

The hon. member talked about the need to engage at every level. The Prime Minister has made numerous interventions with counterparts, with leaders at the United Nations, and the Minister of Fisheries and Oceans the same. This has been constantly on the agenda for Canada and will continue to be so. We can continue to revel in what happened in the past. We can act like a turnip or we can all get together and voice with one voice Canada's support for this important industry. To do so will require some discipline.

I recognize that there are members on the opposite side, including Senator Harb, who are of a different view and are advocating against the seal hunt. He was on CBC this morning doing the same.

I would encourage those members to speak to members within their own party to ensure that they are together on the issues, to bring them onside, and to educate people like Senator Harb to ensure that he knows the real story. That is what we would ask them to do, rather than rant and rave, and bring about the righteous indignation. Bring members of their own party onside on this issue.

That is what I would ask that member to do within the Bloc, within the NDP and the Liberals. If we can get everybody behind this issue, we can put a truly Canadian position forward, bring the Europeans around, educate them, and tell them that Canada is behind its sealers.

• (1935)

[*Translation*]

Mr. Raynald Blais: Mr. Chair, I will attempt to answer the question that is buried in the commentary.

I understand very well that it is possible to be attracted by all sorts of manoeuvres that may be partisan. I have already met with Mac Harb, a Liberal senator who I do not like at all. I went to see him to find out what he wanted. I have the impression that he was looking for his moment of glory and he got it. This does not taint the entire Liberal Party. But, at the same time, this shows that I would like the Liberals to condemn Mac Harb's gesture. That is one thing.

If we speak only of these aspects, we will never finish. There are many criticisms I could level at this government. I repeat that this poses an enormous challenge and that we must be united. It is possible to be united in adversity on condition that we have a common vision. We do share a vision. We are defending the seal hunt, in a non-partisan way, everywhere. However, when it comes to how we will do that, it is an entirely different matter. We might have misgivings or different perspectives, but that is not very serious. However, we have to start from the premise that we are unanimous in defending the seal hunt. Now all that remains is to determine what means we shall employ.

For my part, I will always defend the principle that if we do not reach all Europeans, we shall lose the battle for truth. That is why I am coming back to the idea of conducting a massive information campaign.

[*English*]

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Mr. Chair, the member has given the House great counsel here tonight. I respect what he has to say and I respect the fact that he has made a huge contribution within the Standing Committee on Fisheries and Oceans.

He gives us an opportunity and leeway. I attempted tonight to ask the government, if in the context of the European Union free trade talks, in the context of the previous summit of the G20, was there an opportunity there for the government to really reinforce that message that this is an illegal trade action being conducted by the European Union, that these actions are contrary to the very summit and the very declaration that was signed by the G20 member states?

Could the hon. member, my colleague from Gaspésie—Îles-de-la-Madeleine, simply comment on what tools the government use today to reinforce this message that the European Union is currently engaged in an illegal trade activity, a ban which is contrary to the WTO, the World Trade Organization, and that it is showing a certain degree of political immaturity by doing that at a time when the entire world is calling out to its leaderships asking: "Don't impose false trade barriers or bans in the wake of this global economic recession"?

The European Union at this time is not showing political maturity by raising an illegal trade action related to Canadian seal products. It is showing the contrary. Would the hon. member comment on that or maybe suggest what further the government can do to make that position perfectly clear to the European Union?

• (1940)

[*Translation*]

Mr. Raynald Blais: Mr. Chair, I want to say first that the attack—because it is an attack—on the reputation of the people of the Magdalen Islands, Newfoundland and Labrador and the lower North Shore is horrendous. To face this attack, we must use all the means at our disposal.

Depending on attack x, y or z from an adversary, one of these means is to react relatively passively and wait to see what happens. Will the adversary tire of his attacks? This attitude should be condemned and it is certainly reprehensible. I think we should act with great vigour and rigour.

The abolitionists use pictures to their advantage to wage their campaigns and battles. I have to admit they do it vigorously, but not very rigorously. We have to respond in kind. There are many places where we can act: the G7, G8, G20, and so forth. We could also bring this issue up in the incipient negotiations over a free trade agreement between the European Union and Canada. There are places where we can act, but we need to do so with more vigour. This means that the government needs to have teamwork. We parliamentarians can work together collegially as a team, but the government has to do it as a team too.

I would therefore encourage the Minister of Foreign Affairs to act with greater rigour. He said just recently, in a rather resigned way, that what they are doing does not make any sense and we would see at the WTO. I do not think that is the way to react. We have to take the offensive, act rather than react.

[*English*]

Mr. Jack Harris (St. John's East, NDP): Mr. Chair, I am pleased to have an opportunity to join in this debate. I welcome the fact that all parties have agreed to take the time of Parliament to debate this extremely important issue to the people of my province of Newfoundland and Labrador.

I want to acknowledge the contribution of other members to the debate and welcome their participation. The member for Gaspésie—Îles-de-la-Madeleine is certainly an ally of the sealers in our province and in the fight that has been going on for many years to recognize the fact that the seal harvest is an important part of the economic activity of Canada. We have also heard from speakers on the other side of the House who underscored this point as well.

Members on both sides of the House agree that this is an important issue. It is an important issue for Canada. It is an important issue for Canadians. It is important because our government has an obligation to defend the industry, the culture, and the livelihood of Canadians.

The seal harvest and the seal fishery play an extremely important role in the economy, culture and livelihood of the Inuit people all across the north. The Inuit Tapiriit Kanatami and the Inuit Circumpolar Council have been active in this fight as well. Mary Simon participated in a TV program today. I am going to refer later in my speech to a press release issued by them a couple of weeks ago which has some importance here.

I would like to put on the record very clearly that we are dealing with an industry, and a form of livelihood, that is humane, that is market-driven, and is sustainable. We do not tolerate inhumane practices. Our sustainable harvest is based on solid science, sound conservation principles, and by using the precautionary principle when setting quotas.

These extremely important principles are applied to this animal harvest, which is a legitimate form of economic activity that has been going on, as others have mentioned, for several hundred years in Newfoundland and Labrador after a European settlement, but for many centuries and perhaps thousands of years by our brothers and sisters among the Inuit. We have an obligation to preserve this harvest and I think there is agreement on that.

We might need to put this into a little perspective.

It seems hard to get a copy, but I have a copy of the resolution that was passed today. It was first reading of a document, so it is not all over yet by any means. We are talking basically of a first reading adoption of a set of regulations of the European parliament. There are other steps to go before the countries of the European Union seek to act upon this resolution. I do not think it is too late, but we may have lost the PR campaign in dealing with the European parliamentarians.

We are concerned about our voting record in Canada and the percentage of people who vote in our elections. I invite members to find out what percentage of the European population actually votes in the European parliamentary elections. I see one of my colleagues pointing his thumb down. I think we might be talking about 20% or less.

Mr. Gerald Keddy: Yes, 18%.

Mr. Jack Harris: I hear 18%, Mr. Speaker. We have to wonder whether this reflects the true opinion of the people of Europe, or whether these people are responding to mass campaigns of misinformation about the nature of the seal harvest.

There is a statement at the beginning of the resolution saying:

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Whereas:

(1) Seals are sentient animals that can experience pain, distress, fear and other forms of suffering.

It goes on say:

—to ban all cruel hunting methods which do not guarantee the instantaneous death, without suffering, of the animals, to prohibit the stunning of animals with instruments such as hakapiks, bludgeons and guns,—

The European Union is not outlawing hunting. It is not saying that the 35,000 seals that are culled and presumably left to rot or dropped to the bottom of the ocean by Sweden are going to be protected by the European Union. It is aiming at the market for Canadian seal products.

• (1945)

By the way, the seal products we are talking about are seal meat, which is very high in protein, and seal oils, the most important part of which are omega-3 fatty acids that are processed for food products.

We are also talking about hides. They are not banning hides for cows or any other animals. They are not banning leather belts, which I am wearing today. They are not banning leather shoes. They are not banning any of the things that are part of humankind's use of animals in our daily life.

They are picking on this one particular thing, because this is the top of the line for those people who would actually like to ban all those other things. However, they do not have any support for it. They buy misinformation about the seal harvest and the whitecoat seal pup, the hunting of which has been banned for over 20 years. They are misinforming the public. They are using the public, and they have managed to get to these European parliamentarians.

I think we agree that this is wrong. The question is what we do about it. There has been a lot of talk about the WTO. At the end of the day, that might be our only choice. However, there is a problem with that. We are now sitting at the main table, not with the European Parliament or these parliamentarians who get elected by less than 20% of the vote, but with the European Union.

We are dealing with the countries and the trade ministers who represent their individual countries. We are at the main table, and we should be there, saying that we have some problems. We have some problems with this proposed ban, which is a non-tariff trade barrier. We want that off the table, right away.

There are other things that my province is concerned about. The 20% shrimp tariff is hurting not only Newfoundland but the Canadian fishing industry. The Minister of National Defence knows a lot about that from his province as well.

But that is still there. I do not hear anybody saying this is going to be a precondition for our negotiations. We want to get rid of this. If we are going to remove barriers, that is a very important one. We have to have that first. This is where the action is. It is at the main table of these negotiations.

Government Orders

I do not want to see us in a situation in five years' time like the NAFTA agreement. On paper, it looked great. We had a free trade agreement. Meanwhile, the senators and congressmen in the U.S. invented and encouraged all these applications before the NAFTA to stir up trouble. They knew it was illegal, just as the European Council knows that this ban on seal products is illegal.

That gets me back to the Inuit Tapirisat and the Inuit Circumpolar Council. They released a press release on March 27, indicating that the Council of the European Union was told by its own legal advisors that the proposed EU-wide ban on imported seal products would contravene both the EU Charter and their obligations under the World Trade Organization. So what are they doing? They are doing it anyway.

That is what the Americans do. The American government does not do that; it stands by and allows someone else do it. What happens? Let us talk about softwood lumber. We know the story of softwood lumber. What happened? The government eventually caved in. It caved in on softwood lumber because of costs, loss and everything else. We do not have a great record in standing up for these things. While we have a chance and we are at the main table, let us get the action happening there.

I was asked what I thought of the WTO in an interview today. I said, well, the WTO is there, but if I am sitting at the main table with the European Union and I start talking about the ban on seal imports, the European Union is going to say it understands we have a problem with that; it understands we have taken it to the WTO; that is where it should be resolved. It will then want to talk about something else.

That is the problem. That is the logical problem. That is the political problem. The political problem is not here. It is there. The government must be prepared to commit to going there and saying at the main table that this is an issue about which we are concerned.

I hope that from this debate tonight the consensus will be that it is a significant enough trade problem for Canada to take action. We want our Prime Minister, Minister of International Trade and representatives to bring this up at the main table to try to resolve it there.

● (1950)

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Mr. Chair, I appreciate the support of my colleague and his party on this issue.

The member made some comments about the involvement of the WTO, and that might well be the direction we are heading in. I think he is advocating taking tougher action than that, maybe even to the point of triggering a trade war. I am not sure if he is suggesting that.

Let me ask the hon. member something in a different way. Parliamentarians in the EU made this decision today. I suppose the parliamentarians, like us, respond to their constituents in terms of the decisions they make. They would certainly take into account what they hear from their constituents on issues, and probably on this issue as well.

For us to have long-term success on this issue, we need to be involved in changing the hearts and minds of Europeans, not just the

European parliamentarians who are getting feedback from their constituents.

I wonder if the hon. member has any advice for the government on how we could be effective in that way?

Mr. Jack Harris: Mr. Chair, I do not think we should go all the way, where we either get a ban or have a trade war.

We are talking about negotiations. Negotiations involve stating a position and fighting for it. What is it we want from these trade negotiations? Are we saying we want to have a free trade agreement and we are prepared to put all of our interests to one side to get "free trade"? Are we going to forget about the things that are important to us?

If it is important to us, then we make it a part of the negotiations. We do not have either a trade war or an agreement on everything. I am talking about an effective way of doing it.

I agree there is a problem with talking just to parliamentarians or just having delegations talk to governments. Perhaps someone from the government could tell us how much money the Government of Canada spent on advertising, trying to reach those hearts and minds, trying to find effective ways to get on television over there.

I do not know if this is the best example, but I am sure everybody in this House has seen the beautiful ads about Newfoundland and Labrador. They make the place look like the most attractive place in the world, encouraging people to come. I think I see nods from my colleagues from Newfoundland and Labrador, here and from all over the country, that these are magnificent ads. They attract people's attention.

Perhaps someone could tell us how much money the Government of Canada, with its resources, has spent trying to change those hearts and minds, trying to compete with the misinformation. I know it is expensive, but we are talking about protecting our way of life. We should not have to change because people are misinformed in other parts of the world.

● (1955)

Ms. Judy Foote (Random—Burin—St. George's, Lib.): Mr. Chair, it is interesting to be part of this debate tonight and to listen to the various opinions being put forward.

I think about the 6,000 sealers, those in Newfoundland and Labrador, who are impacted by this decision by the EU. I can only imagine what they are going through, having their livelihood taken away like that. They are people who have been sealing for years and years, resulting in a contribution to the economy of Newfoundland and Labrador of about \$70 million annually. It is gone.

We have to ask why. What happened to it? Why did the EU take this decision? Why would they take such a punitive measure against Canada and Canadians?

I listened to my colleagues on the government side talking about what the Ambassador for Fisheries Conservation has done, or what the Minister of Foreign Affairs has done, what the Minister of Fisheries and Oceans has done and, yes, what the Prime Minister has done. I have to ask why they were not effective.

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Why did this decision come down from the EU? We know only too well that no matter how much we talk about trying to change it, once a decision has been taken it is going to be much harder to turn it around.

Why does my colleague think that the government was ineffective, resulting in the EU putting a ban on the seal hunt?

Mr. Jack Harris: Mr. Chair, first of all, I do not think this is over yet and that we are just at a wake here. First reading has been given to this bill. and I do not think we should give up.

Someone asked me today if I thought the government had done enough. My answer was obviously not, because if it had done enough this would not have happened.

It goes back to the question that my colleague opposite asked: what advice do I have about changing the hearts and minds of the people of Europe? It is pretty obvious. We have to communicate with them. It obviously has not been done enough to convince their parliamentarians that they should have a more balanced view, that they should recognize that Canada is doing a lot to advance the cause of a proper hunt, with proper numbers and scientific evidence and ensuring the precautionary principle.

That obviously has worked. Canada has by its methods and efforts increased the seal population from 1.5 million seals in 1971, to 5.6 million or more today. Obviously this is not about sustainability. This is not about saving an endangered species. This is about something else.

I would venture to say that not one European in five hundred knows that the population of seals has increased by three or four times in the last 30 years. That is because the government has not told them.

• (2000)

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Chair, I want to congratulate the member for his excellent criticism and contradiction of the illegalities of this resolution.

However, there is one item that really has not been discussed very much, and that is the exemption with respect to the resolution of the banning of the marketing of seal products. It is permitted only where the seal products result from hunts traditionally conducted by Inuit and other indigenous communities. What does that mean? Does that mean they can perform their hunts and sell their products? Who are they going to sell them to?

Secondly and more importantly, it is okay, according to the European Union, for the Inuit to get into this business, but it is not okay for any other Canadians who live in the maritime provinces. It is only that one category. Is that, dare I say, racist?

Mr. Jack Harris: Madam Chair, who do they think they are? They are not deciding whether Inuit people in Canada should be allowed to continue to hunt seals for their own use, for sustenance, for looking after their clothing needs, their food and all that goes with it. They have said as long as this is not happening for commercial reasons.

They may have made an exemption, but the exemption is not for commercial trading. The exemption proposes to recognize that it is

okay for them to hunt by traditional methods. At the very least, it certainly is patronizing.

So my answer to the member is who do they think they are? They do not have control over what goes on in this country. They are trying to say they will not allow any marketing of these products, but they permit people to carry these products with them while they are travelling.

It is very patronizing at the very least. I would not go so far as to say it is racist, but it certainly is patronizing, and it has no place in a European parliament. I think they have got it wrong. Efforts ought to be made to ensure that the public of Europe is told that they have it wrong and that their national governments ought not to follow it; they should oppose it.

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, CPC): Madam Chair, this is an extremely important debate and one for which I have been on my feet many times in the House, as well as many of the other members here tonight.

Several times we have gone off on partisanship and partisan rants and I do not see any reason to stray from that. There is a couple of places where the record needs to be corrected. I have been listening to my Liberal colleagues say that somehow this happened since 2006. I have been here since 1997 and we worked hard to bring this to the fisheries committee and to the House but it did not happen. It did not happen in 2000 nor in 2001. We worked hard to have the voice of the sealers in Atlantic Canada heard in the Parliament of Canada, and it was not easy. It happened because of goodwill from every party here, primarily from the fish committee. That is a fact.

We just cannot say that the Tories took power in 2006, that this is an issue and what will we do. It is not that simple. This is a very complex issue. It is like saying that if the Liberals had stayed in government, we would not have global warming. It is like saying that if the Liberals had stayed in power, we would not have a global recession. We know that is nonsense. Trying to blame the intervention by the European Union on this government is the same thing.

I was here in 2006 as chair of the fish committee and I will tell the House about the Liberal record. In 2006, when we formed the government, up to that point there had never been a coordinated meeting, not one meeting, by the Department of Fisheries and Oceans or the Department of Foreign Affairs. The hon. member for Central Nova was the minister of foreign affairs at the time and he helped coordinate the first meeting ever between Fisheries and Oceans, Foreign Affairs, International Trade and Indian Affairs and Northern Development. It needed to be done and it was the right thing to do.

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It was the same way when the former minister of fisheries appointed Loyola Sullivan as the international ambassador for fisheries. It needed to be done. Mr. Sullivan has in turn visited all 27 countries in the European Union and lobbied every one of those members on this issue. That does not mean the issue was solved or that we won the battle, but we did our job and we will continue to do our job, which means finding allies where we can find allies, and that means intelligent, rational debate in the House.

I was with one of the former Liberal ministers of fisheries at the NAFO meeting and I did not hear one word about seals. I do not think it should be blame the Liberals, blame the Tories or blame the NDP because they did not do enough or blame the Bloc Québécois. We will defend Canada's interest. The Prime Minister, whether the opposition happens to like it or not, is the first Prime Minister to defend Canada's interest in sealing on the high seas when we arrested the *Farley Mowat* last year. It should have been done long ago but it was done.

We have defended Canada's interest in the European Union. One of the members opposite and myself were at the European Parliament and met with the committee on the environment. It was pretty tough sledding. I am not telling members that it was easy. They did not want to hear us. They did not want to have an intelligent, rational debate because they would lose if they had an intelligent, rational debate about the maintenance of the hunt and the sustainability of the hunt. They do not have any credibility on that issue and they know we are credible on that issue. That is where we need to continue to keep this.

Let us look at the European record on large animals. Several countries in Europe have a big game hunt. They have the worst record of any country in the world on a big game hunt with the most lost animals of any countries in the world with the big game hunt. They kill millions of muskrats every year in the Netherlands but no one cares if they are clubbed, trapped, poisoned or drowned. They just care that they are killed.

● (2005)

The Liberal member has said several times that 35,000 seals were killed. He is absolutely correct; 35,000 seals in Sweden and that is not counting the cull. That is not counting the cull in Iceland or in Europe, and it is not counting the unreported kills by the rest of the European Union members. These guys do not have a very good record on animal welfare.

I have been aboard the *Louis S. St-Laurent* at the front. We have witnessed the seal hunt close up and personal. It is absolutely correct. There is red blood on white ice and white snow. It is a great graphic picture but who are the real guilty culprits? I will name the name. It is Rebecca Aldworth, the head of the American Humane Society. She is the one who needs to be called to task. Her group took a seal that was drowning, which is a humane death, choking and bubbling on its own blood and pulled it out of the ice so they could film it dying a slow, suffering death. That is the American Humane Society. That is what we are dealing with here. That is reality.

If people do not want to agree with that, they should go find out the facts for themselves. Raoul Jomphe, the cinematographer from Quebec, was on the ice when that occurred and recorded that. He

recorded the American Humane Society pulling this animal out of the water and breaking the laws of this land.

The Minister of International Trade has forwarded this cause. The Prime Minister has forwarded this cause. We are at a very difficult place right now. We know the Europeans have broken international trade laws. We know they have 60 days of consultation. We know there is a process going forward.

However, I must say that suggesting that we stop negotiations with the European Union on a free trade agreement at this time is somehow moving in the right direction, it is not. The way to deal with the EU is to keep it at the table, keep this up front and personal in front of it and keep the issue moving. However, if we stop talking, then we have to start all over. A lot of good work has been done by all members of the House on this very difficult and controversial issue, not for us in Canada because we have been educated.

Quite frankly, the members of the fish committee, who do stellar work on this issue, are still educating the members of the House. It was not all agreement when we started. It was not all agreement within the parties but we did our work as committee members and had all our parties on board. It did not come easily.

I forget which member said it but I commend the member for saying that it was the hypocrisy of this decision by the European Union. We have six million seals in the north Atlantic. We can debate whether it is 5.5 million or 6.5 million but here are a lot of seals and they do not eat turnips. If they did and we could somehow get them in a net, we could fly them over to Paris, Copenhagen, London or Rome and drop them. When they would see these seals coming up the streets on the Champs-Élysées, it would be interesting to see the reaction of the Europeans at that time.

In closing, and in all seriousness, I worked in the offshore fisheries for eight years from 1980-88. When we went out to Sable Island and that area in 1980, we used to land a fixed wing on the beach, go across to the helipad and get a chopper to the rig. I was on the Island 30 or 40 times and there were dozens of seals in 1980 and the spits were black with seals in 1988. That was the grey seal herd.

● (2010)

Mr. Scott Andrews (Avalon, Lib.): Madam Chair, I listened to the member speak quite eloquently about the work that has been done by all ministers and all parliamentarians. However, when we talk about the fisheries ambassador, he is just one person trying to convince over 600 parliamentarians of the importance of this fishery. The government has really dropped the ball by putting all this pressure on one person. I hope the government does not use Mr. Sullivan as a scapegoat and blame him for this because he is only one individual. The government likes to say that it has embraced all parties but it has not. If it has, why did it not bring a delegation of all parliamentarians over to Europe this spring? It did not do that. It sent one person over to do all this work. It is a shame that it has come to that.

Government Orders

I am glad the parliamentary secretary trade is here tonight because maybe we can ask him some questions. We now have the European Union at the table discussing this very important issue. What do we hear? We hear that Canada is not expected to let the seal products bog down free trade talks. Let us think about that for a minute.

Is the minister telling the people of Canada that this issue is not important enough to allow it to bog down the talks? It is trying to lower tariffs on metal machinery but there is nothing about the seafood markets. What exactly will the government do for the fishing industry and the sealing industry at the trade table?

● (2015)

Mr. Gerald Keddy: Madam Chair, what I said quite clearly was that it was simply wrong-headed and irresponsible to leave discussions with the European Union at this time. If anyone thinks differently, it is simply from inexperience. We cannot talk to people if we are not sitting at the table. This issue will stay at the European Union and stay there with the discussions. Quite frankly, we have dispute mechanisms in place so that when parties cannot agree we have a third party, hopefully unbiased, that can make a decision. Without question, under the rules that it has put this ban in place, we will win at the WTO. I agree that it takes time. I also agree that we can make better use out of our fisheries committee and multi-party committees in this House lobbying the European Union. I think that is a good idea and it is something that we should be pursuing.

However, the Minister of Trade, the Prime Minister, our fisheries ambassador and the Minister of Fisheries and Oceans have raised this issue with every person they can raise it with and have lobbied as many of the parliamentarians in the European Union as possible. That is why nearly 50 of them voted against the seal ban, and good for them who voted against it, and another 47 abstained. I say shame on them abstaining but that was better than voting for it.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Chair, I understand that this is not one particular government's concern. It is a House of Commons' concern and our Senate's concern regarding what is happening on this, I think, irresponsible decision by the EU to put a ban on sealing products here in Canada.

I used to live in the Yukon and in 1982, when when there was a proposal to ban the leghold trap, many first nations people lost their livelihood literally overnight when the Hudson's Bay Company was no longer buying furs caught by that method. Was the leghold trap a humane way of killing? Probably not. Were there alternatives? Yes. Could it have been done overnight? No. It had to take a gradual process in order to make that happen.

The sealing industry has moved many miles in terms of its humaneness of the kill. As we know, we no longer kill the white coats and that has been the case for many years. We know we have allies in Scandinavia, Russia and other countries of that nature.

However, the one thing that the European Union tends to forget, which I believe the hon. member was the chair of our committee when he heard this debate, is that the EU would exempt Inuit or first nations seal products.

The member did give a bit of a lesson on seals walking down the Champs-Élysées, but how can any European determine whether a seal coat, or pelt, or whatever, was caught by a non-aboriginal hunter

or an aboriginal hunter? The reality is that it will successfully destroy a traditional way of life in Canada's north.

Mr. Gerald Keddy: Madam Chair, that is an excellent point. A number of members have raised it tonight already.

The analogy and reference back to 1982 and the leghold trap is a very good one. I held a trapper's licence in 1982. What we saw happen with our aboriginal first nations and Inuit communities was absolute devastation. Proud individuals, who once had the ability to make a living and provide for themselves, suddenly had no ability to make a living and provide for themselves. The argument that only Inuit or first nations should be allowed to profit from sealing is so disingenuous that it is really quite sad.

This is the domino effect. Taking the low-hanging fruit pushes the first domino. We are the low-hanging fruit in this argument. We are the easiest to attack. European parliamentarians have been very successful in that attack. They still talk about the white coats. We have not killed a white coat since 1987. Anyone who knows anything about the seal hunt knows that.

The domino effect is they set the Inuit and first nations aside. They say, yes, that they can still profit from killing seals and their products, but what they will not say publicly is they will have no opportunity to sell those products. Therefore, the Inuit or first nations exemption is absolutely disingenuous and misleading.

● (2020)

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Madam Chair, I would just like to ask the member whether he agrees with me that one way we can fight misinformation and demagoguery is to point out that there are various uses for seals. One of the potential uses is in treating cardiovascular diseases. Research is underway on seal heart valves, which may replace the pig heart valves currently on the market. Initial findings indicate that seal heart valves offer very promising results in terms of rejection and so on. So that is another tool we have. Does he agree with me that we need to emphasize the positive aspects of the seal hunt, such as collagen and seal heart valves, that may have applications?

[*English*]

Mr. Gerald Keddy: Madam Chair, the hon. member brings up a very legitimate point. Omega-3 fatty acids have been around for a long time. It is in fish and seal oils and is a valuable byproduct, a very good and healthy product.

Government Orders

There is a relatively new product, and that is the harvesting of the heart valves from seals, which could have tremendous implications for human health. We first need to prevent this ban from occurring so we have accessibility to the heart valves. The ban is only in the discussion stage. My honest belief is that it will come into place by the European Union and we will go to the WTO and defeat it. In the meantime, we will work during the consultation process to try to prevent it.

The member mentioned a very good point about the heart valves and omega-3 acids. As well there is the flesh of the seals. I have eaten it on the fisheries committee, in the High Arctic and in my neighbourhood in Lunenburg County, Nova Scotia. It is very healthy, tasty meat. It is simply more than skins.

For the Europeans to be culling a herd of 35,000—

The Deputy Chair: The hon. member for Kings—Hants.

Hon. Scott Brison (Kings—Hants, Lib.): Madam Chair, as we have heard in the House, the European parliament earlier today passed a bill banning the import of seal products by a vote of 550 to 49. Let me state unequivocally that the EU legislative resolution in question is based on misconceptions, bias and prejudice, not fact.

By moving forward on an import ban, the EU is preparing to take what is in fact an illegal trade action. The EU is being driven to shut out a foreign market of seal products by little more than the aesthetics and cultural misunderstandings of its members.

I will be splitting time, Madam Chair, with the member for Bourassa tonight.

This is blatant trade protectionism. The Government of Canada has a responsibility to launch a trade challenge to defend Canadian interests. There is no science, ecological or otherwise, to ban Canadian seal products.

The reality is the seal hunt is sustainable, it is humane and it is economically crucial for thousands of Canadian families in Newfoundland and Labrador, in Quebec and Canada's north. Canada has acted responsibly in managing the seal hunt in a long term and sustainable way.

Annual seal quotas are developed on a basis of an ecosystem approach, which considers a wide range of factors, including ice conditions, climate, and the abundance of seal herds. The fact is the seal hunt is an important part of the ecological balance of these regions. Over the last 30 years, the seal population in Canada has grown from 2 million seals to over 5.5 million seals.

One of the reasons we have had a depletion of cod stocks in Atlantic Canada is the growth of the seal population, which has been astounding. If this EU ban is enacted, it may perversely result in the need to cull the seal herd in order to manage the over population. This result benefits no one, economically or otherwise. It would be the product of short-sighted bad public policy, which fails to recognize the sustainability and balance of Canada's seal hunt.

However, the members of the European parliament, who voted in favour of this resolution to ban seal products, have chosen to ignore the evidence. They have chosen to ignore the science. Instead they have acted in response to public pressure and special interest. They have based their decisions on falsehoods and misinformation.

Canada is a trading nation. We depend on trade for our standard of living. It is ominous that this year, for the first time in 30 years, Canada has entered a trade deficit.

A fundamental responsibility of the Government of Canada is to secure access to international markets for Canadian exporters, including our seal hunters. We know the government has been failing in this regard, with again the first trade deficit in 30 years. Our small open economy needs external trade for prosperity. With a trade deficit, that means Canadians are actually buying more than we are selling now, which is ominous in terms of our long-term prosperity and productivity.

Canadian exports to our largest trading partner, the U.S., have fallen over 20% last year alone. We need to diversify our trading relationships. The fact is the Canadian seal products industry have seen a tremendous downward trend under the Conservative government.

It is crucial to understand just how important the seal hunt is to thousands of Canadian families. Seals have been harvested for food, fuel, shelter and other products for hundreds of years. In Newfoundland and Labrador many remote coastal communities depend on sealing for as much as 35% of their total earned income. Furthermore, all seal pelts undergo processing within Canada, creating employment opportunities at plants across Newfoundland and Labrador and Quebec. The seal hunt has traditionally brought in tens of millions of dollars annually to Canada. It has been a crucial source of income for many Canadians.

Here is where a big part of the problem lies. The seal industry was worth roughly \$32 million under the previous Liberal government. Under the Conservative government, we saw it reduced to \$4 million last year.

The Conservatives have failed to take effective action to defend this industry against those who would repeat falsehoods and wild accusations to attack it. The Conservative government must defend the interests of the Canadian seal hunt community. It must defend the interests of northern Canada and Newfoundland and Labrador. The government has a responsibility to take the appropriate action right now to ensure that those interests are defended.

This is not against free trade and engagement. In fact, sometimes when we have rules-based free trade agreements, they can help defend the interests in industries like the seal hunt because we have other sectors upon which to leverage to defend the interests of important sectors like the seal hunt. The fact is we can proceed with discussions around an FTA with EU, but at the same time we cannot subordinate the interests of the seal hunt in our efforts to do so.

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• (2025)

Mr. David Tilson (Dufferin—Caledon, CPC): Madam Chair, my observation as to how all this happened was that the Heather Millses, the Brigitte Bardots, the American Humane Society and people of that ilk said not to hunt these beautiful little puppies. They said it was cruel. Yet this resolution is all about banning a trade in seal products for the purposes of retail sale. The European parliament is going to allow the hunt. It is going to allow Sweden to carry on with its cull.

Statistics have been given out in the House, noting that the number of seals has tripled since 1971. That is with hunts going on. I do not know what it is going to be without the hunts.

If this resolution carries and the seal hunt is dead in Canada, and it will be if this resolution goes to the very end, who will do the cull?

• (2030)

Hon. Scott Brison: Madam Chair, the hon. member raises a very good point. Other countries use ecological culls to manage the seal population, with no economic benefit whatsoever. If they want to pursue that as their policy, that is fine. We think it is bad public policy.

We do not want the European parliament to impose, effectively through this resolution, what is questionable public policy on Canada. We do not want it to damage the economy of regions like Newfoundland and Labrador and other coastal regions, including Canada's North, for no good reason whatsoever, destroying and attacking a tradition of coastal communities.

It is absolutely clear, from an ecological perspective, that there has to be some sort of hunt or cull. To deny the commercial viability of that is nonsensical. The government needs to take every action to make that case vigorously.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Chair, my hon. colleague from Kings—Hants knows very well there are discussions about the ongoing Canada-EU general trade talks. Would he support a freeze or hold on those talks until this seal harvest issue has been dealt with?

Hon. Scott Brison: Madam Chair, I think one can pursue trade discussions and at the same time leverage on those trade discussion to increase pressure on Canada's position on the seal hunt, which is also the position of Norway and other countries.

I do not think it is an either/or. The fact is the more deeply integrated we are in the trading relationships with the EU, the better able we are to defend our interests on a sector like the seal hunt. In fact, if we have deep relations on sectors that are particularly important to the EU, we are able to leverage on those relations to defend what is important to us. I would argue that an EUFTA and those discussions can augment and fortify our capacity to defend the seal hunt.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Madam Chair, there is one obvious question and concern that this circumstance raises. In the middle of the initiation of these free trade discussions, we have an illegal trade action taking part on behalf of one of the partners to that negotiation.

Does my colleague, the hon. member for Kings—Hants, share my view that skill at the negotiating table and a clear, clean voice on this

are absolutely essential? If they can raise these illegal trade barriers at such time, is there a possibility that issues covered under the trade agreement could fall fallow and will not be acted upon by the government? Will there be vigilance by members of the opposition with this free trade agreement?

Hon. Scott Brison: Madam Chair, I hope the government uses these FTA discussions with the EU to strengthen the defence of the seal hunt. I share with the hon. member a belief that this can be done.

I do not know whether the Conservatives would do that. As the official opposition, we certainly hope, expect and will demand, as the official opposition, that the Conservatives use every opportunity during these negotiations with the EU. The EUFTA is currently in its scoping stages. This is a very important time to raise these issues and to vigorously defend Canadian interests around the seal hunt.

[*Translation*]

Hon. Denis Coderre (Bourassa, Lib.): Madam Chair, I am rising today out of solidarity. I am rising today to tell our fellow citizens, whether they are from Quebec, the Maritimes, the north, or elsewhere, that we were taken for a ride. Therefore, it is essential today that we go beyond partisanship and that we give ourselves the tools to protect the livelihood of the many families that are going to suffer the most.

As members of Parliament, we are here to conduct our business, but today some people are watching us and they want to know what is going to happen to them. This evening, I am not speaking as the critic on national defence issues but, rather, as the Quebec lieutenant of our Leader of the Opposition.

I know that some Quebeckers are watching us right now, and I want them to know that this party and all parties must work hand in hand. We must use the Prague summit to tell Europe and the European Union that what has happened is unacceptable. If we do not do anything, if we do not react, the European Union will not be the only one to act in this fashion. Asia will also do it.

Today, we have all talked about numbers. We know that this activity accounts for 30% of the income of these families, and these families do not make big salaries. Therefore, we must work together. I am not rising only because I am a Quebecker. Frankly, I was upset, during oral question period, with the answer given by the Minister of Fisheries and Oceans. Instead of showing solidarity, she told us that, unlike the Liberals, her party was defending the seal hunt. That is totally unacceptable. We have always worked very hard to protect seal hunters and that industry.

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Therefore, I would ask the government to be less partisan. We are having this debate today because we want to work hand in hand to make a difference and help those who are going to suffer the most. I do not have to stress the critical importance of that industry. That industry may also allow us to do something else. A German scientist has discovered that we can transplant the heart valve of a seal. From a medical perspective, this could lead to an extraordinary industry. We could get involved in processing activities. Seals can be used for many things. They provide food and fuel. Moreover, sealskin can, of course, be processed for our use.

Of course we will always remember Brigitte Bardot and the crying baby seal in 1987. Those days are over. I would like our Prime Minister, who is in Prague, to recognize that there is a problem and that if we want to save the industry, we need to have fewer cocktail parties and admit that there might be a cause and effect relationship between current negotiations and the situation facing the seal industry.

Some hon. members: Oh, oh!

Mr. Denis Coderre: The other side can talk all it likes, but I think that is important. Indeed, I have already received dozens of emails. A dozen or so emails from the Magdalen Islands represent, on a per capita basis, thousands of signatures from a city. We must work accordingly.

Both sides of the House have a tremendous amount of experience when it comes to governance, and if there is one word we must remember today, it is “solidarity”. We must reach out and work together. We are going to use the summit in Prague as an opportunity to send a clear message.

Perhaps we should go back to the European Parliament and show them that, in accordance with international standards, the animals do not suffer. Perhaps we need to exert greater pressure. If we take this to the WTO's tribunal, it will take years and years to resolve, as we know. That does not put food in the refrigerator.

We must find a way to ask that Canada benefit from an exemption, since our practices are sustainable and we are protecting the species. However, if we do nothing, not only would families suffer, but the wildlife would feel the effects as well.

• (2035)

[*English*]

Hon. Peter MacKay (Minister of National Defence and Minister for the Atlantic Gateway, CPC): Madam Chair, I commend my colleague and I reference the fact that he is the defence critic, but I think it speaks well to this debate that we have members from all sides of the House, from various walks of life and various regions of the country, who do feel so passionately about this issue, and with good reason: It affects Canadians in a substantial way. It affects people's livelihoods. It will have a dramatic impact on the north and the people of the north. These are the perhaps the Canadians who could most passionately make the case to the Europeans.

I would ask my colleague, my hon. friend, if he believes that one of the many things we could be doing, in addition to sending a unified voice to the European Union objecting to this ban that they

have undertaken and educating them to the realities of what the seal hunt is all about, is to promote seal products in other markets as well.

I would also ask him if he believes it is important to have a unified voice from Ottawa, and will he undertake to speak to Senator Mac Harb and to remind him that we do need a unified approach from Canada?

• (2040)

[*Translation*]

Hon. Denis Coderre: Madam Chair, I thank my colleague for his question.

It is clear, and has been for some time, that even the Liberal government had a unified voice. I do not know if the minister is trying to tell us that we are divided, but the Liberal Party of Canada is united and will work in a united manner. One voice may be heard, but it is not speaking for the party, only for itself. If I start looking through the people who represent other political parties, perhaps I will find a discordant voice.

The reality is that our party supports any action that will make it possible to protect the sealing industry. It is important to do so. We therefore have to act accordingly, in terms of processing, developing markets, and working to ensure that things happen in Canada as well. This is why I referred just now to the use of seal heart valves for medical purposes.

The important thing is to show solidarity, to join hands and work together. Unfortunately, when we look at the outcome of the vote in the European Parliament, we might ask ourselves some questions about implementation of the strategy. Perhaps some things have not worked. I would like to know, for instance, whether enough had been done in connection with the embassies. Did our negotiator do things in the right way? Did he have all the tools he needed? But most certainly, we have to present a united front of all parties in this the House.

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Madam Chair, I would like to point out one thing, and I would ask the member for Bourassa whether he agrees with me.

We face an enormous challenge. We must convince not only European parliamentarians, but the European public. To do that, we need a massive information campaign and a strong action plan. Given the results to date, it is certain that we will eventually have to step up our efforts. We must be more rigorous and take a more aggressive approach, but eventually we will have to target the people of Europe. Our job is and will be to convince them that demagoguery and misinformation should not continue to dominate, as they did during the vote yesterday.

Hon. Denis Coderre: Madam Chair, the fact is that we have to find solutions to protect families. We should not talk about one region versus another. As Quebecers, as Canadians, regardless of region, we must develop the tools we need to do this. We absolutely need to work with the public to convince them. That is a fact.

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But perhaps we need to do things differently. The first thing we need to do is to say that this issue transcends partisan politics. We need to tell the public that, as Canadians, we must work together to help the families that are suffering. The people who are watching us do not want pointless debates. They want to know what we are doing. Today, I want to tell them officially that our party, on this side of the House, will support them and will act accordingly.

[*English*]

Mr. David Tilson: Madam Chair, listening to debate tonight, the only downside I have heard with respect to the discussions that have taken place is the partisanship that has been slipping into this debate.

It is a problem—

• (2045)

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Talk to your colleagues.

Mr. David Tilson: It has been going on, as members know, on both sides. I am not going to say that one is worse than the other, but it has been slipping into that.

It is a Canadian problem. I am speaking here tonight not only as a member of Parliament, but as president of the Canada-Europe Parliamentary Association. When we have gone to Europe, it has been with an all-party delegation, and all parties have supported the position every time we have gone. We recently went to Sweden. We have gone to France, the Czech Republic, and Slovenia. We have gone to Lisbon and Berlin. We have gone to all those countries that were president of the European Union, and Sweden is about to become one. At every one of those sessions, the topic of the seal hunt came up.

We had members from all parties. I am just going to mention a few.

One is a member from the Bloc Québécois, the member for La Pointe-de-l'Île, who has been quite vocal over the years.

Another is the member for Bonavista—Gander—Grand Falls—Windsor, who I claim is the expert on this topic. I am pleased that he has been along at these delegations and has spoken not only on behalf of his party but on behalf of Canada and on behalf of Newfoundland and Labrador. I congratulate him for the work that he has done.

We had Senator Lynch-Staunton, Senator Milne, and Senator Goldstein, and believe it or not, I remember one Senator Mac Harb was there. I do not recall him speaking for or against. I do not recall that, but we were all speaking against it. Why in the world was he so quiet? I do not want to get into all that. That is the problem of the Liberal Party.

It is particularly regrettable that this vote comes just one day before the Prime Minister attends the May 6th Canada-European Union leaders' summit in Prague, an event that underscores our important shared values historically in Europe.

As with any bilateral relationship, there are always some issues on which we will not agree. We will not let this single disagreement get in the way of our overall efforts at building a stronger good-faith community partnership between Canada and the European Union. However, members should rest assured that we will not allow our

broader objectives to distract us from defending the interests of Canadian sealers and their families.

As has been indicated already in this debate, Canada goes to great lengths to have a humane, well-regulated, conservation-based seal hunt. Our standards are based on the best scientific advice available, including that of the European Food Safety Authority.

It is therefore particularly galling to see claims by European officials and politicians, who know better, that the hunting methods employed in Canada are cruel. The EU's own EFSA study stated categorically that seals can be killed humanely with the methods employed in Canada, primarily the rifle but also the hakapik. Indeed, the sealing methods employed in Canada are in many ways similar to killing methods used in other industrial sectors, including other fur industries in Europe. This makes the actions taken in Europe outrageous and hypocritical.

What is even more shocking is the way in which Senator Mac Harb, with the tacit permission of the Liberal leader, has attacked Canadian sealers. While the government was working to advocate on behalf of Canadian sealers—

An hon. member: Oh, oh!

The Deputy Chair: Order. I would ask the member who has just been shouting to restrain himself. I know everyone feels very passionate about this question, but I would ask for some order.

The hon. member for Dufferin—Caledon.

Mr. David Tilson: Madam Chair, while the government was working to advocate on behalf of Canadian sealers, that Liberal senator was writing to ask members of the European parliament to take away their livelihood.

Let me be specifically clear. There can be no justification for new restrictions on seal products based on animal welfare resource conservation or public morality. This applies equally whether the ban is acted on by individual countries, such as has already been done by the Netherlands and Belgium, or at the European community level as per the vote today by the European parliament.

There also can be no comparison between the Canadian seal hunt and the recent European bans on products made from dog and cat fur. Unlike cats and dogs, seals are not household pets. They are wild animals and can be hunted like any other wild animal, as indeed a range of wild animals are hunted in Europe.

As stated by the Minister of International Trade today, "A ban can only take place if it is based on science".

The Canadian seal hunt follows internationally accepted best practices. It is humane and environmentally sustainable. It is therefore the government's position that a comprehensive ban on seal products would be a violation of the Europeans' legal obligations under the WTO agreement.

Such a ban is clearly both discriminatory and an unnecessary obstacle to international trade, in violation of both the WTO agreement on technical barriers to trade and the general agreement on tariffs and trade of 1994.

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Canada has already addressed the issue of the Dutch and Belgian bans with the WTO. We can request a panel at any time. We had not done so because the pending legislation in the European parliament would supersede national bans, and there has been no point in addressing national bans until that issue has been resolved.

We are also fully committed to taking the European Union to the WTO once the council ratifies the decision taken today by the European parliament to implement a ban on the importation of seal products for the purpose of retail sale.

One important aspect of the European measure that must be addressed is its impact upon Canadian sealers and their families. Sealing is a significant source of income in many small, isolated coastal communities throughout Atlantic Canada, Quebec and the north, representing as much as 35% of a sealer's annual income.

Canada's exports of seal products are in three forms: seal skins, seal oil and seal meat. Traditionally, the pelts have been the main commodity. The average annual processed value of seal products is \$35 million to \$40 million per year. There are 6,400 active sealers and 650 processors in 30 communities in Newfoundland, Quebec and Nunavut. For sealing communities in Atlantic Canada, the hunt can contribute up to 35% of their annual income. This issue is therefore of great concern to all of Canada as well as to every other country where a thriving commercial sealing industry exists.

For aboriginal communities, sealing is an important cultural tradition as well as a significant source of income. It has also been an important part of the Inuit way of life for thousands of years.

While the measure adopted by the European parliament today includes a limited exemption for some traditional Inuit and indigenous products, this will serve no useful purpose. Inuit spokespersons in both Canada and Greenland have consistently pointed out that such an exemption is meaningless if the overall market for seal products is destroyed by a ban.

Sealing is a lawful activity that helps provide jobs in remote coastal communities where few other opportunities exist. This has been confirmed by rigorous animal welfare principles which are internationally recognized by virtually all independent observers.

Our government will continue to aggressively counter the misinformation campaign being waged by professional anti-seal hunt lobby groups.

I am disappointed that the European parliament has voted to restrict seal products in its markets. We have clearly lived up to our obligations. The Canadian hunt is sustainable, humane and well managed.

Our government's position remains that any ban on a humanely conducted hunt such as Canada's is completely without cause. The facts remain clear. Independent veterinary reports show that in Canada's seal hunt, seals are harvested in a humane manner. Science proves that our seal hunt is a sustainable activity based on sound conservation principles.

● (2050)

We will therefore continue to defend the right of Canadian sealers to provide a livelihood for their families. I know after listening to

this debate that I can rely on the support of all members of the House as we move forward.

Mr. Todd Russell (Labrador, Lib.): Madam Chair, we talk about non-partisanship and within that vein I want to say to my hon. colleague that does allow for objective questions and critique in this instance of some of the actions or inactions of the government. I think that is a fair statement to make.

I would ask the member a couple of questions. First, when he starts his speech by saying that he is severing the seal hunt and the ban issue from the EU talks at the EU summit that is going to take place tomorrow, has he not already put us in a weakened position when it comes to what our stance is on the seal hunt and the ban that was just brought in by the European Union?

Second, regarding the public relations campaign that the government has supposedly undertaken, how much did it cost? What kind of changes does he foresee in terms of a public relations campaign as we go forward? Many people have talked about convincing European parliamentarians or the European public.

Third, our sealers need help today. The prospective ban probably had some impact on dampening the market and the price for seal pelts. The severe ice conditions this spring impacted the seal hunt itself. The sealers and the sealing communities need some help right now. Can we look forward to some help from the government for our sealers and our sealing communities? As we go forward, because of this ban that is going to come into place, there is going to be some hurt in our communities and within the sealing community. Can we expect the government to provide some help for our sealers as we go forward as well?

● (2055)

Mr. David Tilson: Madam Chair, there was a delegation and again, I can only speak in my capacity as chair of the Canada-Europe Parliamentary Association, but we were just there. We were in Stockholm and Strasbourg. Many of these issues were discussed.

With respect to the first question, with respect to the Canadians and the Europeans, everything is on the table. Everything that we can think of is on the table. It is a very broad discussion. These are very early discussions that are going on with respect to the Canadians and the Europeans. That is all I can say. The Prime Minister is there. He obviously feels this is important enough that he is going to be part of this negotiation. That is how important these issues are with respect to Canada.

With respect to the cost of advertisements, I do not have that information. Perhaps some of the ministers do and the member can ask the question of those ministers. I can only say that members from the Liberal Party, the Bloc Québécois, I cannot really speak for the New Democratic Party, and the Conservative Party have gone over there and we have fought, fought, fought with respect to this issue of the seal hunt. I single out the member's colleague, the member for Bonavista—Gander—Grand Falls—Windsor who single-handedly has done a fantastic job in debating all members of the European parliament we have spoken to.

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[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Madam Chair, I would like to mention one thing in passing. I have in fact had the opportunity to go to Europe and speak before the parliamentarians and also to meet with some of them. One of the points that strikes me in this matter is the degree of disinformation. So much of it in fact that, when the topic of the ban comes up, they say there is an exemption for the Inuit. That way they wash their hands of it.

Today a press release was made public from the Inuit delegation that has been at the European parliament in Strasbourg. They state categorically that they were deceived by the decision reached. It is bad for them as hunters but also as the Inuit community. They describe it as nothing more than a political ploy.

I believe that the hon. member across the way who has just spoken will surely be in agreement with me that the political ploy of including an exemption for the Inuit, which is criticized by the Inuit, speaks volumes on the way people perceive the decision that has been announced by the European Parliament. Everyone loses, even those who have been exempted today.

[*English*]

Mr. David Tilson: Madam Chair, of course it is a ruse, absolutely. As I raised in questions to some of my colleagues who spoke earlier, the whole purpose of this thing was to stop the hunt. It had nothing to do with the selling of products. It had to do with stopping the hunt. “Stop killing the seals” is what Brigitte Bardot and Heather Mills said, and maybe Paul McCartney said it as well, although he did not say a lot. That was their position.

Yet the resolution says that the hunt continues, that sealers can continue to hunt all they like, but they just cannot sell the products. What a strange resolution.

With respect to the Inuit, I can only repeat what I said earlier in an exchange with some of my colleagues. How strange it is that this exemption can be provided to the Inuit. Who is going to buy their products when there is a ban on the sale of products? The whole resolution is a major goof. Government lawyers are looking at this issue now and when they proceed to the WTO, I hope that Canada will be successful on this.

• (2100)

Mr. Scott Andrews (Avalon, Lib.): Madam Chair, I have two specific questions.

In his speech the member referred to how Prime Minister Harper is going to bring this up. If we read the newspapers today, one headline reads, “Harper to fight with EU over climate change”. He is going to the wall on climate change. Another headline reads, “European vote takes aim at seal hunt; Result won't derail free trade talks, says Harper spokesman”. He cannot have it both ways. Is he going to bat or not?

The member talked about going to the World Trade Organization over this. Why did the government not do it in April 2007 when Belgium and the Netherlands passed a ban in their countries on the importation of seal products? Nothing happened with the Conservative government in 2007.

Mr. David Tilson: Madam Chair, I am only going to repeat what I said before. I am not privy to the negotiations. The ministers are, the cabinet is and certainly the Prime Minister is, but I am not personally privy to those discussions.

I know, because it has been said by Canadian and European officials, that everything is on the table. Will the seal industry be discussed? I do not know that either. I just know what has been said, which is that everything is on the table. It may, it may not be discussed.

We are now into the legalities of this whole issue. The Canadian lawyers are looking at potential actions at the World Trade Organization. Do they have grounds? All they have to do is listen to what has been said here tonight. I think they certainly have grounds. It is unethical, illegal and confusing and it does not make any sense.

We will wait and see what the lawyers say but quite frankly, if that action is proceeded with, and the minister has already said it is going to be proceeded with, I think that Canada will be successful in that proceeding.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Madam Chair, I would like to lower the partisanship and actually get some straight answers. I am sure the hon. member would want to provide information not only to the House but to all Canadians. Given the fact that the government has accepted to a certain degree that this will occur, will the government now assist sealers with income support?

The Minister of Human Resources and Skills Development, and I am sure the member will concur with this, when asked a question about ice compensation, already said that they are making sure that “we are looking after these individuals, and we will be addressing that situation very soon”. That was directed to seal fishers.

Can we confirm that will occur and will other measures soon take place?

Mr. David Tilson: Madam Chair, he should ask the Minister of Fisheries and Oceans. I am not trying to give a glib answer. I am not qualified to give that answer. The sealers are having a bad hunt anyway, aside from this whole issue. It is a very difficult time with the ice and everything else. So—

The Deputy Chair: Order, please. Before we resume debate, I would just like to remind all members that they are to refer to other members in the House not by name but by title or riding.

Resuming debate, the hon. member for Abitibi—Baie-James—Nunavik—Eeyou.

[*Translation*]

Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ): Madam Chair, I come from a riding where 14 coastal municipalities depend almost entirely on fishing and seal hunting. I was very bitterly disappointed to see the position taken by the European Union, a position as illogical as it is senseless, confused and flatly partisan on the part of these countries.

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The European Parliament has demonstrated unbelievable hypocrisy. The seal hunt is a cultural practice both in Quebec and in Canada. Given the advertising by some European extremists, how could we describe the bullfights, for example, in Spain? If we compare the methods used to kill a seal to the way they massacre bulls and horses in their bullfights, would it be any more logical for us to say that any product derived from horses or cattle that comes from Spain should be banned in Canada? That would be unbelievably illogical. It is a culture, in Europe just as much as in Quebec or in Canada. It is also a means of survival.

Take the communities on the Magdalen Islands, for example. A delegation from the Standing Committee on Fisheries and Oceans toured the various fishery sectors earlier this spring. People were worried everywhere, be it on the Magdalen Islands, in Nova Scotia, in Newfoundland or on Prince Edward Island. Members of Parliament and members of the official opposition, the Bloc Québécois and the NDP took part in that tour and could see how worried the people who rely on this activity to survive were.

If they banned bullfights in Spain, I wonder what the reaction would be. We have seen the outright lies used to show the horrors of the seal hunt. At one point, the Canadian lobbyists who were vehemently and dishonestly denouncing the hunt even had to be told to stop.

We support the motion presented in this House. Why? First, the seal hunt is a lawful activity. Second, the Canadian government no longer funds commercial activities. Third, the slaughter of an animal, be it wild or domestic, is never a pleasant sight for anyone. There are ways of slaughtering, and the Government of Canada has been involved in finding the right ways to ensure that they do not suffer. Methods have been developed by experts.

There is an exception for the Inuit in Quebec, Labrador, the Northwest Territories and Nunavut, but these people often market their products through third parties who label them with their corporate name, which means that these people will never be able to sell their products on the European market. It is incredibly hypocritical to claim otherwise.

• (2105)

We were very concerned when we visited the Maritimes this spring because of the huge increase in the seal population due to the controls put in place to eliminate overkill, which the European Union could have described differently. That really hurt the lobster and cod fishers, among others. This is not an excuse to say that we will hunt more seals, but we could have a legitimate hunt, as we have always done in Canada and Quebec. It is not a massacre as such.

For example, in Newfoundland and Labrador, at least seven coastal communities derived between 15% and 35% of their income from the seal hunt. I am looking at my colleague from Newfoundland and Labrador, and I believe he agrees with that statement. Between 5,000 and 6,000 people derive income from the seal hunt. In most cases, it is supplementary income that makes up for losses they suffer occasionally. Some hunters say that the money they earn from the seal hunt makes up between 25% and 35% of their annual income. That is quite significant. It is much more significant than a corrida in Spain, for example, where there is a small economic boom

during the corrida, but nothing afterward. Many innocent animals are killed during that time, or rather massacred.

On February 24, the Bloc Québécois had a motion adopted in the Standing Committee on Fisheries and Oceans calling upon the government to intensify representations to the European Parliament and implement a widespread educational campaign in Europe to counteract the inflammatory campaigns of misinformation against the seal hunt waged by abolitionist groups, and to do everything in its power to ensure that hunters and the seal industry have the best conditions possible for the 2009 hunting season.

We will certainly manage to get through the 2009 season, but we must not lose sight of the fact that the European ban comes into effect in 2010. Before it does, we have an obligation as a government to take steps, immediately, promptly and vigorously. It is urgent.

There are many myths about the seal hunt. The Canadian government subsidy for commercial activities, for instance, does not exist. It has never been used and the potential funding could be applied to using the meat, the oil and the omegas produced by seals. There is a huge number of potential derivative products.

Unfortunately again this spring the myths about white coat hunts were circulating, yet they have been banned since 1987. That was not exactly yesterday. People claim that the seal hunt is not a sustainable activity. Given its ability to reproduce itself, if seal hunting is not a sustainable activity, this means that not one mine, not one single stand of forest, will renew itself. None of them renews itself as much as the seals can.

According to another myth, seal hunting is authorized merely to re-establish the cod stock. It may be of some use for that purpose, but the scientists are not yet sure of that. Anyway, that is not and never was the purpose of the seal hunt. We also know that the Canadian government has ensured that steps were taken to make sure hunters were certain the seals were dead before butchering them. So far those measures have been respected.

• (2110)

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-
sor, Lib.):** Madam Chair, I would like to ask my colleague from Nunavik a question. I do not know the exact name of his riding, but Nunavik is very important to all of Quebec, Newfoundland and Labrador, eastern Canada, the Inuit and to us as well.

[English]

My question deals with the situation that he pointed out about hypocrisy because it is a very good point. There is a small exemption for the Inuit usage, but yet the Inuit community is so dependent on the commercial markets created on the east coast of this country.

[Translation]

Yes, I accept that. It is very important for all of Canada and not just for the east coast.

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• (2115)

[English]

My question is this. How will this ban affect the people of Nunavik and their nation after this ban is put into place, and how will it affect their limited access to commercial markets?

[Translation]

Mr. Yvon Lévesque: Madam Chair, the ban will have the same effect on the Inuit as on aboriginal or non-aboriginal peoples and on any segment of the Canadian population because, as I explained earlier, the Inuit who hunts seals and uses them to make goods will have to rely on a middleman to market and sell his goods.

In general, they do business with large companies that brand the product with their company. If that does not happen, Canada will be accused of conducting a seal hunt and identifying its goods with the Inuit and there will be a ban. That is what will happen. That is the extent of the hypocrisy.

[English]

Mr. Scott Andrews (Avalon, Lib.): Madam Chair, I would like to commend the member for his work on the fisheries committee. We work with all parties and the fisheries committee does do some good work. We normally keep it in a non-partisan nature.

I would like to ask the member if he could put a human face on this industry for his province. In our province, there are sealers that draw 15% to 35% of their total income from the sealing industry. It is very important because at the beginning of the year this helps them get into the next fishery and helps them set up for the fishery after that, so this is a very important start to the fishing income.

I wonder if the hon. member could put a human face on it and explain how it would impact his area in Quebec like it has impacted the northeast coast of Newfoundland and Labrador.

[Translation]

Mr. Yvon Lévesque: Madam Chair, I thank my colleague for the question.

My colleague sits on the House of Commons Standing Committee on Fisheries and Oceans and is also a very active member. He was very proud that we visited his province and, while we were there, he even went out of his way to meet us. We were able to give a human face to those we met, whether from Prince Edward Island, Newfoundland, Nova Scotia, Gaspé, the Magdalen Islands or even Nunavik.

In Nunavik, people are assigned to watch for seals and they spend nights sitting on a snowbank because hay and straw are scarce in Nunavik. They sit on a snowbank with a rifle and when the seals appear they fire shots into the air. Everyone gets up quickly to capture one or two seals. The village may survive for one or two months on these seals. Nothing is wasted; even the bones are gnawed on. Trophies and works of art are carved from the bone. The pelts are used to make boots, slippers, coats, mittens, toques and small hats to wear under the tuques.

I know that I can be recognized by my hat and not the other way around.

Those people use every part of the animal as much as possible, since quite often, that is all they have to survive. In Newfoundland and Labrador, the seal hunt represents 15% to 35% of revenues, but in Nunavik and Nunavut, 70% to 85% of the population lives off the seal hunt.

[English]

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Madam Chair, I thank my colleague for his intervention. I think he covered the issues quite well. I have enjoyed working with him on the fisheries committee, as well.

I think on this issue the committee is resolute and until very recently, I think all of Canada's Parliament has been united on this issue. So it concerned me, and I wondered if it concerned him, when more recently a Liberal senator claimed to be doing the work of the European parliament.

At a time like this, more than ever, I think we need solidarity. I think it is not partisan to want solidarity on this issue. It is not partisan to expect parties that claim to support the seal hunt to ensure that their members exhibit that solidarity as well. Today, when I heard that same senator say on CTV that he was happy with this outcome and disappointed with the Minister of International Trade indication that he wanted to take this to the WTO, I just wondered what the members of the Bloc, and this member in particular, thought of these comments.

• (2120)

[Translation]

Mr. Yvon Lévesque: Madam Chair, I think it is unfortunate we are holding an internal political debate, because this is becoming a political issue at the international level.

I am not surprised to see differing viewpoints within Canada. This can be shocking for Canadians and I think this is comparable to how Quebecers feel when they see MPs from Quebec formulating opinions that are harmful to Quebec's interests. We feel the same.

Unfortunately, we cannot do anything about it. We fought to live in a free world. It is unfortunate that these things happen, but thankfully, only one politician has chosen to speak out to express that position and that is fortunate for us. It could have been worse. There are always politicians who will take advantage of a given situation and hurt everyone.

[English]

Mr. Scott Andrews (Avalon, Lib.): Madam Chair, I notice the Parliamentary Secretary to the Minister of Fisheries and Oceans, again, likes to bring up the only celebrity the animal rights groups could get this year, a no-name, unelected senator. The Conservative Party continues to use this one person as its spokesperson. It likes to continue to bring it up over and over. It is the only celebrity the animal rights groups could get this year and the only people in this Parliament who are paying attention to that celebrity are members of the Conservative Party of Canada.

Government Orders

[Translation]

Mr. Yvon Lévesque: Madam Chair, given the current problem, I think it is very important to immediately set our differences aside and, together, fight for the very survival of our seal hunters, no matter what political party they support and no matter what area of Canada they live in. We must wage this battle, because no one will do it for us.

[English]

Mr. Blaine Calkins (Wetaskiwin, CPC): Madam Chair, it is certainly a pleasure for me to stand today and express my opposition to the European legislation that would ban the placing on the market of seal products except under very restricted conditions. Those conditions would exclude the vast majority of Canadian seal products and will in all likelihood ensure the collapse of any potential market for such products.

I am astounded that some European parliamentarians believe that such a ban is justified. An examination of available evidence leads to the absolutely inescapable conclusion that the seal hunt is sustainable, it is humane, it is appropriately regulated, and it contributes very significantly to the local economies of dozens of small communities along our Atlantic coast and in northern Canada.

This legislation is not based on any scientific or legitimate legal foundation. No. It is based on misinformation and manipulation of public opinion. I do not believe and I do not think any other members of this honourable House believe that this is an appropriate use of legislative power.

We must be wary of single interest groups with unlimited funds who are prepared to use those funds to influence public policy to their own ends.

I am going to discuss the European proposed regulation providing the House and anyone who is watching this debate with some of the background to the proposal and some detail on the legislative process.

I will talk about three main issues that fuel the debate over sealing. I will explain why the arguments posed by the anti-sealing movement are so very and absolutely wrong.

For many years opponents of the seal hunt have sowed misinformation in the European imagination. They published inflammatory and misleading images accompanied by commentary criticizing the Canadian seal hunt and encouraging the audience to contribute generously to anti-sealing organizations. These images are broadcast far and wide by the friendly media. By friendly media I mean the media that is friendly to this cause.

This misinformation has led to the development of a body of public opinion in Europe which is decidedly anti-sealing.

A significant part of the anti-sealing campaign has been to bombard elected representatives with correspondence and petitions designed to persuade them that there is strong opposition toward the seal hunt. As a result, members of the European parliament requested the European commission to draft legislation to ban seal products.

The European commission requested the European food safety authority to investigate the issue of animal welfare. The European

food safety authority acknowledged several difficulties in its report, notably on the reliance on some studies that are not scientifically rigorous, and lo and behold may contain some bias.

In its conclusions the report notes that seals can be and are killed rapidly and effectively without causing avoidable pain, distress, fear and other forms of suffering, but it raises a concern that it is not always the case.

To allay this concern the report suggests that seals should be killed using a three step process which involves striking, checking for irreversible unconsciousness or death, and bleeding to ensure death. This was the same process recommended by the independent veterinarians working group that the Department of Fisheries and Oceans was already implementing as early as 2007.

I am pleased to be able to say that the Department of Fisheries and Oceans has implemented the necessary changes to the marine mammal regulations and to license conditions governing the hunt to make the three step process mandatory for the Canadian seal hunt. That means that we have addressed the concerns of the European parliament.

Despite the obvious weakness of the arguments favouring the ban on seal products, the European commission tabled a proposal for a regulation concerning trade and seal products on July 23, 2008. The proposal includes mechanisms for the exemption of products of an Inuit hunt and for derogation of products of hunts that can be demonstrated to be conducted in a humane manner.

● (2125)

The legal basis for this proposal was drawn from a European Union treaty and relies upon the consideration of internal market harmonization and animal welfare concerns, driven by public perception of cruelty. The ban is already legislated by some member-states of the European Union. Over the past several months, the legislative proposal has been studied by committees of the European parliament and of the council of ministers. Many amendments were proposed. Some were rejected and some were accepted.

We do not, as of yet, have full and final details of the exact wording of the legislation. We have been given to understand that the text that has been agreed upon is one that permits the placing on the market of seal products resulting from hunts traditionally conducted by Inuit and other indigenous communities. Other products such as souvenirs and products from hunts that are conducted on a not-for-profit basis will also be permitted.

I am now going to discuss the three key premises to the opposition of the seal hunt: that it is not sustainable, that it is only of small economic value for Canadians, and that it is inhumane. All of these premises are patently false. The truth of the matter is that a large and healthy population of harp seals lives along Canada's Atlantic coastline. The population of harp seals has risen dramatically in recent decades, from 2 million in the early 1970s to over 5.6 million seals today. In other words, the estimated number of harp seal has nearly tripled.

Government Orders

Quotas are set annually using a precautionary framework, an ecosystem approach, and peer-reviewed scientific advice. The seal populations that are currently hunted are in no way considered endangered or at risk. There is no reputable international scientific organization that has raised a single concern about the harp seal population in the northwest Atlantic. Not one. Clearly, the commercial hunt does not threaten the harp and hooded seal population in Canadian waters. There can be no doubt that Canada's commercial seal hunt is absolutely and unequivocally sustainable.

Second, opponents argue that sealers, processors and exporters derive little financial benefit from this work, so a ban would have little impact on them and the communities in which they live. That is rubbish. It is hard to imagine an argument that is more ignorant or harmful to the hard-working people in Canadian coastal communities. In Newfoundland and Labrador, for instance, approximately 2% of the labour force, some 5,000 to 6,000 people, derive their income from sealing. Sealing is an essential component of the local economies of many remote communities. These are places where jobs are few and far between and where men and women must take advantage of every available opportunity to provide for their families. For thousands of Canadians, the seal hunt accounts for more than a quarter of their annual income.

Seal products are not just limited to the skins or pelts. Our policy advocates the fullest possible use of the animal. The products such as meat, collagen and omega 3 are all derived from seals and marketed internationally. These are health food products. In addition, new and promising medical research has determined that harp seal heart valves are superior to those currently used in human heart valve transplants. It is thought that demand could be as high as 300,000 valves per year.

There can be no doubt that Canadians obtain economic benefits from using our natural resources. I think we can all agree that the perceived cruelty of the seal hunt is the greatest obstacle to overcome. I think we can also agree that witnessing the death of any animal is not a pleasant experience. However, no third party observers and no television cameras are permitted in a slaughterhouse. Nobody sees what happens in there, but the whole world sees what happens on the ice floes in the Gulf of St. Lawrence.

Canadians care about the welfare of animals. Canada is committed to setting humane standards for animal welfare. With regard to sealing, Canada has been very active in setting standards and rules for humane killing methods. The management and methods of the commercial seal hunt are based on peer-reviewed science and advice from veterinarians to guarantee that seals are killed and skinned in a humane way. Canada seeks out the best scientific information on humane killing methods and requirements have been continuously updated based on this information.

There can be no doubt that Canada spares no effort to ensure that the seal hunt is conducted humanely.

● (2130)

Mr. Scott Andrews (Avalon, Lib.): Madam Chair, I am truly impressed by the member. He serves on the fisheries committee with us and he sometimes continues to amaze me with his thoughtfulness and insight into these matters. I want to congratulate him on his presentation tonight.

I will stick to a couple of technical questions for him. He can converse with the Minister of Fisheries and Oceans, who is sitting next to him. He referred to the propaganda debate going on in Europe, and I have two questions.

First, a lot of advertising is done in the weeks leading up to this EU vote. How much advertising did the Department of Fisheries and Oceans do, leading up to this vote? How much paper advertising besides the press releases and the spin? How many actual dollars were put on the table to try to change the minds and hearts of those parliamentarians and the public at large?

Second, did the Department of Fisheries and Oceans pass on those words of the member in the form of an information package on our sealing industry? Were the 600 members of the EU sent an information package on our sealing industry, highlighting the facts of which the member just spoke?

● (2135)

Mr. Blaine Calkins: Madam Chair, I think the question really is this. What has this government done to defend the interests of sealers? One of the first things we did was to appoint Loyola Sullivan our fisheries ambassador almost immediately when we took office in 2006.

I will say a word or two about our fisheries ambassador. He has been a tireless advocate, working on behalf of not only the fishing industry, but particularly, sealers, in his work at the European Union. He has come before our fisheries committee numerous times. Every time the committee has requested the fisheries ambassador to come to the committee and report, the committee has been virtually unanimous in its approval of the hard work he has done.

Furthermore, we have sent the past chair, Mr. Fabian Manning, along with other members of Canadian delegations, over there to work and advocate on behalf of sealers in Canada at the European Union.

We have done an absolutely incredible job in standing up for the rights of sealers in Canada.

I guess my question back to the hon. member is this. How much correspondence has Senator Mac Harb sent to the European Union, advocating the other way?

[*Translation*]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Madam Chair, I, too, appreciated the member's speech. I have come to know him better through our work together in committee. I appreciate his cooperative approach and his hard work.

I would like him to comment on measures the Canadian government should take. I said, "the Canadian government", but I think that it should work with Quebec and the other provinces. What should governments do in the short, medium and long terms to address this situation?

Government Orders

[English]

Mr. Blaine Calkins: Madam Chair, my colleague knows full well the process at the European Union. Now there is a 60-day waiting period. At the end of the 60-day waiting period, we have to wait and see what approach it will take. At that point, I believe the minister has already indicated that if things should go badly and negatively, we will proceed down the path of a WTO challenge. That is the most effective and rapid way we can approach solving this situation.

People ask why a member of Parliament from Alberta, who sits on the fisheries committee, would be so passionate about this issue. Coming from a farming background, I know full well the benefit of looking after and caring for animals in a way that is humane and that is sustainable. A farmer's livelihood depends on it no differently than a fisherman's life depends on it.

When we have an advocacy group basically advocating its issue, using false and misleading information and under false and misleading pretenses raising funds to advocate on a single issue, setting a precedent whereby the European Union can unilaterally decide if Canada can or cannot export products into the European market when they are obtained in a humane and sustainable fashion, what threat does that pose for farmers on the Prairies? That is a very alarming question. That is why this government will stand firm in its resolve and use every mechanism possible to ensure we defend the rights of all Canadians to use our natural resources in a way that is sustainable and humane and that protects Canada's interests.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Madam Chair, I commend my hon. colleague, who is from Alberta and who originates from the farming world, on his interest in this issue. I have served with him on the fisheries committee.

I have two quick questions. He praised Loyola Sullivan, the conservation ambassador for the government. Before Loyola Sullivan came along, there were no bans in Europe. We had one in the Netherlands since then. We now have one in Belgium. We have one on the table in Germany. Now the internal markets committee has taken over and have put this ban in place, a complete ban, no derogations or exemptions as were originally set out. They were overturned.

Where did the ambassador go wrong and how can we correct that action in the future so it does not happen again?

• (2140)

Mr. Blaine Calkins: Madam Chair, I appreciate the hon. member's attack on a fellow Newfoundlander. The reality is Loyola Sullivan has done a magnificent job. He has done an absolutely wonderful job representing our interests. These problems squarely rest on the misinformation campaign out there by advocacy groups that simply want to see their one issue resolved. Let us make no mistake about it. This is an issue for which they raise millions and millions of dollars and pay themselves handsomely compared to what a sealer gets. This is a very frustrating thing.

This is not in the hands of the ambassador. He does not have a vote at the European parliament. He has been over there working as tireless advocate. When he has appeared before the fisheries committee, as I stated earlier, he has presented himself and Canada's case very well. He defended his actions before the fisheries

committee on several occasions for which the entire committee was virtually unanimous in its consent.

What is very frustrating is the fact that it would be nice if all parliamentarians, not only from the House of Commons, but also from the Senate, could get together and be a unanimous voice on behalf of Canadians. I do not know what the Liberal policy is on taxation. I do not know what the Liberal policy is on the seal hunt. Members say one thing and they come here and do another.

For example, look at the gun registry. Those members tell their constituents one thing. Then they come here from rural Canada and they say that they will defend their interests on the gun registry, but vote against it. They say that they will defend their interests on the seal harvest and they come here and defend it.

Mr. Jack Harris (St. John's East, NDP): Madam Chair, I listened with interest to the member for Wetaskiwin when he talked about the activity in the WTO. I speak with experience as a lawyer. It seems to me that going to the WTO is like going to court. We know they do not have a very strong legal position, so we go to court. Meanwhile, we are sitting down and negotiating with these very same people. Why would we say that we do not need to negotiate because we will go to court. Once we say that we will to a court, like the WTO, the people who they negotiate with will say that they do not need to talk about this because we have said that we will resolve it, so it is off the table. That seems to be a very backward step.

The member dealt with the issue of somebody being offside in the Senate. The Senate is the other place and it does what it does. The European parliament seemed to be very effective in passing resolutions with 50 people offside. It had a very effective resolution 500 to 50, or something like that. Why is unanimity such a big deal as it seems to effectively pass resolutions?

We need a government to be at the main table, act decisively and defend the interests of Canada where it counts.

Mr. Blaine Calkins: I speak from the position, Madam Chair, of a party that at least understands what it is like to govern the country and knows what it is like to speak from a unanimous voice. The Liberal Party should understand, as the Conservative Party does, that the responsibilities of governing are much different than the responsibilities of sitting in opposition.

When it comes to the WTO, why would we sit down in negotiations to try to resolve this issue when the law is already there? There is a mechanism in place at the WTO. Why do we not engage and use the process already in place? The hon. member suggests that we negotiate a process and then try to get a solution to the negotiated process. The process is already in place. Why not start with that one?

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Madam Chair, I will be sharing my time with the hon. member for Bonavista—Gander—Grand Falls—Windsor.

Tonight I stand to speak to the issue of the European ban on the seal hunt. I am frustrated, as are the 6,000 sealers who usually take to the ice floes during March and April every year. I am frustrated that misinformation and deliberate mistruths would cause the European Union to impose a ban on the import of seal products.

Government Orders

Years ago, I remember going to the waterfront in downtown St. John's for the blessing of the fleet. We had fleets going to the ice floes at that point in time, sealers taking to the ice for needed food and to earn much-needed money after a long, hard, cold winter.

Even today, we still see that happening. Unfortunately we do not necessarily have the blessing of the fleets in downtown St. John's any more because fewer and fewer people are going to the front. Today there are some 6,000 people heading to the ice each year, 6,000 people earning a living. Twenty-five per cent to thirty per cent of their income comes from the seal hunt. In 2006, for example, \$30 million was contributed in income to harvesters from the seal industry, nearly \$55 million to the provincial economy.

It is truly nearsighted, unfortunate and concerning that the European Union would take this action at this point in time, without having the full, robust debate with Canada on this very important issue.

For the people watching tonight, for the animal rights activists, I want to ensure they understand that the sealers of Canada are committed to a sustainable harvest based on humane harvesting methods, supported by solid science and sound principles. Seals are not an endangered species. White coats are no longer taken from the ice floes of our country.

We have had close to 6 million seals around my province of Newfoundland and Labrador. It is at a point now where we can see seals going up the salmon rivers after salmon because they have pretty much shelled out all the cod around Newfoundland and Labrador. It is truly very severe and scientifically unsound that we would have that many seals doing this much damage and nothing about it.

I stand here today because campaigns by animal rights welfare activists to ban the seal hunt are based on misinformation of cruelty in the harvesting practices. It is truly unfortunate that we continue to allow this to happen. As an hon. colleague pointed out, this kind of misinformation earns them a lot of money and it earns them a lot of opportunity to earn more money and raises their profile.

Unfortunately, they should be putting their actions to other cruelties in this world, rather than on the seal hunt because the seal hunt is humane. It is a very conservation-oriented practice.

While we have the representatives of the European parliament allowed to make this decision based on this misinformation, we need a balanced review of the industry in our country.

The implementation of this ban represents a loss to the Canadian people and to the sealing industry of \$2.4 million. It is truly a failure on behalf of the government of our country that we are now in this situation. I call on the Prime Minister, who will be in talks very soon with the European Union, to take action now. The government must challenge this decision with the World Trade Organization, as has been said.

The Prime Minister has a duty to express his government's opposition. He has a responsibility to our sealers and to Canadians to talk to the European Union officials when he speaks with them during the European trade talks. The ban on seal products has

detrimental effects not only to the sealers, but to our ecology, especially around the coast of Newfoundland and Labrador.

The Prime Minister has to address these trade issues with the European Union and all of our trading partners. Opportunities to correct the information spread by the animal rights extremists have already been forfeited by the government. We must not allow that to continue. It would be unconscionable not to correct this record when he meets with EU officials, and I ask him to do so.

• (2145)

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Madam Chair, I appreciate the fact that the member for St. John's South—Mount Pearl has so eloquently captured the issue about the frustrations surrounding this illegal trade ban.

I will put this question to the member as well and ask for her insight. Earlier this evening I asked a very specific question to the parliamentary secretary. I quoted the Minister of Human Resources and Skills Development when she said, when it comes to helping sealers with ice compensation, since they are currently unable to fish because the pack ice is blanketing the shores there:

That is why we are working with the Department of Fisheries to make sure that we are looking after these individuals, and we will be addressing that situation very soon.

That is a quote from the minister. When I asked the parliamentary secretary when it was coming, he said I should ask the Minister of Fisheries and Oceans, not the Minister of Human Resources and Skills Development, that the problem lies there.

Could the hon. member provide some insight or information as to whether she believes compensation of some sort is owing to these people? This is an illegal trade action. When it came to other illegal trade actions, like the softwood lumber agreement, the Conservative government was very quick to act. Why is it not doing anything now?

• (2150)

Ms. Siobhan Coady: Madam Chair, I thank my hon. colleague for that very important question.

Indeed, the sealers of our country, the sealers of my particular province of Newfoundland and Labrador, absolutely must have compensation. That is without a doubt, without discussion. I implore the Minister of Human Resources and Skills Development and I implore the Minister of Fisheries and Oceans to act very rapidly.

This is an illegal trade action, as my colleague pointed out, not dissimilar to what occurred in British Columbia. We have to take decisive action right now to help these people.

It is very critical to their livelihood. This is an absolute must for this time of year especially, as a bridge from having a very cold, difficult winter and not having enough money to get them through to the summer harvest of fish.

Mr. Blaine Calkins (Wetaskiwin, CPC): Madam Chair, I would like some clarification.

The member is a Liberal member. She comes from a party that understands the importance of caucus solidarity, particularly when governing the country.

Government Orders

If the Liberals are honestly and sincerely proposing to someday again govern this country, can I count on this member to implore her leader to stand in this place tomorrow and declare the Liberal policy when it comes to sealing and to have the Liberal Party and the Liberal leader basically dissociate himself from the caucus colleague who has broken caucus ranks?

Ms. Siobhan Coady: Madam Chair, I thank the hon. member for that unusual question.

I thought we were here to talk about the seal hunt. You are talking about a colleague breaking ranks. I am not quite sure to what you are referring.

I think this is a very important—

An hon. member: He doesn't know either.

Ms. Siobhan Coady: He does not know either.

Some hon. members: Oh, oh.

The Deputy Chair: Order, please. I would ask the hon. member to address herself to the Chair and for the other members to restrain themselves.

Ms. Siobhan Coady: My apologies, Madam Chair. I am new in this House, and as I said, very frustrated about this occurrence today.

It is very important. Many of our colleagues around the debate this evening have talked about solidarity within the House of Commons on this very important issue.

The European Union has moved against the World Trade Organization. It has moved unilaterally on this issue and has imposed a ban on our seal products. This is very serious.

I ask the member to understand how important this is to the people of Newfoundland and Labrador, how important this is to the sealers, how important it is that they stand by the sealers of Canada right now to ensure they have the available resources to get them through the next little while, to work very diligently on ensuring the resolution of this trade dispute and to raise it when the Prime Minister is in Prague this week on trade talks.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-sor, Lib.): Madam Chair, it is an honour to speak here, not just in the case of this particular ban, and not just because of the atrocious action being taken by politicians in the European Parliament, which I will get to in a moment.

We stand here for the memories and the traditions of people like Jack Troke of Twillingate, of people like Mark Small, who lives in my colleague's riding of Humber—St. Barbe—Baie Verte, and of people who tragically lost their lives many years ago, the story of which was told in a novel called *Death on the Ice*. These are the people for whom we stand here today, to make sure that we fight for what they believe in and the traditions and rights of their ancestors. Their story has to be told and we have to defend it. It is our responsibility and it is our right, and we must exercise it to the greatest of our abilities.

I want to add some context to this debate. When it first started, the European Commission had put out some derogations or exemptions, as they called them. The original European ban started in member states. It started in the Netherlands and followed through to Belgium.

I made interventions with many of my colleagues sitting in the House. We told them about the slippery slope they were creating by doing this.

Obviously, some people in the European Commission believed in what we were saying, because exemptions were put on for commercial harvests done responsibly and done through government regulations to the point where it was a responsible hunt. The exemptions were in place for them.

Here is what happened. They turned this issue over to the internal market committee, and the 27 members of that committee looked at it and said they were definitely going to play politics with this issue. They overturned the exemptions, and it is now a complete ban.

When that was done, the rapporteur of the report from the United Kingdom said that if these exemptions were put in, trade sanctions would be avoided.

Lo and behold, a member of the European Parliament from Denmark said this was not about legalities. The committee's own legal counsel told them it would be wrong for them to do this, but the member from Denmark stood and said this was about politics alone.

Elections are going to be held in the European Union in June, and these members want a feather in their cap. As one of my colleagues pointed out earlier, less than 20% of the people get out and vote for European parliamentarians, so they need an issue to make themselves look good. Yet they accuse us of using this as a political scheme. This is their scheme.

They are doing this because they do not care about the traditions. They do not care about the people who died on the ice. They just want to keep their jobs. They want to keep security for themselves. Shame on them.

That is why all of us are standing in this House tonight, because if we do not, we will be disregarding history. There is too much at stake here.

● (2155)

[*Translation*]

This is not just for Newfoundland and Labrador. This is for Quebec's east coast, for the Gaspé, and for the Magdalen Islands too. This is critical for all Canadians.

[*English*]

We need to be vocal. We have to tell the Europeans that it is a slippery slope. They have an unregulated hunt in Germany for deer and boar. They kill over one million animals. It is not regulated. It is not fair. We have to tell the Europeans to look in their own backyard.

We need to tell their rural MPs, their people who live in the country, and their hunters that they have to be aware of this because they will get bit in the end. What is happening to us will happen to them. The dangerous precedent that they are going to bring forward to the European Union will cause problems for them.

Animal rights groups do not go after those people who stand in big stadiums and kill bulls for sport, not yet, but they will now, and good on them. They deserve to feel the wrath that we are feeling. We are being singled out here.

Government Orders

So I would suggest to the House that we take note of this situation and tell these people what they are doing, that they are setting a dangerous precedent. The Conservative government has to do the same thing.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Madam Chair, my hon. colleague from Bonavista—Gander—Grand Falls—Windsor spoke very passionately, as Newfoundlanders and Labradorians do on very critical issues.

He knows of a movie, which was done many years ago, called *The Viking* in which we saw sealers jumping from one ice floe to another. If a guy fell in, they kept going because they could not stop due to the speed they had to travel in order to make the minimum salary to be able to feed their families.

This is the history about which my hon. colleague talks. What the European Union has done is ripped that history out of the very heart and soul of Newfoundlanders and Labradorians.

Could he comment further on the psychological effect this will have on people, especially on the outport people of that fabulous province?

• (2200)

Mr. Scott Simms: Madam Chair, I want to congratulate my colleague. He and I have worked for a few years on this issue. He has been a passionate advocate as well.

He just encapsulated the story and the tradition. Here is the ultimate irony of this. There is an exemption for Inuit, with which we agree, for ceremonial purposes, but the Inuit have even said that if we get rid of the commercial hunt, what is the point of them doing this.

What about our traditions in all of this? When I spoke in Europe with my colleague from the Bloc Québécois, we put this forward. This is our tradition, too. When I told the European parliamentarians that this was our tradition, one of them said to me, which was very interesting, that they did not use traditions over there because we were trying to get rid of a lot of them. I asked why they had these derogations for certain places in Europe that had to do the culls, but not for us. Our story is not being told.

That is the story the member of Parliament for Sackville—Eastern Shore brought up. The issue is that this is a sustainable hunt. If we have to turn around and cull these animals, slaughter them because they are a nuisance, that is the biggest shame of all, to cull like they do.

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Madam Chair, there is no doubt about it. Champagne corks popped tonight. I am sure the U.S. Humane Society and Rebecca Aldworth was overjoyed at this event, that an exemption was put into the legislative resolution brought forward in the EU.

Rebecca Aldworth is personally overjoyed that 35,000 grey seals will now be slaughtered in Sweden, with an exemption from the European Union. She is delighted that this is happening. It is pathetic because that is exactly what the resolution brings on. There are so many exemptions built into it to protect the interests of the EU.

I will raise this question with the hon. member. The EU has built in an exemption that if stocks of fish, which the Europeans currently

prey upon in the northwest Atlantic, the nose and tail of the Grand Banks, ever become somewhat endangered, it will allow a Canadian seal hunt to protect its access to our fishery. Is that right?

Mr. Scott Simms: Madam Chair, that is a very eloquent point. The point is in this derogation the EU looked after its backyard as well.

With regard to Rebecca Aldworth, what is next for these people? Where do they go next? The fact is Russia has banned the seal hunt, yet we still have no idea whether it will import them. It is absolutely hypocrisy at the highest level.

In this situation, it received its derogation, as my hon. colleague pointed out. The derogation involves the culling and the slaughter of seals for the sake of protecting its own stocks, some of which, and this is a very valid point, could be in our own waters. It is an absolutely ridiculous way to push this thing through. It was completely and utterly out of self-interest politically, particularly this derogation.

Where is the derogation for people who maintain this population? We went from two million to six million seals in a very short period of time. With the absence of a hunt, we may be approaching nine million or ten million. Therefore, the situation that the Europeans have caused is highly hypocritical.

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Madam Chair, I appreciate the opportunity to participate in this debate. It is an important issue.

We are here to discuss the impact on Canadians of today's vote by the European parliament to move toward a ban on seal products.

We have occasionally expressed, in these almost four hours, some frustration with one another, but I think our frustration is primarily motivated by the European parliament. I think everyone in the House believes, because I have heard nothing to lead me to think otherwise, that there is no justification for a ban on seal products derived from a humanely conducted hunt such as Canada's seal hunt.

We have made this point on this side that strong representations have been made over the last two years to inform the European debate on this issue. I myself led a delegation to the North Atlantic Fisheries Ministers Conference, in Greenland, and we brought this issue up. We had another North Atlantic Fisheries Ministers Conference that I was part of, in Malta, where again we brought this issue up, particularly with the European Union.

As my colleague, the member for Wetaskiwin, has said so eloquently, our Ambassador for Fisheries Conservation, Mr. Loyola Sullivan, has worked very hard on this issue. I am sure he would be willing to provide any member of the House with a long list of his activities on this particular file.

That is why it is so frustrating, having worked so hard on this issue, to find the European parliament still moving in this direction. In all these representations we have made, the Government of Canada has provided objective evidence that the Canadian seal hunt is humane, sustainable and well managed. We have said that over and over again. We do not just say the words; we provide the evidence for that.

Government Orders

In fact, some members of the House would have been part of that meeting we had, as part of the fisheries committee, with European parliamentarians. We went over these issues with them again and again.

Unfortunately decision-makers in the European Union appear to have ignored this good information, and they have instead relied upon misinformation disseminated through animal rights groups and others.

I think we all agree that this kind of misinformation that has been disseminated by these radical animal rights organizations really is deplorable. Not only do they torque the facts in their favour, they rely on outlandish allegations against the good people who make their living in this industry.

Take, for example, this quote, which can be found on an anti-sealing website. It states:

This is the third day of the annual Canadian blood fest. Already several thousand baby seals have been brutally snuffed..."

This is the kind of thing we find on these websites and in their fundraising materials. I think we would all agree that this is a gross example of the misleading stories that these radical activists make up.

We all know it is illegal to kill baby seals, otherwise known as white coats in Canada, and yet these groups continue to propagate the myth that this is going on. As a matter of fact, this has not been part of the industry in Canada for more than 20 years.

The reality is that because of the measures taken in Europe today, Canadians will suffer, specifically our Inuit people. The Europeans believe that this measure will have no impact on the lives of the Inuit, as it includes a limited exemption for trade in Inuit-harvested seal products. However, they clearly have not listened to the Inuit, who have said that an exemption for them would do nothing to protect their market access.

The very existence of a market for seal products depends on the availability of a critical mass of these products, which we would not have if this ban were to go through. We only have to look at the devastation that the 1983 EU seal import ban brought to Inuit communities as clear evidence of the utter futility of such token exemptions.

While leading a delegation to the Czech Republic, the Minister of Fisheries and Oceans asked representatives from the Government of Nunavut to make presentations to EU officials. In those presentations, it was made clear to EU officials that an exemption for the Inuit is an insult and would be worthless. However, today we find ourselves in that very situation, potentially no market in Europe and an exemption for the Inuit.

• (2205)

I think we would also agree that this has not been an informed debate. In fact, it has not been a real debate on the issues at all. There has been no rebuttal of the evidence submitted by Canada and others. Rather, there has been a constant stream of misinformation.

We want to remind the European community, by way of this debate, of what Canada's seal hunt is. It is a hunt that is culturally

important for many coastal Canadians. It is a hunt that is well managed and humane, and it is a hunt that is carried out on seal populations that are abundant and in no way endangered.

The sale of products from Canada's sustainable and humane seal hunt provides much needed benefits for economically depressed fishing communities with few economic alternatives. The current harp seal harvest is conducted as an economically sustainable activity. It can make an important contribution to the annual income of people living in rural coastal communities, which also favours support for the traditional family and social ties and reduces out-migration to large urban centres.

In communities with few economic opportunities, this income is vital. The seal hunt can provide direct employment for over 6,000 people on a part-time basis per year. There are also many secondary economic benefits derived from the seal industry. While the seal hunt contributed approximately \$30 million to harvesters' income in 2006, for example, it also contributed approximately \$55 million to the Newfoundland and Labrador economy.

One question that has been asked in Europe is why the seal hunters do not move from rural communities to earn a new livelihood. To me, this is a stupid question. With due respect, why should our sealers give up their way of life any more than someone from Europe in a similar situation would? I am sure that if we were asking their parliamentarians to have their people move and do something else, they would find that as insulting as we do.

Our answer is that Canada does not believe that people who depend on a legal, sustainable and renewable, resource-based activity should be expected to move to find jobs in other locations. It is as clear as that. The coastal Newfoundland and Labrador communities have depended on seals for hundreds of years, and the inshore seal fishery has long generated income that enabled fishermen to feed their families until the summer fisheries began.

The seal harvest provides valuable income at a time of the year when income opportunities are few in those remote communities. People are able to remain in their communities to raise their families, as they have done for hundreds of years. In this way, the seal harvest supports sustainable communities, and that should be important to all of us, as Canadian parliamentarians. Banning seal products and forcing people to move is an unfair intrusion into the lives of people who work hard at a legitimate and well-managed activity.

We have also heard tonight that for the Inuit of Nunavut, living from the land and the sea in their settlement areas is integral to their culture and their traditional and current way of life. This is recognized in the land claims agreements. Harvesting and other rights set out in these agreements are protected by Canada's Constitution. This is a very important issue for them. Let us be very clear in the House and to those who are watching, fellow Canadians, but also Europeans, this ban will have devastating effects on aboriginal and arctic populations.

Government Orders

The Minister of Foreign Affairs made this point quite clearly at the recent meeting of the Arctic Council, where the European Union's request for permanent observer status was refused. In fact Canada supported that refusal, because the EU actions that were anticipated on the seal trade ban have not demonstrated an understanding or appreciation for the Inuit way of life. Of course, we agree with that.

It is critical that this Parliament stands united against those who wish to eliminate the Canadian seal hunt, whether it be European parliamentarians or a senator in the other place. We need to remain united on this front, and we will continue to do so.

● (2210)

In closing, I wish to reaffirm the Conservative government's support of the sealers and their families. We will stand with them in defending the sealing industry against attacks from Europe and even from within our own Parliament.

Hon. Lawrence MacAulay (Cardigan, Lib.): Mr. Chair, this is a sad day for the fishing industry on the east coast of this country. The lobster fishermen in Prince Edward Island are having difficulty with not being able to sell some of their lobster and here we have a ban on seal pelts by the European Union.

I want to thank the parliamentary secretary for his words and I want to ask him if he feels that the ban on seal products and the trade talks with Europe are two separate issues. If I understood the minister correctly, that is what she said. I do not feel they are separate issues. This is a trade issue. It is an illegal issue. We need to address this with a united front.

I would ask the parliamentary secretary to respond.

● (2215)

Mr. Randy Kamp: Mr. Chair, I find it a bit ironic that we are talking about a united front when I have not, even tonight through all of these hours, heard a clear condemnation of the actions of one of their own colleagues in the Liberal caucus.

Let me say that the action that has been taken by the European Parliament is a legal action, it is a legislative action. We believe it to be illegal. However, because it is a matter of legislation and law, it will very likely require a legal solution. That is why the WTO exists and we intend to take that action.

Mr. Jim Maloway (Elmwood—Transcona, NDP): Mr. Chair, I have listened to the debate for quite a while and it seems to me that all of the parties here in the House have to work together for a common purpose and not fight among ourselves.

I think back to a previous minority government in Manitoba, when Gary Filmon was the premier. He worked with Gary Doer, who was the opposition leader at the time, and Sharon Carstairs, who is now in the Senate, and they dealt with some very important issues of the day: the Meech Lake accord, the Charlottetown accord, and the whole issue of banning smoking was dealt with through an all-party committee. We left acrimony out of it and we worked together for a common cause.

I think that is what we should be doing here. We have to take the fight back to the European Union. One of the members of the Liberal Party mentioned earlier that the Germans have exposure here, allowing a hunt. I can see an ad running in Europe, sponsored by a

Canadian coalition, pointing out those inconsistencies to kill this before it goes much further. We should get together on this issue.

Mr. Randy Kamp: Mr. Chair, perhaps I am naive, but I agree with the member. We do need a common front on this and I think we do have that, at least in this House. We need to move forward, collaborating and co-operating, each of the parties, as best we can. As a government, we are open to advice on how the other parties think we can move this forward in a particular way. I think we are open to that. That is what concerned us so much earlier, just weeks ago really, when there appeared to be a lack of solidarity coming out of the Canadian Parliament on this issue. It concerned me and I think it should have concerned all of us.

Mr. Gerald Keddy (Parliamentary Secretary to the Minister of International Trade, CPC): Mr. Chair, I have a couple specific questions for my hon. colleague.

First, there are a couple of inconsistencies in what has been said tonight by some of the opposition members. I do believe it is important to have a united front. Every once in a while we have strayed from that and some of the opposition members have tried to trivialize Ambassador Sullivan's hard work in Europe. He has done yeoman service for this House and certainly for fisheries and oceans. Would the member comment on that?

Second, there has been some discussion about the fact that since 2006 there have been fewer seal pelts sold, but no recognition of the fact that there has been a downturn in the world economy, that we have had a couple of years of very serious sea ice that has made it harder to access the pelts, and that the Russian and the Chinese markets have dried up. That somehow it is somebody else's fault.

There is no absolutely no recognition of Senator Mac Harb and his coordination and his effort to work with the Humane Society International Canada to undermine the work of this House and the work done by the fisheries committee. Worse yet, he sent a personally signed letter on his letterhead to every single member of the European Parliament.

● (2220)

Mr. Randy Kamp: Mr. Chair, my colleague has raised some good points, particularly with respect to Ambassador Sullivan. On one of the trips that I was on, I had the opportunity to travel with him. He had not been in the job very long at that time. I think everyone who knows him knows that he has an incredible ability to assimilate facts and he communicates so well. I saw him do that in a very impressive way, I have to say.

In fact, at the subsequent meeting the next year, I was there with the former minister, Loyola Hearn. We found that at least the fisheries ministers from the countries in the North Atlantic were onside largely, apart from the EU, on this issue because of the work that had been done by our officials, our ministers and Ambassador Sullivan.

The member has raised a good point in that any attempt to say that lower pelt prices since 2006 have anything to do with our representation I think is quite patently false.

I think we said enough about the member in the Senate. I think it disappoints all of us—

Government Orders

The Chair: I am going to stop the hon. parliamentary secretary there. I know there are some other members who have an interest in asking questions.

The hon. member for Bonavista—Gander—Grand Falls—Wind-
sor.

Mr. Scott Simms: Mr. Chair, the point was brought up earlier. First of all, about the world prices, just a second here, this is about a ban, this is a trade issue. Let us stick with that for just a moment.

I want to speak to the comment made by the member for South Shore—St. Margaret's earlier about how a precedent has been set by other countries and their hunts and it was highly irregular. I would like to point out that a year and a half ago I brought forward a motion in this House that banned deer and boar products from Germany because it is an unregulated hunt. The parliamentary secretary stood up and said it was a wrong idea. He said "That is wrong. We should not do that". He just agreed with the member here on similar actions.

If I were to bring forward a motion in this House to ban products from Europe that were harvested inhumanely, irresponsibly, would he support it?

And by the way, since I am at it, in talking about wayward senators, how does he feel about what Mike Duffy did a while ago? Perhaps he should be kicked out as well.

Mr. Randy Kamp: Mr. Chair, I know it is late. Maybe that explains the fact that I did not understand much of what he was getting at there. I do not think I made any commitment in response to the question from my colleague from the NDP about what he was talking about there.

If the member wants to bring forward a motion, well, let him bring it forward and we will see what it says. If his motion is one where he wants to fire the opening salvo in a trade war with the European Union, then we on this side of the House at least, because we are responsible for the government and not just for opposition, will take that very seriously, of course.

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Mr. Chair, I have simple questions for the hon. member.

One, would he support assisting sealers through this very difficult time? They are going through a very challenging time and a lot of uncertainty.

Two, would he also have his Prime Minister, his government, during free trade talks with the European Union, raise this very important issue?

Mr. Randy Kamp: Mr. Chair, in terms of assisting sealers, the point would have to be made whether the difficulties they are experiencing now have something to do with the ban or not. That is really what we are talking about here tonight.

I think largely what they are experiencing this year is some difficult ice conditions. The ice conditions this year though are not as difficult as they were in 2007 when we did put in place a form of ice compensation.

The two ministers involved in this issue would have to consider whether there are the same conditions that would require that. I think they would be willing to at least consider it.

● (2225)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Chair, I want to thank all of my colleagues for their comments tonight regarding a very important industry on the east coast. I once saw a bumper sticker in Nunavut that read, "Eat seals, 1,000 polar bears can't be wrong". The reality is the polar bears are absolutely correct. Seal meat is 58% protein. The gelatins, the skins, the pelts, the animal is total utilized. It is harvested humanely, correctly, sustainably and market driven from the waters off our east coast.

Congratulations to Rebecca Aldworth and Paul Watson. They have just destroyed the livelihood of thousands of Atlantic and northern Canadians. I hope they sleep well tonight after they have their pâté. I hope they sleep well tonight after they have their caviar, or their champagne. I hope they sleep well tonight. I hope they have the courage to go to the small outposts of Newfoundland and Labrador, to the small communities on the Quebec shore, to Prince Edward Island, New Brunswick and Nova Scotia. I hope they go into the homes of those sealers and tell them what they just did, and take food out of the fridge, bread off the table, gas out of the truck, because that is exactly what they have accomplished.

I told the fisheries committee that I was in Washington D.C. and I walked by a store called the Luxe Store. There was a huge poster on the window with the picture of a white coat seal on it. The caption read, "Stop Canada's killing slaughter of seals". There were cards for people to sign and send off to the Prime Minister of Canada. I brought one of the cards back to the committee. I give the chair of our committee, the hon. member for Saint John, kudos for writing a letter immediately to the company telling it that this was false, that it was wrong and deliberately misleading. I am not sure that he got a response back from the company.

This is what we are arguing against. We have an open air abattoir. How many Europeans have actually gone into an abattoir where veal is being prepared? How many Europeans have gone into an abattoir where, and I forget the name, pâté comes from?

Hon. Gerry Byrne: Foie gras.

Mr. Peter Stoffer: Foie gras, exactly. I wonder if they have actually seen how that is prepared, or the muskrats of France, or the pheasants, or the boar, or the deer, or the chickens. It goes on and on.

To be completely frank, when humans take an animal out of the wild for consumption, it is never a pretty sight, but this is not about the semantics of how a seal is killed. This is about the livelihood of people who have a right to earn a living. They have a right to feed their families. They have the right to take a sustainable resource which is in no way in danger, not even close to being in danger.

Government Orders

My hon. colleague from South Shore—St. Margaret's was absolutely correct when he talked about the explosion of grey seals on Sable Island. Two things could happen with those grey seals. There will either be a natural massive die-off from a disease among themselves, or we are going to have to cull them, which means they sink to the bottom of the ocean and become lobster bait or crab bait. There are no market systems at all. There is no opportunity to earn a livelihood or to utilize the entire animal, just an out and out cull, an out and out slaughter. It is insane, but this is exactly what is going to happen if we allow the EU to do this.

The hon. parliamentary secretary asked for some recommendations. I would ask him to ask the minister to immediately convene an all-party committee, as soon as humanly possible, to go to Europe and to press upon the EU and the ambassadors that this has the unanimous support of the House of Commons. I will not get into what a member of the Senate has done. That is just fighting among ourselves.

The reality is we should immediately send to Europe an all-party committee with members of industry as well and explain to the Europeans the consequences of their actions. I know it has been done before. I have been here since 1997, and my hon. colleague has been as well. From former minister Anderson right to the current minister have all been supportive of the seal harvest, whether they be Liberal or Conservative. As a member of the NDP I have watched both parties fully support the seal harvest. There has been no difference in that.

• (2230)

I know Loyola Sullivan. He has worked very hard on this issue. David Bevan, the ADM of fisheries, has worked very hard on this issue. It is the number one issue on the files of the current minister. I understand that. Unfortunately, all these efforts have not been successful. The old adage is to never allow facts to get in the way of a good story, and this is what has happened here.

The unfortunate part is that it is too bad Canadians could not see what happened here tonight. Literally every member from the east coast and Quebec was here tonight, including the minister and the parliamentary secretary. Members from the five provinces and Nunavut were here tonight to talk about this very serious issue.

I have watched take note debates, as has my colleague from South Shore—St. Margaret's, for over 12 years. I do not think we have seen this type of representation on an issue as important as this one for a long time, in an effort where we all collaborate and work together. This is how Parliament should be working when we have an issue that affects us all. I tell all Canadians, if they think the east coast is just about Newfoundland and Labrador, well they are next.

A former Liberal member, Murray Calder, is a chicken farmer. There was a complaint about the de-beaking of chickens. I remember that very well. What is next: de-beaking chickens, branding cattle, a hook and release of fish? What is next? They will not stop. If it is seals today, it will be regular fishing practices tomorrow. It will be regular poultry products, pork, cattle and everything else the next day until, in the end, we will all be eating lima beans and tofu. There is nothing wrong with lima beans and tofu. They give me gas, but that is okay.

Historically, this is a vitally important industry to our country. Imagine anyone in the world saying that there will be an exemption for Inuit and northern products of seals to the EU. Imagine walking around Amsterdam or Brussels wearing a seal vest and seal gloves. We would say that they are okay because they were caught by a native hunter. Oh sure, that will work. We could have a big sign on the back that says the pelts were aboriginally caught and harvested. It does not work that way.

This will do exactly what the 1982 ban on the leghold trap did when I lived in the Yukon. It will literally destroy the lives of people. People have been living on that sustainable industry for hundreds of years. I lived in the Yukon when that happened. It was devastating to those people, because that is what they did for a living. Their forefathers did it, their fathers did it and they did it, but all of a sudden someone over in Europe with no connection to them at all took away their livelihood literally overnight. What was the cost of that? It cost the territorial government an awful lot of money.

If the government is not successful in getting this decision turned around, we will be telling the government that those people will require compensation. That means the average Canadian taxpayer will have to get into their pockets to support these people who, by the way, were supporting themselves. That is the tragedy of all of this. These people are earning a livelihood, and may I add that it is not the safest livelihood in the world. Every time they get on the boats or on the ice, they are risking their lives. Why would they do it? Why would they participate in this very dangerous activity to provide for their families? Because that is what they know. That is what they do. They are proud of their heritage. They are proud of their traditions.

I have seen a tremendous amount of sealers over the years. I have worked with members of Parliament on all sides to promote this activity in a sustainable manner and a humane manner.

We were on the coast guard vessel with the committee a couple of years ago. We were with veterinarians. The veterinarians told us exactly what happens with a hakapik or a rifle when a seal is shot or clubbed.

No sealer, in my opinion, wants to see an animal suffer, but this is their traditional industry. They have a right to this industry. I can assure the House and the Parliamentary Secretary to the Minister of Fisheries and Oceans, the minister and my colleagues in the House that they will have our support in defending the interests of the good people of eastern Canada.

• (2235)

Mr. Mike Allen (Tobique—Mactaquac, CPC): Mr. Chair, I just came back from an Atlantic coast tour of the lobster fishery. In every meeting place, whether it was Iles de la Madeleine, P.E.I., Nova Scotia or New Brunswick, people constantly talked about seals.

I am glad the member mentioned the grey seals and said that we would need to have a cull anyway, which is what it will come to. This resolution is specific. It does not rule out that we will have a hunt and that we will probably need to have a cull because the seals will grow out of control. If they grow out of control, the fish will not grow out of control.

Government Orders

A seal has value and there is value in its products. Could the hon. member tell us how ludicrous this decision is to take the complete value by eliminating this hunt and turning it into a cull?

Mr. Peter Stoffer: Mr. Chair, I do not think there has been a member of Parliament in the history of this House who wants to see any animal completely destroyed and sunk to the bottom of the ocean. If we can harvest and utilize the entire animal, that is what we should be doing.

My colleague from Tobique—Mactaquac is absolutely correct when he says that two things will need to happen. Either the seals will naturally die out due to a disease of some sort because there are too many of them or we will need cull them.

My hon. colleague from Humber—St. Barbe—Baie Verte was also absolutely correct. As many Europeans fish off the nose and tail of the Flemish Cap, if they suddenly realize that the seals are destroying their livelihood when it comes to the fishery, they will ask us to do something about the seals. That is the irony and hypocrisy of this. They may eventually move another resolution that we need to cull three million or four million seals because they are affecting their livelihood.

I do not think that the EU made a very sound decision. What it made today was a political decision. It had nothing to do with science and it had nothing to do with facts. The unfortunate part is that when a decision is made based solely on politics, it ends up screwing up the lives of thousands of people and their families.

Mr. Scott Andrews (Avalon, Lib.): Mr. Chair, I thank my colleague across the way for asking that question because we just heard how the seal herd has impacted the lobster fishery in Nova Scotia.

I want to finish off with something the Canadian ambassador for fisheries conservation, Loyola Sullivan, said, which is that “if anyone thinks there isn’t going to be a ban in Europe is sadly

mistaken. This is the Conservative-appointed guy who was going to the EU to promote our seal industry.

That did not work so the government decided to appoint an unelected Conservative senator, who could not even convince the voters in his own riding to vote for him, to go to Europe and promote the seal hunt. I, too, wrote the minister and asked for an all party committee in December to go to Europe and fight this exact battle.

The member is obviously in support of this. Does he have any confidence that the minister will actually take that recommendation?

Mr. Peter Stoffer: Mr. Chair, in fairness, the minister is new and I understand she has been very well briefed on this issue. With all the files on her desk, this is a very difficult one because it does not just involve the fisheries minister. It also involves the trade minister. I would like to see the Prime Minister get personally involved as well. He is in Europe now and I am hoping he will, not just privately but publicly, say something in very strong terms. I know my colleagues obviously cannot speak for what may or may not be said by the Prime Minister.

However, I will give the fisheries minister credit. I believe she is very serious about this issue. Hopefully, she will take the recommendation of an all party committee very quickly. However, one minister cannot do it on her own. She needs the support of the entire House.

● (2240)

The Chair: Order, please. It being 10:39 p.m., pursuant to an order made earlier today under the provisions of Standing Order 53.1, the committee will rise and I will leave the chair.

(Government Business No. 3 reported)

The Deputy Speaker: Accordingly this House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 10:40 p.m.)

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