



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Tuesday, December 4, 2001**

—  
**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Tuesday, December 4, 2001

The House met at 10 a.m.

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*Prayers*

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• (1000)  
[English]

## BUSINESS OF THE HOUSE

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, under the business of supply today there is an opposition motion in the name of the hon. Leader of the Opposition. Due to circumstances beyond his control he is unable to be here this morning. I therefore seek unanimous consent to allow the supply motion to stand in my name.

• (1005)

**The Speaker:** Is there unanimous consent to proceed in this way?

**Some hon. members:** Agreed.

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## ROUTINE PROCEEDINGS

[English]

### COMMITTEES OF THE HOUSE

HUMAN RESOURCES DEVELOPMENT AND THE STATUS OF PERSONS WITH DISABILITIES

**Mrs. Judi Longfield (Whitby—Ajax, Lib.):** Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities entitled “The Guaranteed Income Supplement: The Duty to Reach All”. Pursuant to Standing Order 109, your committee requests the government to table a comprehensive response to the report.

The report contains seven recommendations that strive to address a longstanding problem that has adversely affected a sizeable number of low income seniors for too many years.

\* \* \*

### CODE OF CANADIAN CITIZENSHIP

**Mr. Inky Mark (Dauphin—Swan River, PC/DR)** moved for leave to introduce Bill C-417, an act respecting Canadian citizenship.

He said: Mr. Speaker, I thank the hon. member for Fundy—Royal for supporting the private member's bill, an act respecting Canadian citizenship.

The PC/DR coalition bill is about Canadian citizenship. It speaks to and unites all Canadians, Canadians by birth and Canadians by choice. The bill would ensure there is only one class of citizenship in Canada, unlike the last Liberal bill, Bill C-31, which promoted two classes of citizenship.

It is time for Canada to have a new citizenship bill, an act for all Canadians.

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

\* \* \*

[Translation]

## QUESTIONS ON THE ORDER PAPER

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I ask that the remaining questions be allowed to stand.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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## GOVERNMENT ORDERS

[Translation]

### SUPPLY

ALLOTTED DAY—UPCOMING BUDGET OF MINISTER OF FINANCE

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance)** moved:

That, in the opinion of this House, the upcoming budget should:

- (a) reallocate financial resources from low and falling priorities into higher need areas, such as national security;
- (b) reverse the unbudgeted spending increases to a maximum growth rate of inflation plus population;
- (c) increase national security and defence spending by \$3 billion;
- (d) reduce Employment Insurance (EI) premiums by at least 15 cents for next year and continue reducing EI premiums to the break-even rate as soon as possible;
- (e) commit to enhancing job creation by eliminating the capital tax over a maximum of three years beginning with a minimum 25% cut this year; and
- (f) sell non-core government assets and use the proceeds to accelerate debt reduction.

**The Speaker:** Today being the last allotted day for the supply period ending December 10, 2001, the House will now proceed as usual to the consideration and passage of a supply bill.

*Supply*

In view of recent practices, do hon. members agree that this bill be now distributed?

**Some hon. members:** Agreed.

• (1010)

[*English*]

**Mr. Jason Kenney:** Mr. Speaker, I will be splitting my time with my colleague, the member for Edmonton—Strathcona. This motion is an effort on the part of the official opposition to allow parliament to express itself in advance of the federal budget expected six days from now.

It is a budget which will come some 652 days since the last accounting to this place by the Minister of Finance. It will constitute the longest period without a budget being presented to parliament. This is yet another example of the government's long and formidable record of contempt for this place and its conventions of democratic accountability.

It is an important convention that allows the executive branch to present comprehensive accounts of the nation's fiscal and economic health to this place. It is a convention which is at the heart of parliament and it is contemptuous for the government to have waited for over 652 days to satisfy that important tradition.

What exactly is going on with this budget exercise? The government is floating trial balloons about another budget coming down perhaps next February or March. We read stories about open public cabinet fights over the content of the budget, a document normally produced with some internal coherence by the government. The Minister of Industry is actively lobbying businesses to lobby the government to include his political agenda items in the budget.

We hear the finance minister's acolytes publicly attacking the industry minister for so doing and suggesting, hopefully, that his \$6 billion in requested pork will not find its way into the budget. On the weekend a senior member of the Prime Minister's Office said:

This budget will be written by one person. It happens to be the Prime Minister of Canada, not the Minister of Finance.

What is going on? Who is minding the store? Who is in charge of the nation's finances? Why is it that we cannot have normal regular accounts to the nation on an annual basis in this place like we had for some 130 years? I simply do not understand.

The budget will be a test for the government as to whether or not it can get its priorities straight. Canadians have their priorities straight. They understand that in the post-September 11 environment the top priority of the government must be, as it always ought to have been and should have been for a federal government, the maintenance of national security and the protection of citizens. That is the first obligation of a federal government. That is an obligation which for too long has been sloughed off by the government.

We will first be looking to see whether or not the government gets its priorities straight in terms of reallocating resources from low and falling priority areas to the urgently imperative priorities of national security and defence. Our defence capability and security services are sorely underfunded and underresourced. Canadians spend 1.1% of our gross domestic product on national defence. That is about half of the NATO average of 2.2%. We would require a doubling of the

defence budget to come up to the average expenditure of our treaty allies.

I do not have time to detail the sorry state of our equipment and the fact that our personnel dropped from over 90,000 to some 56,000 in the past few years. The government cut its defence budget more than any other departmental budget reflecting that defence was the government's lowest priority. Now we find that the world has changed. We have been mugged by reality and our holiday from history is over.

The utopian Liberal notion that peace is a normal condition of humankind is no longer the case. We find ourselves part of an international struggle against terrorism by moral and treaty obligations. We must put adequate resources back into defence, the RCMP and CSIS. The latter two have fewer personnel and lower budgets in real and nominal terms than they did when the government came to office in 1993.

• (1015)

We must invest more in customs and immigration services, technology and personnel. We must increase our ability to screen would-be criminals and terrorists who seek entry into Canada. The coast guard needs additional resources to allow it to more effectively monitor incoming vessels along our enormous unguarded coastline. We need to do all these things.

The official opposition calls for an immediate injection of at least \$2 billion of annual funding into the Department of National Defence and further increases into that department so that eventually we could move toward achieving the NATO average. Clearly that cannot be achieved overnight. It ought to be our goal as it is our obligation, both legal and moral.

We need to spend immediately approximately \$1 billion dollars to increase the infrastructure and personnel for other non-military security areas that I mentioned earlier. Together we are looking for a minimum of \$3 billion in immediate annual funding. The government is talking about \$3 billion in security funding spread over five years. That is not adequate. We are talking about a downpayment on restoring security to Canada and Canadians.

Let me say that \$3 billion could be achieved notwithstanding the zero sum mentality of the government without increasing overall spending. We could achieve that by reallocating fiscal resources from low and falling priorities. One of the problems the government has in fiscal management is that with all the various interest groups it tries to satisfy it sees nothing as a low priority but everything as an equally high priority.

We have identified at least \$6 billion in low priority and wasteful spending in areas like corporate welfare; regional development schemes that do not work; grants and contributions to interest groups and assets which the government ought not to have; subsidies to bloated crown corporations; and waste in some of the most notorious departments like industry, heritage and human resources as identified by the auditor general.

There is at least \$6 billion, which is only 5% of the \$125 billion program budget of the federal government. That can be realized. Those are moneys which can be reallocated to national security and still have money left over for the longer term economic challenges faced by Canada and for further tax relief and debt reduction.

We need to get our priorities straight not only in terms of security but in terms of the economy. The finance minister has sleepwalked Canada into a recession. There is no doubt that we will see negative growth in the third and fourth quarters of this year and probably into next year.

Unemployment rates are going up as tens of thousands of Canadians are losing their jobs. Our dollar is reaching an all time low despite efforts by the Bank of Canada to shore up demand by reducing interest rates. That means there must be some action on the part of the federal government to address this immediate threat to our economic health and the long term decline in our standard of living.

Canadians now have a personal rate of disposable income which is merely 70% of that in the United States. We continue to have the third highest level of debt in the OECD, the highest level of income taxes in the G-7 and an historically low currency. We do not have our economic fundamentals right. We must get our priorities straight.

It is possible not only to reallocate resources from low priority spending to national security but low priority spending to the urgent priority of becoming a more competitive and productive nation. We could raise our standard of living through meaningful tax relief, eliminating the capital tax, reducing payroll taxes and further reducing income taxes.

All these things could be achieved if the government were to limit the rate of program spending growth over the next five years to 3%, a level of inflation plus population, as opposed to the 5% slope upon which it is currently engaged. That would allow an additional \$50 billion in fiscal resources which could be redirected toward real meaningful tax relief and debt reduction, both of which would make the country more competitive and productive and raise the standard of living of Canadians.

● (1020)

**Hon. Andy Mitchell (Secretary of State (Rural Development) (Federal Economic Development Initiative for Northern Ontario), Lib):** Mr. Speaker, I listened with interest to the hon. member's comments and I have a question for him. Why does he believe that rural Canadians are second class citizens? That in essence is what he said. He talked about the broadband issue as a low priority and something to which we ought not to pay any attention. However he does not understand it. He is not only ignorant of it. He is ignorant of his ignorance.

It is not about putting computers in people's homes and having access to e-mail faster. It is about ensuring that rural Canadians have

### *Supply*

access to health care. It is ensuring that whether or not someone living in a rural or remote community has an opportunity by using today's technology to have first class medical service. That is what the hon. member does not want rural Canadians to have.

It is also about ensuring that rural Canadians have an opportunity to access educational opportunities. He is denying rural Canadians the opportunity to access these types of educational opportunities by denying them the opportunity to move forward on this initiative.

I know what interests the hon. member when it comes to ensuring that businesses operating in rural Canada have an opportunity to be successful in creating wealth and jobs. He denies rural Canadians the opportunity to be competitive in today's world by denying them access to this type of modern technology. That is why I want to know why the hon. member believes rural Canadians are second class citizens.

**Mr. Jason Kenney:** Mr. Speaker, I would like to know why the minister is so shameless in trying to fabricate a political case for a program that will not succeed. He should save his pontificating for the cabinet room where the finance minister, according to published reports, thinks this is an equally ridiculous idea.

I do not know to what rural Canadians the member has been talking. I am originally from a rural community. In 10 years of public life, reading polls, speaking on talk shows and attending public meetings in rural communities across the country I have never heard a single Canadian say that he or she wants billions of dollars spent on handout programs for Internet hookups for people in rural or urban Canada.

I see four members of rural ridings. Perhaps they could indicate to me whether they have ever had a single constituent ask for a billion dollar government handout for broadband Internet hookups.

What rural Canadians want is a viable economy. They want lower taxes and a competitive and productive Canadian economy. They know that will not happen if we continue to invent new corporate welfare schemes of this nature. The enormous access that Canadians have in rural and urban Canada to the Internet today and the advantages it presents have occurred because of market supply and demand. The economics of the market will work for rural Canada just as they do for urban Canada in this respect.

It is quite pathetic that the industry minister has to lobby industry to lobby the government. Only one of over 500 submissions to the finance committee asked for this broadband Internet scheme. Public polls show it does not even rank as a priority among Canadian business communities including those in rural Canada. The member has it wrong on this issue. I hope the finance minister has it right.

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I would like to ask a question about a comment which made no sense at all. The hon. member said that the finance minister was walking Canada into a recession. It appears he does not have a clue that this is global.

*Supply*

All countries in the world are slowing down. Indeed, in sharp contrast to the recession of the early eighties and early nineties, everyone under the sun from the OECD to the IMF to the private sector is saying that Canada would perform better than the United States. We are not an island but we are doing better than the United States. How can the hon. member possibly contend that this is in any way a made in Canada recession?

• (1025)

**Mr. Jason Kenney:** Mr. Speaker, the parliamentary secretary seems to have forgotten that the very same finance minister who eschews any responsibility for this recession was quite willing to heap upon himself responsibility for periods of modest growth in the recent past, even though that was contemporaneous with growth in other jurisdictions. One cannot suck and blow at the same time. Either the finance minister was responsible for the growth and the recession, or neither. His parliamentary secretary should make a choice.

The Americans are not doing better than we are. Yes, they may be in a deeper recession because they were the immediate victims of September 11, in the short term, but their labour productivity continues to grow at twice the level of Canada. Their personal disposable incomes continue to grow higher relative to Canada. Their currency continues to trounce our currency under the management of this finance minister.

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, it is a pleasure to rise today to speak to the opposition motion, especially after the heated and passionate discourse of my hon. colleague from Calgary Southeast. I am very happy to contribute to this particular debate. I would like to start first by just reiterating the motion in the House today:

That, in the opinion of this House, the upcoming budget should:

- (a) reallocate financial resources from low and falling priorities into higher need areas such as national security;
- (b) reverse the unbudgeted spending increases to a maximum growth rate of inflation plus population;
- (c) increase national security and defence spending by \$3 billion;
- (d) reduce Employment Insurance (EI) premiums by at least 15 cents for next year and continue reducing EI premiums to the break-even rate as soon as possible;
- (e) commit to enhancing job creation by eliminating the capital tax over a maximum of three years beginning with a minimum 25% cut this year; and
- (f) sell non-core government assets and use the proceeds to accelerate debt reduction.

As the official opposition revenue critic, I would like to take this opportunity, and I believe the word opportunity is key here today, to address the issue of funding national security initiatives, particularly the adequate funding of the Canada Customs and Revenue Agency.

It is the assertion of the official opposition that the protection of Canadian sovereignty and the safety of its citizens is the government's top priority and must be reflected as a budgetary priority. The impending budget must remedy Canada's security deficiencies while proactively equipping Canadian businesses with the tools to claw their way out of this current Liberal recession.

As a trading nation, with close to 90% of our trade destined for the United States, it is imperative this trade relationship be a priority for the government opposite. The aftermath of the tragic events of September 11 has severely hampered our ability to deliver Canadian

goods to U.S. markets. Border impediments, consumer confidence and the onset of a Liberal recession have set the stage for the finance minister to finally deliver a federal budget.

I would like to take a moment to talk about this particular issue. As my colleague from Calgary southeast identified, we have not seen a budget in this place for close to two years. This is completely unacceptable. Not only that, we do not even know who is writing the budget over there. Quite frankly, we saw an article this past weekend in the *National Post* which indicated that it was not the finance minister writing the budget, but it was the Prime Minister writing the budget. Maybe that is why it has taken almost two years to have a budget come out. That is what I would put forward to the House.

Also my hon. colleague from Calgary Southeast talked about the fact that the finance minister or someone over on the government side has been musing the fact that this will be a temporary budget for another budget that we will see in the spring.

If the government took its job seriously, if it budgeted effectively, if it did its job in the House and was accountable to Canadians, we would have this normal cycle of budgetary sequence. However the government has become so arrogant and is leading us now into a recession. It is catching up with this budget to deal with security issues and hopefully to create the right atmosphere to stimulate the economy, where it failed so miserably. Unfortunately that is why Canadians will go down this road of a recession because the government has mismanaged its responsibilities so miserably.

Yesterday Canada's business leaders, who have formed the Coalition for a Secure and Trade Efficient Border, released a comprehensive report entitled, "Rethinking Our Borders: A Plan for Action". This coalition employs millions of Canadians and accounts for the lion's share of Canada's exports. It has experienced firsthand the economic fallout from the September 11 attacks. Members of the coalition are the ones who had to issue the pink slips and are in the best position to waken the Liberal government to the Canadian economic reality.

The position and demands of the Canadian Alliance are virtually identical to those of the coalition, and I would like to take this opportunity to quote excerpts from the coalition report. If I state the words of Canada's employers rather than that of Canada's loyal opposition, maybe the words stand a better chance of reaching the ear of cabinet.

These are some of the statements in the report. The report states that a commitment is needed at the highest levels in Canada and the United States. It goes on to state: "It is useful to recall that the Canada-U.S. Free Trade Agreement would never have been signed without the strong personal commitment of the most senior ministers and their U.S. counter-parts, the Prime Minister and the president.

The determination to redesign how our borders are managed must start at the top in both countries and individual agencies must be told that their job is to make the strategy work. Without this clear direction from the top, the sweeping changes needed risk being lost to the thousands of inter-jurisdictional jealousies. It is also important to recognize that these issues will not be solved overnight and will require sustained resources and commitment from both governments.

The goal must be to ensure that terrorists cannot defeat us on either front”.

• (1030)

The report goes on to say: “Solutions must be developed cooperatively with the United States. The business community is keenly aware of ongoing budgetary constraints, particularly in light of the current economic slowdown. However, the government's success in improving Canada's economic health through spending reductions has eroded the effect of certain measures that were already in place.

It is time to rebalance spending priorities, in accordance with the demonstrated need, to reflect the new imperatives of the post-September 11th reality. Increased resources will lead to increased security and a better business environment if they are properly allocated.

Border management depends on better funding transportation infrastructure. The federal government must work with provinces and municipalities to provide necessary road and other infrastructure improvements leading to and at the border crossings.

Transportation security must be improved. Among other measures, Transport Canada should develop principles for cargo and passenger security, shoreside infrastructure should be constructed to increase access to AIS (Automatic Identification System), and visa requirements should be introduced for ships' crews”.

The excerpts I just referred to address the priorities that must be addressed in the upcoming budget.

I would like to close by addressing the specific funding priorities targeted by the Canadian Alliance that we believe must be included in next week's budget.

The finance minister must allocate a minimum of \$1 billion base funding increase to enhance national security for the RCMP, CSIS, immigration and customs. There must be a \$2 billion base funding increase to enhance national defence, bringing spending up to \$12 billion based upon public accounts. The budget must demonstrate a control of program spending by limiting growth to the sum of population growth and inflation, about 3%.

Finally, the budget must show respect for the legitimate concerns of Canadian families and businesses. Too many times in the past, Liberal budgets have been selfish manipulations of the hard-earned tax dollars of Canadians. Canadians are feeling insecure both economically and physically.

This is an opportunity for the finance minister, or whomever is writing the budget over there, to respond with the real measures that will renew Canadian confidence in our ability to protect ourselves

### *Supply*

and the subsequent renewal of economic confidence that consumers, investors and Americans will have of Canada.

I hope that the finance minister will not squander this opportunity as he has squandered billions of tax dollars in the past. Much responsibility rests on his shoulders. On behalf of the constituents of Edmonton—Strathcona and Canadians everywhere, I hope he is up to the challenge.

Therefore, I move:

That the motion be amended by replacing the word “by” in line (c) with the words “immediately by a minimum of”.

**The Deputy Speaker:** The amendment is in order. The hon. member for Regina—Qu'Appelle.

• (1035)

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I have a question for the member. What we need in the budget is some stimulus in the economy to create jobs. One area is in agriculture.

Since the government across the way took office in 1993, there have been cutbacks of almost 50% in federal farm support programs, cutbacks that amount to almost \$2 billion. The United States house of representatives has passed a new farm bill for \$173 billion in farm aid in the next 10 years, on top of the previous farm aid of \$70 billion in the last four years. I notice that this is missing in the Alliance motion before the House.

It seems to me that is a very important part of our economy. The farmers need help. It would stimulate the economy. It would be a great investment in the future of the country. Why is that not in the motion before the House today presented by the Leader of the Opposition?

**Mr. Rahim Jaffer:** Mr. Speaker, as the hon. member understands, being a longstanding member of the House, it is often very difficult to include many priority areas in a motion such as is before us today. I think he knows, as well as most members in the House, that our caucus is well represented by agriculture and rural areas and we often fight very hard with the government to stand up for the farmers in the country, especially the agriculture producers.

In our policy we have been calling for a half billion dollar increase in agricultural subsidies. Our agricultural critic has hammered the government and the agriculture minister, who seems to be absent from much of the debate regarding agriculture and really does not seem to put agriculture as a priority on the agenda.

To turn back to today's motion, we have identified some key areas that have become a priority, especially after the tragic events of September 11. This is why we focused specifically on things that can happen, not only to address the security concerns but also to deal with the looming Liberal recession, which I spoke about. This would allow the government to create an atmosphere, according to some of the things we are suggesting, and to stimulate the economy and allow investors, employers and workers to stimulate the economy in these troubled times so that we are not as hard hit as some of the other regions of the world.

*Supply*

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I listened with interest to the comments of the hon. member, as well as the member before him. As I listened, it was rather entertaining and amusing to see the limits that that party would go to try to find some glimmer of political hope in what has been for it a very dim period, particularly when it went to the length of saying that we were in a Liberal recession. I did not hear the Alliance members say that it was a republican recession in the U.S. or that some other party was causing a global slowdown.

In trying to gain some political advantage for themselves, the Alliance members are trying to suggest that this global slowdown is somehow connected to the government party. That is really stretching it. That clearly shows they are not listening to people, the way the government is. In fact, that is the way the budget is being prepared, by listening to Canadians, by consulting them and by hearing from them.

Over the past few weeks we have heard endless questions and statements from the Alliance in the House calling for tax cuts and spending, the kind of things that would put us into a deep deficit. However, I would ask the hon. member this. If he calls it a Liberal recession here, what does he call it in the U.S. and in the rest of the world?

**Mr. Rahim Jaffer:** Mr. Speaker, it is a shame that at a time when we are in a recession the parliamentary secretary finds some of the concerns we have raised humorous and entertaining. I do not think Canadians would feel the same way he does. It just shows that the government is completely out of step with the rest of the country.

To address particularly what he said, and my colleague from Calgary Southeast spoke directly to this question earlier, when times were good, the government was not shy about taking credit, especially the finance minister who talked about how Canadians were experiencing growth due to his work and the government's spending priorities. However, when the tables are turned and things go downhill, the government runs and hides from its responsibility and fails to take the responsibility for Canadians and for the direction of the economy, which is heading into a recession. We have these waves under this particular government.

Just as the government likes to take credit when times are good, it should equally take the responsibility when times are bad, and it should take responsibility for the recession.

• (1040)

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I will be sharing my time with the hon. member for Hillsborough. In a sense this is a strange motion to have less than a week before the budget because members opposite should understand there is such a thing as budget secrecy. There is no way we on this side the House can tell them what is in the budget or respond to their proposals in a concrete fashion.

Over the last several weeks we have been hearing the views of Canadians across the country through the finance committee, the report of which has just been published. If there is something sensible and novel coming out of the opposition today it is perhaps not too late to include it in the budget.

**An hon. member:** Don't hold your breath.

**Mr. John McCallum:** I am not holding my breath for sensible ideas from over there. I cannot reveal the extent to which I know what is in the budget. I will briefly review the opinions of the opposition parties regarding the budget and then come to the core principles the finance minister has already referred to.

I will begin with the Canadian Alliance. Until the last election I did not think it was possible for a party to propose economic measures which were both slash and burn and deficit creating. Until then I had thought if we slashed and burned we would not have a deficit or if we went into deficit we would not have to slash and burn.

The Alliance's happily defunct flat tax proposal in the last election campaign was so utterly fiscally irresponsible that politically neutral economists of the day, not including myself, indicated that the proposal would have taken us to an \$18 billion deficit. It was utterly irresponsible. In terms of the flat tax favouring the rich it would have led us to an \$18 billion deficit. To partially compensate for that the Alliance was talking about slash and burn on the expenditure front.

When we listen to Alliance members today we are getting a warmed over version of their happily defunct electoral flat tax proposal. What they are saying does not add up. They are proposing substantial new tax cuts although I am not sure of the sum. They are proposing billions of additional dollars in expenditure and telling us to have larger surpluses. The only way to do that is to slash and burn on the expenditure front. This is a point they tried to hide from us.

One example of the kind of thing the opposition calls corporate welfare or pork is in my riding where IBM recently opened a new state of the art software lab. The lab has a global mandate providing 2,500 of the highest tech jobs. It is universally acknowledged by those who know what they are talking about that had it not been for a federal government investment of \$33 million into the project it would not have occurred in Markham or anywhere in Canada but in Asia, Ireland or somewhere else.

IBM is ahead of schedule in repaying the loan, with interest, to the Canadian taxpayer. If that is pork all I can say is let us have more pork. That excellent project which created high tech jobs in my riding would not have occurred had the Alliance policies been in place.

The notion we hear from the Canadian Alliance that we are on a spending spree is absolutely ridiculous. If we measure the size of government in the correct manner, which is program spending relative to the size of the economy, the federal government today is smaller than it has been at any time in my lifetime.

The NDP will not like this but the Alliance pretends we are spending recklessly when the size of the federal government today is smaller than it has been since 1949 or 1950. It is something like 11.5% of the gross domestic product. Unless the Alliance changes its present tack I do not see much in what I have heard from it today that would influence our budget.

• (1045)

[Translation]

As for the Bloc Québécois, we often hear its finance critic saying the government has a \$13 billion surplus. He is the only economist in the country to think so. All the others think the surplus will be much smaller.

This Bloc member repeats incessantly that he alone has the accurate forecast and that all the other economists in the country are wrong.

So, if this Bloc member is right, the solution is obvious. What an enormous waste of talent for this brilliant economist here in the House. If he is right and he alone has the accurate forecast, he should quit politics and start his own firm. He would become an instant multimillionaire.

As the members are aware, this accurate forecast from this Bloc member has an exceedingly high commercial value. If he is right, he could become an instant multimillionaire. If not, I will continue to disbelieve his forecasts.

[English]

As for the NDP, I will need to be brief or I will not get to our own program. The NDP has about eight priorities for massive new spending. When one has eight priorities it is like having no priorities. Unlike the new labour party in Britain, the labour party in Australia or the Scandinavians, the NDP remains mired in the past. It alone has failed to realize that the permanent tax and spend and deficit policies of the seventies and eighties have failed.

Given that my time is getting short I will not mention the fifth party because during a previous take note debate it did not suggest anything. I will simply comment on our four priorities which the finance minister has already enunciated.

First, we will move heaven and earth not to go back into deficit. Second, we will do whatever is necessary on the Canadian security and safety front. Third, we will honour the \$100 billion tax cuts we announced just over a year ago. Fourth, we will honour the \$22 billion investment in health care we announced just before the last election and which will take place over the next five years. These are the priorities of the government.

Finally, in contrast to the ridiculous notion of a made in Canada or Liberal recession we in Canada are in good shape compared to our neighbours. As I said earlier, all major forecasters, IMF, OECD and the private sector are united in the belief that Canada this year and next year will perform better than the United States.

In part the reason for this is that having achieved surpluses we moved early to put \$17 billion in tax cuts and more than \$3 billion in health care and other expenditures into the economy this year. This

### Supply

year we have more than \$20 billion of fiscal stimulus. In American terms that would be like \$200 billion.

The point is, and this is in large measure why our economy is doing relatively well during these difficult times, as of January 1 this year we have provided a fiscal stimulus which is coursing through the economy as we speak and which is larger than the Americans are contemplating. This is one reason Canada is in such good shape in relation to our neighbours. After the budget measures are announced we will be in even better shape, as the House and the country will see.

[Translation]

**Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ):** Mr. Speaker, I imagine that I should have allowed the hon. member for Saint-Hyacinthe—Bagot to speak. I will continue using the same logic as the member who has just spoken. According to him, if the hon. member for Saint-Hyacinthe—Bagot is such a great forecaster, he ought to quit politics and work at getting rich. Applying that same logic to the Parliamentary Secretary to the Minister of Finance, does this mean that, as he was in the financial field before, he was such a poor forecaster that he had to leave that field and take a seat in the House of commons, with the associated drop in income?

Last year, he was probably one of the people calling for a raise in MPs' salaries. I would like his comments on this.

• (1050)

**Mr. John McCallum:** Mr. Speaker, unlike the hon. member, I do not make any claims to being an exceptional magician as far as my ability to make ultra-accurate forecasts are concerned.

I would therefore repeat what I have already said. If the hon. member is the only economist in the country with the extraordinary capacity to always be precisely accurate, then he ought to go work in the private sector, where he would become an instant millionaire.

[English]

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, the parliamentary secretary is far too modest when he claims independent economists projected the Alliance fiscal plan would result in an \$18 billion deficit in the last election. He is so modest he fails to ascribe the allegation to himself and himself alone.

He came out of a meeting with the finance minister a week before he declared his candidacy for the Liberal Party. Still posing as a bank economist he told the media there was a consensus that the Alliance fiscal plan would not add up. Every other bank economist in the meeting told me it was not the truth although that is a word I cannot use. It is not parliamentary language.

Many of his colleagues indicated they believed it was an affordable fiscal plan. Our proposal today is as well. WEFA, a major econometrics firm used by the finance department, has so indicated.

*Supply*

I challenge the parliamentary secretary in this regard. Does he not understand the impact of restraining spending over time? Can he not take out his calculator and add up the fiscal difference between a 3% program spending growth line and a 5% program spending growth line?

In 2006 the difference would be \$153 billion under the Liberals compared to \$141 billion under what we are proposing. Cumulatively that is \$50 billion in additional fiscal capacity which could be allocated to tax relief. What does he not understand about that?

It was the finance committee which proposed that the government consider what we are proposing: inflation plus population as a spending line as opposed to 5%.

**Mr. John McCallum:** Mr. Speaker, the hon. member does not seem to understand the simple arithmetic that the size of the federal government today is less than it has been for 50 years.

I could perhaps illuminate history by describing the meeting to which he referred. After the meeting the *National Post*, which was then in the employ of the Canadian Alliance, pretended I was the only economist to claim the \$18 billion deficit. The more neutral *Globe and Mail* reported on page A-1 that Clément Gignac, chief economist of the National Bank, said exactly the same thing. I was relegated to page A-8. The truth of the matter is that many economists including Clément Gignac believed the Alliance numbers did not add up.

**The Deputy Speaker:** It is somewhat unusual, but the member for Saint-Hyacinthe—Bagot has been referred to quite often in this debate. I will give him an opportunity to ask a question and then I will return to the member for Acadie—Bathurst to conclude this round.

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I would ask the hon. member, who is a former economist with the Royal Bank, to check the forecasts that we have been releasing every year for the past five years, a few months before the end of the fiscal year. He will see that we have nothing to hide and that our forecasts were released in the context of a press conference.

If we have been able to accurately estimate surpluses, it is because, contrary to the hon. member, we had nothing to hide. We analyzed public finances year after year and month after month. With a bit of intelligence and a little less intellectual laziness, the hon. member could do like us every year and manage to be accurate in his forecasts.

If he is not intellectually lazy, I would ask the hon. member to give us his own estimation of the federal government's surpluses for this year and next year.

We will see if he can use a calculator and if, as the member for Lévis-et-Chutes-de-la-Chaudière said, he was not forced to leave the Royal Bank because he was unable to make accurate forecasts.

• (1055)

**Mr. John McCallum:** Mr. Speaker, I have two things to say. First, projected surpluses are calculated by economists from banks and other institutions who have no political reasons to hide anything.

Second, the hon. member continues to insist that he is the only one who can make such brilliant forecasts. I can only repeat what I said, namely that there are millions of dollars waiting for him outside.

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, my question is simple. How can the parliamentary secretary be proud of his government when he says that there were surpluses, a recession and so on, and that \$8 billion came from the employment insurance fund?

About 65% of the workers who contribute do not qualify for employment insurance, a program that is fully funded by them and their employers.

How can the hon. member be proud of his government, considering that it has taken money that belongs to workers? This is where the money comes from.

**Mr. John McCallum:** Mr. Speaker, our government just lowered employment insurance contributions for the eighth consecutive year. This means that, compared to 1994, employers and employees will save \$6.8 billion this year. Not only did we do that, but we also increased payments.

[*English*]

**Mr. Shawn Murphy (Hillsborough, Lib.):** Mr. Speaker, I rise today to speak against the motion. Like the hon. member for Markham, I find the content of the motion of the official opposition to be somewhat interesting.

The first position calls for moving resources “from low and falling priorities”. My question to the House is straightforward, strikes to the very heart of why I am opposed to the motion and is why I want everyone to reject the motion. My question is simple: Whose priorities are we talking about? Since the motion was tabled by the member for Calgary Southeast and seconded by the member for Edmonton—Strathcona, I assume we are talking about the priorities of the Canadian Alliance Party.

If the motion were to be accepted here today, here is a sample of some of the priorities, some of the programs, that would be headed for the chopping block: our government's programs to assist all aboriginal Canadians; many of the initiatives recently announced by the Minister of the Environment; many of the programs tabled to assist low income families; programs to increase the economic growth and economic diversification of our regions; programs to increase R and D spending by businesses and the application by businesses to innovation; and yes, programs that assist rural Canadians. These are only a sample of the programs that may be of low priority for the Canadian Alliance Party and would be at risk if the motion were allowed to pass.

My response, Mr. Speaker, is to assure you that unquestionably these issues are high priorities for the government, high priorities for the people in my riding, high priorities in the province I come from and high priorities for Canadians from coast to coast.

Regarding the statement in the motion calling for the sale of “non-core assets”, I want to remind the House that in the mid-1990s the government went through an extensive and exhaustive program to review and rationalize government services and programs. This was necessitated by the policies and mismanagement of the previous Conservative government. What was and is left are the core programs, core assets and core services that are required by all Canadians. Under the leadership of our Prime Minister and our Minister of Finance, the government has done an excellent job of managing the finances of the country.

If we forget the mistakes of the past, we are bound to repeat them. The mistakes I am talking about are the fiscal and economic policies that were practised prior to this government being elected in 1993. At that time, as everyone in this House is aware, the annual deficit was reaching \$42 billion. Unemployment was approximately 11%. Our debt to GDP ratio was 73% and interest rates were substantially higher than they are today.

Over the past seven or eight years, all Canadians from coast to coast have benefited from the policies, the programs and the tough decisions made by the government. We have now, as everyone is aware, had three years of consecutive surpluses, \$35 billion has been paid toward our debt, unemployment has been reduced to approximately 7% and our debt to GDP ratio, if we accept recently reported figures in the media, is now less than 50%.

As has been said here today, there is no question that we are in an economic slowdown. This slowdown started as early as May of this year. Not only is it being experienced here in Canada, but throughout the world. We must be mindful that we will always be subject to the business cycle. We can no more stop the business cycle than we can stop the tides from coming in and going out, but because of the sound policies of the government our economic and financial fundamentals are strong. Because of the strength of our economic fundamentals, we are in a much better position to deal with the economic slowdown.

• (1100)

What the country needs now, and I am talking about consumers, businesses and investors, is confidence, the confidence that the government has a plan, is prepared to act and will act. The market rejects uncertainty and punishes governments that convey the message they do not know what to do under the circumstances or do know what to do but are not prepared to do it.

If there has been any time in the history of our country when we needed a steady hand on the throttle, that time is now. To retain and enhance the level of confidence that is now needed, I urge the finance minister to of course reject the motion and stay the course that he is on right now; deal with the security issues that have to be dealt with; try to avoid a deficit; provide all Canadians with the level of security that is required; retain the consistency that the minister has shown in the past eight years in pursuing sound fiscal and monetary policies; keep spending under control; and, as he has done since being appointed to the ministry, let prudence be his guide.

In the strongest of terms, I urge the Minister of Finance to disregard the wording of the motion, to disregard the policies and programs of the Canadian Alliance Party and to continue on the very same path he is on right now.

### *Supply*

Specifically, I urge the Minister of Finance to allocate sufficient funds to be used for the security of our nation. I am talking about security in a physical and economic sense. Second, I urge the minister to provide funding so as to enable the government to properly manage the country's borders so that these borders are secure while at the same time allowing for the free flow of goods and services.

I urge the Minister of Finance to continue the \$100 billion in tax cuts announced last year. These tax cuts, coupled with the interest rate reductions announced by the Governor of the Bank of Canada, will provide the necessary fiscal stimulus to get us over the slowdown.

I urge the Minister of Finance to continue with the increased health care funding that he also announced last year. This is the number one issue on the minds of all Canadians and it must be continued.

I urge the Minister of Finance to continue with the innovation agenda of the government. I realize that some programs may have to be postponed, given current circumstances. Nevertheless, the message has to be conveyed that these initiatives are still very high on the agenda of the government.

In closing, let me say that the motion contains policies of the Canadian Alliance that have been rejected many times by the people of this country. I urge, in the strongest of terms, the Minister of Finance and everyone in the House to reject the motion.

• (1105)

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I am astounded at the member's speech. First, I would like to say that I appreciate his participation in the finance committee.

We have been listening carefully to what the both parliamentary secretary and the member said. What is incredible is that while they spoke in favour of the motion, since every point they have been making is in our motion, they have said they will vote against the motion and they urge all members to vote against it. I do not want to accuse the member of being paranoid or schizophrenic or anything, but he seems to be speaking for what he will be voting against.

**An hon. member:** There is no vote.

**Mr. Ken Epp:** There is no vote on this. That is right. This is a non-votable motion, but at any rate, the member says he is against this very good, common sense motion before us today and is designed to give guidance to the government for when it brings in its budget next week.

How can he reconcile the fact that everything he said is in our motion? We basically are reflecting the report of the finance committee, “Securing Our Future”. We are just urging the government to do what Canadians across the country have told us to do. It is reflected in the report.

The Canadian Alliance this time did not table a dissenting report to the finance committee report. We did a supplemental report that states we agree with a lot of what they are doing. We would just like them to go a little further in some areas and maybe in a slightly different direction. I would like the member's response to that.

*Supply*

**Mr. Shawn Murphy:** Mr. Speaker, as I indicated in my speech, the trouble with the motion is that it deals with moving resources from low and falling priorities to other areas. My question, which was simple and straightforward, was, whose priorities are we talking about?

I heard the member for Calgary Southeast speak. I have to assume the member agrees that the priorities being called for in the motion are the priorities of the Canadian Alliance.

My response to the member's question is that these priorities have been rejected by Canadians from coast to coast. They should not be considered by the Minister of Finance.

Second, dealing with the sale of non-core assets, I remind the member that the government went through a very extensive and exhaustive review back in the mid 1990s. Every program, service and asset was reviewed. As the member for Markham has already indicated, the size of the government is less than it was in 1993. Assets were privatized and assets were sold. What non-core assets are we talking about? I suggest they are the non-core assets as determined by the Canadian Alliance which is the reason I am speaking against the motion.

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, not long ago I asked the parliamentary secretary a question about employment insurance and his answer was to reduce the premium. How about changing the rules for EI so people could more easily qualify? What is the priority for the men and women workers of P.E.I.? Is their priority to bring the premium down by 5 cents or is it to change the qualifying period, especially since we have an \$8 billion surplus this year?

I would like to hear my colleague from P.E.I. tell us in which area the government should concentrate since his riding is very close to my riding.

**Mr. Shawn Murphy:** Mr. Speaker, in response to the member for Acadie—Bathurst, I admit that there was a problem in the EI rules and regulations and it dealt with the intensity rule.

The rule was changed last year. The people in my province are satisfied with that change. I remind the member for Acadie—Bathurst that for eight straight years we have had reductions in EI premiums, reductions to employees and reductions to employers. As the hon. member for Markham has indicated, it results in a net cumulative saving of \$6.8 billion to the employees and employers right across Canada.

• (1110)

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I am pleased to speak to the motion put forward by Canadian Alliance members.

Unfortunately, although this motion contains a number of positive features, it also contains others with which we are very uncomfortable.

For one thing, we are completely opposed to increasing national defence spending by \$3 billion. We find this excessive. Three billion dollars would represent an increase of 25% to 30% in the present national defence budget. This would make no sense.

What we proposed instead in a recovery plan we released two months ago is investing at least \$1 billion in defence and security over the next year. I think that this would represent an increase of around 10% in the budget and would be quite enough to meet the new imperatives present, particularly since September 11.

There are other proposals, such as the one to reduce EI premiums, which we do not oppose. But we have other priorities, which I will try to outline in the next few minutes, and which might have made the Canadian Alliance motion a bit more balanced in relation to the goals of Quebecers and Canadians.

We do not reject out of hand the idea of limiting government spending and reviewing any that is non-essential. This only makes sense. If the government is unable to manage the public purse appropriately, we are here to keep it on track.

Nor are we unreceptive to the idea of selling non-core government assets. However, this should be done on a case-by-case basis, because there are perhaps federally regulated companies which still serve a purpose, even now.

Finally, with respect to the capital tax, here too we already suggested in our campaign platform last year that it be gradually reduced for specific companies, including shipyards, in order to help them boost their production and productivity.

However, against the backdrop of this motion and the criticisms I have just mentioned, I would like to set out what we want to see in the budget and what we would have liked to see in the Canadian Alliance motion.

First, with respect to the budget forecast, while we may be cynical about this on occasion, even sarcastic, and sometimes even spiteful toward the government, the fact remains that anyone who is the least bit intelligent, who has a good calculator and who follows public finances on a monthly basis—as we have been doing for eight years now—is able to forecast and calculate the real surplus within a 3% margin, by looking at the money coming in, tax revenue, and the money going out, expenses.

The fact that the government is not doing this is no accident. The Minister of Finance and his cronies have hidden the surplus since 1997, the first year that there was a surplus. The surplus has been hidden systematically, every year, precisely to avoid debate on the use of the real surplus.

Earlier, the Parliamentary Secretary to the Minister of Finance said that I would need to find billions or millions of dollars elsewhere. That is cynical, by my books. I find his comments shameful. Particularly because, in hiding the real picture of public finances, this government and its supporters are betraying democracy. People want to know where their tax dollars are going. All this time, year after year, the government has been telling tall tales. The member should be ashamed to have uttered such cynical and spiteful comments.

If we look at the tax revenues and government expenses for this year, a \$13.6 billion surplus has already been accumulated over the first six months.

Even though we can follow the monthly figures on public finances until the end of the current fiscal year, it is impossible, except for someone who wants to deliberately lie, and I am not mentioning any names—

• (1115)

**The Deputy Speaker:** Order, please. I am trying to pay attention and to make a proper decision in one official language or the other.

I think the member for Saint-Hyacinthe—Bagot used a term that is not in keeping with the usual practices of the House. I would ask him therefore to be more careful in his remarks.

**Mr. Yvan Loubier:** Mr. Speaker, short of hiding the truth or the real state of public finances, this government cannot possibly be in a deficit position this fiscal year and it is practically impossible in the next.

This year, we calculate, according to revenues and expenses, that as of March 31, 2002, the end of the current fiscal year, there will be a minimum surplus of \$13 billion, once all the tax cuts provided in the last budget and the new spending already announced for security and national defence have been made. The figure is \$13 billion.

With the Minister of Finance presenting a budget in December, he will be astride two fiscal years, and will therefore have two sums with which to play: this year's surplus of \$13 billion and next year's, which even according to the most pessimistic estimate, will be \$11 billion. So the Minister of Finance has \$24 billion to improve things, to use for the public and to see that the real public service provided by the provinces and by the Government of Quebec is improved.

It must be remembered—and this is our first priority—that the Canada social transfer, which the federal government gives to the governments of Quebec and of the provinces, has been savagely cut by this government since 1995. It was all very well to reinstate the money over the past two years, but the transfer is still \$5 billion per year short of what it was prior to the savage cuts of the Minister of Finance.

We want to see the Minister of Finance take the first step in the coming budget, by converting the cash payments for funding health and education into tax points to be transferred to the provinces. Let him pull out of this field and convert these cash transfers into tax points. There are two reasons for this. First, to ensure that the provinces and the Government of Quebec have sufficient funding for health and education and, second, in order to provide them with protection against possible future slashes to this funding, like those we have been treated to since 1995.

This constitutes a first step. It will cost the federal government nothing, except that in future we will have protection and be spared federal mailings about services for you and health being a priority, education an investment, and so on. Yet, as far as health is concerned, the government invests only 13 cents yearly for every dollar invested by the Government of Quebec.

In education, the federal investment is a mere 8 cents for every dollar invested by the Government of Quebec. Yet it boasts in

### *Supply*

various general mailings of providing services in health and education. This is not only shameful, it is hypocritical as well.

So, the first step would be to convert cash payments into tax points. Before the government does that, we want it to top these cash payments up by \$5 billion, which is what it would take to restore the Canada social transfer to the level it was at before the Minister of Finance's deep cuts.

The second priority is employment insurance. As my colleagues, including the member for Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, have already pointed out, this is systematic, annual theft from the EI fund. It began with a \$6 billion surplus, ill-gotten by the Minister of Finance, and it has now grown to almost \$8 billion. This is where the federal government gets its fantastic surpluses from.

All we are asking for is that action be taken on the consensus reached by the Standing Committee on Human Resources Development, a consensus containing 17 recommendations, if memory serves. The Bloc Québécois' second priority is that men, women and youth be entitled to EI, that they no longer be disqualified, that seasonal workers be treated not as second class citizens but as full members of society. That is our second priority.

Third, we want the members opposite to quit playing petty politics and transfer the amounts already provided for under the Employment Insurance Act to the Government of Quebec so that it can reform its parental leave system. It is our right. The federal government is denying young families money to which they are entitled today. They want to have children and look after them and to be treated fairly for their contribution to the social and demographic development of Quebec.

• (1120)

That side of the House is preventing, through despicable petty politics, these amounts from being paid. There are provisions in the Employment Insurance Act that allow for the transfer of these funds to the Quebec parental leave policy. The government is preventing the implementation of that policy. It is shocking to see such things. This is our third priority.

As for infrastructures, we are talking about a contribution to the economy, which is slowing down, if not in a recession. It might a good idea, as was asked by the Canada-wide coalition and the Quebec coalition, which is chaired by the Mayor of Laval, Mr. Vaillancourt, to increase transfers for infrastructures. The government has the means to do so, with surpluses of \$13 billion this year and \$11 billion next year, for a total of \$24 billion.

*Supply*

At some point, will the Minister of Finance show enough judgment to realize that it might be a good idea to increase spending for infrastructures, in particular investments for road construction? There is a great need for such measures all across Quebec and Canada.

International aid is another fundamental priority for the Bloc Québécois. It was Mr. Pearson, a true liberal in the literal and philosophical sense of the word, who set the standard of 0.7% of the GDP for international aid.

It is time that Canada invest in international aid, particularly since a recent study conducted by Informetrica shows that this aid has a greater impact on Canadian economy than investments in national defence. At some point, those whom we help in various parts of the world get richer and buy our goods and services. The study clearly and accurately shows that a dollar invested in international assistance is much more profitable to Quebec society than a dollar invested in defence and military equipment.

Finally, we are not stupid and we are not blind. We realize that we need to increase security and defence spending. However, the \$3 billion increase proposed in the Canadian Alliance motion is excessive.

As we recently proposed, we think that a \$1 billion increase over the next year should be enough to ensure significant investments in defence and security, and thus meet new requirements, particularly since September 11.

I would like to use my remaining time to reiterate one of the principles that we have been defending since 1993, that of justice and fairness.

For all of the government measures, the budgets, that have been proposed, from the first budget in 1994 to last year's budget, which was something of a political budget, if you will, coming right before an election, we have been motivated by this one single credo: justice and fairness.

We are conscious, and this is another priority, that the tax breaks announced in February 2000 and repeated in October of last year during the pre-election budget, should have been better targeted to help medium and low income earners.

It is not right that 80% of the tax breaks are going to the richest people in society and that families at the low end of the middle income bracket are being overlooked, those just above the low income cutoff, that could not and will not benefit, in years to come, from tax cuts that they had the right to expect.

Yet, someone earning \$150,000 or more who benefited from the partial elimination of the capital gains tax is saving \$9,000 or \$10,000, while middle income families are pocketing approximately \$300 in savings per year. I am talking about families earning \$40,000 that will benefit from a \$300 tax break this year.

It seems to me that this upcoming budget should take into consideration this concern for fairness and justice, and that tax breaks should be readjusted, or there should at least be further tax breaks targeted to middle and low income earners. As I mentioned earlier, the government can afford to do so.

● (1125)

Despite what they say on the other side, I will say only one thing. The Minister of Finance and his parliamentary secretary, always cynical and disdainful, often in public, are threatening us with the spectre of a deficit next year, if we are not careful.

That is pathetic. As I said, the Minister of Finance has extraordinary means at his disposal, even with the current recession.

If we look at the 2001-02 forecasts, with an upswing in the course of the year, we see he may still have a reduced surplus, which will reach \$11 billion nevertheless. For us to have a deficit this year, spending would have to increase by 11%. Spending in real terms would have to increase by 11% for us to have a deficit this year. It is virtually impossible and ridiculous to claim that there could be a deficit this year.

Or, the GDP, annualized, that is, for the entire year—I point out that there are only four months left in the current fiscal year—would have to shrink by 5% since last March 31. That is ridiculous. The gloomiest forecasts refer to a 2% reduction over the year, that is for all the months between March 31, 2001 and March 31, 2002.

There is virtually no way we can have a deficit. When they say that, they add another argument on the other side in order to do nothing, nothing about reforming employment insurance, nothing about cutting taxes for middle and low income earners, nothing about investment in infrastructures and nothing about social transfers to finance health care and education. It is another pretext.

I often say that, by being too pessimistic, especially in the last four years, the Minister of Finance himself has contributed to the economic doldrums. It is partly because of him that consumers are a bit more careful with their money; they wait before spending. This has slowed down the economy. And he continues his game by adding to the slowdown, which has in recent months become a recession in Canada. He is continuing with this ploy and adding to the gloom and doom, instead of boosting people's confidence; yet he has the means to do so.

As I mentioned, there will be at least \$13 billion in the surplus this year. And when there is, we will be asking the wise guys opposite whether it is sheer genius or whether it is scheming or intellectual laziness that prevents them from forecasting these surpluses year after year.

If I could give the Minister of Finance one piece of advice for next week's budget, it would be to stop crying wolf, to stop fearing fear itself and making others fearful. Because he himself is beginning to add to the economic slowdown, to the slowdown which taxpayers in Quebec and in Canada are bringing on themselves when it comes time to spend or buy a house, a car or whatever, in order to support economic growth through domestic spending and help us out of what is starting to look more and more like a recession.

It would be the advice a friend would give. It would be advice that would benefit everyone.

[*English*]

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, it is an absolute scandal that the separatists have chosen for their next galvanizing point the idea of tax points. This is the issue they feel will coalesce Quebecers against the federal government because they know the federal government would not move in that direction.

Why would the federal government not move in that direction? First, cash transfers are a way for the federal government to hold the provinces accountable under the Canada Health Act and other acts of parliament. Without the cash points, it would not have the leverage, and the Bloc Quebecois and the separatists know that.

The second reason is that in 1977 the federal government transferred tax points to the provinces, 13.5 percentage points of its personal income tax. It was therefore totally transparent to the tax paying public. The taxation power went to the province of Quebec, for example, and other provinces. The federal government relinquished that. It was totally in the context of health care and education. However, guess what, Mr. Speaker? The federal government does not get credit for that anymore because the provinces conveniently forget to include that in the transfers when they talk about federal transfers to the provinces for health care, education and social services.

Does the member think the federal government will make that mistake again? I think it was a mistake in 1977. We transferred all these tax points to be more responsive and to allow the provinces, which are closer to health care and education, to manage their affairs more directly. However the provinces conveniently forgot and continue to forget to include that in the transfers the federal government makes to the provinces, which now amount to about \$15 billion a year.

I wonder whether the member opposite will confess and be honest with the House and Canadians that this is a separatist strategy, to coalesce around tax points which he knows the federal government will not relinquish again.

• (1130)

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, the hon. member speaks of a separatist strategy. A person has to be from another planet to come out with such things. Or to be totally blinded by partisanship. It is totally ridiculous.

Is Jean Charest a Quebec separatist? Yet he agrees with the transfer of tax points. Why? Because, since 1995, we have been being tricked by this government. The first cuts made were to the Canada Health and Social Transfer for the funding of health and education.

It is still incredible for a statement to be made such as this: "In 1977, we transferred tax points and then found that the federal government was not getting any recognition". What kind of government are we dealing with here? It expects recognition for giving taxpayers' money back to the same taxpayers to provide them with services.

### *Supply*

The response and comment he should be making is that he would be proud to transfer more money to provide proper health care, by ensuring that investments in education and health, these two areas of jurisdiction that belong to Quebec and the provinces, are at a level to meet people's expectations. This is not the case at present.

The federal government ought not to be expecting recognition; what it needs is a sense of duty. It must acknowledge its duty to help the sick to receive proper care, and to help students receive the proper education to face the challenges of the 21st century. Those are the arguments it ought to be presenting us with, and no others.

In 1977, by the way, that was no gift the federal government was handing out. It was returning part of what it had literally swiped from the provinces as income tax, in part to fund the war effort. That is the reality. When it claims that tax points would not be advantageous for Quebec, why not even consider this possibility if it is not advantageous for Quebec? We have other things on our minds as well. The people over there cannot count. We can, and we have done our calculations.

In the years to come, personal income tax—what we are referring to is personal income tax point transfers—is going to experience an exponential curve, at a time when it is very likely that their political decisions might again result in massive cuts to transfer payments which are fundamental to Quebecers. They have been doing so since 1995. That is the real question.

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I also have a question for the Bloc Quebecois member.

In its proposal to the House today, the Canadian Alliance made no mention of agriculture. Agriculture is important to this country. Our farmers have experienced many problems, including strong competition from the United States and European countries, given the massive subsidies that are provided in the United States and Europe.

There is currently an agriculture bill before the U.S. congress, which would provide massive subsidies to American farmers, to the tune of \$173 billion.

Does the Bloc Quebecois agree that agriculture must be recognized as an important priority in next week's budget? I believe that we need to stimulate the economy in the agricultural sector across Canada, not only in the west, but in Quebec, Ontario and throughout the country.

Does he agree with this proposal?

**Mr. Yvan Loubier:** Yes, Mr. Speaker, absolutely. I mentioned our top priorities in my speech.

But obviously there are others. This comes under rural development and agricultural development. Quebec farmers and Canadian farmers must be able to benefit from a level of subsidies that will allow them to compete with their international counterparts.

*Supply*

That being said, I believe that we must not be afraid of the United States. Take this type of policy passed by congress. This is not the first time that this has happened. Since the early 1970s, Americans have been quick to provide ad hoc subsidies to help their farmers export in the international markets and practice unfair competition. I think this needs to be resolved through the World Trade Organization or by the trilateral panels set up under the North American Free Trade Agreement.

We need to stop what is known as top loading, when one government provides on dollar more in export subsidies and then another national government has to intervene to compete with the other's subsidies. We need to put an end to this.

We thought that, after 1994 with the new agreement, the 9th GATT agreement, which created the World Trade Organization, we had attained the goal of reining in the funding process and categorizing funding into those which are not trade distorting and are needed by agriculture, and those which constitute unfair competition.

I do not believe we have managed to do so yet. So, yes, that is a priority. The matter of unfair competition must, however, be settled in the international arena.

• (1135)

[*English*]

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, I would like to concur with my friend from Saint-Hyacinthe—Bagot with respect to the need for greater flexibility in fiscal federalism and his proposal for tax point transfers. In contra my friend from Etobicoke, I am a passionate federalist who believes that this federation would work more efficiently and redound to the benefit of citizens if we had this kind of fiscal flexibility within our federation. In fact today my colleague from Lanark—Carleton is making a presentation on behalf of the Canadian Alliance to the government of Quebec's commission on equalization in which he is proposing our policy regarding tax point transfers.

My question for the Bloc finance critic deals with his opposition to our recommended \$3 billion increase in security and defence spending. Just to be clear, we are proposing that \$2 billion be put immediately into defence and \$1 billion annually t immediately into other policing and immigration related areas. According to the member, the Bloc finds this increase too high.

Does he not acknowledge that Canada's defence expenditure at 1.1% of gross domestic product is less than half of the average defence expenditure among NATO countries, which is 2.2% of GDP? Does he think that Canada can properly play its role on the world stage and meet its international and treaty obligations while essentially allowing the Americans and other countries to subsidize our NATO defence while we do not pay our fair share? Does he think that is appropriate for Canada as a major country and economy on the world stage?

[*Translation*]

**Mr. Yvan Loubier:** Mr. Speaker, I agree with my colleague that there must be major investments, even to allow us to catch up as far as national defence is concerned.

That said, however, we find it excessive that there is suddenly a 25% budget hike in this area, while international aid is being neglected, particularly since 1995. It even started a bit earlier than that, under the Conservatives. If we have responsibilities as far as international conflicts are concerned, we also have them as far as international aid is concerned.

Let us remind our colleague that it is possible that terrorism may be fought by increasing security and defence budgets, but it will primarily be fought by reducing as far as possible the breeding ground for terrorism, that is world poverty.

I believe Canada has a role to play in international aid, one it is not playing at the present time. The country cannot pat itself on the back about its G-8 membership while at the same time, as the Minister of Foreign Affairs put it, leaving for the restaurant restroom when the bill comes to the table.

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, it would seem that the member does not understand that the forecasts used by the government are those made by economists.

These are not political forecasts of surpluses and deficits, they are forecasts by other economists.

His forecasts of surpluses of \$13 billion and \$11 billion are off the wall compared to what all the other economists have forecast.

Why should the government believe his forecasts, which are so far removed from all the others, unless he is the most brilliant economist in the country?

• (1140)

**Mr. Yvan Loubier:** Mr. Speaker, I cannot make such a claim. However, I can say to this economist, who has been conditioned by only a few months of politics, that our forecasts are based on the forecasts of Quebec and Canada's major institutions on the growth of the GDP. These rates of growth, in real terms, are those we applied to the growth of spending.

In case he is not aware of it, the Royal Bank continues to publish forecasts, which we have used for this year and the next two years. We have used the forecasts of the Bank of Montreal, the Scotia Bank, the Toronto Dominion Bank, the National Bank, the Mouvement Desjardins and the CIBC. If that is not official and solid, I would like to know what is.

When he was a member of the group of economists consulted by the Minister of Finance behind closed doors, I never heard him speak of the annual surplus. It is easy to step behind closed doors and let the Minister of Finance say "I have consulted economists and here is what they had to say". But they have a responsibility.

On the Standing Committee on Finance, economists came to testify and they laughed at the Minister of Finance's forecasts. These were the same economists who discussed with him behind closed doors. Somewhere there are issues of competence and honesty.

[*English*]

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I will split my time with the member for Acadie—Bathurst.

What we have before the House today is a motion that will crystallize debate before the budget the Minister of Finance will bring down next week. I point out at the outset that this year after the finance committee hearings we have a unique situation. We have the Alliance Party and the Conservative Party both making supplementary comments but agreeing with a majority report. Only the Bloc Quebecois and the NDP filed a minority report. In essence, we have a vision of three Conservative parties, the Alliance, the Liberals and the Conservatives, with the same vision—

**An hon. member:** In the same bed.

**Hon. Lorne Nystrom:** The same vision, in the same big bed, of where they want to take the country.

This was confirmed a few minutes ago in a surprising way by the Parliamentary Secretary to the Minister of Finance when he was boasting that this is now the smallest federal government in Canada since the second world war. He said it in a very boastful way. I thought he was a progressive Liberal. I thought he was on the left wing of the Liberal Party, but he is not. He is very proud of these Reform Alliance policies about a very small and shrinking federal government, a shrinking violet that is afraid to tackle the issues and problems of the day. That is what the minister said.

I know that even some western reformers like my friend from Souris—Moose Mountain are really concerned about the diminishing role of the federal government in the country because he, like I, wants the federal government to play a more major role in health care, in helping the farmers of the country, in public education and in investing in our economy. What do we have instead? We have the agenda of the Reform Alliance being adopted by the Minister of Finance, and the parliamentary secretary, a so-called progressive, bragging about and endorsing that as the right and proper thing to do.

Instead, the federal government should have a people's agenda and a people's budget and make jobs a priority in terms of reinvesting in the economy. What the minister did last year was to have a \$100 billion tax cut over five years, much of it for the wealthy and large corporations. What we should be doing now is injecting into the economy 1% of the GDP, or about \$10 billion, in areas that will help people and create jobs. That is the priority.

I went to every single one of finance committee hearings across the country and I can tell you, Mr. Speaker, there are very few people out there, except for some people in the Alliance Party, asking for even greater tax cuts, for even more money to pay down the national debt. What the people are saying instead is that there is a human deficit in the country, a social deficit in the country, and that money should be invested in terms of addressing that human deficit and we should do it in four or five areas.

We should be putting money into infrastructure in the country. We should be putting more money into affordable housing. When a house is built, 2.8 person years of work is created. First of all, housing is needed in the country. Social housing, affordable housing, is badly needed. This would also create jobs and stimulate the economy. We need more money for urban transit. We need more money in terms of environmental cleanup, clean water and water

### *Supply*

treatment plants. We need more money in terms of transportation in general. We need more money in terms of agriculture.

When the government was trying to address the problem of the deficit, which was extremely important and had to be addressed, it cut back on farm support programs, by almost \$2 billion since 1993. That is \$2 billion, a cutback that is approaching 50% of what the federal government used to pay to the farmers in terms of support programs across Canada.

The government is doing this in the face of tremendous assistance from the Americans for the American farmer. There is now a new U. S. farm bill that has been approved by the house of representatives and is about to be approved shortly by the senate in the United States. It will put an extra \$173 billion into the farm economy of the United States over 10 years. That is \$173 billion U.S. of extra money in the American economy to stimulate the American farm economy. That is on top of the \$70 billion already spent in the last four years. The same thing is happening in Europe. There are massive amounts of aid for European farmers. Our farmers cannot compete and are going out of business. When farmers go out of business, small towns suffer and die and jobs are lost right across the country.

• (1145)

What we need is a people's budget, a jobs budget that will stimulate the economy. We need a stimulus budget which puts \$10 billion in the next fiscal year into the creation of jobs into areas where the jobs are needed, into infrastructure, environmental cleanup, water treatment plants, affordable housing, urban transit and transit in general, and the farm economy. In addition, the federal government needs to put more money into the health system and public education. That is what has to be done.

The other issue is employment insurance. My colleague from Acadie—Bathurst will speak on that in a few minutes. Again many changes have to be made to protect people who are being thrown out of work. The majority of workers do not even qualify for employment insurance benefits now.

Those should be the priorities of the government. Those are very important things the government should be doing.

The other point I want to make in this short amount of time is that I am really concerned about the sovereignty of our country. The government should start to address that in next Monday's budget.

Even the new president of the Royal Bank when he spoke in Regina very recently expressed concern about the loss of sovereignty in our country. He talked about the fact that in the last two and a half years around 20% of the companies listed on the Toronto Stock Exchange had been sold to foreigners, many of them Americans. He talked about the fact that around two-thirds of the 33 or 35 gas and oil companies on the TSE had been sold to foreigners, again many of them Americans. He talked about the hollowing out of corporate Canada and the fact that the head office jobs are going to the United States. That is where the decisions are being made and where the research and development is being done.

*Supply*

That was from the president of the Royal Bank. He reflected the growing feeling that we are losing Canada, that we are selling out our heritage. More and more companies are being taken over, thousands in the last few years. The chapter 11 part of NAFTA and the national treatment clause have really gouged out our sovereignty in terms of being able to protect Canadian business and Canadian people in terms of a strong and sovereign Canada.

The federal government is giving away our country. A good example of that was on June 30 when the federal government and the Bank of Canada announced that they were privatizing the administration of Canada savings bonds. Imagine that, privatizing the administration of Canada savings bonds. I am sure, Mr. Speaker, it makes you tremble sitting there in the chair that that vestige of our country's sovereignty is being privatized, not to a Canadian firm but to EDS, an American firm based in Texas. Now when we buy Canada savings bonds, we deal with two phone banks, one based in Mississauga and one here in Ottawa. Why would the bank privatize the administration of Canada savings bonds to an American company?

There is example after example of how our country is being taken over and is being sold out. If we do not do something about it, we are going to lose this country of ours in the next few years.

Many members in the Liberal Party, the Bloc and the Alliance Party are talking about the use of a common currency, a common dollar between Canada and the United States. It will not be like the Euro in Europe where it is a brand new currency with a brand new central bank, where there is some institutional accountability to a European government and the European Community and where three or four larger countries counterbalance each other. It will not be that at all. However, if we keep going the way we are going now, there will be one currency. It will be the American dollar controlled by the national reserve in the United States and all the accountability will be with Washington and the United States congress.

If we lose our currency, if we lose our sovereignty, we are not going to have anything left but a shell. That is the way we are going with more and more members of the Liberal Party across the way, some members of the Alliance and the Bloc Quebecois talking about the use of a common dollar and a common currency, the use of the American greenback in this country.

The time has come for the Minister of Finance to make it very clear that we are not going down that road, that we are going to keep our currency, that we are going to have control of our monetary policy. He must make it clear that we are going to have a new fiscal policy and that the priority of that fiscal policy is going to address the human deficit. The human deficit has been soaring since the massive cutbacks by the federal government.

The parliamentary secretary across the way was boasting about the small and shrinking federal government. As the federal government shrinks and gets smaller, the human deficit, the number of people on social welfare, the number of people who are suffering in terms of low wages is getting larger and larger. We now have the highest household debt we have ever had. Credit card interest rates are extremely high.

● (1150)

Those are the things that have to be addressed. That is what the budget should say when it comes down on December 10. I do not think the Alliance is going the right way. It wants even smaller government, bigger tax cuts and it does not even mention the farm crisis. It wants less and less government. The federal government has a role to play. Let us play it on behalf of the Canadian people.

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, the Canadian Alliance and I do not take a back seat to the NDP when it comes to agriculture. The member can look at the emergency debates we have put forward and the work we have done in committee on agriculture. The member is from Saskatchewan and he and his party have done virtually nothing with regard to the agriculture crisis.

The NDP policies are obviously to spend oneself rich. I would like to ask the member some questions with regard to that. Instead of creating wealth, would the NDP policy be to greatly increase taxes so the member could do all the things that he talked about? If that is not the case, does he intend to reallocate resources within the existing \$173 billion which the federal government takes in? Where would he reallocate those moneys? He cannot have it both ways. He either increases taxes or he reallocates. I want to find out where he would reallocate.

The NDP policies are evidenced mostly by the provincial NDPs that have actually been in government. What does the member think about the Saskatchewan NDP government turning down a prairie alliance for the future and not providing the money to start the railway?

**Hon. Lorne Nystrom:** Mr. Speaker, I do not think the member was listening. I am not talking about increasing taxes. I never used those words at all.

I want a fair taxation system where people pay taxes on their ability to pay according to their wealth. We do not have a fair taxation system. There has been a narrowing of the tax rate where the wealthier people have been getting bigger and bigger breaks all the time.

We have to increase the wealth in Canada, create jobs, stimulate the economy. Investing \$10 billion in the economy in terms of stimulating jobs, creates \$1.6 billion worth of growth. Much of that money comes back to the federal government in terms of taxes, with fewer people on unemployment insurance and fewer people on welfare.

It is the kind of thing that the Bush administration is doing in the United States, for goodness sake. A right wing republican government is stimulating the economy trying to create jobs, not just in the cleanup of Manhattan and not just in the war effort. I mentioned the farm bill as one example of that, \$173 billion. People should realize what kind of money that is; \$173 billion U.S. over 10 years and the stimulus that it has in terms of the farm economy. One could go on and on.

I look at the motion before the House. It is there for anybody to see. There are six points in the Alliance motion, six priorities. I assume when it lists six points, those are its six priorities. Do I see agriculture in there? No. There is no reference to the farm crisis, no reference to agriculture, no reference whatsoever to rural Canada. That is the evidence. In the six points of the Alliance Party there is not one word, not one mention of the farm crisis or building up rural Canada and rural infrastructure. I say shame on the Alliance, but at least we know where that party stands.

• (1155)

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, on the question of Canada using the U.S. dollar, the Prime Minister and the Minister of Finance have stated with extraordinary clarity that we are not going to do that. I do not know one person in the Liberal caucus who advocates it.

The member for Regina—Qu'Appelle seems to ignore that we have already instituted as of January 1 a fiscal stimulus larger than what the Americans are talking about. He ignored that in his speech.

The relevant minister announced deals forthcoming very soon with the provinces on affordable housing. We have an infrastructure program that is starting to pick up.

If the hon. member does not want the country to go back into deficit, I cannot understand how a permanent \$10 billion infrastructure or job creation program would avoid that unless he is basing his projections on the extraplanetary surplus projections coming from the finance critic of the Bloc Québécois.

**Hon. Lorne Nystrom:** Mr. Speaker, about three weeks ago, 100 economists came out with a proposal that we stimulate the economy through the kind of plan I am advocating today. The money is there. The federal government last year for example put \$17 billion on the national debt. It has a plan to cut taxes by \$100 billion. It is a matter of priorities. It is matter of balance.

A lot of people in the country feel that 1% of our GDP is not too much to spend in terms of creating jobs and stimulating the economy. The parliamentary secretary is the economist in the House. Much of that money comes back to the federal government anyway in terms of the increased economic activity, in terms of increased taxes for the federal government, less money going into EI, less money transferred to the provinces in terms of social assistance and welfare.

A lot of economists feel this way. The parliamentary secretary was at all of those parliamentary hearings too. He knows that the people coming before the committee say that we have to once again rebuild the human infrastructure, address the human deficit. I do not think \$10 billion is too much for that. It is a matter of priorities.

[*Translation*]

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I am pleased to rise in the House today to address the Canadian Alliance motion.

First, while I am not surprised, I am somewhat disappointed. I remember that, during the last election campaign, the leader of the Canadian Alliance told westerners that he wanted to cut employment insurance. When he came to the Atlantic provinces, he said that he

### *Supply*

wanted to change employment insurance benefits. He was saying two different things.

Today, we realize that the opposition motion says only one thing: that the upcoming budget should, and I quote:

(d) reduce Employment Insurance (EI) premiums by at least 15 cents for next year and continue reducing EI premiums to the break-even rate as soon as possible;

I do not understand why the motion says “to the break-even rate”. Employment insurance is a program which, and I will keep repeating it, belongs to workers and employers. It is a program to which the industry and workers contribute in case the latter lose their jobs.

It is now noon. In Toronto, thousands of people are marching in the streets to protest because they are going to lose their jobs. And 80% of these people will not qualify for employment insurance because they work in the hotel or tourism industry.

[*English*]

As we speak a rally is being held in Toronto. It is not being held in the Atlantic provinces where people have their views and the Fraser Institute from British Columbia keeps pounding on the people in Atlantic Canada. In Toronto there are thousands and thousands of people on the street because the employment insurance that belongs to the working people is not there for them.

Today's motion by the Canadian Alliance only proposes to bring the premium down. Not once in the motion does it say that a program which belongs to the people should go back to them.

It is a shame that my colleague from P.E.I., the member for Hillsborough said that there is no problem in P.E.I. since the intensity rule was taken away. I hope the people of P.E.I. call his office to let him know the problems they have in P.E.I. A couple of weeks ago I was there and P.E.I. has the same problems as they have in New Brunswick, Newfoundland, Nova Scotia and all across the country where there is seasonal work and as they have in Toronto. It is a shame that my colleague from P.E.I. supports the Liberal position.

The motion talks about bringing the premium down. I did not hear of anyone rallying in the streets because they want the premium to come down. I did not see that, but I did see people in the street because they want the employment insurance that they pay into and which belongs to them. That is what the people are saying.

• (1200)

[*Translation*]

This was the question I asked the Parliamentary Secretary to the Minister of Finance earlier. He did not defend the government's position not to increase benefits.

When employment insurance was introduced, it was not so that the government could fill its coffers and point to a \$8 billion or \$6.7 billion surplus every year. That was not its purpose. Its purpose was to help people who had lost their job when the economy was bad, as it is today.

*Supply*

Today, not only do people not qualify for EI benefits, but small and medium size businesses are suffering as well. When is the government going to look after them? If people do not qualify, they will not have any money. And I must say that social assistance is not the answer.

Unbelievable as it may seem, there are single people today receiving only \$265 a month. How is it possible to live on this, in a country such as Canada, which we are constantly being reminded is so wonderful? It is worse than in the third world, in my opinion. Two hundred and sixty-five dollars a month will not even pay the rent and hydro.

And the government is certainly not prepared to increase social assistance payments now. You yourself know, Mr. Speaker, that when the Harris government took office, it cut social assistance payments.

The line is always the same, whether it comes from the Liberals, the Canadian Alliance members or the Progressive Conservatives, and it comes from the right, not the centre. There is nothing about it that suggests any desire to help people.

Yet, we made proposals during the election. Every time we asked the Liberals a question—and the Bloc did so often—, their response was the same: “You refused to pass the government's bill before the election”. The government tried to slip one past us a few days before the election. It knew that there was going to be opposition because the Canadian Alliance was already opposed. From the beginning, that party was not in favour of amendments to employment insurance. In fact, one of the demands in today's motion has to do with reducing EI premiums.

Last week I asked the government a question. The only answer it could think of was that it had reduced EI premiums. We never get an answer to our questions.

But beyond this there are families, there are people, there are children. There are 800,000 Canadians who contribute to employment insurance, but do not qualify for it. When we talk about employment insurance, the government says that 85% of those who qualify do get benefits. This is a disgrace. It should be 100% of them that qualify for employment insurance benefits.

But that is not the issue. The problem has to do with the changes to the employment insurance plan. The government now demands 910 hours of work to qualify for employment insurance benefits. This is why workers who contribute to employment insurance no longer qualify. Only 35% of Canadians who contribute to employment insurance get benefits.

The reason people are marching on the streets of Toronto today is because they did not accumulate these 910 hours. This is the problem. And that money does not belong to the Minister of Finance, who boasts about properly managing the money in the government coffers. That money is not in the government coffers. It is money that belongs to workers and I can never say it often enough.

There is also a new budget coming up. People who contributed to the Canada pension plan and who suffer from a disability could claim money from the government, through the tax system. But the

government is so petty—and this is ridiculous and unacceptable—that now it is targeting these people, people with disabilities, by forcing them to fill out all sorts of forms. The government says “We will lower taxes, but we will deprive a person with a disability of the right to receive money through the tax system”.

This is just to show how little compassion the government has for people. However, it is more compassionate toward business. Two weeks ago, the government announced that it would not lower employment insurance contributions by five cents. I mentioned it in the House last week. I raised this issue. The government received a few phone calls from employers who said “Listen, you cannot do this to us. We want our five cents, our seven cents”.

● (1205)

No problem. On Friday, the government announced that it was lowering premiums by 5 cents. Honestly, 5 cents on \$100 does not make much difference for a company.

But when it comes to employment insurance benefits, when a family fails to qualify, when 65% of people do not qualify for employment insurance, that makes a huge difference for kids going to school. For people who end up on social assistance collecting \$265 a month, or families on \$700 a month, that makes a big difference. So, what this government is doing is not right, it is not honest.

I hope and I ask from the depths of my heart that this government will have the good conscience, once and for all, to live up to its election promises in this upcoming budget, the promises made by Liberal members.

My colleague opposite, if he woke up, would remember telling me “We will pass Bill C-2, and then we will make the required changes. We agree with you, hon. colleague from Acadie—Bathurst”. But no changes have been made.

After hearing the recommendations made by all political parties, whether it be the Canadian Alliance, the Liberals, the Conservatives, the Bloc Quebecois, or the NDP, the Minister of Human Resources Development had the audacity and the temerity to rise in this House and say no to changes to the EI program. This is not right, nor is it honest of the Liberal government.

I hope that in the upcoming budget, the government will show that it cares, even a little, for the workers who lost their jobs. When election time rolls around, they will want their votes.

I would like to thank the members for hearing me. I only hope that I managed to wake up some of the Liberal members.

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I think that there have been a number of recent changes to the EI plan the hon. member does not want to mention. As far as premiums go, as I have already said, they have been reduced for eight years running, so that employees and employers are now paying \$6.8 billion less. That is important.

*Supply*

[English]

It is not only on the premium side. Recently we have had three changes on the payment side which the hon. member has neglected to mention. We have enhanced parental benefits, made small weeks a permanent national feature and repealed the intensity rules. We have had substantial reform to employment insurance both on the benefit side and the premium side.

**Mr. Yvon Godin:** Mr. Speaker, why should I recognize it? It is there. Yes, changes were made after we had to force the House by arguing almost every day for years. Regarding the changes the government has made, the money does not belong to the Minister of Finance. It belongs to the working people.

I remember a Liberal member of parliament in 1989, who is not here today but who was in opposition at the time, named Doug Young. The people of my riding chose to put him out the door. In 1989 he said he was asking all New Brunswickers to fight the Conservative government's proposed changes to EI because they would be a disaster for New Brunswick.

The changes the Liberal government has made are not enough. The government must bring down the number of hours from 910 to 350. Before it was 150 hours. The number must go down. The number of weeks must be prolonged.

I have said many times that we cannot catch codfish on Yonge Street in Toronto. We cannot catch lobster in Ottawa or get Christmas trees on St. Catherine Street in Montreal. We get them in places like ours, in the north of Ontario or in northern B.C. where people have to go and do that work. It is seasonal work. That money belongs to the working people.

You should not be proud that you have a \$7 billion or \$8 billion surplus every year, a \$40 billion surplus that comes from working people who lost their jobs. How can your government be proud of that? I am not proud of it.

• (1210)

**The Deputy Speaker:** I remind members to make their comments and interventions through the Chair.

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, agriculture is one of the major planks of the Canadian Alliance in parliament. Members will recall that we used one of our supply days in parliament to talk about the drought and the income crisis across the country from P.E.I. to the west. The Alliance also used a supply day specifically for the farm income crisis.

The hon. member should check with the chief agriculture critic for the NDP who is sitting behind him on whether the NDP has decided to use any of its time allotted supply days for agriculture debate. Does he support the federal government taking away \$30 billion in excess EI premiums from workers and farmers?

**Mr. Yvon Godin:** Mr. Speaker, if the hon. member does not agree that the government should take that kind of money from the working people, why is it requesting in its motion to bring down EI premiums? Why does part of it not mention raising the benefits?

Why is the hon. member so concerned about agriculture when it is not in his party's motion today? We are approaching a budget. When will there be time to do it?

I speak to farmers in my riding. I agree that we must help. Farmers are people from rural areas. We can develop our country by helping people in rural areas stay in their homes and be able to work there and not have to go to big urban places. I have said that many times. That is why I support the people who work in agriculture. I could never eat a computer in the morning but I like my food. The NDP supports agriculture 150%.

**Mr. Scott Brison (Kings—Hants, PC/DR):** Mr. Speaker, it is a pleasure today to speak to the opposition motion. I will be splitting my time with the shy, demure wallflower who is a friend to all of us and a great member of parliament, the hon. member for Saint John.

I agree with many of the points the Canadian Alliance motion includes today, for instance, focusing on core priorities and not only on Liberal leadership driven spending, and the strengthening of national security and defence spending significantly. I am absolutely certain the hon. member for Saint John will be talking further on this in a more detailed way, but I think it is safe to say that the Liberal's peace dividend has created a defence deficit in Canada post-September 11.

The budget, which increasingly seems as though it will focus on the issues brought to the forefront by the events of September 11, will probably ignore some of the issues that existed prior to that. I think the defence issue needs to be addressed. There is strong agreement among Canadians that defence and security issues were allowed to slide under this Liberal government. The hon. member for Saint John will be elaborating on that.

Reducing EI premiums further is important. Reducing payroll taxes, which creates a direct disincentive to hiring workers, would make a great deal of sense at this time. As for profit incentive taxes in general and eliminating capital taxes, I do not believe it is necessary to spread the elimination of capital taxes over a three year period. It is a \$1.3 billion expenditure. I believe the government could do that this year. It would reduce the disincentive to investment, which we have in Canada, in a very sensible way without the risk of going back into a deficit position.

I am concerned with the fact that the Canadian Alliance motion does not specifically mention agriculture. I think the opposition motion is making the same mistake that I fear the Liberals will be making in the budget, which is presenting a budget, which will probably be a mini-budget if not a micro-budget, that focuses on the September 11 issues but ignores some of the systemic problems and crises that we had in Canada prior to that. Among those is agriculture, and issue that we need to address. The farm safety net framework in Canada needs to be addressed.

### *Supply*

Programs that existed in the past, like GRIP, were far more successful in addressing the issues facing farmers. They enabled farmers to survive if not thrive in difficult conditions much more so than the government's current programs, including NISA and AIDA. Some industry analysts have estimated losses to the grains and oilseeds sector to be \$2 billion this year.

One of the issues that desperately needs to be addressed by the government is the farm safety net framework. If programs are, by design, inaccessible to farmers who need them, it does not matter how many billions of dollars the government puts into a particular program. I will give the House an example of that.

In my riding of Kings—Hants, we have a large level of agricultural output. In fact 50% of the agricultural output for all of Nova Scotia comes from my riding. It has a greater agricultural output than the entire province of Prince Edward Island. However, my riding has had four years of drought. The AIDA farm aid packages and the NISA packages are based on the last three consecutive years. As a result of that, effectively, if a program is designed around a farmer receiving 70% of the last three years' output and, coincident with that, we have had three virtually non-existent years in terms of production, that program does not deliver anything to the farmer.

•(1215)

I have seen it in my own riding in Nova Scotia and I can empathize with western farmers. It has been an absolute disaster. However this is a national crisis and I would like to see the government, the official opposition and all members of the House pay more attention to the issues of agriculture.

One of the issues the CA opposition motion does address in some ways, although it does not specifically refer to it, is that of productivity. In recent years we have seen significantly lagging levels of productivity growth compared to almost every other country in the industrialized world, in the OECD, and certainly compared to productivity growth rates in the U.S.

The most visible or obvious reflection of that lagging productivity growth has been our weak Canadian dollar. That limp loonie has become almost a national embarrassment to Canadians but, more specifically, a direct reflection on the standard of living and quality of life of Canadians. Canadians do not always realize this but under this government we have seen 20% drop in the value of the Canadian dollar as compared to the U.S. dollar.

I was in a high school in my riding a couple of weeks ago where I asked how many of the students were wearing articles of clothing from the U.S. They all put up their hands. In fact, 35% of everything Canadians buy comes from the U.S.

I asked one student, who had on a pair of sneakers, whether they were from the U.S. His response was, yes. I asked him how much they cost and he told me they cost \$100 Canadian. That means those sneakers are \$20 more expensive now than they would have been in 1993 when the government took office simply because of the depreciation of the Canadian dollar.

If we do the math: 35% of everything Canadians buy comes from the U.S. and a 20% drop in our purchasing power, that represents a 7% drop in the standard of living for Canadians. It has been a drop in

the standard of living that has been in some ways a stealth drop because Canadians have not necessarily noticed it immediately. In time, Canadians will connect the dots and they will realize that the government has depreciated the Canadian dollar to such an extent that not only has it affected our sovereignty as a nation through corporate takeovers, but it has dramatically reduced our standard of living and quality of life as Canadians.

The question could be asked: What would we do to strengthen the value of the Canadian dollar in the long term? There are no short term or easy fixes, but strengthening productivity in the long term would do a great deal to strengthen the value of the Canadian dollar. The government's reticence to addressing the productivity issue has done a great deal to threaten and compromise Canadian economic sovereignty. We have seen that on the corporate side, for instance, with the fire sale on Canadian corporate assets that has occurred in recent years, whether we look at the oil and gas sector, the energy sector, the health sector or the paper sector. One can look at a company like MacMillan Bloedel. What company could be more Canadian than MacMillan Bloedel? It was taken over by Weyerhaeuser. Why? Because we provided such a great opportunity to companies, individuals and corporate entities from other countries to purchase Canadian corporate assets at this incredible discount.

The Prime Minister's response to that has been that a low Canadian dollar is good for exports, or that a low Canadian dollar is good for tourism. If we take the Prime Minister's logic further, the logical corollary of his argument would be that reducing the Canadian dollar to zero would be really great because we would be the greatest exporting nation in the world. That is why economists laugh at most of what the Prime Minister says when he talks about the Canadian dollar.

We need to take steps to eliminate and reduce the types of taxes that attack investment, such as capital gains taxes. We need meaningful tax reform in Canada, in a general sense. We need to address our regulatory burden in Canada, such as interprovincial trade barriers. The government's principal focus should be to create a federal and provincial level of co-operation around the single issue of productivity.

•(1220)

Security and defence should also be considered but beyond that we need to address issues that were relevant and important to Canadians prior to September 11 because these issues are not going to disappear because of September 11 and its aftermath.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I thank the member for his speech and for his participation in the finance committee.

I have a question relating to the aspirations of people in eastern Canada. In a sense, I think they are similar to those in western Canada in that we feel we are being taxed to death and the benefits that we get from the government on the other hand are being cut back or have been cut back. There is an inadequacy there and also a great deal of complaint about wasteful spending in government. I wonder whether he is hearing the same things in his riding as we hear out west.

*Supply*

**Mr. Scott Brison:** Mr. Speaker, I thank the hon. member for Elk Island, not just for his intervention today but for his participation at the finance committee as vice-chairman. He adds a great deal to that committee.

He is absolutely right when he says that the aspirations, goals and concerns of people in Atlantic Canada are not that different than those of people in western Canada or in Ontario. One of the differences in the last couple of decades is that Atlantic Canadians have wanted to be at the same table as the rest of the country enjoying the economic growth that has occurred in places like Alberta and Ontario. We see the development of our offshore oil and gas deposits as being pivotal. That is why it is important that all members of the House take very seriously the initiative of premiers, like John Hamm, the premier of Nova Scotia, in renegotiating and developing a fairer approach to equalization that would enable provinces like Nova Scotia to maintain and hold onto more of the revenue in order to diversify its economy, build a stronger fiscal situation, reduce debt, reduce taxes and grow the economy.

I would bring to the House the reassurance that in provinces throughout Atlantic Canada we are seeing a very diversified economy emerging in terms of IT and a knowledge based economy, and our universities are playing a very important role in that regard.

The same concerns the hon. member hears from his constituents, that government waste and Liberal leadership driven spending may not necessarily reflect the aspirations and needs of Canadians, I am also hearing from my constituents in the riding of Kings—Hants. I am certain that Canadians in every riding across Canada have very similar concerns and ultimately very similar goals for what they would like to see from the government.

• (1225)

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I certainly agree with the hon. member that productivity is of central importance in the longer term to rising living standards in the country, but I cannot understand why he says that we have not addressed the issue.

Let me give the member four very quick examples. First, we have reduced the corporate tax rate and in three years it will be significantly lower than the U.S. That is good for productivity.

Second, we have had the biggest personal income tax cut in Canadian history, including the elimination of the surtax. That is good for productivity.

Third, we have slashed capital gains by 50%. That is good for productivity and the economy in general, and especially in the new economy where we have piled billions of dollars into university research and research chairs.

Fourth, we have set a target to put ourselves in the top five countries in the world in terms of research and development. That is good for productivity.

Therefore there are no grounds to say that we have been ignoring the need for higher productivity.

**Mr. Scott Brison:** Mr. Speaker, all the initiatives he has spoken about have been steps in the right direction but a tortoise moving in the right direction on the autobahn is still road kill. The fact is,

instead of leading through bold initiatives, tax reform and policies that would engage Canadians in a visionary approach to the problems facing Canadians, the government has taken an incrementalist approach that has largely gone unnoticed anywhere else in the world.

Three years ago I asked the Minister of Finance about the weak Canadian dollar and his response was that the fundamentals were strong. That is effectively what the member is saying here today. Since the Minister of Finance said in the House that the fundamentals were strong, the Canadian dollar has lost a further 8%. This year the Canadian dollar lost 11% against the Mexican peso, 4% against the British pound and 6% against the American dollar. The Liberals—

**The Acting Speaker (Mr. Bélair):** I am sorry to interrupt the hon. member but his time has expired. The hon. member for Saint John.

**Mrs. Elsie Wayne (Saint John, PC/DR):** Mr. Speaker, I want to thank my hon. colleague for splitting his time with me.

I heard the hon. government member say that Canada's productivity growth has grown. Canada's productivity growth has lagged behind that of other industrial nations in recent years and its productivity growth over the past two decades has been slower than every other G-7 country. Canada has one of the worst growth rates in the OECD.

Today I want to talk about what the government has done to the military. What happened on September 11 was a wake-up call for the government to do something. We do not have the military resources needed to look after the security of Canadians.

Let us take a look at what this government has done.

In 1993 the Liberal government cancelled the contract for EH-101s only for politics and for no other reason. That cost taxpayers \$500 million and we got absolutely nothing for it. Also, look at the Sea King maintenance and upgrade program. The program put in place for this cost \$600 million. Canada's search and rescue helicopter program cost \$790 million. The maritime helicopter project cost \$2.9 billion. Also the long term service support that the government put in place cost \$1.7 billion. Administrative costs in splitting procurement cost \$400 million. The total cost of these Liberal programs, with no inflation included, was \$8.6 billion.

The total cost of the Conservative program for 43 EH-101s to replace the Sea Kings, based on Liberal election literature in 1994, would have been \$5.8 billion. Then we would have had Sea Kings aboard those frigates that could fly, and we would not have the problems that we have within our military today. God bless those men and women who are trying to look after us.

*Supply*

Having sat on the defence and veterans affairs committee, it tugs at my heart when I see how little our military has received from this government in the way of support. It is not right. The government has cut back on the number of people in our army, navy and air force. The regular force ceiling has been reduced from 35,800 to 20,400. The primary reserves ceiling has been reduced from 24,000 to 20,000. Yet we are asking our men and women to perform peacekeeping duties where they do not go for just three months, but for six or eight months. Some members have come back recently. They have told me that they were ashamed because they had to borrow resources from other countries because they did not have them.

The budget coming down on December 10 must be a military security budget for every man, woman and child in Canada.

What happened to our shipbuilding program? The Minister of Industry when he was running in the election—

**An hon. member:** They sunk it.

**Mrs. Elsie Wayne:** The member is right. They sunk it. That minister came to my riding in Saint John, New Brunswick and held a meeting with the men and women who worked at the shipyard. He told them he would be the saviour of the shipbuilding industry. The late hon. Pierre Elliott Trudeau knew there had to be a shipbuilding policy for the navy and he put money into the shipyard in Saint John. The hon. Brian Mulroney knew there had to be a shipbuilding policy for the navy and put more money into it, as well as the shipyard in Quebec.

• (1230)

We split those contracts between Quebec and New Brunswick. Where are the shipyards today? The shipyard in Quebec has gone into bankruptcy. Our shipyard in Saint John has a lock and bolt on the gate. We had about 4,000 men working at our shipyard in Saint John alone. When we take Quebec and all the companies that have supplied all the resources, parts and things that are needed, we are talking about 100,000 people in Canada who are no longer working, feeding their families, clothing their children and educating them.

This is the most serious situation I have seen in Canada in the last 15 to 20 years. I am truly upset about it because it hurts.

I just came from a meeting with representatives of the chamber of commerce of the Atlantic region. They asked me what is happening at the borders and said that something had to be done. They are asking for perimeter clearance. They want continental security but they have to have clearance.

Of corporation exports, 80% cross the New Brunswick border at Woodstock, Calais and St. Stephen. We have been told that the government will have pilot projects at borders, but once again we are not included. Why do people not understand that the people back east play a major role in the economy of the country? Those men and women who work there do a fantastic job. We have exports that cross that border, such as lumber and seafood. Farmers in the maritime provinces bring their food across the border to those people who want it. We do not get everything from the U.S. The U.S. gets things from us as well.

We have to have some kind of a project whereby we are treated fairly. All we have ever asked for is to be treated fairly. We are saying that the government should create a binational or trinational border management agency that would jointly monitor the entry of goods and people into and out of the North American continent and across the Canada-U.S. border.

As well, the port police have been taken out of all our ports. Those port police took seven courses to become port police and they all did a fabulous job. We did not have the problems of illegal immigrants coming into the country either out west or down east when the port police were there. It is unbelievable the amount of drugs coming into the country and there are no port police to look after that.

There are so many areas that need to be addressed, but if the military issues are not addressed in this budget, the government will never be able to face the public of Canada. If the security issues are not addressed in the budget next week, there is no way the Minister of Finance will sleep nights because those men and women, who put their lives on the line for all of us, their relatives and everyone, will be after the government, and rightfully so.

I and my party will be there to support those men and women in uniform. We certainly will fight for them and we will never stop until they are given the tools to do their jobs.

• (1235)

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, I want to thank the hon. member for Saint John for a stimulating and vigorous speech. I would certainly like to associate myself with many of the points she made.

One of the key messages that I got from her speech was that we needed an economic stimulation package as part of the budget. A shipbuilding program is something we have advocated.

Could the member expand upon that in the context of the recent B. C. experiment to revitalize the shipbuilding industry there? We used to have 35,000 people working in the dry docks of the Vancouver Burrard shipyards and others. Now there are zero. However when the B.C. government needed four new ferries, rather than buy them from Singapore or Japan, it decided to revitalize its shipbuilding industry. Unfortunately it is still wearing that today because the four ferries that were built were prototypes. Even the first Model T built by Henry Ford surely cost more than the 100th one he built.

Could the member comment on whether the NDP government in British Columbia did the right thing by building ferries rather than buying them offshore?

**Mrs. Elsie Wayne:** Mr. Speaker, I certainly do think it is right for the government in B.C. to be build those ferries. It should also be noted that there has been a reduction in coastal defence vessels from 12 to 6. The coast guard needs ships, ferries, frigates and whatever and they should be built right now in Canada.

This government has decided to spend \$1.2 billion more to buy ships from another country. What do the other countries do? They have sweatshops in which the men and women work for perhaps \$1.50 an hour. We do not stand for sweatshops. What we stand for is dignity for every man, woman and child in this country. That is what I believe in.

We were so proud when we built those frigates. The admiral would come when we launched one of them, and the men and women were so proud of what they had done. The admiral would be present at every launch and would praise the men and women at the shipyard in Quebec and the men and women at our shipyard.

How can we look ourselves in the face now when we see what has happened to our navy? Look at it.

When it comes to illegal immigrants out west, we need to have the ships for the coast guard and for our navy. We need to put our men and women back to work. Let us make them a top priority.

• (1240)

[Translation]

**Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ):** Mr. Speaker, it is always a pleasure to listen to the hon. member for Saint John. Her speeches are always delivered with such enthusiasm.

I wish to congratulate her on her ongoing interest and perseverance in the area of shipbuilding. I share her concerns. Unfortunately, the Saint John shipyards are closed, and Davie Industries is in dire financial straits, having been put under the protection of the Bankruptcy Act. I share her ongoing concerns in this area.

After many representations to him, the Minister of Industry has decided to do a little something. It was a step in the right direction, but very little money was involved.

I would like to ask the hon. member for some comments. She referred to the very low wages of Chinese and Korean shipyard workers. How can it be, then, that Canadian shipbuilders I will not take the time to list—but if the hon. member has time she can look them all up—who are aware of the situation, who are aware of the need for an improved Canadian fleet, are getting their ships built in China or Korea while thousands of shipyard workers here are unemployed?

[English]

**Mrs. Elsie Wayne:** Mr. Speaker, a major concern of ours is that the government is going to foreign countries to buy vessels. That is what has happened to our shipyards. Ships are not being built in Canada. The government's priorities are all mixed up. It does not see the priorities.

When I asked the government why it was doing this, the reply I received from one of the ministers was that we were into high technology these days. Ship building is high technology. The government needs to take a second look. The Minister of Industry had better get his priorities straight right away and get our shipbuilders back to work.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, at the outset I would like to inform you that I will be sharing my time

### Supply

with the hon. member for Esquimalt—Juan de Fuca, one of the great ridings in western Canada.

I really hesitate to stand after the flamboyant member who just spoke. I do not have the dress for it. She had a really good seasonal costume and I am dressed so plainly I feel embarrassed standing up after her. However, we will deal with it the best that we can.

I would also like to say that I was shocked to hear the parliamentary secretary for finance say that he was surprised that we would use this supply day for this motion. I need to chide him. That is what supply is about. Supply is the granting of money from the taxpayers of the country to the government so that it can carry on with the business of the country. When we have supply days it really has to do with issues that are meant to hold the government accountable, particularly in the area of supply. For him to be shocked at this is rather surprising.

I was thinking about what to say this morning and I recall that a number of years ago one of my friends told me that I should buy some shares in a company, which I will not name here. He told me I needed to buy those shares. They were only \$6.50 and he told me to mortgage my house as they could only go up. About a month later I saw him again and told him I was glad I did not take his advice because the shares were down to \$6.20. His response was surprising. He said that if they were a good buy at \$6.50, then I should be tripping over myself running down to buy them at \$6.20 because then they were really a good buy.

I declined his advice because I did not like the direction in which those shares were going. He said it was an anomaly, that it would turn around and I could be rich if I bought \$50,000 or \$60,000 worth of shares in that company. I never had any kind of money anywhere near that, but that is how he spoke. A year later those shares were selling at \$18. I guess I missed a glorious opportunity because I did not take advice from a guy who probably knew a little more about it than I did.

Part of my speech today will be a bit of a chastisement to the government for a wasted opportunity. In fact I would call it a squandered opportunity over the last eight years. The Liberals took over when the country and in fact the world were rebounding from serious economic problems. They took over from some changes such as free trade that had been brought into place, which really helped them immensely despite the fact that when they were on the opposition side in the House they railed against free trade.

All members in the House know that our trade with our trading partners has a major positive impact on our present well-being in the country, but the Liberals were against it. Now of course every once in a while the finance minister stands up on this, and I am sure we will hear a great deal of gloating when he presents his budget speech a week from yesterday. It will be about how wonderful the government is, how it did all this stuff. I dread saying this, but I believe that it happened primarily despite the fact that the Liberals were in charge. These things happened and I think we could have done so much better. That is where the squandered opportunity comes in.

*Supply*

I want to focus on one of the parts of the motion today and that is the issue of debt. The government wastes money and has increased its spending way beyond its expectations. It is just not right to have done that. During those years of surpluses that we have had in the last four or five years, I sincerely wish that the government would have utilized more of those unexpected resources to pay down the debt.

• (1245)

There is no better time to reduce indebtedness than when one is in a good fiscal situation. That is when we should reduce the debt. We had that opportunity and the government squandered it. For the record, I am sure that the government will talk about reducing the debt and will say that it has been reduced by \$36 billion. That is true, since the peak to which the government brought it. It is down by \$36 billion.

I have said before that I regret the fact I cannot use an overhead projector to show some graphs. Perhaps members and those watching on television could picture a graph showing debt going up and up. Finally in about 1997 it levelled off and the debt started to come down. The amount of debt is still approximately \$49 billion more than when the government first took office. It is incredible that it has added all this debt. Sure, it brought the debt down in recent times but it could have done so much more.

There is another thing that comes into play here and I think it is really important. We talk about government debt and about the fact that children born nowadays have such a huge debt. I remember our former leader, the member for Calgary Southwest, using this example in his speech. He used to say that nowadays when babies are born, instead of the doctor slapping them on the back to get them to cry all the doctor does is hold them up by the heels and say "You owe us \$17,000" and the babies start crying automatically. Obviously they would start to cry. We are doing our young people a huge disservice by bringing them into the world carrying a burden of debt. The fact that our government has been passive in the last five or six years when we had an opportunity to reduce that debt load substantially is a great affront to them.

Then what do we do to our young people? We add to their debt. When they get to go to university we give them student loans galore and tell them they had better pay them back. Other people can get clear of bankruptcy proceedings in three years, but not our students. We nail them for 10 years and make sure they pay back their loans.

I am not against paying back debt, but we load them down with debt instead of arranging affairs so that they can get their education and come out, as we did in our generation, with no or little debt. They now have huge debts. Then what happens? Finally they get a job and the rate of taxation in the country is so high at all levels of government that the poor wage earner gets to keep half of what he or she earns. This is incredible. In the United States people work from January 1 to the first week in May for the government and after that their income is for themselves and their families. In Canada it is the full half-year. We have Canada Day on July 1. We should celebrate that we finally on that date have paid our taxes for the year. As a result Canadians are driven into personal debt. They are born with debt, we increase their debt while they are in school and when

they finally get a job their disposable income is so low that they drive themselves into debt.

I have picked up a few statistics and have found that we now have in Canada an average household debt of some \$53,000, compared to only \$42,000 in 1990. Because of our huge tax loads and disposable incomes that are so low, people have to borrow to live. In the end they are throwing themselves into the bankruptcy courts in huge numbers and into the tax courts in some cases. That ought not to be. Meanwhile, personal savings are down by some 70% in the last 10 years. I was intrigued to see that Canadians, in just Visa and MasterCard alone, collectively have \$110 billion dollars of debt. Why? Because they do not have disposable income.

• (1250)

In conclusion, the government must reduce the debt. That would allow the government to reduce taxes and give Canadians more take home pay. Everybody would be a lot better off.

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I listened with interest to the comments of the hon. member. I noted particularly his comments about the reduction in debt over the past few years and his view that this was a very small, modest paying down of the debt.

It strikes me that we should consider the fact that the government has paid down the debt by \$37 billion. It has reduced the debt by that much. In 1993 who in the country would have believed it? If the Liberal Party in its campaign had said it would not only balance the books, reduce the deficit and eliminate it but it would also pay down the debt by \$37 billion over the next seven or eight years, people would have laughed. They would have laughed uproariously, but in fact what has happened is exactly that.

The hon. member fails to recognize the achievement of the government in reducing the debt by that much, which is a remarkable achievement in view of the fact that to start with the government was faced with a situation of near bankruptcy, an incredibly terrible situation. It seems to me that the member is ignoring that reality.

What really interests me is the question of how the Alliance has lost its priorities. I realize that the view of Alliance members is that they should represent only their own ridings. The question is, how does a party broaden its support base if it does not reconcile the views of the rest of the country? I am not suggesting I am confident that the member is absolutely certain of what his riding's view is, but I will give him that for the moment. How does the member broaden that base if he does not reconcile the views of the rest of the country?

• (1255)

**Mr. Ken Epp:** Mr. Speaker, when I speak of debt from birth to death in this country that comprises pretty well every citizen of the country, so I am not concerned about not having that appeal to people right across the country.

*Supply*

The parliamentary secretary talks about the debt reduction. By the way, I should also take a moment here to make a correction. I think I said the debt is now \$49 billion more than when the Liberals took office. I was in error. It is just a little less than \$40 billion. It is \$39 billion, so I made a little error in my mental arithmetic on the run and my apologies for that. That does not happen often, but it did this time.

The member wants me to praise him for reducing the debt. In fact, I reluctantly do so. I am glad that the Liberals have stopped increasing it. I am glad that they did not invent more ways of spending money. They invented enough. I applaud them for at least beginning to reduce the debt.

For the parliamentary secretary to say that they ought to get a lot of credit for this is like me telling you, Mr. Speaker, or anybody else, that at Christmastime I will lose 20 pounds. What I will not say is that at the same time I will gain 30. What I will do is gain a little, lose a little, gain a little and lose a little, and the sum of my losses will be 20 pounds. I guarantee it. In total I will have gained 10 pounds because I gained 30 while I lost 20.

This is what the government has done. I pointed out that in my speech. It started at \$508 billion. First, it increased the debt by \$75 billion. Now it has reduced it by \$36 billion and it wants us to cheer. Of course we will cheer for the government reducing it to \$36 billion, but it is not even back to where it started in 1993.

It is also very important for me to say, yes, let us keep on that track. There is a lot of money that the government could have had. Rather, it chose to spend. I believe that collectively it has overshot its own spending projections. If we add up the amount by which it has overspent each budget since it has taken power, it adds up to \$20 billion or \$30 billion. That should have been used to reduce the debt.

I find it interesting that the \$36 billion by which the debt is down from its peak is exactly equal to the amount of cumulative overpayments in the EI fund. In other words, the government has managed to squander all of the other surpluses, or whatever. I do not know what the government is doing with them. In just the EI fund alone the surpluses have paid for the debt reduction and I think that is the wrong source from which to take money for that.

**Mr. Keith Martin (Esquimalt—Juan de Fuca, Canadian Alliance):** Mr. Speaker, I thank my hon. colleague from Elk Island for once again allowing me to speak and for giving an eloquent performance with constructive suggestions. I will try to be part of that if I can.

The last 10 years since the Liberal government came to power have been labelled the decade of drift for Canada. Perhaps the worst case of that is the situation with our economy. As a nation we are punching so far below our weight that we are sliding further and further down the OECD levels. This is not necessary. As a country we have much greater potential than we have been displaying.

The government has proposed a budget. The only reason it has done so is that the events of September 11 have forced it to put a budget on the table. It might be shocking for Canadians to know that while our unemployment rates have gone up and our dollar, our economy and our competitiveness with respect to other countries have been sliding, the government has been doing nothing.

This has been an era of inaction. The inaction of the government has compromised every person in the country today. The government's agenda has been focused on its polls and that is it. It does not matter what is happening in the country. The government wants to know what its polls are saying. We have seen an agenda for inaction which is the antithesis of innovation, and as a result our competitiveness has been sliding.

As a member of the Canadian Alliance I will offer some of the solutions my party has been putting forth since 1993 to get Canada back in the game, make our country competitive and move us forward. Our solutions would ensure every Canadian could share the wealth and be gainfully employed. They would ensure better social programs, put us on a sustainable footing and make Canada a stronger and better country for all.

We not only need to have balanced budgets. We need to invest in the infrastructure required to be competitive. As my colleague from Elk Island mentioned, the tax structure we have today is choking off the private sector in ways we cannot imagine. The rates are too high and payroll taxes are too high. They absolutely must be reduced. EI premiums can and must be reduced because they are being used as a tax on the private sector.

Personal taxes must decline. Above all else they hurt those in the middle and lower classes. They are the ones hurt most by the government's inaction.

We need investment in research and development. We must allow the private sector to engage in the research and development required for it to compete with countries all over the world. It cannot do that with the high tax rates we have today.

We must reform and simplify our tax system. My party has been proposing a flat tax rate for years. Why do we have the complex tax system we have today where people need a chartered accountant or CGA to do their taxes? It is not necessary. Corporate and personal taxes need to be reduced as do the innovation crushing capital tax structures we have today.

EI premiums should be reduced. CPP premiums are reaching such high levels that in the next few years they will consume 20% to 30% of people's income. The reason is that today's CPP is completely unsustainable. The government knows this full well.

When the Liberal government of the day brought in the CPP it knew full well it would be unsustainable in the future. There will come a time when the system will break apart because it cannot maintain the current structure. As a result many low income seniors will be crushed.

Members of the Liberal Party over there are shaking their heads and saying no. However the architects of the CPP could tell us then and hon. members can tell us today that the CPP is unsustainable.

### Supply

If the government does not act today to reform the CPP system, tens of thousands of innocent and impoverished low income seniors will be unnecessarily hurt. They will be thrown out on the street because they will not have the money to meet their basic needs. That crime will be on the shoulders of the Liberal government.

• (1300)

We in the Canadian Alliance Party have put forth solutions to save the CPP system so all Canadians, particularly low income seniors, can have a pension on which they can survive. Are we seeing that? No, we are not. We have a system today where rules and regulations are choking off our private sector.

I propose that for every rule and regulation the government proposes in the future two rules and regulations be removed from the books. That is what we are doing in British Columbia. The B.C. government said it would start shaving off a third of all the rules and regulations in its province. The federal government never does this. We need to remove a good chunk of the rules and regulations that are choking the private sector.

Our spending priorities should be education, infrastructure and research and development, not government programs to curry favour with the electorate. The government uses taxpayer money to buy votes and curry favour with the electorate. It takes \$10 from the taxpayer and gives \$4 back. It does this strategically to ensure it is re-elected.

The public does not buy this any more. As hon. members know, in previous times the government has been able to win over the public all over the country by virtue of giving out government largess. The public is now saying it will not give money to the government unless it spends the money wisely, which is the responsibility of any responsible government. It had better start doing it quickly.

In this decade of drift we have seen a government that accepts mediocrity and inaction. It accepts less than what we can be. It will accept a 50 cent dollar and higher unemployment rates. Why does this have to be? Why is it happening? That is the more interesting question. The reason it is happening is that we do not live in a democracy. If we think for a moment that cabinet controls what is going on in the country we are sadly mistaken.

It is not cabinet that controls what goes on. There are many fine cabinet ministers and backbench members in the government who are innovative and would like to exercise their skills, talents and abilities for the public good, but they cannot. The Prime Minister's Office tells them what to do, what to say, when to say it and how to say it. If they step out of line they know they will be turfed. They will be turfed not to the fifth row but to the sixth row if there were one. Their political careers would be over.

That is not fair. It is not only unfair to good, hardworking members on the government side and members of all political parties. It is unfair to the Canadian public. The public demands better. It demands a government that will use the best minds within its party and the House, that will find the best ideas from around the country and that will apply those ideas to the problems of the nation in a timely fashion.

All we have seen since 1993 is a government of inaction and mediocrity that is obsessed with polls and accepts less than what we

can be. On one level we can understand that. Why change when one is so high in the polls? However what is the purpose of power unless one is willing to use it for the public good? Why have it? Why be in that position unless one is willing to use the good graces of the offices one has taken over for the public good?

The Canadian public will not tolerate this much longer. As an opposition party, first as the Reform Party and then as the Alliance Party, we have for years been offering constructive solutions to deal with the big problems affecting Canadians. Members of all political parties have been doing so.

The upcoming budget pressured by the events of September 11 will demonstrate that the government has been inactive. It has been willing to sleepwalk into a recession rather than act proactively to head it off in advance. The public sees that. The opposition ranks see that.

We in my party have offered constructive solutions. The government's obligation is to take our solutions and those from its own side and act on them. If it does not act on them people will be hurt and it will be on the government's shoulders.

• (1305)

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, the member for Esquimalt—Juan de Fuca is talking nonsense. I have been a member of the government backbenches for the last eight years and I have never received a call from the PMO except to ask for my advice. I have never been told not to say anything.

I hope the member for Esquimalt—Juan de Fuca stays for my speech which will immediately follow his questions and comments because he will see an example of a government backbencher attacking government programs in order to effect change, so there is no question on this side. We are not muzzled by the Prime Minister's Office or anyone else.

Let me ask the member a question. One of the themes that has been coming through the Canadian Alliance speeches is this idea that in order to address the problem of the economic recession and to address the problem of a high government debt the only solution they seem to have is to cut taxes, but surely cutting taxes is cutting revenues which is a contradiction if we want to reduce the debt when we need revenues.

**Mr. Keith Martin:** Mr. Speaker, I will address a number of issues. The good member has made many constructive suggestions and taken his government to task, but he sits in the farthest corner of the House one possibly could imagine. That is sad because he is a hardworking member of parliament who provides many constructive suggestions in the House. My case in point is taken.

The issue of taxes is interesting. Once upon a time in the era of Brian Mulroney a government decided to lower taxes. In that brief period government revenues went up. If we lower taxes we lower the burden on the private and public sectors. Companies then have money for innovation and research and can compete and invest in their companies. Companies expand and when they expand they generate moneys. Because those moneys are taxed, albeit at a lower level, more moneys come into the public coffers.

*Supply*

The proof of the pudding is if we look at any country that has lowered its tax rates. We will find government revenues have gone up because the private sector has expanded, the economy is booming and there is a larger amount of money to tax.

High tax rates choke off the private sector and damage social programs. We need only look at the bastions of socialism in northern Europe. When they had high taxes their private sectors were compromised. When their tax rates were lower they had more government revenues and their social programs were put on higher levels.

One small point I neglected to address concerns the hardworking public service. The government needs to give the public service free reign and task it to determine how much money it is spending, where it is spending it, what its objectives are and whether it is meeting them.

It is shocking to ask government workers and bureaucrats responsible for government programs how much money they are spending, where they are spending it, what their objectives are and whether they are being met. Quite often the last questions cannot be answered. They do not know what their objectives are and often cannot answer whether they are being met.

The last part of that, and one of the government members had a great suggestion along these lines, is that we should give incentives to the public service. What if we told government workers that if they articulated and met their objectives and saved money a part of the savings would go to the workers and their bureaucracy as a reward for their good and hard work?

The workers would be able to apply their many talents and skills to the public good. Too often the hardworking and intelligent people in the public sector cannot use their talents to their maximum abilities. If we introduced an incentive program more and more of their abilities could be used for the public good. We would have a streamlined and more effective public service that could be an innovative tiger within the country.

• (1310)

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, with the one minute I have remaining I will put away the comments I wanted to make. I will instead ask the hon. member if he was aware of the comments of his colleague from Elk Island regarding tax freedom day as calculated by the Canadian Taxpayers Federation.

Does the hon. member realize there used to be a corporate tax freedom day which had to be cancelled because it got in the way of New Year's Eve celebrations? They were merging on the same hour of the same day.

**Mr. Keith Martin:** Mr. Speaker, the cold hard reality is that the corporate sector pays the bulk of taxes in the country. If we have high tax rates for the corporate sector companies will leave Canada and move to countries with lower tax rates.

What we need are fair taxes, fewer loopholes and a system that enables our private sector to compete. High tax rates kill jobs, cause unemployment and drive companies out of Canada. Low taxes do the converse.

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, I wish to share my time with the

member for Ancaster—Dundas—Flamborough—Aldershot which is probably the longest name for a riding I have ever heard.

Opposition parties in the debate today are suggesting a number of measures which we should put in our budget to be delivered in the House next week. Needless to say, it would not be a wise move on my part to try to scoop the Minister of Finance, but let me say that we have initiated one of the most consultative processes for budget making that the world has ever seen by having the finance committee of the House of Commons travel to every corner of Canada to listen to Canadians in their home towns and here in Ottawa. By doing this, the making of a budget is no longer restricted to only those who have privileged access to the inner sanctums. This is a great innovation and one which does make for democratic, productive budget making.

If what we have seen in the past is any guide as to what might be in next Monday's budget, perhaps we could look at what we have done. We have to look at where we are today in the context of a global economic slowdown and that slowdown was exacerbated by the tragic events of September 11.

We know we are in an economic downturn, but most economists are predicting that we will come out of this downturn next year, perhaps in the second half and will have good growth the year following that. We do not like this slowdown but we have had 10 years of good growth and there are economic cycles which hit us. This one unfortunately was exacerbated by the tragic events of September 11.

What measures have we taken in the past that are assisting us through this challenging period? We have managed our economy and our fiscal policy in such a way that we have kept inflationary pressures down and the Bank of Canada has been able to make major cuts in our interest rates, which is very stimulative. Today in spite of these major cuts, we see an inflation rate at 1.9%, midway in our monetary band. In addition, since we have been in surplus we have been able to make major tax cuts. In terms of personal income taxes, it is 27% and 35% for families with children.

Looking at what the government has done in terms of corporate taxes, it has made major cuts which, when they are fully implemented combined with the provinces in a couple of years, will give a company in Ontario or Alberta a top corporate tax rate of 30%. I ask members to compare that to the rates in the United States, for example, 36% in Michigan, 40% in New York and 41% in California. That is the type of competitive edge our corporations and entrepreneurs are getting. That is why we have seen profit centers for North America shift to Canada.

*Supply*

In terms of debt, we have been able to go from a high of 71% of GDP down to less than 50% today. We have made major debt paydowns of over \$35 billion which have saved the Government of Canada \$2.5 billion a year in interest costs alone.

At the same time, we have not been a one track party. We have been able to make major strategic investments in health care, innovation, research and development, and infrastructure. Look at our last infrastructure program of \$2 billion mainly for green projects and \$600 million of that going toward highway infrastructure, which will leverage to at least three times that when the provinces, municipalities and the private sector participate.

• (1315)

What type of stimulus have we created that is going to see us, and is seeing us, through these challenging times and which will help our economy with the rebound that will surely come next year?

Our tax cuts this year alone amount to a stimulus of over \$17 billion. In addition, we have made strategic investments, for example, the Canadian Foundation for Innovation; Genome Canada; the Atlantic investment partnership; increased equalization; increased transfers for health care. Those increases amount to an added \$7 billion of stimulus.

Then we look at what our monetary policy has done. The interest rate cuts that we have been able to bring about this year without causing inflation are estimated by the chief economist for Merrill Lynch Canada to have produced savings on consumer debt in Canada of \$7 billion this year and to mortgagors in Canada savings of another \$4 billion this year. When we look at the total stimulation that we have put into the economy this year, \$17 billion in tax cuts, \$7 billion in strategic investments, and accepting what Merrill Lynch said, another \$11 billion in savings to consumers and to mortgage holders, there is a stimulus of \$35 billion, well over 3% of GDP.

How have we done it? We have done it through measures which are sustainable because we are balancing, and have balanced, our budgets. We have done this by a very difficult process of controlling spending.

When we took office our spending was at 16.2% of GDP. At the end of last year it was at 11.3% of GDP. Any new expenditures we have made this year have been mainly in the areas of health care and security measures.

The budget is certainly going to be one of the most difficult the minister has ever had to make. It is much easier to have an economic blueprint when the global economy is expanding and when revenues are going up. The one thing I promise, apart from a very balanced and responsible, fiscally prudent budget, is that it will give a full, fair and realistic accounting. It will clearly spell out the steps we have taken and the steps we will take to ensure that we have a strong, prosperous future.

The tragic events of September 11 challenge all of us, but I assure everyone that the government will rise to those challenges.

• (1320)

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, when I look around at these wonderful walls in the House of Commons, all I see in printing are the words “impôt”,

which I suppose is French, and “tax” in English. That is exactly what the government has done.

Our current budget is \$173 billion, give or take a few hundred million. I would like to know what the budget was in 1993, the first budget year for the Liberal government and what the difference is. What increase in taxes and revenues has the government had since 1993? Could the secretary of state compare those two figures?

**Hon. Jim Peterson:** Mr. Speaker, when we took office in 1993, program spending was \$120 billion. That is all of the government spending, apart from interest on the debt. At the end of last year, our program spending was at \$119.3 billion, which is \$700 million lower than when we took office. This is part of the great economic success that we have had in managing our economy.

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, the secretary of state did not mention anything about EI even though it forms a part of today's opposition day motion. The opposition day motion calls for a reduction in premiums. I think the secretary of state knows that we would advocate an increase on the benefit side so that more people would be eligible.

I would like him to comment on the layoffs in the hospitality industry. In the province of Ontario, the prediction is that over 80% of all the employees in the hospitality industry in downtown Toronto will be laid off this winter and less than 15% of them will qualify for EI benefits.

Would the hon. secretary of state admit that the system is not working as it should for unemployed Canadians?

**Hon. Jim Peterson:** Mr. Speaker, in terms of the employment insurance program we have made major changes to it.

One of the most important and fundamental changes we made was that people who were working for shorter periods of time could accumulate employment insurance benefits. That is something which is going to help ease the burden for those who may lose their jobs at this particular time.

In terms of actual job losses, I am not taking credit for this but looking realistically at what has happened, one of the most exciting things that has happened since we started to put this nation's finances in order has been the huge increase in the number of jobs. Over two million new jobs have been created by the private sector here in Canada. This is critical because the best social program is a job.

The member is right in that we have seen the rates go up slightly from a low of 6.8%. The increased benefits that are available under the EI program are helpful to those people who have lost their jobs. Whenever anyone loses a job, it is the most difficult thing that anyone anywhere has to face because it does have human consequences.

The member mentioned the EI premiums. When we took office in 1993, the premiums were at \$3.07 and were heading toward \$3.30. They have come down every year since then, saving employers and contributors to that fund a total of \$6.8 billion a year. I do not take a back seat to anyone when it comes to what our government has done to cut employment insurance premiums.

• (1325)

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, the member for Esquimalt—Juan de Fuca suggested in his speech that government backbenchers were afraid to utter constructive criticisms of their own government programs. Not so. Many, many backbench MPs have constructive suggestions for the government. The member from Esquimalt when I challenged him on that suggested that I, who is well known for making constructive criticisms of government programs, was relegated to this corner of the House as some sort of punishment.

Well, I wish to reassure all members of the House of Commons that I am over in this corner of the House of Commons in order to give me more speaking room, in order to speak to the government members, to speak to the opposition members and to speak to even the Conservative members in the corner here. I consider my place in the House of Commons, the location of my seat, an honour. Now I will proceed to criticize a government program.

I really actually appreciate the opportunity this opposition motion does afford those in the House who monitor various government programs and have reservations about them. The program that most disturbs me and will be the main focus of my remarks is the non-insured health benefits program run by Health Canada for Canada's aboriginals, all those covered by the Indian Act.

This is a program that now costs the government treasury \$578 million a year. It is a program that is not mandated in legislation whatsoever. It comes out of the blue. It was inherited from the previous Conservative government and it was designed to provide Canada's aboriginal citizens with free drugs and free vision care equipment like sunglasses and eyeglasses. It was designed to give free transportation to aboriginals.

The program was introduced by the former Conservative government under Brian Mulroney. At about the same time, a couple of years after that same government brought in a bill called Bill C-31, which extended Indian status extensively. It extended it mainly to women who had married non-Indians and had moved off the reserve. Consequently over the last 15 years there has been a tremendous expansion of people who qualify as aboriginals for the various programs that exist for aboriginals. This applies to the non-insured health benefits program, so what we have is a program that began costing the government a couple of hundred million, has risen exponentially and now costs \$578 million a year.

The difficulty is it is a program that is based exclusively on race. It is not based on the economic disadvantage of individuals. It is not based on whether they are on reserve or off reserve. It is not based on income. One of the problems is that an untold amount of money in that program is going to people who have their Indian cards who are taking advantage of the program and have no need to take advantage of the program.

### *Supply*

I know of at least one instance where the individual is earning about \$300,000 a year and yet he qualifies for the program. That is a very extreme example, but in Canada's urban centres there are literally tens of thousands of individuals who qualify for the free drugs which run into seven million prescriptions a year. There are stories where they go out and their kids can get free sunglasses and so on and so forth.

This is a classic case where parliament needs to intervene and draw parameters around this program focusing on people who are in need rather than simply on race. I would suggest that the savings could be a couple of hundred million dollars.

• (1330)

We have heard a lot from the other side on how in this time of recession we should be doing everything we can to cut spending and lower taxes, but I submit that we have not had a lot of constructive suggestions. I would suggest that if the government were to come into the non-insured health benefits program, put it under legislation finally and make it income relevant as it should be directed to those in need, there would be a tremendous saving and I think there would be a tremendous benefit to the people involved as well.

The other program that I am very critical of that I wish the finance minister would pay attention to is in the context of Canada's national debt. The member for Elk Island spoke considerably on this. My disappointment is that it is certainly true we have reduced the debt by \$36 billion, but looking at the public accounts and looking at the report of the auditor general we could have reduced that debt by another \$7 billion. We can still reduce it by \$3 billion or \$4 billion just like that. The way is to take the money back from the foundations, the nine foundations that were set up with government funds to undertake various programs.

For instance, there is about \$3 billion locked up in the Canada foundation for innovation. I have no problem with the idea behind this foundation, which is to try to improve Canada's technological competitiveness, but it is an evasion of public responsibility when taxpayer dollars are given to an arm's length organization that then invests it. Rather than having a foundation invest taxpayer dollars, it should have been reduced from the debt because what you have, Mr. Speaker, is \$7 billion in various investments in these arm's length foundations that would actually, if the money had been held back until needed, have reduced the debt by some \$7 billion.

I think the finance department and the finance minister should examine the whole philosophy about setting up things like the millennium scholarship fund which is another one of these foundations that accounts for \$2.4 billion. The millennium scholarship fund is an excellent program. I think it is excellent but it should be a charge as you go, not as a charge to the future. The final difficulty, Mr. Speaker, is of course if you put the money out to foundations and they invest it of course they become susceptible to what happens in the markets.

*Supply*

I have the annual report before me of the Canada foundation for innovation, but I regret I cannot get enough information from it to determine whether the billion or so dollars that it invested in various market instruments had gained or lost money. That is precisely the point: if it had been a debt reduction it would have meant that the Government of Canada would not be borrowing.

You see what happens, Mr. Speaker. By giving it to an arm's length foundation, \$7 billion to a foundation, it means the government has to continue to borrow. I do not think this is acceptable, but I think \$7 billion is a worthy saving.

I thank you, Mr. Speaker, and I thank members of the opposition for giving me the opportunity to suggest to the government these two areas that I think it could address. I know it is too late for the budget remarks that are coming up very shortly, but to me it is parliament that is responsible for spending taxpayer money. It is parliament that should be accountable. I deplore situations where there is a \$578 million program that is not legislated by parliament that is dispensing that amount of money. I deplore also where we offload our responsibilities to arm's length organizations when we should keep the money for our own purposes to keep the debt down and pay for these programs as we go.

• (1335)

**Hon. Ethel Blondin-Andrew (Secretary of State (Children and Youth), Lib.):** Mr. Speaker, I would like to get some background information from my hon. colleague who takes great pride in the position he takes on many issues, some of which are controversial and sometimes unfounded.

I would like the hon. member to correct the assumption regarding these agreements with card carrying aboriginal people like myself. Many of them pay taxes, have always paid taxes and have not had the benefit of a status card. I was adopted and lost my status card because the family that adopted me was not status. I paid my way through university. I paid for everything and I have never reclaimed those expenses. Those arrangements are treaty arrangements. I would like my colleague to speak to that.

There is an assumption or at least an intonation that aboriginal people are irresponsible or the government is irresponsible in having struck those agreements. I have no issue with accountability, but I have an issue with the way in which this is expressed. It makes a target out of aboriginal people and I would like him to set correctly the historical basis on which these agreements, programs and services were put in place.

**Mr. John Bryden:** Mr. Speaker, why the secretary of state actually defends the point. She makes \$132,000 plus, and she is entirely eligible to have her drugs free and to have whatever is available in the non-insured health benefits program. I grant she may not do it. As a matter of fact I am sure she does not do it but there are many people in urban settings who do.

The program was never ever designed for people in urban communities. It was intended for aboriginals, Indians on reserves. It was primarily a program not based on and it was never intended in my view to be simply based on race. All I am suggesting is that the program should be re-examined. It should be an object of legislation and should be focused on those in need.

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, it is refreshing to hear some real debate in the House coming from the government side. I would encourage more of it.

Dealing with today's Canadian Alliance supply day motion, we hear members of the Liberal Party, the NDP in particular, the Bloc, and of course the PC/DR, say that the Canadian Alliance wants to cut this, cut that and cut spending. That is what say. That is what they are putting across. Let us examine the facts. They may not want to hear this but let us look at the facts.

We are saying precisely that the government should look at the existing budget and where it can reallocate moneys from to put into areas of higher priority spending. I have to refer to the supply day motion itself which states precisely that in the opinion of the House, the upcoming budget should reallocate—and I will say that again, reallocate—financial resources from wasteful low and falling priorities into higher need areas. That is exactly what the motion is today. It then goes on to talk about examples. The examples given of course are not all inclusive. We are talking about the whole range of federal government programs and initiatives as to where to reallocate from within the existing budget.

Earlier I asked the secretary of state about government budgets. I think he gave me an answer to the effect that the government actually takes in less money now than it did in 1993. I will have to go over *Hansard* to see just how he figured that out. My understanding is that this year it is a \$173 billion budget. I know for sure that is not what it was in 1993.

Mr. Speaker, I will be sharing my 20 minutes with the hon. member for Surrey Central.

I would like to deal with another issue that came up today, that of agriculture. Agriculture is absolutely vital to the country. It is a major part of our economy. I point out that of Canada's top five industries, one of them is agriculture. It accounts for about 8.5% of the GDP. Between \$95 billion and \$105 billion is generated by the agriculture industry which employs approximately two million Canadians. It is very much a part of today's supply day debate.

I would like to talk about what the Canadian Alliance has done since the 2000 election in regard to this major part of our economy and what the government should be looking at in terms of reallocating resources from other low priority areas into agriculture.

As I go over this, members will see there was a Canadian Alliance votable supply day motion where we asked all parties including the government to vote to give an additional \$400 million to Canadian farmers. That motion was defeated. That was part of the Canadian Alliance initiative of reallocating resources from lower priority areas. Agriculture, as evidenced by that, is one of our high priority areas. We talk about agriculture.

*Supply*

The New Democrats are probably the worst ones for trying to compare themselves to others. I know that they have additional speakers coming up and I will give them something to use for comparison.

On December 13, 2000, the first day that Alliance MPs were back in Ottawa, our leader along with myself and other agriculture critics sent a letter to the Prime Minister demanding help for farmers before Christmas of that year.

• (1340)

January 31 was the first question period for this session of parliament. We asked questions regarding an immediate cash injection for farmers during that first question period. Our leader was the first opposition leader to ask questions on agriculture in the House of Commons after the federal election. Where was the NDP leader at that time when it came to asking questions?

Since the opening of the 37th Parliament, which we are in right now, we have delivered over 100 statements and questions on agriculture in the House. Agriculture is one of the top five issues the Canadian Alliance has raised since coming here after the election in November 2000.

Our questions in the House have ranged over the whole area of agriculture topics. Of course, agriculture being an economic force in the country, they all had to do with this very supply day motion. We have spoken about and debated the ongoing farm income crisis. This includes improvements to the safety nets. We have suggested ideas with regard to NISA. There is the need for an additional \$500 million. Of course our caucus voted for our finance critic to actually advance this as one of the areas for reallocation of moneys from lower priority areas in today's debate.

The Liberal backdoor attempts to circumvent supply management tariffs is another issue we have raised in question period. All of this is in *Hansard*.

We have raised the foot and mouth crisis. We have also raised the drought issue which was very predominant across the country but particularly in southern Saskatchewan and Alberta where absolutely nothing grew when there was no rain. We have supported the organic farmers.

We have noted also that there is Liberal hypocrisy in delivering help to large companies fighting foreign subsidies, like Bombardier, but at the same time ignoring agriculture. We have noted the impact on farmers of the cruelty to animals legislation if it passes this House. I can only encourage all members to oppose this cruelty to animals legislation at this time.

We have raised the U.S. ban on P.E.I. potatoes, which is still hurting those farmers in Prince Edward Island. It has never been satisfactorily resolved by the government. We have also noted the U.S. charges against our multibillion dollar tomato industry.

Once again, these are issues that we in the Canadian Alliance have raised time after time. They deal with hard economic issues. There is increased wealth to the country by bringing in foreign currency as a result of the exports of not only tomatoes but potatoes, beef and all other kinds of agricultural exports.

We raised the politics of the ban on Brazilian beef, the politics of the Liberal government fighting an economic battle for another sector of the economy, specifically the airline industry. In fact it caused problems in the agriculture sector in order to help what I guess it felt was a higher priority.

There is the ineffectiveness of the Pest Management Regulatory Agency. We raised that in the House just the other day. That again is an economic factor which will impact very negatively on agriculture and Canadians as a whole if something is not done about it. It also impacts, as the health minister should know but does not seem to, on the environment. If his agency were operating properly, we would have new, safer pesticides and chemicals coming on stream and we would get rid of the old ones which are more toxic. What do we have? Inaction.

In addition to all of those things, on September 27 we sponsored an emergency debate on farm incomes. Through the use of a concurrence motion, I forced another agriculture debate on November 1.

Therefore, my question for the Liberals, the Conservatives, the NDP, the Bloc, for everyone in the House is, who has done more for agriculture than the Canadian Alliance?

• (1345)

**Mr. Loyola Hearn (St. John's West, PC/DR):** Mr. Speaker, I will not argue with the member on the point but I think *Hansard* will show who has done more for agriculture.

Does the member think that a properly focused budget which puts money into our primary resources such as agriculture and the fisheries not only would help those industries but would also create a tremendous number of good, solid jobs?

**Mr. Howard Hilstrom:** Mr. Speaker, when we look at some of the government spending that is non-productive, to say the least, certainly that spending could go into agriculture and would really increase the productivity of the country.

Our dollar is down to 62 or 63 cents which is a direct result of the wasteful spending identified in the motion, wasteful spending that does not generate wealth for the country. That is exactly what we are talking about, that is, using the resources of the country to make us all wealthier, not poorer.

*Supply*

•(1350)

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, an organization called Ducks Unlimited has been meeting with members of parliament in Ottawa. It has a proposal that would give farmers the option of converting marginal farmland into areas reserved for birds and waterfowl. There would be compensation associated with that. As I understand it, the program has worked quite well in the United States. It deals with the very serious problem of marginal farmland. Farmers would have the option of being compensated. They would take the land out of production and put those resources into more productive farmland.

Would the member for Selkirk—Interlake and his party support that proposal? I would appreciate his comments.

**Mr. Howard Hilstrom:** Mr. Speaker, that proposal came to the agriculture committee from Ducks Unlimited. We are in the process of examining it from a party position. We do not have a party position on it at this time. It was deceptive in that Ducks Unlimited made its presentation without any mention whatsoever that Ducks Unlimited, the agriculture minister and Samy Watson had been working on this project for quite some time. It was as if it was something out of the blue.

I made a request in the agriculture committee today. It is time the government came forward and told Canadian farmers and all of us what the five year plan is all about. We found out a little dribble about Ducks Unlimited the other day. It is time the agriculture minister came clean and told us what the big five year plan is. He already has released little details about it involving approximately 1.4 million acres of land being set aside, all of it expected to be in Saskatchewan with a few dribbles outside. What about all those people in Saskatchewan if there is a plan to sow Saskatchewan down to grass and have no production coming off it?

The final point I would make about that since we are debating this particular issue now is that when it comes to a private American corporation like Ducks Unlimited, we do not want to see its name on the land title, the caveat or agreement with a farmer on land set aside. We are not against the scheme of setting land aside but we certainly are against Ducks Unlimited having its name on the land title and on the caveat.

We would agree to the Government of Canada having its name on a land title but we certainly would not allow a big American corporation to have its name on it.

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, the hon. member did not spend much time on article (d) of the opposition day motion which deals with EI. He is from the same province I am from. The cutbacks to EI have had a dramatic impact on our province, maybe more of an impact in the inner city riding that I represent.

Is the member aware that in my riding alone the cutbacks to EI cost \$20.8 million per year? Under the current rules, 1,400 fewer people are eligible than would be under the old rules. I would ask him to try and keep in mind that if a new business with a payroll of \$20 million a year wanted to come to a riding, we would be very pleased and would pave the streets with gold to invite the company in.

Rather than bringing down the premiums as is contemplated in article (d), would the member not see the logic in increasing the eligibility so more people would be eligible for the benefits?

**Mr. Howard Hilstrom:** Mr. Speaker, our employment insurance program must be available for workers but it cannot be available to the point where it becomes a disincentive to work. We are concerned with what the NDP is proposing. The benefits would be so high that people would not go to work. We know in Ontario and many parts of the country that foreign workers are brought in because we cannot get Canadian workers to do the jobs.

That is the case in our slaughterhouse plants, our greenhouses in southern Ontario and our vegetable fields in Manitoba. We want to ensure that the employment insurance program does not pay excess benefits.

•(1355)

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Mr. Speaker, I thank the hon. member for Selkirk—Interlake for allowing me to share his time. I am pleased to rise on behalf of my constituents of Surrey Central to take part in the debate on the supply day motion put forward by the Canadian Alliance regarding economic issues and the upcoming budget. Pressure from the Canadian Alliance finally scared this lame duck government from its apathy and moved it to table a budget 22 months after the last one.

Canadians are concerned that this budget will be politically motivated and be similar to the Liberal pre-election mini budget. It is shameful that rather than solving the needs of Canadians and setting the right priorities, this budget will serve the needs of Liberal leadership hopefuls in the underground campaign for the leadership. This form of patronage by stealth should not be a surprise to Canadians since time after time the government has shown that it has a habit of rewarding its friends with taxpayer dollars.

The Canadian Alliance motion asks the government to address a number of vital measures in next week's budget. We are calling on the finance minister to reallocate resources from low priority spending areas into higher priority spending areas; to reverse unbudgeted spending increases to a maximum growth rate of inflation plus population, which is approximately 3%; to increase national security and defence spending by \$3 billion; to reduce employment insurance premiums by at least 15 cents for next year; to continue reducing premiums until the break-even point is reached; to enhance job creation by eliminating capital tax over three years beginning with a 25% cut this year; to sell non-core government assets; and to use the proceeds to accelerate debt reduction. The motion appreciates and strikes a balance between the current and future needs of Canadians.

Canada is in a recession and the weak Liberal government is asleep. It sleepwalked into a recession and stumbled blindly into this situation. Our leader and finance critic tried many times in vain to awaken Liberal members but they refused to be awakened. The finance minister is a mere spectator and unable to influence Canada's economic performance at this time. The government took over a month to make the announcement of an upcoming budget after the events of September 11.

The weak government's priorities have been wrong. The government cut the CSIS budget by \$50 million which is about 20% and in real terms a massive \$76 million or 28% since 1993. It cut defence spending by \$1.6 billion or 14% and in real terms a massive \$2.9 billion or 23% since 1993. The same story continues with the RCMP budget, the immigration budget and the customs budget. The government—

**The Speaker:** I regret to interrupt the hon. member but following question period when debate on this matter resumes he will have six and a half minutes remaining in the time allotted for him to complete his remarks.

\* \* \*

[Translation]

#### AUDITOR GENERAL OF CANADA

**The Speaker:** I have the honour to lay upon the table the report of the Auditor General of Canada for the year 2001.

[English]

Pursuant to Standing Order 108(3)(e) this document is deemed to have been permanently referred to the Standing Committee on Public Accounts.

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## STATEMENTS BY MEMBERS

[Translation]

### EMPLOYMENT

**Mr. Denis Paradis (Brome—Missisquoi, Lib.):** Mr. Speaker, in Magog last week I took part in a press conference, which reported on the performance of the Mission compétence project made possible through the Youth Internship Canada program.

A great program and a great success. Eighty per cent of young people who took part in the Mission compétence program kept their job after the internship or found another job in the same field.

Thanks to these internships, young graduates with a bachelor's or master's degree got work experience and benefited from the expertise of the firms involved in order to make a successful integration into the labour market.

I wish to congratulate the Magog-Orford Chamber of Commerce and Industry on its considerable involvement in this project, along with the Carrefour Jeunesse Emploi Memphrémagog.

This important success reminds us of the importance and strength of partnership. When employers, regional organizations and governments work together, the result is often success.

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• (1400)

[English]

### NATIONAL SECURITY

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, our foreign affairs minister recently told the foreign affairs committee that the idea of a North American security perimeter was simplistic. He was right, but only in the sense that we need to have

*S. O. 31*

much more than a security perimeter to keep Canadians safe and the Canada-U.S. border open to trade. In other words, a North American security perimeter is necessary but it is not sufficient.

This hard reality seems to be lost on the Liberals. What more evidence do they need? We had the bracing attacks of September 11, reports of planned attacks on Montreal's Jewish community, the slowing pace of trade at the Canada-U.S. border and now U.S. military patrols along what was the longest undefended border in the world.

This Liberal reluctance is nothing more than anti-Americanism dressed up as nationalism, and a cheap nationalism it is. Canada is a great country but its greatness is not defined by how often we set out to tweak the nose of the Americans. We should embrace, without apology, a North American security perimeter because it is good for Canadians and all North Americans.

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### RICHARD DITZEL JONES

**Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.):** Mr. Speaker, last Sunday Dr. Reverend Richard Ditzel Jones, chaplain emeritus of the Toronto Police Association, passed away at the age of 94. A respected member of our community, Reverend Jones was a founding member of the Canadian Council of Christians and Jews.

He was also a master fundraiser for a host of charities and will be forever remembered as a close personal confidant to countless members of our police force. Among his friends could be counted former prime ministers St. Laurent, Diefenbaker and Pearson, as well as Dr. Martin Luther King.

He was made an officer of the Order of Canada in 1972 for his work in fostering better relations among Canadians of different backgrounds. Reverend Jones enriched our community in many ways. We were indeed blessed to have had a person like Reverend Jones provide such a stellar example of dedication, caring and commitment.

While he will be truly missed his good works will continue to live on in all of us who knew him well. I know all members of the House join me in extending our sincere condolences to the family of Reverend Jones and his countless friends.

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### AGRICULTURE

**Mr. Wayne Easter (Malpeque, Lib.):** Mr. Speaker, I take this opportunity to congratulate George Webster, a potato producer from Middleton, P.E.I., for being the first recipient of the Canadian agrifood award of excellence for environmental stewardship.

George and his brother in co-operation with a local environmental group opened the Maple Plains agro-environmental demonstration site in August 2000 on their respective family farms. The farm is a working potato operation that features soil conservation structures, enhanced wetlands, grassed waterways with filtering systems and enhanced riparian zones.

*S. O. 31*

The work George has undertaken demonstrates that farming in an environmentally responsible manner can integrate successfully into the natural ecosystem. Having met with George this past weekend, he is not stopping there. He is working with farmers and others toward an Atlantic sustainable resource centre to build on ideas for the future. We congratulate George and the Webster family.

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#### AIR CANADA

**Mr. Joe McGuire (Egmont, Lib.):** Mr. Speaker, we have a problem in the country. The lack of airline competition is hurting all Canadians. It appears corporate greed has allowed Air Canada to make some poor business decisions.

It swallowed up competition so it could control the sky, but all that resulted in was escalating debt, limited consumer choice, loss of jobs, decreases in flights, escalating prices and very upset passengers.

As soon as any regional or discount airline starts to make a profit, Air Canada steps in and undercuts the competition, even driving some into bankruptcy. Once the competition is gone Air Canada cuts routes and increases prices.

Most recently it appears Air Canada has set its sights on WestJet. By introducing its discount airline, Tango, Air Canada is trying to cut WestJet out of the picture. We all know about Tango in eastern Canada. For years we have had Tango service and high prices. Let us bring back competition.

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#### PERSONS WITH DISABILITIES

**Mr. Reed Elley (Nanaimo—Cowichan, Canadian Alliance):** Mr. Speaker, this week we place special emphasis on disabled persons in society. Everyday thousands of Canadians face the day with great courage in a world that is not particularly friendly to them.

They struggle to get into buildings which still do not have wheelchair ramps. They work and play in facilities which still do not have washrooms for the handicapped. They face discrimination when they apply for jobs and if they get them they are often the brunt of prejudice in the form of sick humour and rude remarks from some of their workmates.

They come under attack by advocates of a philosophy which would condone the acts of a Robert Latimer in his right to end the life of his disabled daughter.

Why do I know these things to be true? It is because my wife and I are parents to Jill, our very physically challenged 10 year old daughter. She has given us so much, broadened our horizons as parents and brought much joy to our lives with her courage and her humour in spite of her difficulties. Jill keeps us thankful, hopeful and humble.

I have learned not to take the disabled for granted. We are called to be their friends, their protectors, their advocates and their partners in this journey called life. We are in this together and we can all be richer for it.

● (1405)

[*Translation*]

#### DAIRY INDUSTRY

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Mr. Speaker, the Canadian dairy industry has just won an important victory.

The WTO has reversed a decision made earlier this year by a special panel of that body which, as the result of a complaint by the United States and New Zealand, held that Canada was subsidizing its dairy exports.

This decision, according to some, posed a long term threat to the entire system of supply management so dear to agriculture.

The Minister for International Trade and Liberal member for Papineau—Saint-Denis had no qualms about calling this a victory, saying “This decision is very favourable to Canada, which will be able to continue exporting its dairy products”.

I thank the dairy industry and the producers and processors who joined with the Government of Canada in presenting a solid case and bringing about this success.

I thank them for their work.

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#### WATER CONTAMINATION

**Mr. Ghislain Fournier (Manicouagan, BQ):** Mr. Speaker, three years ago, the Minister of Transport admitted that his department was responsible for contaminating the water table in the beaches area of Sept-Îles. He promised that he himself would ensure that his department would repair the damage and find a permanent solution to the problem of drinking water.

For three years now, families in the beaches area must drink bottled water and use it for bathing their children. This is absurd in the year 2001. Furthermore, these citizens have formed a committee to put pressure on the minister.

A few weeks ago, members of the Sept-Îles city council voted unanimously in favour of demanding \$2.5 million from the Minister of Transport for expenses incurred in correcting the situation. We are still awaiting an answer from the minister.

The minister must resolve this urgent situation. The health of families in the area is at stake.

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[*English*]

#### LARRY MCCANN

**Ms. Sarmite Bulte (Parkdale—High Park, Lib.):** Mr. Speaker, yesterday afternoon Her Excellency Governor General Adrienne Clarkson hosted the Royal Canadian Geographical Society's Massey Medal award ceremony. I ask the House to join me in congratulating this year's recipient, Dr. Larry McCann.

Dr. McCann is a University of Victoria geographer. His work on Canadian urban and industrial landscapes is second to none. He has published widely on family economies in industrializing societies and on the historical geography of Canadian cities.

The Massey Medal is Canada's highest geographical honour. I am proud to congratulate Dr. McCann.

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#### INTERNATIONAL AID

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, in the post-September 11 world there is growing consensus that Canada must do more to promote broad based economic growth and the alleviation of suffering in the developing world. Today the Canadian Alliance is calling on the Minister for International Cooperation to launch a new international development white paper process to address Canada's approach.

CIDA has only had marginal success. It has been subject to criticism by the auditor general and subject to Liberal political interference, the last being CIDA funds going to the minister's campaign workers.

Parliament needs to debate key issues on Canada's approach such as tied aid, crisis response, economic growth, charity support and country selection. The launch of this process would ensure transparency and accountability for Canadians.

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#### JIM COUTTS

**Ms. Albina Guarnieri (Mississauga East, Lib.):** Mr. Speaker, today a great Liberal who made an indelible contribution to the success of the Pearson and Trudeau governments will be honoured with the Order of Canada.

Nanton born Jim Coutts was principal secretary to Prime Minister Trudeau during the years that defined our Liberal concept of social justice. In the time that I worked for Jim in 1983 and 1984 he demonstrated a genuine connection with the struggles of people trying to get a foothold in the country and become contributors to the economy.

His personal efforts and many charitable pursuits evidenced that the public policies he propelled were motivated by human concerns more than politics. In his book *A Canada that works for everyone: changing the way we look at our future*, he wrote in 1984:

There is an opportunity this year to examine two of our most fundamental national concerns: How to make the economic pie bigger and how to divide a bigger pie more fairly.

These goals defined his political party and continue to resonate today.

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● (1410)

#### AGRICULTURE

**Mrs. Bev Desjarlais (Churchill, NDP):** Mr. Speaker, the Liberal agriculture minister has not been upfront with residents of the Carrot River valley.

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Before the last election, the minister agreed to work with the provincial and municipal governments on the Carrot River water pipeline project. This would bring water to residents of the Rural Municipality of Kelsey, the Opaskwayak Cree Nation and local farmers who need it to diversify.

Agriculture Canada assured the province and the rural municipality that it would share the cost of the pipeline, but once the federal election was over it left the community high and dry with a half finished pipeline.

A letter the agriculture minister sent to the reeve on September 4 states:

—resources are not available beyond what has already been committed to the project.

We have since learned that this was not the case. Agriculture Canada has at least \$75 million in farm aid funds it made inaccessible to farmers.

With millions in his kitty, the minister cannot say resources are not available. The truth is that he is hoarding this money while farm after farm goes under. Farmers in the Carrot River valley have started diversifying like the minister said they should, only to find the federal Liberal government will not cover its one-third share.

On behalf of my constituents, I call on the agriculture minister to honour his commitment and help finish the Carrot River water pipeline.

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[Translation]

#### HIV-AIDS

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, in order to pay tribute to the exceptional contribution made in recent years by individuals who have helped in the fight against AIDS, the Fondation Farha held its second annual "Hommage aux héros" on November 29 in Montreal. This event, coming just before World AIDS Day on December 1, underscored the extraordinary devotion and efforts of some remarkable people who deserve public recognition.

Ten persons were awarded the title of hero of 2001 at this evening ceremony, which I had the pleasure of attending.

One of those honoured was Lyse Pinault, a friend who, until very recently, was one of my closest collaborators. Lyse is a woman of great commitment who wants to get things moving, and does. I congratulate and thank her.

I would also like to take this opportunity to mention the wonderful work being done by the Fondation Farha, which helps men, women and children living with HIV/AIDS.

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[English]

#### TERRORISM

**Mr. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, the Prime Minister correctly characterized the terrorist assaults on Israel this past weekend as a "monstrous taking of innocent life".

### Oral Questions

Indeed, they are a clear violation of United Nations international law principles that terrorism, from whatever quarter, for whatever purpose, is unacceptable and that it is prohibited to facilitate, support or perpetrate acts of terrorism. On the contrary, it is the responsibility of governments to bring terrorists to justice.

Accordingly, whether Arafat is a partner for peace or a participant in terror will be determined by his own response to the following verification measures for counterterrorism.

Will Arafat and the Palestinian Authority: first, cease and desist from government sanctioned incitement to terror and violence against civilians?; second, disarm and dismantle the terrorist infrastructure that enjoys base and sanctuary within the jurisdiction of the Palestinian Authority itself?; third, cease and desist from aiding and abetting acts of terror?; fourth, declare Hamas, Islamic Jihad and the Popular Front for the Liberation of Palestine, organizations that publicly seek Israel's destruction and commit terrorist acts to that end, to be terrorist organizations?; and finally, will Arafat and the Palestinian Authority bring to justice—

**The Speaker:** The hon. member for Dauphin—Swan River.

\* \* \*

### IMMIGRATION

**Mr. Inky Mark (Dauphin—Swan River, PC/DR):** Mr. Speaker, today the auditor general in her report to parliament repeats what has been said for many years about immigration, that is, the government's lack of attention to the report.

Section 12.70 states:

In 1997 we recommended that Citizenship and Immigration Canada review the mechanisms used in applying the eligibility criteria set out in the Immigration Act.

For undocumented claims, the report states that:

Under Bill C-11, the decision on eligibility must be made within three working days—

Why does Bill C-42 propose changes to the 72 hour requirement?

The auditor general is having a difficult time assessing this recommendation of Bill C-11.

The auditor general also found that the safe third country provision made in the 1997 report was totally ignored by the government. So much for listening to the Auditor General of Canada.

\* \* \*

● (1415)

### TERRORISM

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, this past weekend the entire world learned of the horror visited upon innocent Israeli civilians by suicide bombers. Over 20 youths were killed and some 200 others were injured.

These acts of terror must cease. The deliberate targeting of civilians, whether they are Israelis, Americans or citizens of any other country, can only be qualified as an act of terror. The fact that they are carried out in the name of Palestinians' right to a free, autonomous state can in no way justify or even explain the use of terror against Israeli citizens.

[Translation]

Yasser Arafat and the Palestinian authority must now work resolutely to bring these terrorists to justice.

The Palestinian authority and other countries in the Middle East that have allowed these terrorist groups to spread their hatred of Israel must stop supporting this hateful cause.

Canadians deplore these acts of terror. I would offer my profound condolences to the families—

**The Speaker:** Order, please. The hon. Leader of the Opposition.

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## ORAL QUESTION PERIOD

[English]

### NATIONAL DEFENCE

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, if Canadians have been wondering why the armed forces budget has been cut so much over the last few years, the answer was given to us today by the auditor general. In her report, she states of the minister's national defence policy that:

—management decided to reduce the readiness level of Canadian Forces... because...the international situation no longer warranted high levels of readiness.

If ever there was a case of ministerial irresponsibility, it is here.

The report also says that pre-September 11, \$1.3 billion was needed to help the armed forces.

Since the Prime Minister is writing the budget, will he write in at least \$2 billion on the line for the armed forces?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, there will be a budget in less than a week from now, so we have to wait.

It is always very interesting that when we come to the House of Commons, there is not one day when the Alliance Party does not ask for spending of \$1 billion or \$2 billion or \$3 billion. It is very interesting.

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, the auditor general's report also shows clearly that the fiscal capacity is there, but there is a big if for this. The if has to be that the Liberals have to be willing to move from wasteful spending and low priority spending to high priority spending. The auditor general lists hundreds of millions of dollars of waste.

Does the Prime Minister have the will, and will we see it, to move from low priority, wasteful spending to high priority spending? It can be done within the capacity of the budget. We need to see \$2 billion. Will he write it in? He is writing the budget. Will he write that in?

*Oral Questions*

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, from 1993 we cut a lot of spending in the government, more than any other government. When we formed the government in the year of 1993-94, the spending by the previous administration, excluding payments on interest, was \$121 billion. We reduced it to \$101 billion.

There is not one day that the opposition is not asking us to spend more money on health care, more money on defence, more money on everything. Of course we do not because we are very responsible.

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**TERRORISM**

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, the Prime Minister cut more than other governments and he cut it in health care to the provinces.

In Halifax yesterday the Prime Minister said that he did not support acts of terrorism, but we cannot get him or the government to come out very clearly against Yasser Arafat, asking Mr. Arafat to denounce all terrorism, including from his own Al-Fatah organization, to come out very clearly to stand shoulder to shoulder beside Israel and say that we will support whatever actions it takes to defend itself. Will he say that clearly?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I deplore it, and I said right after the incident on Saturday that these acts of terrorism by those who committed suicide are completely unacceptable. Of course Israel at the time had the right to respond to that kind of attack. That is what we always say. That is what we repeat all the time.

The escalation in violence will not result in a solution to the problem. They were very close to a solution a year ago. They should go back and try to resolve the problems that are left. More violence will not result in a peace process acceptable in the area.

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● (1420)

**HEATING FUEL REBATE**

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, the auditor general said today that the heating fuel rebate that was announced two days before the last election was a fiscal boondoggle. We all know it was a blatant vote getting exercise.

It was announced two days before the last election, but today we found out how much we lost: \$500 million dollars was sent to people who did not need it, including high income people.

Will the finance minister apologize for wasting 500 million tax dollars on this blatant, vote getting exercise?

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, when we instituted this program we put in place two criteria. First, it had to be targeted to low and modest income Canadians who were going to need it the most, and second, it had to be timely. There was no point in people getting a cheque in July when their heating costs had spiked so high in January. That is why we chose the most cost effective program for doing this, one which had the best chance of delivering that help and that relief to low and modest income Canadians.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, if it was targeted for low income people the target was missed by a mile. Ninety thousand middle and high income people got the cheques, \$500 million worth, but many low income Canadians did not get anything, including aboriginal people. Some 1,600 prisoners, 7,500 dead people and 4,000 people not even living in Canada got these cheques.

Does the finance minister believe that paying out money to prisoners and dead people is a good way to spend tax dollars?

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, first, the question dealing with prisoners was corrected last July. Let me admit this: anomalies have been identified and 0.2% of the cheques were anomalous, were not going to the people they should have.

That means that 99.8% of the cheques went to the people who needed them the most. Sure there were anomalies, but it was a darn good program.

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[Translation]

**MIDDLE EAST**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the current escalation of violence in the Middle East is distressing. The attacks on Haifa and Jerusalem claimed by Hamas, and the attacks by the Israeli army against the facilities of the Palestinian authority are creating innocent victims.

The situation has grown so bitter so quickly that all hope of peace is now lost in this region of the world already so badly hit by war. As the explosion of violence currently wracking Israel and Palestine could well affect the whole region, Canada and the rest of the international community must act.

Could the Prime Minister tell us how his government will intervene to promote peace in the Middle East?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, as I said a few minutes ago, the escalation of violence will lead absolutely nowhere. I hope these people will consider that the only way to have peace is to return to the negotiating table.

I hope chairman Arafat will put pressure on those using violence to attack Israel—Hamas—so they will stop doing so and he may return to the negotiating table.

A year ago, a solution was in sight, but it was dropped. Canada is asking the parties to return in good faith to the negotiating table—

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

*Oral Questions*

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the head of the European Union has said, and I quote “—the destabilization of the Palestinian authority will not help put a stop to the cycle of violence in the Middle East”.

The French Minister of Foreign Affairs has said that it would be a fatal error to go after the Palestinian authority.

To avoid playing into the hands of Hamas and the Hezbollah, will Canada too say that, in the current context, the Palestinian authority—and I stress this point—which must assume its responsibilities in connection with security, remains the only party Israel talks to in order to re-establish peace in the Middle East one day?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, as I have just said, at this point, the only authority in Palestine is the Arafat government. There is no other.

We are not the ones choosing the governments. But I hope that Mr. Arafat will exert pressure within Palestine so that the violence stops and there is no further escalation by either side and that they return quickly to the table to come up with a fair and equitable solution establishing clearly that two countries can exist in that region with mutually respected borders.

● (1425)

**Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ):** Mr. Speaker, the situation in the Middle East requires more than just wishful thinking. It requires extraordinary efforts by the various international stakeholders in order to find a lasting solution to a constantly deteriorating situation.

Given the current unprecedented escalation of violence in the Middle East, can the Prime Minister tell us whether he intends to take advantage of Canada's status as head of the task force on Palestinian refugees to bring influence to bear on the Palestinian Authority in order to get it to assume its full responsibilities for promoting peace in that region?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have done just that on several occasions. Last year, I was the first Prime Minister of Canada to visit that part of the world.

I had the opportunity to speak with all those involved and to encourage them to seek a peaceful solution to this very longstanding problem.

Obviously, the Canadian officials dealing with refugees are busy every day trying to improve the refugees' situation. We expend every possible effort on meeting this responsibility.

**Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ):** Mr. Speaker, the violence in the Middle East is a threat not only to the balance in that region, but worldwide.

Could the government not use its preferential position as a signatory to a free trade agreement with Israel to intervene with its trade partner to advance some lasting solutions to the conflict?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, I believe the Prime Minister has been very clear.

As much as we call upon chairman Arafat to do his part, we also of course understand what a terrible affront last weekend's attack was for Israel.

The Government of Canada is also calling upon Israel to do its part and to ensure that its response is measured and within the law.

[English]

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, my question is for the Prime Minister. Yesterday the government condemned terrorist attacks on Israeli civilians, and rightly so. Now we have Ariel Sharon spilling the blood of Palestinian civilians and terrified, innocent children.

Before these dangerous and disturbing developments escalate further, will the government condemn attacks on innocent civilians, all civilians, regardless of the aggressor, and will it show some leadership and call for an emergency session of the UN security council?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have said that the attack last Saturday night by a suicide bomber on peaceful people in the street, young people of whom 160 were either killed or seriously injured, was an act of horror that was completely contemptible and should be condemned by everyone.

It is natural when something like that is done, the one who was attacked will respond. It is the nature of the situation. It is why we are urging them to stop this problem of—

**The Speaker:** The hon. member for Halifax.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, sometimes it seems as though the government is playing into the hands of the terrorists. The government is pummeling civil liberties, ignoring racial hatred, acquiescing on the militarization of our borders, equivocating on the escalating Middle East violence, and it cannot even assure us that Canadian materials and technology are not in terrorist hands. How do these actions defeat terrorism? Does this not allow the terrorists to win?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, we have trade relations with both Israel and Palestine. We are not giving them any instruments for violence. They know Canada's position very well. We condemn violence all the time. If people are attacked, it is natural that they respond. If there is no attack by one, there will be no response by the other. Only common sense will prevail. They have to stop the violence and try to find a peaceful solution.

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● (1430)

**PUBLIC WORKS AND GOVERNMENT SERVICES**

**Right Hon. Joe Clark (Calgary Centre, PC/DR):** Mr. Speaker, the Prime Minister is steadily building a secret government beyond the control of parliament. Bill C-42 lets ministers make secret regulations that limit the rights of citizens while bypassing parliament. The auditor general today reports that the notorious Downsview Park Inc. earned \$19 million selling a federal asset without the knowledge or approval of parliament.

*Oral Questions*

Will the Prime Minister take a tiny step away from secrecy and make the Downsview corporation subject to the same access to information laws that apply to most other crown corporations?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, Downsview Park Inc. is subject to all the laws and rules as all other corporations. The department reports to parliament through Canada Lands Company Ltd. Therefore, everything is on the table and before parliament.

[Translation]

**Right Hon. Joe Clark (Calgary Centre, PC/DR):** Mr. Speaker, the auditor general reports that the Department of Public Works is, and I quote, “the contracting authority for the largest number and value of service contracts. In most instances, such contracts are not subject to review—”.

Most of these contracts are not even awarded through a bidding process. This is an open invitation to patronage.

As a first measure to ensure transparency, will the government accept the auditor general's recommendation that Treasury Board demand internal audits for this type of contracts?

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, our contracting policy is very clear. It is respected by all departments, including Public Works Canada, to ensure transparency in the awarding of all government contracts to outside suppliers.

\* \* \*

[English]

#### GOVERNMENT GRANTS AND CONTRIBUTIONS

**Mr. John Williams (St. Albert, Canadian Alliance):** Mr. Speaker, after the HRDC billion dollar boondoggle, we would have thought that the government would have cleaned up its act but it has not.

The Minister of Health approves grant programs with no authorization. The Minister of National Revenue is handing out grant money in Quebec without proper documentation. The Minister of Canadian Heritage still does not need an application for her to approve a grant.

My question is for the President of the Treasury Board. Do her new rules on grants and contributions mean anything or were they just some nice words to get the government out of a tight corner?

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, the hon. member forgot to also say that the auditor general recognized that we have gone a long way in revising all our policies. I think she agreed with the fact that we have a new transfer payment policy, the right framework, an audit policy and a program evaluation policy, and now we are on the way to implementing them across government.

I think everyone can be confident that taxpayer money is really well spent in our country.

**Mr. John Williams (St. Albert, Canadian Alliance):** Mr. Speaker, the Minister of Industry has ACOA in his pocket and has been asking his officials to work both sides of the fence.

The auditor general says ACOA officials set up a not for profit organization, filled out an application for \$1.9 million and sent it to themselves for approval. The money is for sand dunes in the riding of the solicitor general. This is a blatant conflict of interest by Department of Industry officials and a minister who should know better.

Does the minister condone this behaviour or can we expect more of the same from him in the future?

**Hon. Robert Thibault (Minister of State (Atlantic Canada Opportunities Agency), Lib.):** Mr. Speaker, the member typifies incorrectly the project. ACOA participated in the design, fabrication and installation of interpretation facilities within a great tourism facility in P.E.I., which is part of the priorities of the province and the community for economic development.

[Translation]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, the auditor general did not pull any punches in her report this morning to the federal government. She noted significant shortcomings in the management of grants and contributions in all departments.

How can the federal government claim to have made all the necessary efforts to manage taxpayers' money better when a review of the facts reveals that a large portion of the \$16 billion in grants and contributions is badly managed and badly used?

• (1435)

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, I think that it is very clear that the auditor general recognized that important and significant steps have been taken in the management of all of this government's programs, including our new grants and contributions transfer policy and our new internal audit and program evaluation policy. She recognizes these positive steps.

We must now ensure that this is well entrenched throughout all government departments.

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, the auditor general also says, and I quote “Where expected results are stated only vaguely, where risks are unassessed, project assessments incomplete, or performance unmeasured, management cannot be confident that [the programs] are achieving value for money.”

Has the attitude of the Prime Minister, who has always played down the management scandal at the Department of Human Resources Development, not sent a signal to all his ministers and officials that he will back them up however they manage?

*Oral Questions*

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, the opposition member seems to forget that what happened at the Department of Human Resources Development was brought to the attention of the public by the responsible minister herself.

This was done after an internal audit exercise. This proves that there is an internal audit policy and that an action plan was implemented. This is what the government does each time: it improves its services.

\* \* \*

[English]

**NATIONAL DEFENCE**

**Mr. Leon Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, in today's report the auditor general says that the statement by the Minister of Defence that we are equipped and ready for war "should be taken with a grain of salt". The Prime Minister's boast in Edmonton that the troops are equipped and ready is without substance. The auditor general says that the Sea Kings cannot fly, that Hercules missions are down 36% but maintenance is up 26%.

My question for the minister is: Who is wrong? The auditor general or the minister who claims that our military is equipped and ready for war.

**Hon. Art Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, the hon. member forgot the correct option and that is that he is wrong. He continues to distort the facts.

Whenever the Canadian forces have been called upon they have been there to do the job. They are combat capable. That is not just something being said by the government. It is something being said by the military leadership in the country. Whenever they have been called upon, they have been there to carry the Canadian flag and do honour to the country.

**Mr. Leon Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, our men and women serving in the forces have done so in spite of the government and the minister cutting back on their budget and equipment. The auditor general also said that there was a conscious decision to decrease equipment readiness because the international situation no longer warranted high states of readiness and because the money simply was not there. That is what the auditor general said.

September 11 has showed how the government gets caught with its pants down and leaves Canadians exposed. Will the minister finally do the right thing, stand up for our troops, stand up for Canadian security and commit at least \$2 billion per year to the budget for the Canadian military and pay the extra costs of war on top of that?

**Hon. Art Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, the hon. member needs a better joke writer.

**An hon. member:** The hon. member is a joke.

**Hon. Art Eggleton:** He still has it wrong. We are investing money. We have invested \$3 billion over the last three budgets. We have put additional money in the last year in the supplementary estimates and in other funds that were allocated to make up for the

need for resources. All of our readiness levels post-September 11 have been reviewed and changes are being made.

\* \* \*

[Translation]

**HUMAN RESOURCES DEVELOPMENT CANADA**

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, in the aftermath of the scandal at Human Resources Development Canada, the auditor general called for the department to assess its programs against nine specific criteria.

How can the Minister of Human Resources Development explain to the general public listening to us today that her department has never, according to the auditor general herself, used more than two of those nine proposed criteria, and what is more has applied them to its own choice of programs? This is just one more scandal to cover up a previous one.

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, it really should be no surprise that I welcome the report of the auditor general because today what she indicated was that the department has indeed made good on its commitments.

We indicated that we could do a better job in managing our grants and contributions. We committed to ensuring we did do a better job. Today the auditor general has said quite clearly that she is very pleased at the undertakings.

• (1440)

[Translation]

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, the minister's six point plan covers only the period after 1999. Yet this government has been responsible for mismanagement at HRDC since 1993, or six years prior to the proposed corrective plan.

Why is the minister refusing to cast light on the mismanagement of public funds during that six year long blackout period, a period during which her government wasted the money of the taxpayers listening to us today? Why?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I do not know where the hon. member was last year, but we certainly made it absolutely clear that we felt we could do a better job at administering our grants and contributions. We provided 10,000 pages of detailed information to every member in the House. We have been working tirelessly to implement a strategy of improvements that the auditor general says today are precisely the kinds of mechanisms that were needed in the department.

## CANADA CUSTOMS AND REVENUE AGENCY

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, yesterday the minister in charge of customs said in the House that the government is striving “to keep the border open through greater reliance on technology”.

Could the minister tell the House what measures have in fact been put in place to reflect this, or is his idea of reliance on technology high tech U.S. helicopters?

**Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.):** Mr. Speaker, the decision taken by the United States to put national guards at the border is, as far as I am concerned, normal considering the fact that on the Canadian side we have more customs officers by far.

Let us take, for example, the fact that we have more than 2,000 customs officers on our side. The Americans have something like 1,000. Therefore, to give those customs officers, who have been working hard since September 11, a hand is just normal.

Having said that, we on this side of the House have said that we want to make sure that we keep the border open to trade and that we use more technology to proceed with a much better risk assessment. Indeed, this is what we will do. I have been talking with the secretary treasurer, as have my colleagues. It is going well. We will—

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

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, I would like to congratulate those customs officials who have been working so hard on behalf of Canadians to protect Canadians where this minister has failed, especially to provide the technology required.

The revenue minister talks a lot about technology at our borders and how changes in Bill S-23 would improve security, yet the auditor general says that the technology is inadequate.

How can the minister stand in this House and say that he is using technology to protect Canadians when the auditor general says that it just will not do the job?

**Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.):** Mr. Speaker, in her report, the auditor general said that when she had a look at the customs action plan we were indeed going in the right direction.

Speaking about the customs officers who have been working hard since September 11, of course I believe we should thank all the Canadian customs officers who have been working hard to protect our society.

Speaking about technology, Nexus is fantastic technology. The customs self assessment, which we will announce shortly, is fantastic technology as well. The Canpass at airports, which we would like to announce shortly, is fantastic technology. We are moving ahead in the right direction.

## Oral Questions

[Translation]

## DAIRY INDUSTRY

**Mr. Claude Duplain (Portneuf, Lib.):** Mr. Speaker, on Monday, the appellate body of the World Trade Organization reached the decision that the United States and New Zealand had not successfully proved that Canada's dairy product export mechanisms were contrary to the WTO rules.

Can the minister tell the House what this decision means for Canadian dairy product exporters?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, we are of course all very pleased with yesterday's WTO decision on Canadian dairy products.

I wish to thank all the stakeholders with whom we worked very closely on this: the industry, the provinces, Quebec in particular, the staff of the various departments involved, including Agriculture Canada. This is the first time in WTO history that a ruling has been overturned on appeal.

The sceptics notwithstanding, we persevered. We worked from beginning to end, defending our case doggedly and with the greatest attention to detail. As a result, our dairy producers will be able to continue to export.

\* \* \*

[English]

## EMPLOYMENT INSURANCE

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, more than 8,000 employees from the tourism and hospitality industry in Toronto will lose their jobs as a result of the fallout of the September 11 disaster. Of those employees being laid off, 80% will not receive unemployment benefits.

My question is for the Minister of Human Resources Development. At this time I want an honest answer and no blah, blah, blah. Will the minister modify the employment insurance program so these employees can qualify and receive their share of a program that they have paid into?

● (1445)

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I do not understand blah, blah, blah.

Let me reiterate for the hon. member that it is precisely because of the approach of this government, a balanced approach of continuing to reduce premiums and expand the benefits to Canadians, that we have a program which is there to serve Canadians when they need it.

I would remind the hon. member that in Bill C-2 we repealed the intensity regulation, something for which he and his party asked. We made changes to the clawback rule, something for which he and his party asked. We have doubled parental benefits, and that is very good for Canadian families.

*Oral Questions***CANADA-U.S. RELATIONS**

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, yesterday we had various announcements about how we were strengthening the Canada-U.S. border. However we have heard nothing from the Minister of National Revenue in terms of permanent positions and permanent solutions. In fact, did we get any assurance at all of any new personnel from the U.S. side or the Canadian side, or any new technology?

**Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.):** Mr. Speaker, I really do not know where the hon. member was over the past few months.

We announced last year, last June and a few weeks ago more human resources for the customs organization. This will take place at the beginning of next year.

At the same time, along with my colleagues, the solicitor general and the Minister of Transport, we have announced more technology for airports and international seaports.

We are moving in the right direction. As I said earlier, for commercial shipments we will announce shortly what we—

**The Speaker:** The hon. member for New Brunswick Southwest.

\* \* \*

**AUDITOR GENERAL'S REPORT**

**Mr. Greg Thompson (New Brunswick Southwest, PC/DR):** Mr. Speaker, where I live there is a translation for blah, blah, blah, but they are two words that I probably should not use in the House.

My question is for the minister responsible for the treasury board. Why does the minister not consent to mandatory annual audits? Is the word mandatory foreign in her vocabulary? That is all we are asking for. She can talk around the subject but what we are demanding are mandatory annual audits. Will she insist on that?

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, in this government, managers are responsible for the management of their departments and for their internal audits. According to our new policy, they are obliged to have an audit committee in their own departments.

As the auditor general has said, we have a good framework. Now we must make sure it is implemented, which is why treasury board will actively monitor that policy in all departments of the government.

**Mr. Greg Thompson (New Brunswick Southwest, PC/DR):** Mr. Speaker, a short translation would be blah, blah, blah.

Specifically, I look at the health minister's department as an example. There is a contract in his department for \$2 million. He knows the terms and conditions of that contract were never met yet the contractor was paid. Is this the type of process that the minister has faith in? Could the Minister of Health not use that \$2 million for real health care in this country?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, Health Canada was gratified that the auditor general said that we have a good process in place to manage our programs; that we have

well-established management processes; and that we have clear program guidelines. We are very encouraged by that but we also agree that we can do better. We are grateful to the auditor general for the very constructive advice she has given.

We intend to improve the way we manage our programs and do a better job in the future, building on the good advice we receive from the auditor general.

\* \* \*

**TERRORISM**

**Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance):** Mr. Speaker, when it comes to standing up to terrorists the government lacks spine. It insists on giving tax preferred status to agencies of the notorious terrorist organization Hamas which claimed credit this past weekend for the horrible atrocities that killed 26 innocent Israeli civilians. This organization has one stated purpose and that is to destroy Israel and to eliminate Jews.

When will the government stand up, grow some spine and take a real stand against terrorism by outlawing Hamas fundraising in this country?

● (1450)

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, this government condemns all acts of terrorism and any organization that supports terrorists. That is why we have added the military wing of Hamas, as the British have done, to the list of people and groups in Canada whose assets are frozen. When we make the decision to add a group to the list we look at a number of factors. We look at intelligence information, foreign issues and a number of other factors. In this case, all these procedures were followed.

**Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance):** Mr. Speaker, the minister does not have a clue on many things and certainly not on this issue. He does not have a clue which arm of Hamas gets donations from Canadians. He does not know that. He splits hairs but Hamas does not split hairs. It does not separate its warmongering arm from its fundraising arm. It lumps them under one umbrella dedicated to the death of Jews and the eradication of Israel.

Canadians support peaceful solutions. It is clear that Hamas does not. The government's spinelessness is tiresome and embarrassing to Canadians.

Will the Prime Minister stand up and say that he will take immediate steps to eliminate Hamas fundraising—

**The Speaker:** The hon. solicitor general.

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, I will not respond to the first inconsiderate remarks that my hon. colleague made. For sure I will not.

As I said, we condemn all acts of terrorism. We have added the military wing of Hamas, as the British government has done.

\* \* \*

[Translation]

### HEALTH

**Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ):** Mr. Speaker, the federal government's mismanagement clearly shows what we have been saying in the House for years, namely that federal spending cuts are not the result of a better management of resources, but of cuts in transfers to the provinces, particularly for health care.

Does the Prime Minister realize that his government is wasting public money by mismanaging its funding programs, and that it balances its budget by constantly reducing the federal contribution to health, as Ontario Premier Mike Harris clearly showed last week?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, this is not true. We increased transfers to the provinces considerably. We set a new record high in transfers for health and social services.

Fourteen months ago, the Premier of Quebec signed an agreement with the Government of Canada in which we increased transfers by \$21 billion for the next five years. This is very significant.

**Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ):** Mr. Speaker, the minister may say whatever he wants, the figures unquestionably say otherwise.

In Quebec, in 1967, the federal government was contributing 50 cents for each dollar spent on health. In 2000, the federal contribution had gone down to more or less 13 cents for each dollar. In Ontario, according to Mike Harris, the federal contribution went from 50 cents for each dollar in 1976 to 17 cents today.

If this is not backing out of funding for health, what is it?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, again, the hon. member is wrong. He completely ignored tax points.

The reality is that the Government of Canada is paying one third of health costs in Quebec and elsewhere in Canada. This is a huge contribution on the part of the federal government.

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[English]

### CORRECTIONAL SERVICE CANADA

**Mr. Kevin Sorenson (Crowfoot, Canadian Alliance):** Mr. Speaker, Clinton Suzack is a heartless killer who showed absolutely no mercy when he shot constable Joe MacDonald execution style. The government has repeatedly put his comfort and well-being ahead of the safety and security of all law-abiding Canadians.

It is time for the government to get serious about dangerous offenders or we will continue to hear parole horror stories like what happened with Suzack.

When will the solicitor general listen to the pleas of police officers and victims groups across Canada and return Clinton Suzack to a maximum security penitentiary where he belongs?

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, as I have said many times to my hon. colleague,

### Oral Questions

when individuals are convicted of a crime in this country, they are sentenced and placed in a maximum security institution where they are evaluated. They serve their time, and if they are in a maximum, medium or minimum security institution that is done by Correctional Service Canada.

We have one of the most efficient correctional services in this country.

• (1455)

**Mr. Kevin Sorenson (Crowfoot, Canadian Alliance):** Mr. Speaker, everyone, except the solicitor general and Correctional Service Canada, says that he should be in a maximum penitentiary. Canadians are absolutely fed up with the velvet touch treatment the inmates receive.

Correctional Service Canada moved Suzack from one club fed to another medium security penitentiary.

Correctional Service Canada wasted \$16,000 of taxpayer money only to find out that prisoners end up vetoing the new correctional officers' uniforms because they looked too authoritarian.

The solicitor general is responsible. He is responsible for corrections in this country. I ask him today, when will he listen and put the safety of law-abiding—

**The Speaker:** The hon. solicitor general.

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, public safety is always the number one issue.

I believe if my hon. colleague took a trip through a medium security institution he would find that it is not a very pleasant place to spend time.

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### POVERTY

**Mr. David Price (Compton—Stanstead, Lib.):** Mr. Speaker, last week the Secretary of State for Latin America and Africa attended the annual meeting of the Inter-American Institute for Cooperation on Agriculture.

Could the secretary of state please inform the House of the outcome of that meeting?

**Hon. David Kilgour (Secretary of State (Latin America and Africa), Lib.):** Mr. Speaker, 177 million people are living below the poverty line in this hemisphere, half of them in rural parts of the hemisphere.

We elected an outstanding Barbadian, Dr. Chelston Brathwaite, as the new executive director. With Canada's help we can now begin to deal with the appalling problems of rural poverty in this hemisphere.

*Oral Questions***SOFTWOOD LUMBER**

**Mr. John Duncan (Vancouver Island North, Canadian Alliance):** Mr. Speaker, the minister is following the error strewn path of 1995 in the current softwood lumber talks.

First, he has encouraged the provinces to table various proposals which up the ante.

Second, he has allowed months of Canadian proposals with no demand for U.S. proposals in return.

Third, he is undermining Canada's bargaining position by creating expectations for a December agreement.

Why is the minister following the bad bargaining handbook on softwood lumber?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, the Alliance Party is probably the only one that is not supporting the strategy our government has been proposing. Whether I am in British Columbia, Alberta, Ontario or Quebec, I hear the same thing from governments and industry: that the federal government is providing the sort of leadership that is helping very much.

When I talked with the U.S. secretary of commerce, Don Evans, last week, I was very clear. I told him exactly what I have been telling Bob Zoellick, which is that it is time for the Americans to say what they need for us to continue the discussions in which the provinces have done a great job.

**Mr. John Duncan (Vancouver Island North, Canadian Alliance):** Mr. Speaker, the minister sees what he wants to see. The minister has talked about having the Americans put their cards on the table. Everyone knows one should not play poker if the other guy has all the wild cards.

Canadian representatives have been talking for months at the softwood lumber discussions while the U.S. is scheduled to make its first proposal on December 12.

Why is the minister saying that there can be an agreement or parameters for an agreement in December when months of talks have been completely one-sided?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, the Alliance critic should follow the daily news because yesterday I was talking about January. It was the top news all over the country that we were talking about some evolution of the files.

I have always said that we hope the progress we are witnessing now will lead us to the parameters of a framework for an agreement before Christmas. It would be nice for our communities to get some hope that we are on the right track, which we know we are. We know the governments of British Columbia, Alberta and Quebec supported us. We want progress. I am pleased they are united.

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[Translation]

**GUARANTEED INCOME SUPPLEMENT**

**Mr. Marcel Gagnon (Champlain, BQ):** Mr. Speaker, this morning the Standing Committee on Human Resources strongly criticized the government for doing nothing since 1993 for the more

than 270,000 seniors entitled to a guaranteed supplement but deprived of it through government inertia.

Will the Minister of Human Resources Development, who has known of the situation for nearly eight years, now, promise that the many seniors needing the guaranteed income supplement will get it retroactively in its entirety?

• (1500)

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I welcome the report of the Standing Committee on Human Resources on this important piece of the Canadian pension program, the guaranteed income supplement. I will review it in detail and respond in a timely fashion to the committee.

I want the hon. member and the House to know that we have already taken action to ensure Canadians have the information they need to apply for the GIS. We are increasing our outreach strategies with local voluntary organizations. Along with my colleague, the Minister of National Revenue, we are ensuring that Canadian seniors have access to the information so those who are eligible for the GIS get the important benefits.

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**HEALTH CARE**

**Mr. Bryon Wilfert (Oak Ridges, Lib.):** Mr. Speaker, I am sure we were all surprised to see the government of Ontario ads about health care spending in today's newspapers. Could the Minister of Health comment on the approach and content of these ads using taxpayer dollars?

**Hon. Allan Rock (Minister of Health, Lib.):** Mr. Speaker, Mike Harris always picks health care last. He chose tax cuts over health care and now he is once again engaged in cheap ads against the federal government instead of health care.

The million dollars he is spending this week on newspaper and TV ads could have brought down waiting lists and bought needed equipment. Instead, he publishes ads that are wrong and untrue.

The Government of Canada contributes one-third to health care spending in Ontario, not 18 cents on the dollar. We gave him \$400 million for medical equipment but he has never told Ontario how he spent that. We put \$213 million on the table for primary care reform and he has not yet put forward one proposal.

## WAYS AND MEANS

### NOTICE OF MOTION

**Hon. Jim Peterson (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, pursuant to Standing Order 83(1) I wish to table a notice of ways and means motion to introduce an act respecting the taxation of spirits, wine and tobacco and to implement increases in tobacco taxes and changes to the treatment of ships' stores. I am also tabling explanatory notes and draft regulations. I ask that an order of the day be designated for consideration of these important, timely and excellent measures.

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[English]

## PRIVILEGE

### STANDING COMMITTEE ON PROCEDURE AND HOUSE AFFAIRS— SPEAKER'S RULING

**The Speaker:** I am now prepared to rule on the question of privilege raised by the hon. Parliamentary Secretary to the Prime Minister on Thursday, November 29, alleging that the leader of the official opposition divulged the findings, proceedings and evidence of the Standing Committee on Procedure and House Affairs before that committee had presented its report.

[Translation]

I would like to thank the parliamentary secretary for having raised this matter. I would also like to thank the House leader of the official opposition, the House leader of the New Democratic Party and the hon. member for Peterborough, chairman of the Standing Committee on Procedure and House Affairs, for their contributions on this question.

The Parliamentary Secretary to the Prime Minister claimed that, during the debate on third reading of Bill C-36 on Wednesday, November 28, 2001, the Leader of the Official Opposition had breached the privileges of the House and contravened our practices by making reference to the proceedings of the procedure and house affairs committee before that committee had presented its report to the House.

The report in question, which was presented on November 29, 2001, dealt with a question of privilege related to the premature release to the media of the contents of Bill C-36, an act to amend the Criminal Code, the Official Secrets Act, the Canada Evidence Act, the Proceeds of Crime (Money Laundering) Act and other acts, and to enact measures respecting the registration of charities in order to combat terrorism.

[English]

The parliamentary secretary complained of the references made by the Leader of the Opposition to the proceedings of the committee and especially to his revealing the conclusion of the report. He was critical as well of the hon. Leader of the Opposition's comments on the work of the committee.

I have carefully reviewed the report of the committee as well as the minutes and evidence of its public meetings on the order of reference concerning Bill C-36. I can find nothing in the report to

## Points of Order

which the hon. Leader of the Opposition may be claimed to have referred that is not also available in the committee's public proceedings.

In particular, the conclusion of the report that no contempt had been found also forms the subject of a motion debated in public session, adopted by the committee at its meeting of November 22 and recorded in the official minutes of that meeting.

Therefore, since there has been no disclosure of in camera proceedings it is my ruling that there is no breach of privilege in this case.

However the parliamentary secretary in bringing this matter to the attention of the House also indicated that the remarks made by the hon. Leader of the Opposition transgressed against the usual practices of the House with respect to proceedings in committee. He referred to *House of Commons Procedure and Practice*, page 885, which states:

It is not in order for Members to allude to committee proceedings or evidence in the House until the committee has presented its report to the House.

The passage continues:

This restriction applies both to references made by Members in debate and during Oral Question Period.

The hon. member for Peterborough as chair of the procedure committee has explained that the presentation of the report was delayed until November 29 at the express request of the official opposition. Furthermore, the opposition House leader in speaking on this point has acknowledged that the Leader of the Opposition based his remarks on the public proceedings of the committee's meeting of November 22.

The House has a longstanding rule against referring to proceedings in committee until the committee itself reports back to the House. In this instance the Leader of the Opposition took upon himself the right to discuss those proceedings before the chair had presented the committee report. It is regrettable that the hon. Leader of the Opposition should have ignored usual House practice in this way and I would invite him to be more prudent in future.

It is our practice that committees may report their own findings in their own time without fear of having that role usurped by other members. It is my intention to see that this practice is upheld until such time as the House may decide otherwise. I remind all hon. members that it greatly assists the House and the Speaker when members exercise proper care in choosing their remarks.

\* \* \*

● (1505)

[English]

## POINTS OF ORDER

### ORAL QUESTION PERIOD

**Mr. Leon Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, I rise on a point of order as a result of an unfortunate incident that took place during question period today.

### Supply

While the Minister of National Defence was responding to a question from me, it was clearly heard on the microphone and should be in *Hansard* that the Minister of Natural Resources and Minister responsible for the Canadian Wheat Board made a very disparaging comment about me.

I would like to put the matter to rest by having the minister apologize for the comment. That would end the matter.

**The Speaker:** The Chair did not hear a remark that I recall which was disparaging so I am afraid the Chair is unable to assist the hon. member at this point. I will examine the blues and get back to the House should that be necessary.

#### APPROPRIATIONS BILL

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC/DR):** Mr. Speaker, I rise on a point of order concerning the content of the appropriations bill that would enact the contents of Supplementary Estimates (A)

I draw the attention of the House to Vote 36a under Foreign Affairs and International Trade in the amount of \$2 million. The explanation in the estimates is: "Payments to compensate for the transferred liabilities to the corporation from the government in respect of export development employees who have contributed to the public service death benefits account".

At the moment there is no statutory basis for this transfer. The transfer would be authorized by what now exists as Bill C-31, which passed the House on October 30. Alas, Bill C-31 has not yet completed its metamorphosis from a bill into the full majesty of statute.

The bill was sent to the Senate, but it would appear the Senate has not yet passed the bill. It would be inappropriate for the House to include vote 36a in the appropriations bill since at the moment there is no other legislative authority to transfer the funds to the EDC. Nor can the House assume that Bill C-31 will be passed by both houses in the form in which it was passed by the House of Commons. Presumably there is still an opportunity for amendments to occur in the other place.

You will be more familiar than most, Mr. Speaker, with the statement of Speaker Jerome on March 22, 1977, when he stated that a supply item ought not be used to obtain authority which is the proper subject of legislation.

The House has already indicated through its passage of Bill C-31 that the transfer is in its view the proper subject of legislation, but the draft legislation has not yet been passed by both houses of Parliament. I therefore reluctantly invite the Speaker to strike this item from the appropriations bill.

• (1510)

**The Speaker:** I must say I appreciate the hon. member's vigilance in examining the bill with such care. It is one of the advantages of circulating the bill in advance. I know that the Chair will want to take this matter under very serious consideration and of course reflect upon the hon. member's horror at finding this kind of provision in a supply bill.

We will look at the matter and get back to the House, I hope later this afternoon before the bill comes to a vote at 5.30 p.m. under our

rules. I thank the hon. member for Pictou—Antigonish—Guysborough for his diligence.

## GOVERNMENT ORDERS

[English]

### SUPPLY

#### ALLOTTED DAY—UPCOMING BUDGET OF MINISTER OF FINANCE

The House resumed consideration of the motion and of the amendment.

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Mr. Speaker, when speaking to the debate on the Canadian Alliance motion before question period, I was talking about the government having to set the right priorities. The government must reallocate spending to national security from low priority areas such as corporate welfare, Canadian Heritage, regional development and the CBC, to the high priority areas like national security, the RCMP, CSIS and so on. Protection of Canadian sovereignty and safety has not been a government priority.

The tax and spend Liberals are back to their old tricks now. They have overshot budget spending promises by \$40 billion since 1997. Each year, March madness spending averages \$2.6 billion. With the lowest interest rates in 40 years, a prudent fiscal policy can contribute to economic recovery. Accelerating tax cuts can provide the stimulus to bolster consumer, business and investor confidence in the Canadian economy.

Recently I was in Hong Kong where I talked with members of the Canadian chamber of commerce. Investors say that punitive EI premiums and capital taxes, a tax on innovation, are a drag on the Canadian economy. Canada and its economy can no longer afford that.

Unlike the government, the Canadian Alliance feels that government waste is a problem which seriously threatens Canada's short term economic potential. The government has continued to pour hard earned Canadian tax dollars down the drain of failed regional development programs and corporate welfare for its Liberal friends. At the same time it has blamed the provinces for the crisis facing health care, education and so on, and for deteriorating transportation infrastructure.

The truth is that the government has failed to provide adequate transfers to the provinces to meet the needs of Canadians. Mike Harris is the latest provincial premier to take the federal Liberals to task regarding how they are starving Canadians of the services they have come to expect. While our provinces are crying out for more money to fund their programs, the government's priorities continue to be badly misplaced. It is all a question of priorities.

The weak Liberals are stuck in an old fashioned tax and spend mindset. As well, they do not address the other less visible drags on our economy such as wasteful spending. Under a Canadian Alliance government, the discussion we would be facing today would have to do with the reallocation of existing spending into priority areas that protect Canada's future.

Canada has continued to slip under the Liberals. The Canadian dollar has fallen 14 cents since 1993. That is a 20% drop in our currency. Our labour productivity relative to that of the U.S. has fallen by 7% since 1993. According to the OECD, Canada's standard of living currently ranks seventh while Ireland now ranks fifth, up from 19th position in 1996. We are going down the road in the wrong direction.

We have the highest corporate income tax rate in the OECD, over 42%. We have the highest personal income taxes in the G-7 countries, over 21% higher than the U.S. Today Canadians are only about 70% as well off as their neighbours to the south. While other countries race ahead, Canada is getting left behind in the global race in almost all major categories.

The Liberals have failed to improve our economic competitiveness. They have failed to spur investment and job growth. They have failed to improve our standard of living since they took office in 1993.

The government is not helping matters by maintaining personal tax levels and corporate taxes which are over 42%, the highest level in the OECD countries.

• (1515)

These are just the explicit taxes which show up directly on the books as costs of doing business.

The Fraser Institute highlighted another hidden tax in the form of the exorbitant compliance costs to the tune of \$103 billion which Canadian businesses face in terms of regulatory burden. As a member of the Standing Joint Committee on Scrutiny of Regulations and with my business background, I understand the cumulative effect of the vast expanse of federal regulations affecting Canada's business community's ability to compete in today's global climate. These companies could have used most of this \$103 billion to finance innovation or research and development instead of dealing with government red tape.

The Canadian Federation of Independent Business, the Canadian manufacturers and exporters, the Fraser Institute and others have highlighted the need for regulatory reform. Many provinces have formulated red tape commissions and have effectively pursued red tape reduction, but the issue is not even on the radar screen of the federal Liberals.

While talking about the economic priorities of the government, I should highlight the messed up priorities in the following areas: infrastructure and highways; transportation and traffic congestion which the government has ignored; mismanagement of resources, including minerals, oil and gas, softwood lumber, fisheries and agriculture; the development of industry, technology and skilful labour. Those are some of the priorities the government has missed. There are more but I believe my time for debate is over.

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, I congratulate my hon. colleague for his excellent discourse on the business of supply and the official opposition motion. The motion is most pertinent as we are expecting a budget in about a week's time.

### *Supply*

Unfortunately the Minister of Finance has been completely unaccountable to Canadians. We have not seen a budget in this place for almost two years, which is unacceptable in any democracy. I am glad the official opposition is taking the finances of the country seriously, unlike the government.

I would like my hon. colleague to comment specifically in an area where the government usually likes to take credit. When times are good the minister boasts about how the government has done so much to stimulate the economy, how growth is happening, how things are very positive. Yet, when things start to go downhill, especially as we are seeing currently with the country in a recession, the minister is nowhere to be seen to take responsibility on the chin for the government's fiscal policy and how it has led the country into recession.

My hon. colleague spoke about the idea of moving priorities from low areas to high areas. Maybe he could expand on that and give the government some lessons on how it could stimulate the economy during this Liberal-led recession.

• (1520)

**Mr. Gurmant Grewal:** Mr. Speaker, the hon. member for Edmonton—Strathcona, my seatmate, has asked an excellent question. He is absolutely right. We talk about government accountability but the weak, arrogant Liberal government, a lame duck government, lacks accountability.

The government has completely lacked the responsibility to present a budget in the House for 22 months which shows that setting the right priorities is not a priority for the government. It says it is not a priority. That is why it has not tabled a budget for 22 months. It has been operating without a budget for 22 months.

The economy is going downhill. The minister is held responsible for that but he is not showing any interest in sharing the responsibility for the downturn in the economy. I believe there is political background behind that. He is being touted as a potential candidate for the Liberal leadership and he does not want to take the blame for the economy. He does not want to share the responsibility which is rightly placed on him. He should speak to the motion and should be present in the House to highlight the importance of this issue and the federal priorities.

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, the member for Surrey Central made reference to the premier of Ontario which provoked me as I sat here in my chair.

Coming from British Columbia perhaps he would not be fully aware of what is going on in Ontario. The premier of Ontario is trying to resolve his personal affairs and maybe not too successfully so he is taking some last parting shots. Maybe he will come to the House and take on the leadership of the crew on the other side.

He is taking shots at the federal government about health care. Maybe it is fed bashing at its finest but I am amazed at what the premier of Ontario can say. He cut taxes that will cost his government \$18 billion per year by the year 2006. That is fine if he wants to cut taxes but he should not then shirk responsibilities and try to park the problems at the seat of the federal government.

*Supply*

Last year he signed an accord for \$21 billion that would put \$21 billion, and \$8 billion into Ontario over the next five years for health care. Ontario's last budget put \$1.2 billion into health care of which \$1.1 billion was federal government money.

Is the member aware of what is going on in Ontario? Would he address the concerns that most Ontarians are raising with respect to the priorities of the premier?

**Mr. Gurmant Grewal:** Mr. Speaker, I appreciate the question but I am appalled that he, being from Ontario, would take a personal shot at the premier of Ontario. It was not appropriate and he should not have done it.

The motion is about the economy, and while this debate is going on about the budget, I would like to congratulate the premier of Ontario, Mike Harris, for putting Ontario's economy on the right track when he took charge of the government. The economy of the province was in shambles under the previous government.

The hon. member opposite should have the guts to stand up and congratulate the premier rather than trash him on his personal record.

The hon. member is also forgetting to look at Ontario's economy in a broader way. I congratulate the premier of Ontario on the progress made on regulatory reforms. It is the premier of Ontario who set up a red tape commission which did an excellent job in cutting undesirable regulations from the government books.

I would ask the hon. member to remind his government to put regulatory reform on the government's agenda. I close my remarks by stating that the premier of Ontario has done an excellent job.

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, I would have the guts to invite Premier Harris to come and debate—

**The Deputy Speaker:** Order. I might have been negligent in not rising earlier but I believe that the last term used, reflecting on someone's lack of or abundance of courage, and another term, are not really conducive to the type of debate that we traditionally have in the House.

I encourage members on both sides of the House to find better words.

• (1525)

**Mr. Roy Cullen:** Mr. Speaker, if the premier wants to have a debate let him come forward and have a debate. He has asked for a debate. The facts are patently clear. Our government is cutting taxes as well, but we are minding our responsibilities. We dealt with the deficit first. We are cutting taxes for Canadians, but we are not laying blame and scapegoating others for any problems or situations that we have to deal with federally. That is what the premier of Ontario is doing.

Likewise, the Bloc Quebecois and the separatists, when they enjoined the debate earlier, talked about taking more tax points from the federal government. We know that the separatist cause is on weak knees. It has no support in Quebec so those members are looking for some galvanizing issue and taking more tax points from the federal government seems to be it, because they know the federal government would probably not do that. They are trying to find some rallying point in their hopeless cause. I think Quebecers will see through that and Canadians will see through that.

I do appreciate speaking today on the motion and will be sharing my time with my colleague from Durham.

As hon. members are aware, the budget is the main economic event in Canada. It is the tool by which the government signals to Canadians its plans and its priorities. This in turn helps consumers and businesses plan for the coming year.

Even before September 11, Canadians were becoming concerned about the state of the economy. The terrorist attacks on the U.S. only exacerbated these concerns. The events of September 11 have compounded the challenges facing the Minister of Finance in terms of what his budget will contain. These events have brought home the fact that we are indeed living in a global economy. The minister, in preparing the budget, must take these terrible events into consideration.

I would like to take the opportunity to point out that one thing that remains a priority with this government is its ability to listen to what Canadians want and to respond to their needs.

[*Translation*]

Consulting with Canadians remains this government's priority. Whether it be on reforms to the Canada Pension Plan, a new agricultural policy or prebudget consultations, we can count on a government that will listen.

If the measures put forward in the opposition motion meet the needs expressed by Canadians to the minister, if they are economically viable and if they respect a cautious budget management process, they could well be considered.

However, if they do not meet these requirements, then the government would not be able to include them in its budget.

Only the Minister of Finance can follow-up on this question and, given the secret nature of the budget, the minister cannot provide the Alliance with what they are asking for at this time.

[*English*]

As in previous years, the Standing Committee on Finance, of which I am a member, travelled across Canada in what is referred to as prebudget consultations. We heard from individuals and groups representing all regions and all sectors of our society.

Members of the hon. member's own party were part of the process. Indeed, were he to inquire they would be able to tell him what Canadians asked for.

As hon. members may have heard, Canadians eagerly awaited this round of prebudget consultations. They sent a strong message to the minister about the nation's budgetary priorities. Canadians do not take the health of the economy for granted and they told the government what their priorities were. They prepared their briefs during the summer, setting out their prescriptions for sound public policy, but alas, we all have to wait until Monday to find out what the end result will be. I do not know, my colleagues on this side of the House do not know and my colleagues opposite certainly do not know what will be in the budget on Monday.

What we know for certain is that the Minister of Finance next Monday will continue to stick to his long term economic plan, the plan he introduced back in 1993, the plan that is working, the plan from which he will not stray. He will stick to prudence in the management of the nation's finances.

Another thing is also certain. Next Monday's budget will provide a full accounting of the Canadian economic and fiscal outlook and situation.

If I may, I would like to remind hon. members opposite that their premise in today's motion is too simple, as usual. In essence they are saying to introduce these measures and the economic difficulties facing our nation will be resolved. Finding solutions to the global economic slowdown is not that simple, I am afraid. If my colleagues opposite would sit back and think for a moment, they might realize that the prudent approach our government has taken and continues to take to the management of our economy is what works best.

Another point I would like to make is about the inappropriateness of the motion at this time given the tragic events of September 11, because of course our government policies must be carefully weighed in light of how the events of the global economy changed after that day. Granted, there has been a global economic slowdown, and I emphasize the word global, in recent months. These tragic events have added a new layer of economic uncertainty.

I suggest that no one should even begin to pretend they know what the intermediate or long term effects may be on the economy or what the immediate and long term answers will be after that tragic day, but it is guaranteed that Canada's response will be methodical, well thought out and, above all, cautious. Our government is realistic in knowing that Canada is not and cannot be immune to what is happening elsewhere in the world and especially in the United States.

I urge hon. members to think for a moment about Canada and where it stands vis-à-vis the rest of the world. Canada is a competitive nation in the global economy.

● (1530)

[*Translation*]

I would like to point out a few facts to the opposition members.

As I said, since last winter, the global economy has slowed down in Europe, in Asia, in Latin America, and especially in the United States.

The events of September 11 and their after-effects have magnified this slowdown.

### *Supply*

This downturn, and the uncertainty it is causing among Canadians and their families, is of concern to the government.

[*English*]

Make no mistake, the economic welfare of Canadians has been the preoccupation of the government over the last eight years, through a number of tough global circumstances such as the Asian and Mexican crises. Indeed, one of the main reasons the government worked so hard to put the fiscal house in order was to be able to handle this sort of economic uncertainty. As a result, the government was able to introduce \$17 billion in tax cuts this year alone, tax cuts that are supporting the Canadian economy and will continue to support the economy in the months ahead.

In addition, our much improved fiscal situation, combined with our inflation record, has allowed the Bank of Canada to reduce interest rates nine times this year for a cumulative decline of three and a half percentage points. As a result, the bank rate now is at its lowest level in 41 years. These interest rate cuts, half of which occurred since September 11, will help to support consumer spending and business investment in Canada in the months ahead.

Yes, there is no question that the global economic slowdown is having an impact here in Canada and Canadians are concerned about what this will mean for them and their families, but our Liberal policies and other initiatives are working, for example, the 7% corporate tax cuts. Contrary to what the member opposite said, by 2005 the average tax rate for larger businesses, including capital taxes to which this motion refers, will be about five percentage points lower in Canada than in the U.S., creating a Canadian advantage.

I would just like to finish by saying that our cuts in the EI premiums and our paydown on the debt are all having a very positive impact. I would ask members here to reflect on the motion put before the House today which calls for simplistic solutions.

This is a long term plan that our government is implementing. I certainly will not be supporting the motion and, as well, I would ask my colleagues not to.

**Mr. Alex Shepherd (Parliamentary Secretary to the President of the Treasury Board, Lib.):** Mr. Speaker, it gives me great pleasure to follow my colleague from Etobicoke North who gave such an excellent speech. It is a great honour to discuss the motion. For those at home I will deal with two aspects of the motion. These are the simplistic comments that the earlier speaker referred to.

The first states that we can solve the problems of our budgetary concerns if we simply:

(a) reallocate financial resources from low and falling priorities into higher need areas such as national security;—

It is a very simplistic approach to somehow identify the areas of low priorities and reallocate the money. Of course the opposition is not very specific and does not say what the low priorities are. It does not exactly indicate who would suffer because of those cuts. It is a very simplistic approach.

I will then jump to the bottom line of the motion, which is more of the same. It states:

(f) sell non-core government assets and use the proceeds to accelerate debt reduction.

### *Supply*

Once again there is no discussion about what core Canadian government assets we are required to sell. However, in previous discussions the Alliance Party has been very specific in some areas. One of the things it talks about cutting is the Department of Indian and Northern Affairs. In fact at one time it was very keen about cutting the department of agriculture. It does not seem to be so keen any more. Also there is CIDA, of course, which is the very agency now trying to do some underpinning in Afghanistan and other areas where we have some global problems. These are the kinds of things that the Alliance would cut and gut. As a matter of fact, others have suggested that we are not spending enough in the area of foreign aid and that we have not reached our UN commitments, but not so for the Alliance. The Alliance would spend significantly less. Finally, it talks about the Department of Canadian Heritage which the Alliance presumably also has no particular use for, more specifically the CBC. These are all the things that I understand the Alliance is in favour of getting rid of.

This actually starts to form a bit of a policy platform if we put it all together. The Alliance does not like things involved with Canadian heritage, but at the same time its members talk about creating this great North American perimeter.

By that they mean that they would like to mimic, indeed copy, immigration laws that exist in the United States. They would like to simply have common border points. What they mean by that is, why should we have Canadian customs officials on the border when we could have just one agency, perhaps one that is shared by both Americans and Canadians? I cannot say how we would deal with that because the reality is that the Americans will have always have the upper hand. We are debating softwood lumber, steel imports and so forth. It is not a mystery to me that the reality is that the Americans will control that process. It seems to me that the Alliance is very happy to have that.

I am not trying to belittle our American friends. They have obviously lived through some tremendous times recently. I was fortunate to go to Washington recently to study transportation security. It is surprising. The Americans themselves have no interest in having common border guards. They have no interest in a common immigration policy. I have never heard them refer to the argument of a perimeter for North America, or in other words, having a commonality of Fortress North America.

It seems to me that only the Alliance Party is convinced that by being closer to the United States we will be better off somehow. I do not think the average Canadian feels that way. As a matter of fact, I remember the great debate in the House about four or five years ago when the Alliance, in those days the Reform Party, wanted to put Canadian flags on all our desks. It seems to me what it wants to do today is put American flags on our desks because that is what it seems to represent, the American party.

• (1535)

There are some real problems that we must deal with in the upcoming budget. Some of them will deal with transportation issues. We have been spending a lot of time consulting people in the transportation industry in Canada and the United States.

There are some real problems and there are some lesser real problems. Americans are going through a period of reaction mode.

They have a tendency to overact in some areas. The unfortunate part about that is it has a tendency to impact Canadians.

I would like to give the House an idea of the knowledgeableness of some Americans who are involved in the aviation industry. I was chagrined about a week ago when one of my colleagues asked a member from the Federal Aviation Authority just how many hijackers had come from Canada. The member from the FAA said he thought two or three. This gives a clear indication that Americans do not often understand what is going on and quite often do not understand what is going on in their own country.

It is important for us to take a measured approach to how we change our security system so that it is effective. That is important. Canadians at this time want to feel secure in their airlines and in other places but they want to know that it works. They want to know the money that we spend in these areas will be effective in solving those problems. That is why we spent a great deal of time studying that very area.

I prepare my own analysis of the financial statements that the government presents after each budget. I put it all on one page when I present it to my constituents. It is like a report card. It starts back in 1993 and goes through to the 2001-02 budget. It shows a significant change. Back in the 1993-94 period total spending was at \$120 billion. By the last budget it was at \$121.5 billion. We paid \$35 billion off the national debt during this period of time. This is a significant contribution.

I have young children myself. It always bothered me that we had this huge national debt which I thought we would leave to another generation. It is very important that this generation of Canadians deals with that problem and reduces our debt. I was happy to hear from the Minister of Finance that we would not go into a deficit.

The Alliance has been making a number of comments in the last two or three months. It wants to spend more money on defence, to spend more money here and there. When one adds those things up it would put us into a deficit. That is absolutely and totally irresponsible.

There are some people out there in the community, especially some economists, who say it would not be so bad if we were having a small recession. They say that we had a bit of a deficit because that is what government should do. That goes back to Keynesian economics which states that we should be spending money when times are bad.

I do not have to say that most politicians and governments in the west have forgotten the other side of that equation, that we should save during periods of good times. That creates an insatiable appetite among legislators. Once they get into deficit mode it is like printing new money, and they keep on going down that road.

It is imperative that we do not go into a deficit ever, that we try to hold the line. I should not say ever because if there were a national calamity or something of this nature it would obviously require government support.

However, in spite of the doom and gloom from the opposition benches that want to talk about the recession as if it were a depression, it is not. If it were a recession it would probably be one of the mildest recessions in history. As a matter of fact this is an unprecedented period of time of expansion of our economy. It has been the longest period of expansion since the second world war and we have learned to benefit from it.

I will be preparing an analysis of the budget on one page for my constituents so everyone can understand it. I must say that in the past I have given the government an A for its efforts to bring sobriety to our country. Fiscal responsibility will continue to do that, not the simplistic solutions presented by the Alliance today.

● (1540)

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I am reluctant to go back to the flag controversy. However I want to set the record straight. The hon. member indicated that somehow it was this party that started that controversy. That is not true.

As a matter of fact it was a Liberal member who said that we should display these flags when the member from the Bloc came back. I am venturing a guess that he had a flag on his desk as most of us did on that one day of parliamentary insurrection.

I do not like the fact that he is only attributing that to us. The member from the Bloc who triggered it is actually smiling at me right now and I appreciate that smile. I was involved because when one of the separatists asked me to remove it I did not want to do it and that escalated things. I say that for the record.

I would like to talk about the comments he made about our plan to lead us into a deficit. That is not accurate. When I look back at our history I see that we were more accurate than the government every time in anticipating the results of the fiscal plan. With our limited resources in research we did better than the finance department with all its highly paid, expensive gurus and experts. When the finance minister in the last couple of years underestimated the income by up to \$7 billion a year we were almost squat on.

In 1993 we had a zero in three plan which was for the government to stop borrowing within three years. The government had many things to say about that such as the country would fall apart. We projected accurately and indeed in three years the Liberal government had the books balanced as we predicted.

Then it boasted that it had done it. No. It had little to do with it. It happened despite the government. We were able to accurately read the economic direction of not only this country but our neighbours to the south who influence us so greatly. We saw what was happening. Our predictions were squat on.

One could argue that it does not matter whether we are on the government side or not since we can accomplish the same thing from this side. We could do much better than the Liberals on that side because we would have accurate predictions.

The hon. member is saying that this would take us back into a deficit. That is not so. The plan we are projecting repriorizes spending in such a way that the wasteful spending would be gone. Those new priorities for Canadians would be met, and there would be no deficit. There will be under the Liberal government if it keeps

### Supply

on allowing different pet projects to go forward and with spending on all sorts of projects.

● (1545)

**Mr. Alex Shepherd:** Mr. Speaker, first, I would like to deal with the issue of the flag because in spite of the member's comments I was not one of those people who had a flag on my desk. Indeed we had flags in the House of Commons. I believe that is a suitable display.

I was chagrined about the charade. I was even more chagrined when I tried to bring forward a private member's bill to create a flag day. I proposed to make February 15 a national holiday and some of his colleagues voted against making it a votable motion. That is hypocrisy if I have ever seen it.

Second, back in 1993-94 his party had a wonderful plan. It put out this little thing called fresh start or something like that. It had a budget plan which did not add. I got your leader to admit that it did not add. You could not even—

**The Deputy Speaker:** Order, please. Before we start firing comments and salvos at each other directly, I want to make my presence known. Please direct your comments through the Chair.

**Mr. Alex Shepherd:** Mr. Speaker, I also had the member's House leader at the time confess that the original document did not add. If we want to get into the history of this, it was discovered on a flight back to Calgary with the House leader who noticed it at the same time. He confessed that it was true.

Here we have a party that cannot even add two and two but it was telling us how to balance the budget. It is pretty clear that just does not happen. People would be well advised to continue doing what they have done in the past, that is keeping the government in power.

● (1550)

**Mr. John Williams (St. Albert, Canadian Alliance):** Mr. Speaker, today we are debating our opposition motion that lists a number of things. I want to go through the list one by one.

The previous speaker, the member for Durham, stated that we should avoid deficits at all cost. That is the policy of the Canadian Alliance. Why go into a deficit at any time if we should not? It bothers me that the government talks about spending and deficits as if they were outside its control. Yet today, as all members know, the auditor general tabled her report. The first thing it says in our motion is:

That, in the opinion of this House, the upcoming budget should:

(a) reallocate financial resources from low and falling priorities into higher need areas such as national security;

I do not think anybody would disagree with that statement. What did the auditor general say about that? Members may recall that two days before the election the Minister of Finance stood in his place and introduced a program that was to cost \$1.3 billion of Canadian taxpayer money for the heating fuel rebate.

### Supply

Today at 2 o'clock the auditor general told us that \$500 million of that program was wasted. It went to people who did not need the money because they did not qualify as low income or even modest income people. It was \$500 million wasted. Our motion says:

reallocate financial resources from low and falling priorities into higher need areas—

That is the type of waste, mismanagement and incompetence that is coming from the government. That needs to be fixed so that money is not wasted and we have the funds for higher priority items that we need. It is fairly simple.

I see the Parliamentary Secretary to the Minister of Finance has now moved in to listen to the debate. When we are talking about the heating fuel rebate, 90,000 poor and underprivileged Canadians who needed the money did not get a dime. There was \$500 million wasted on those who did not need it and 90,000 Canadians who should have got it did not get a dime. That is the type of mismanagement we have here. The next point is:

(b) reverse the unbudgeted spending increases to a maximum growth rate of inflation plus population;

The auditor general tells us today that the Minister of Health approved programs and spent money that was in direct contravention to the rules set down by treasury board and in direct contravention to the rules approved by cabinet. Why are ministers of the crown freelancing with taxpayer money, spending it as they see fit on their own pet projects, when it is in direct contravention to their own rules? How does the government explain that to Canadian taxpayers?

The auditor general's report states that the Minister of Canadian Heritage is doing what the minister of HRDC used to do, that is approving grants before she has an application. The minister is spending money with no authority and not even so much as a request from a taxpayer or an organization that wants to do something.

The Minister of Industry from Newfoundland is now getting his own public servants to start up a non-profit organization, finding a board of directors with half a dozen people. It is suggesting that these half dozen people be the board of directors of this non-profit organization. They would do all the paperwork so they could fill out an application for \$1.9 million and send it to themselves.

These are Department of Industry officials setting up a non-profit organization. They are in essence the employees. They send themselves an application saying they think it would be a good idea if this organization got \$1.9 million.

Guess what? They approve it. What is it for? It is to spend some money on some sand dunes in the riding belonging to the solicitor general. That is what the auditor general says about unbudgeted spending increases.

• (1555)

I see the Minister of National Defence is sitting right there, so what about our motion to increase national security and defence spending?

**Hon. Art Eggleton:** I am all for it.

**Mr. John Williams:** The Minister of National Defence says he is all for it but he authorized \$2 million out of his operating budget to finance the Downsview Inc. subsidiary to develop a little housing

development in the backyard of the Minister of Transport. We should be spending our defence money getting our soldiers prepared and ready to defend the country, if that is what is needed after September 11, yet he is into a housing development with DND money. This cannot be allowed and the auditor general says it has to stop.

**Hon. Art Eggleton:** It is housing for the troops.

**Mr. John Williams:** He says housing for the troops, my foot. This is \$19 million on top of the \$100 million. This is a park being developed by DND while it should be protecting Canadians. That is the type of thing the Minister of National Defence is spending money on, rather than focusing on national security and ensuring that we are well protected.

Of course the auditor general had the quote by the Minister of National Defence or his officials saying that the cold war was over, that they really did not need a military anymore and that they would wind it down. On September 11 they had to change their minds. They were caught flat-footed. They were caught with their pants down and the troops disarmed. Now we have to try and catch up. Our helicopters cannot fly, ships cannot sail and on and on.

We are also calling for a reduction in employment insurance premiums by at least 15 cents in the next year. I know that the Minister of Finance brought out the most meager of reductions this week, all of \$20 per person per year. That is the maximum reduction per year. Yet the auditor general today said there is \$36 billion in that account that does not need to be there. It is overtax. It is a payroll tax. The government suspended the rules so that cabinet could continue to collect the money outside the normal rules of the EI fund.

The government is killing jobs. We are in a recession, yet the government continues to overtax every job in the country through a payroll tax under the guise of employment insurance. It has set up this huge surplus so that it can balance the budget and allow the Minister of National Defence to spend money on his projects in Downsview and the Minister of Health to spend money on projects in his department. The Minister of Canadian Heritage and the Minister of Industry spend money on their projects. They all go around spending money with abandon because people are overtaxed through a payroll tax.

Sell non-core government assets and use the proceeds to accelerate debt reduction is also in our motion. Let me ask the Minister of National Defence this. Why does he not get out of the land development business at Downsview, sell that asset, use the money by putting it into the consolidated revenue fund and have the budget to run the military as he should?

*Supply*

I could go on and on, I am sure ad nauseam for the government side, but I sincerely wish that the government would spend taxpayer money as it would spend its own and not with abandon. If that were the case, we would have all kinds of opportunities and money to spend on the priority items. We would not have a deficit and the country would be a lot better off, if it would just do it.

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, with all due respect, the member opposite reflects what might be called an accountant's mentality. One famous economist said some years ago, perhaps referring to accountants, that it was better to be approximately right than precisely wrong.

The home heating subsidy program was a good reflection of that because it was not perfect; 0.2% of the money went astray, therefore 99.8% of the money went where it ought to have gone. It was not precisely right but it was better to be approximately right than precisely wrong.

I would ask the member what the alternative is. If 99.8% of the money for fuel subsidies in the winter, which had to be sent out fast, went to the right hands and 0.2% went astray, was the alternative not to have anything? That would be the mentality which says that it is better to be precisely wrong than approximately correct. This program clearly was 99.8%, correct.

• (1600)

**Mr. John Williams:** Mr. Speaker, I am glad the parliamentary secretary used the phrases "precisely wrong" and "approximately correct" because he is dead wrong.

We are not talking about the 0.2% that went to the people in the graveyards, who could not send the cheque back because they were not really in a position to cash it in the first place. We are not talking about the money that went to the people in prison because they should not have got it either. We were talking about the 90,000 people, many of whom did not file a tax return, who were in no position to qualify for the rebate. We are also mighty upset about the \$500 million that was wasted and sent to the people who really did not need it in the first place.

I know my son does not like me to talk about him, but he qualified for the rebate. He lives in a little house in a small town in Alberta. He has not paid a utility bill yet because all the rebates and so on are happening so fast that they are bigger than his actual utility bill. He has not paid a dime, he has a credit on his bill of \$330, yet he got the subsidy.

What did he say about being approximately right or dead wrong? He was dead wrong.

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, I think that fuel tax rebate was designed to buy votes and I am not sure if the member's son voted for the Liberals.

Could the member expand a bit on the capital tax reduction. This is tremendously important.

As an employer, I will use myself as an example. When I pay my employee, I first take a large amount off for taxes, then I take some for employment insurance and Canada pension plan. It is not the employee who is paying that. It is my money. I am the employer. I am paying that.

What is the advantage of having a capital tax reduction and the reduction in EI? Will that help employment and the economy?

**Mr. John Williams:** Mr. Speaker, the member is absolutely right. By the time the employer pays the CPP, the EI, the income tax and everything else, the only thing the employer is left with is the overdraft and the negative cash in the petty cash box. That is what is killing job creation in the country.

Nobody disagrees with taxing income and taxing economic activity to a certain degree. However by taxing people year after year on the money that they paid tax on last year, which they have it in a savings account, or by taxing the capital they use to create jobs and investment, their money will be gone. We should only tax economic activity. If we tax savings accounts and capital, we will destroy them and that is what destroys this economy.

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, it is a pleasure to rise today and speak to this motion. The Canadian Alliance motion calls on the government to reallocate financial resources from low priority and wasteful areas into things that really do have an impact and meet the needs of Canadians, such as increasing security. It also calls on the government to keep spending in line with population growth and inflation, something it has failed to do over the past couple of years. We have seen spending increase dramatically under this government, even though it already has more than adequate money in the budget, especially considering how much money is spent on things that are wasteful.

The motion also calls on the government to reduce EI premiums by 15 cents per 100, which is only fair considering the tremendous amount of money it is taking out of the hides of workers and employers today. It is well beyond what is necessary to fund the EI account.

In the motion, we are also calling for a cut in capital taxes, something which was touched on briefly a minute ago.

It is often said that the falling dollar is both the cause of and reflection of where Canada's economy is today, and that is very true. I want to focus for a minute on the dollar as a reflection of the problems that we have today.

In November alone, the Canadian dollar hit five new lows. What is that reflective of? It is reflective of the Liberal recession which we are in now. It is reflective of an economy that chronically underperforms. Why does it underperform? Because the government when it wakes up every day, if it indeed wakes up, chooses not to make the right public policy decisions that would allow Canadians to become more productive, which would lead to a higher standard of living and allow them to realize their hopes and dreams.

There is a lot of talk in the country about issues like a common currency. While that is interesting, and I personally like to discuss these things from time to time, in some ways it allows the government to escape when we talk about it. It takes away from the analysis that should go on of the government's policies to date.

### *Supply*

From 1993 until today, the Canadian currency has fallen 14 cents relative to the U.S. currency. It has gone down to under 63 cents today. Why is that? A moment ago I said it is a reflection to some degree of the performance of the economy. It tells us a bit about the government's ability to make public policy. It is bit like the canary in the mine shaft. When we see it falling as dramatically as it has in the last little while, that should set off alarm bells.

I would argue that there are things the government should be doing in the upcoming budget, but also it should be doing them day to day to ensure that our economy is more productive. This in turn will lead to a strengthening of our standard of living and ultimately to a stronger currency as well.

There is only one way to increase our standard of living and that is to our overall productivity. How do we increase productivity?

A minute ago we talked about taxes on capital. Capital formation is one of the critical elements when it comes to improving productivity and therefore the standard of living of a nation. However the government imposes tremendously high capital taxes, which prevents capital formation, which in turn prevents us from being as productive as we could be. This again prevents our standard of living from rising.

The government imposes high capital taxes, high personal income taxes and high corporation taxes. This in turn prevents the improvement of technology because we punish the activities that lead to improvements of technology. The improvement of technology is one of the keys to improving our productivity as a nation. Again, that is tied completely to our standard of living. We need to clear away the barriers to improving technology.

The same applies to the improvement of human capital. We need to remove the things that stand in the way of improving our human capital, our knowledge as a nation.

●(1605)

What are some of these things? A minute ago I touched on capital taxes. The government imposes huge, burdensome capital taxes which punish companies for the crime of collecting capital, which companies then use to innovate, to hire people and to do all kinds of things to secure their companies and to ensure that they are in good competitive positions. When they do that, the government taxes them and therefore makes them less competitive, which drives many of them out of the country or ultimately perhaps even out of business. It certainly impedes their ability to form capital and become innovative.

When it comes to the improvement of technology I want to talk for a moment about how the government punishes those who would improve our ability to compete in a technological sense. We have very high personal income taxes in Canada. They are still about 20% higher than those in the United States and are very high relative to anyone else in the G-7. In fact they are still the highest on average in the G-7, even factoring in the government's tax reductions which, by the way, are not \$100 billion as it would like people to believe. They are about \$47 billion over five years, which really is not a lot when we consider how high they have been.

Taxes were at record heights when the Liberal government came to power and it raised them even higher. Now the Liberals are

reducing them a bit and they want credit. We should not give them credit because taxes are still extraordinarily high. They punish people for the great crime of working hard and being innovative and all those things that lead to improvements in technology. We have to start to lower those high personal income tax burdens much more aggressively than the government has already done.

Capital gains taxes are still way out of line. The government has begun the process of lowering them. Even the Liberals understand that we cannot continue to have high capital gains taxes when our competitors around the world have much lower ones, for instance in the United States. Of course when we have much higher capital gains taxes here, people who have the skills and abilities will move. They will go to some of the lower tax environments. Since September 11 it is even more important that we deal with that issue now. I will touch on that in a moment.

I want to say a word about high taxes on payrolls. Our party's finance critic has argued very strongly that we need to lower EI premiums by 15 cents per 100 at a bare minimum to ensure that companies and individuals are not penalized for the great crime of hiring people. That is important during a time of recession. Remember that we are in the Liberal recession right now and we need to find ways to climb out of it. One of the ways to do it is to stop punishing companies and individuals for the crime of hiring people, but that is what we do in Canada when our payroll taxes are too high.

The best way it has ever been explained to me is that every time we talk of a tax we should think of it as a price. Payroll taxes are a price on hiring other people to work. When we have high payroll taxes, there is a high price for hiring people. Therefore, we should lower them. This is a perfect time to begin that process, when we are in a recession that the Liberal government has helped to bring about.

I mentioned a minute ago that it is especially important to deal with these things now. Why? Because before September 11, companies were thinking of locating in Canada to set up business because we had access to the North American market and perhaps our cost of doing business was lower which in some ways had to do with our cheap currency. Many of those companies were considering setting up here, but since then, they have discovered that it is not as easy to move goods and people across the border into the U.S. and tap that \$11 trillion market. They have suggested that perhaps they do not want to locate in Canada. I have heard anecdotally of half a dozen companies that have decided to go into the U.S. instead of coming to Canada and bringing all that tax revenue and those jobs with them.

*Supply*

It is critical that we start to address these things in an aggressive way and not just push them off to the back burner so they do not become critical problems any more, just ones we can push off for a little while. It is time for the government to address things aggressively with a mind to making Canada a world leader again as we used to be. Sadly, we are not seeing those types of signs coming from the government.

● (1610)

I urge members of the House to support today's motion. I urge them to remember that when the government sets out a budget, what it is really doing is charting a plan that will lead to the future prosperity of Canadians. Would it not be a shame if the government allowed this opportunity like so many others to pass it by.

**Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance):** Mr. Speaker, I would like the member for Medicine Hat to reflect back to 1993 and look at four categories: our health care, our military, our infrastructure, and our highways. I would like the member to comment on what has happened in the years since then.

**Mr. Monte Solberg:** Mr. Speaker, I would be happy to do that. Let me start with health care which is the first item that the member raised.

In 1993 we saw a fairly high level of cash transfers going to the provinces in order to fund health care, but after the 1995 budget when the government realized that it was in straitened financial circumstances, it decided to cut. Did it cut the grants and subsidies that it used to curry favour with certain political groups? No, it cut the heart out of health care to the point where we have a crisis in terms of funding health care in many provinces today. The government deserves to be called to account when it comes to what it has done with health care.

In terms of the military, we have seen a dramatic cut to Canada's military. Many Canadians would argue that the Canadian military was reduced to the point where it simply could not do the job that was being asked of it. We were still sending people around the world to engage in peacekeeping missions. The heart was cut out of the Canadian military.

To be fair, and I see the minister is here, the Liberals have put some money back in but it is nowhere near where it needs to be. I think even the minister would acknowledge that. Why is that? Because government is all about making choices and the government continues to choose to fund patronage and pork barrel type programs ahead of other priorities including critical ones like the defence of the Canadian public, one of the highest priorities of any government.

In terms of infrastructure and highways, there is no question we have seen a deterioration which is sad when we consider that Canada depends so much on our ability to trade. Some 43% of our GDP comes from exports from trade and 87% of that is with the United States. We have not seen the type of investment in infrastructure, both to the borders and at the borders, that is needed to facilitate the type of trade that we should have.

I would argue that the government has missed many opportunities and I have just alluded to some of them.

● (1615)

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, I would like to thank my colleague from Medicine Hat for his eloquent remarks and particularly his focus on the debilitating effect on the ability to raise capital and generate growth in this economy as a result of our burdensome capital tax regime.

I wonder if the member could reflect for us on the experience of other jurisdictions which have lowered capital taxes and capital gains taxes. They have all found that revenues from those sources actually have increased as a result. Quite consistently, study after study by the Cato Institute and other free market think-tanks across the world have indicated that reductions in these rates result in higher revenues to the public treasury because of the expanded growth opportunities. Does the member think that would happen here in Canada?

**Mr. Monte Solberg:** Mr. Speaker, the member really blindsided me with that one but I will see if I can respond.

Ireland is the best possible example. We will be welcoming a new ambassador from Ireland tomorrow and I look forward to that. Ireland has now surpassed Canada in terms of its standard of living. Why is that? Is it because it is blessed with all kinds of natural resources? Hardly. It is because Ireland got its public policy decisions right. It lowered all kinds of taxes and in doing that attracted all kinds of investment to the point where Ireland now has free university education for its people.

I love the example of the United States because so many members across the way hate the example. Today the United States spends more money on social programs per person than we do in Canada. Why? The U.S. spends more on health care. Why? The U.S. does that because it has an expanded tax base because the U.S. was enlightened enough to lower taxes to the point where it would create additional activity in the economy. The U.S. can now fund social programs, and the military as a matter of fact, to a much greater degree. The Americans were thinking when they did that and understood some fundamentals that this government cannot get straight.

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, I am sharing my time with the member for Parkdale—High Park.

It is always quite interesting to hear members take selective issues and put their own twist on them. There was no mention about Ireland's success with the hundreds of millions of dollars invested in that part of the world by the EU. If we were to talk to people over there they would tell us that the capitalization of Ireland, the geography and the money invested by the European Union is clearly what has put Ireland in the position it is in today with regard to its quality of living. Having said that, I do not think we should denigrate Ireland's success. While speaking about quality of living though it would be nice if Ireland could also do something about the peace process.

### Supply

I also find it quite interesting that the party putting forward today's opposition day motion lives by the credo that if it is in the press, it must be true, that if something is repeated often enough, people will believe it, and that the best way to draw attention to oneself is to create fear among the population of the country. We have seen classic examples recently in that party's call for more money to be spent on safety and security, the military and all kinds of issues in the opposition motion today.

For many years the Alliance has been saying that we need to actually cut expenditures. In fact it was part of its platform some five or six years ago, convenient memories today I suppose. That we should cut defence spending was actually a position of the Reform Party, the predecessor to the Canadian Alliance. Now things have changed. Members stand up in question period and say we should spend, spend, spend. Where do they get their figures?

**An. hon. member:** What was the administration?

**Mr. Steve Mahoney:** The member opposite who is chirping, with due respect through you, Mr. Speaker, is not quite sure which party she wishes to be part of.

The point is that many of the policies that came out of that party were in fact put forward by that member and others. There is just no consistency in the opposition position that yesterday we should have cut and today we should pour money in. Where do the opposition members get their figures? Do they do their homework? I would suggest not.

Three billion dollars sounds like a good figure: \$2 billion in defence spending, another \$1 billion in security spending. Cut non-priority areas. Cut HRDC.

The damage that the official opposition has done to the economy of this nation with the attacks that it launched some time ago on the HRDC ministry is, frankly, immeasurable. The level of confidence of the people in the community about programs is evident in letter after letter I have received from people in my own community who have accessed HRDC programs to help them in job losses, to help family members in education. These are very positive programs.

One of the areas the Alliance would consider to be a non-priority would be something like ACOA, the Atlantic Canada Opportunities Agency. That agency sees that Atlantic Canada has opportunities for investment for young entrepreneurs to grow businesses and to create jobs. The Alliance would simply eliminate that. At the same time it would wipe out HRDC programs. It would eliminate FedNor, I am sure, or at least drastically reduce it. The work that FedNor does in northern Ontario is extremely important and is value added that can be seen on the ground.

We get general platitudes that somehow we should reallocate financial resources from low and falling priorities. Yet all the opposition is doing is seizing on the concerns in the media, the fear that is being propagated by much of the action and many of the questions in this place, whether they are about immigration, denigrating refugees or attacking bureaucrats. That is all we hear instead of the opposition actually being constructive and saying that it is going to support the government's efforts in the area of fighting terrorism.

● (1620)

Will we get credit in the follow up to the budget next Monday for money that has already been committed? We have committed \$280 million to our fighting terrorists campaign, to \$250 million that has been put into the system, to \$47 million that has gone to CSIS and to our security personnel to try to boost them, the government having recognized there was a problem that led up to September 11 which was primarily south of the border but that we should not be blind to the fact that we indeed could be subject to similar kinds of attacks.

I think our government has reacted responsibly and calmly. We put forward the budgetary measures needed to give our people the kind of support they need, but what do we hear? We hear the Leader of the Opposition standing up and demanding that our troops be sent to war. There is a cost to that, of course, but it does not matter to the opposition that the United States and Great Britain said they will withhold their troops from the ground war until they get more secure knowledge and there is in fact an opportunity to do some peacekeeping.

No, they would just send them off. They are there. They have their boots on and they are all laced up, so send them off to war. Whose children do they think they are sending into harm's way? I think Canadians are very concerned about that kind of knee-jerk reaction, just as the motion suggests, that we should "reverse the unbudgeted spending". Imagine if we did not have the flexibility in the unbudgeted spending areas within the control of the government following September 11. What would have been our option?

I think our only option would have been to spend it anyway and start running a deficit and if there is something that I do not believe any member around here can criticize it is the financial record of the finance minister. It is a fact that in 1993 when the government was first elected it was faced with the mountainous problem of a \$42 billion deficit overdraft, with spending more than we were bringing in. The finance minister, the Prime Minister and the government have eliminated that and have started to run surpluses. As a result, we are in a position to respond when there is a crisis such as that of September 11 and we were able to do so.

The opposition once again chose to put forward a motion that it knows is not based on reality. First, opposition members know that the budget, given that this is Tuesday afternoon, in all likelihood has been put to bed and has gone to the printer, I would think, if we are getting it next week.

The opposition is picking out areas where it knows it will have little impact so that next Monday opposition members can stand and say the government did not listen to them, that they had asked to spend money here and there and to change the policy on unallocated moneys within the budget process and it was not done. It is a little bit of a mug's game. The reality is that the responsibility of the government is to say to Canadians that we are doing the things that need to be done to provide safety and security for them and their families and that at the same time we will not run into the deficit financing that put such a great burden on previous governments. It is the only responsible way to go.

What would have been interesting with an opposition day opportunity like today would have been if the opposition had wanted to talk about the successful signing of an agreement yesterday between the two nations of Canada and the United States to try to improve the situation at our borders. Would it not have been interesting to hear stories being discussed in this place to inform Canadians about the IBET system, where we are co-operating on enforcement at our borders, about the fact that we are streamlining our visas, about the fact that we are signing a safe third country agreement between Canada and the United States? Would that not have been a constructive debate and a terrific opportunity for all of us in this place to inform Canadians about some of the successes?

It is very interesting to me that it took the attorney general from the United States to make the statement that Canada's borders are indeed not porous for us to get a headline in the media stating that. When we say it, it tends to get ignored. Now the reality is out and these are the issues that I think Canadians want to hear us talk about.

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## ROUTINE PROCEEDINGS

• (1625)  
[English]

### COMMITTEES OF THE HOUSE

#### FOREIGN AFFAIRS AND INTERNATIONAL TRADE

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, following discussions among the parties I think you would find unanimous consent for the following motion:

That the Sub-Committee on Human Rights and International Development of the Standing Committee on Foreign Affairs and International Trade be authorized to travel from February 9 to February 16, 2002, to Colombia in relation to its study of human rights, development and other matters in Colombia, and that the said Committee be composed of 1 Alliance member, 1 Bloc Québécois member, 1 NDP member, 1 PC/DR Coalition member and 5 Liberals, and that the necessary staff do accompany the Committee.

**The Acting Speaker (Mr. Bélair):** Does the hon. member have unanimous consent to propose the motion?

**Some hon. members:** Agreed.

• (1630)

**The Acting Speaker (Mr. Bélair):** 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)

#### AGRICULTURE AND AGRI-FOOD

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the second motion for which I seek the unanimous consent of the House is as follows:

That as part of its consideration of the government's future role in agriculture, eleven (11) members of the Standing Committee on Agriculture and Agri-Food (six (6) government members and five (5) opposition members from the various opposition parties) be authorized to travel in Canada from February 18 to February 22, 2002, from March 11 to March 15, 2002, and from March 18 to March 22, 2002, to meet

### Supply

with Canadian farmers and other stakeholders in the agrifood sector, and that the required staff accompany the Committee.

**The Acting Speaker (Mr. Bélair):** Does the hon. member have unanimous consent to propose the motion?

**Some hon. members:** Agreed.

**The Acting Speaker (Mr. Bélair):** The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.  
(Motion agreed to)

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## GOVERNMENT ORDERS

[English]

### SUPPLY

#### ALLOTTED DAY—UPCOMING BUDGET OF MINISTER OF FINANCE

The House resumed consideration of the motion and of the amendment.

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, the question I would like to pose is this: Why did the member for Mississauga West not address the very motion that was put forward today, the reallocation of moneys within the existing budget of the government? That is what we are debating here: the reallocation.

In addition to having him comment on where he would find the money to reallocate, I would give him a suggestion which was put forward by the Liberal member for Winnipeg South, that the western economic diversification program be chopped, clobbered, finished, kaput. The reason the member suggested this is that it is not meeting its objectives. It is not creating jobs. It is not doing anything it was set out to do. Is that not an area that could be reallocated to higher priority spending?

**Mr. Steve Mahoney:** Mr. Speaker, I heard two questions, one on why did I not address the motion. I thought I did. I clearly said that the opposition parties tend to want to talk in terms of generalities by saying to slash low priority spending and increase high priority spending, but their priorities change all the time.

I pointed out that at one time that party, or the ghost of that party, supported the slashing of defence spending. Now of course it is high in popularity that it be increased. This points out exactly what I said. I said that they would cut ACOA, as an example, in Atlantic Canada. Now what did they say about western diversification: kaput? They are saying to shoot, destroy and get rid of western diversification.

This is the kind of attitude they have instead of recognizing the good work and the value of HRDC and all the economic development agencies we have in the country, and there are only a few. They should get on the ground and talk to the people who benefit from those programs. This is exactly why that party will never be elected to govern this great land. It does not understand the importance of these diversified programs right across the land.

*Supply*

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, I was disappointed with the member's remarks and those of some of his other Liberal colleagues. Often we hear, particularly from that member, the tone that this is a partisan opposition motion, that it is dilatory and terrible. It is a sort of hyperbolic political rhetoric.

We all engage in political rhetoric here, but by and large this is an opposition party that tries very hard to be principled, co-operative and objective. We support nearly half the government legislation that comes to this place. I have in my hands the report of the Standing Committee on Finance, almost all of whose recommendations are reflected either directly or more or less directly in the supply motion before us.

Recommendation (a) to reallocate resources is an expression of the recommendation of the finance committee. I will quote from page 26:

To the extent that new spending on security and defence could lead to a deficit, the government must balance this new spending with spending cutbacks elsewhere.

Regarding the recommendation to increase security spending, there was not a specific number in the report. We are suggesting one based on solid research we have done. It is a good point for discussion.

Regarding reducing the EI premiums, the finance committee suggested a different way of doing so, but it is there.

Elimination of the capital tax is in the finance committee report.

The selling of non-priority assets like Petro-Canada and Hibernia is in the finance committee report.

Perhaps the hon. member would like to actually read the finance committee report and see that virtually all of these recommendations are there.

Finally, he is wrong. We have always advocated an increase in defence expenditures—

**The Acting Speaker (Mr. Bélair):** The hon. member for Mississauga West has one minute to respond.

• (1635)

**Mr. Steve Mahoney:** Mr. Speaker, I am delighted to hear that this member is in support of the government and supports over half the pieces of legislation that come into this place, but in the theatre that is politics around here we all know that the opposition is trying to find ways to twist things in terms of the government's priorities. It is a consistent message that we have seen from both the current party and its predecessor.

If that leads to partisan differences then so be it, but the reality is that our government is committed. We already have announced a reduction in EI premiums, putting some \$400 million back into the hands of workers and companies. That is an additional cut from the time we took office. We are committed to lower taxes. We have already have announced all that, the member knows it full well and I am pleased that he supports it.

**Ms. Sarmite Bulte (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.):** Mr. Speaker, I too am pleased to participate in this afternoon's debate on the Alliance motion about

what the Alliance Party feels should be contained in the upcoming budget. I must add that I quite enjoy these prebudget discussions and it is very important to have them, because they give us an opportunity to share with each other our constituencies' priorities, to compare them and also to learn about what the pulse of the country is.

The first thing the Alliance proposes in its motion is for the budget to:

reallocate financial resources from low and falling priorities into higher need areas such as national security;—

However, since the tragic events of September 11, the Liberal government has identified national security as an area of high priority and is committed to providing the financial resources necessary to protect Canada. In fact, since budget 2000 we have invested \$1.8 billion in policing, security and intelligence. These measures are an important part of the government's \$280 million anti-terrorism plan.

Also, on October 19 we announced a special allocation of \$47 million to two of Canada's security and intelligence organizations; one is CSIS and the other is the Communications Security Establishment.

To go back to the first part of the Alliance motion, I have to say that at first glance the idea of reallocating financial resources from priorities in previous years to new priorities actually appeared to be quite appropriate and supportable at the outset. My problem is, how does one define what is a low priority and what is a high priority?

What frightens me is that the Alliance has always called for cuts in so-called wasteful spending areas. According to its 2000 election platform, such areas included Human Resources Development Canada, the Department of Canadian Heritage, including the CBC, and the Canadian International Development Agency, or CIDA. If these are what the Alliance calls low priorities, I can state that my constituency strongly disagrees.

I also conducted prebudget consultations in my riding this year, as I have done in previous years. This year I actually held those prebudget consultations after September 11. While in the past the top priority had been paying down the debt, this year, in addition to investing in the necessary security measures to combat terrorism, the top priority was preventing or at least ameliorating the effects of a possible recession. I have to say that there was also a general consensus that we should not go into deficit.

One of the things that my constituents specifically addressed was the importance of HRDC programs and retraining programs. HRDC programs work in my riding and they work very well. Let me give some specific examples and success stories.

There is an area in Parkdale—High Park known as the Junction. For years the area has been declining. Once the stockyards moved out, businesses started vacating, stores became empty and buildings became run down. It was not safe to walk on the street. People did not like to go out at night. Yet through the intervention of a group of concerned residents, the West Toronto Junction Team was born. With an industrial adjustment program grant of \$100,000 from HRDC, it was able to leverage \$2 million from the city of Toronto for streetscaping and matching grants for store owners to improve the facades of their stores, but \$19 million from Toronto Hydro, which is the largest capital investment ever made, to bury the hydro wires. The area has become revitalized. Stores, art galleries and restaurants are moving in. The streets are safe. People are out at night. There is activity because prosperous communities are also safe communities and safe communities are prosperous communities. It is a wonderful example of where moneys were able to leverage and revitalize an area.

Another example in the area known as Parkdale is the Parkdale/Liberty Economic Development Committee. With an industrial adjustment program grant it was able to take on a strategic plan and revitalize the neighbourhood and streetscape.

• (1640)

In the Liberty area in Parkdale we have high tech companies moving in because it is a welcoming place, a safe place and part of a community that has worked together to revitalize itself.

One especially wonderful program that deals with youth and the creation of jobs is run by the All Aboard Youth Centre. It has established a restaurant in the riding called the River Restaurant which provides training in restaurant skills. It is integrated in the community and provides life training skills so youth can find work after leaving the program.

The program has a 79% success rate in dealing with youth at risk. The only youths who have not been successful have been those with mental handicaps. It is a wonderful program. The community comes out in full force. We support it. We love it. It is making a difference.

Last but not least, while I do not want to dwell on HRDC programs its summer student placement programs are a wonderful opportunity to help not for profit and charitable organizations get on with their work.

Another thing my community has found is that after September 11 charitable giving has shrunk, not just here but everywhere. People are putting off donations because they are afraid of what the future will bring. The charitable groups that do such wonderful work, and with which we must partner to address the needs of the less fortunate, are finding themselves strapped. We must do something to help the charitable sector.

I will speak specifically about the Department of Canadian Heritage. Arts and culture are important to the people of my riding. The May 2 announcement of \$560 million was the largest reinvestment in the arts in the last 40 years. It was welcomed not just in my community but across Canada.

It was a recognition that the arts are at the centre of excellence. They are at the centre of our lives. The arts are integral to the lives of Canadians and Canadian communities. They are about investing in

### *Supply*

the creative process, innovation and research, our identity, our youth and our quality of life. The arts provide essential training for a more creative world.

It is the arts and not computers that make children creative. There is empirical evidence which clearly states that children exposed to music and the arts at an early age score much higher on scholastic aptitude tests in math and science than those who are not. I would go so far as to say it is the arts that foster our scientists.

Studies have shown that children exposed to the arts grow up to become better citizens. They participate to a greater extent in their communities. They volunteer and provide community service. At their very best our creators are social architects.

To share with members of the opposition why the arts are so important I will quote James Wolfensohn, president of the World Bank. Nine days after the tragic events of September 11 he said:

—there is a level in terms of music and the arts which I've long been privileged to participate in, which is a level beyond finance, beyond budgets, beyond economics, beyond politics, a level which is the inner resource that most of us don't talk about most of the time because it's sort of soft. And it's sort of a luxury, but when things really come down to it, it's the thing that really makes a difference in life. I believe that passionately. I've always believed it, and in periods of good and bad in my life, I have turned to the arts.

I will not be voting for the motion. While I agree that priorities have changed since last year and the reallocating of funds is necessary, the priorities the opposition considers low I consider essential.

• (1645)

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, I listened with interest to the examples of my colleague for whom I have a high degree of respect. I saw the smile on her face as she talked about her community and the good she felt the handouts of government money had done for her. However our motion calls for reprioritization. It points out where money is wasted. We have numerous examples of where money is wasted.

I will ask a question on a specific issue. The hon. member across the way alluded to the fact that the Alliance is against CIDA. I will be speaking after this and explaining our position on CIDA. However recent newspaper reports have clearly stated that the minister used government money to reward her campaign workers with a report that was of no value to taxpayers.

These are numerous examples of government waste for which we in the opposition are holding it accountable. Would the member perhaps like to comment on the government waste that we are pinpointing and that the auditor general has pinpointed today?

**Ms. Sarmite Bulte:** Mr. Speaker, I thank the hon. member for his question. He has raised a number of issues.

### Supply

The important point about the programs that have worked so well in my community is that a bit of seed money has been able to leverage a lot of additional private sector moneys. It is about partnership and building together. We in government cannot do everything. We need to seek partnerships in the private sector and the not for profit sector.

I am proud that there has not been any waste. If anything it is the constant accusations of lack of accountability and waste of money that are hurting important projects in my riding.

CIDA plays an important role which it will need to continue to play in terms of what happened in Qatar at the conference of the World Trade Organization. The great victory there was in bringing inside the lesser developed countries and trying to engage in a dialogue with them. Through CIDA we have been helping lesser developed countries understand the terms and consequences of signing these deals.

We need to help strengthen the governments of these countries so they can take advantage of the free trade market. It is good for us to do that. They call it the virtuous circle. We need people inside. We need to ensure these countries have the institutions that can support our free trade agreements. It is the right thing to do and it is good for us as traders.

There is a lot of good we can do. The recent WTO talks highlighted another route by which CIDA can play an important role as we move ahead in the future.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, my hon. colleague failed to answer the question put by the member for Calgary East about whether she approved of the tens of thousands of dollars in government contracts let to the campaign workers of the minister responsible for CIDA. The hon. member said there is no waste in a program budget of \$125 billion.

Her own Liberal colleagues on the finance committee agreed with the opposition that to the extent new spending on security and defence could lead to a deficit the government must balance the new spending with spending cutbacks elsewhere.

Would the hon. member define whether she thinks there is such an elsewhere? If so, where is it? Where would she and her colleagues reduce spending to allow for increased security spending?

• (1650)

**Ms. Sarmite Bulte:** Mr. Speaker, the reason I have always been proud of the government and of being part of its team is its balanced approach. We take this approach to ensure we invest in our economy by way of tax cuts for which the opposition has called. We balance it with social programs and things that reflect who we are as Canadians.

It is important that the values of society are reflected in the fiscal choices we make. I trust that the ones coming next week will continue to reflect our balanced approach.

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, I will be sharing my time with my colleague from Regina—Lumsden—Lake Centre. It is a pleasure to speak to our motion which calls for repriorization in the upcoming budget to ensure there is no excess or wasteful spending. As international development

critic for the Canadian Alliance I will use this supply day motion to speak about international development and the role of CIDA.

In the post-September 11 world there is a growing consensus that Canada must do more to promote both broad based economic growth and the alleviation of suffering in the developing world. Under the Liberal government Canada's commitment to the developing world has dropped below our capacity to help. Nevertheless we cannot increase Canada's capacity by simply spending more money.

CIDA has had only marginal success in its history. It has been subject to criticism by the auditor general and to political interference, the latest example being the diversion of CIDA funds to the minister's campaign workers in her riding.

This is the minister who goes around the world promoting transparency and lecturing other countries about how to ensure their dollars are well spent. Yet in her own riding the minister is stretching treasury guidelines as far as she can without breaking them to reward her friends and campaign workers. That is ethically wrong.

We must ensure our development aid meets value for money criteria. The government must launch a new international development white paper proposal before it seeks to increase the aid budget. This afternoon the Canadian Alliance called for a white paper to discuss Canada's role in development aid.

The Minister for International Cooperation held town hall meetings across the country to try to come up with what she says is a new focus for CIDA. These town hall meetings are not a white paper. They are not a comprehensive long term study of where our development money is going, how effective it is and how effective it has been in the past.

From experience I can tell members development dollars that have gone out of Canada have had only marginal success. As we have seen and as has been stated time after time, poverty has risen in many countries where we have given money without accountability. We have never asked for accountability from the other side. There are numerous examples.

The parliamentary secretary talked about going through the WTO and the trade route to give these countries access to our market. Yes, that is the new approach and I am glad the government is finally recognizing it would assist people in the developing world to come out of poverty.

The parliamentary secretary mentioned Doha, Qatar. This was the second WTO meeting I attended. It was the first time I saw CIDA representatives at the meetings so there has been some thinking in this department.

However in my experience as an official opposition critic I have found CIDA to be one of the most secretive departments. People do not know what the department does. Although it likes to claim it is responsible to parliament, I as an official opposition member do not know what CIDA is doing. It gives us information in pieces. It gives us what it wants to give us.

*Supply*

•(1655)

This agency is under the scrutiny of the country and parliament. It has a budget of \$2.2 billion and it hides behind a curtain. It is an agency that dreams about how to spend its money on projects.

When I was going to Doha I spoke with the president of CIDA who was accompanying us. He did not know who the critics were, who was speaking about international development in parliament or what we were trying to hold them accountable for.

The minister stands and talks about the fact that there is transparency. I have talked to parliamentarians and to NGOs that have called numerous times. I can say that this agency works in secrecy because its policy advisers refuse to talk to them.

I went on a trip to Brussels with CIDA officials. I was amazed at how much they were trying to keep things to themselves rather than have them out in the open. These are Canadian taxpayer dollars. Why are they not accountable? They are not accountable because they are subject to political interference. They are subject to giving money to their friends.

I was in China where its growth was an amazing 8%. Yet it was one of the largest recipients of CIDA money. May I ask why? CIDA was supposed to help developing countries with issues such as AIDS suffering and education, but here it is helping China. Maybe I can speculate that it is because the friends of the Liberal government get business contracts in that country.

As a member of the official opposition I feel that this is a highly secretive agency which is not accountable to the Parliament of Canada. It is difficult because we have to sit and wait for the auditor general to come out with her report. Every auditor general's report had something to say about CIDA's wasteful management.

The example I gave about how the minister used CIDA money to reward her campaign workers is one of the biggest, blatant abuses I have seen from a minister, a minister who is supposed to keep this agency accountable. Instead we have this biggest abuse of blatant and unethical behaviour.

She stands and hides behind the fact that she had met treasury guidelines. We can read the treasury guidelines to see that there are lines which should not be crossed. She did not cross that line; she stayed behind the line. Was it ethical to give these contracts to campaign workers who helped work on her report? Nobody knew this. When we asked for access to information this agency denied us access. I hope the bureaucrats in CIDA are listening and realize that parliament is asking for accountability from this agency.

I want to speak to another issue dealing with tied aid. Tied aid is a protectionist policy that reduces the effectiveness of development aid. In a recent study \$800 million of CIDA aid money was tied to the procurement of Canadian goods and services by recipient countries. According to the World Bank and the OECD, tied aid inflates the cost of goods and services as it reduces the real value of aid by 25%.

The government reduced Canada's untied aid from 62% when it came to power in 1993 to 30% today making it absolutely ineffective. This 25% translates to \$200 million. This is one area where we can start to reform, repriorize and ensure that other dollars

are spent effectively. These are examples where we feel it is time that the budget looked at repriorization and not at new spending.

•(1700)

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance):** Mr. Speaker, I was interested in my colleague's remarks because I know he spent a lot of time as our international trade critic examining Canada's position in the context of our trading partners around the world.

I understand that among OECD countries Canada is seen as having a high tax, high debt and high spending regime. Could the member comment on how these three factors impact on our position with our trading partners in view of the fact that we are in recessionary times and facing some economic challenges?

**Mr. Deepak Obhrai:** Mr. Speaker, I thank my colleague from Calgary—Nose Hill for the question. It boils down to Canada's competitiveness in the international globalization economy. We all know that 43% of our economy is tied to exports. Exports are a crucial factor for Canada's prosperity. Our hands are tied when our companies are taxed at a high rate. The debt load ties them down because of lower dollars and they end up becoming uncompetitive.

China proposed a trading bloc for Far East countries at the economic discussions held in Shanghai. The European Union and NAFTA have also formed trading blocs. Trading blocs are being formed and the world is becoming more competitive.

Canada will lose its share of the world market if we do not look at our economic regime to ensure that our companies have the ability to compete on the global market. Canada's prosperity would be jeopardized if that happened.

**Mr. John McCallum (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, my colleague across the aisle said that he was in favour of more foreign aid. That is my view and the view of our Prime Minister.

That seems a little strange coming from his party because I had not realized that was its position. Would his party be in support of additional foreign aid in the upcoming budget?

**Mr. Deepak Obhrai:** Mr. Speaker, my hon. colleague on the other side got the wrong impression. I was saying that CIDA's \$2.2 billion budget should be used more effectively before we think about increasing aid.

### Supply

If the existing budget is not properly utilized, why would we want to spend more money? The biggest danger is that Canadians would start suffering from foreign aid fatigue because they would see their foreign aid dollars not being used effectively. Let us use the \$2.2 billion more effectively before we start spending more money.

• (1705)

**Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance):** Mr. Speaker, I am pleased to speak on behalf of the constituents of Regina—Lumsden—Lake Centre on the opposition motion. A delayed crisis budget is a poor substitute for what Canadians deserve from their government. Canadians deserve a normal budget on a regular basis at predetermined times.

Has the Liberal Party found it easier to run the government through members of the inner circle of cabinet? How is parliament expected to function when the government administers public policy through the core of its inner circle? These are questions that are being asked in my riding.

I understand that I am one of the newer members of the House. That does not mean I do not understand that government is abusing power and authority in many cases by investing so much power in the Prime Minister's Office.

Since I am not fully acclimatized to this place it is easier for me to see that is where the power is coming from. There is such a thin green line, as I have said in talks in Saskatchewan, between us and a dictatorship. The erosion of democracy may be the reason for the rumour that the upcoming budget is not even from the Minister of Finance but from the Prime Minister.

Canadians deserve better. The Canadian Alliance is calling for \$2 billion in national defence spending that would make us a more credible member of NATO. Another billion to our homeland securities providers would certainly not be an unrealistic expectation. The equipment and the resources given to our military are embarrassing to many of us.

Canadians deserve better when it comes to the support of agriculture. It is an established fact that the last decade has not served Canadians well. They have seen their financial situation worsen and the government is not likely to make any meaningful corrections in the budget.

Canada faced one of the worst droughts on record and the Liberal government could not seem to find any more than \$2 million. I am not sure if it found that for Saskatchewan farmers to drill new water wells and dig dugouts. The agency responsible for that ran out of money in late spring or early summer. Saskatchewan asked for something like \$5 million and according to the latest figures it might get \$2 million.

Canadians deserve better support and more realistic employment insurance premiums. On November 30 the Minister of Finance announced a cut in EI premiums to \$2.20 per \$100 of insurable earnings. That is a nickel a hundred. Based on an annual income of \$39,000 this EI premium would save workers just under \$20 a year. A massive saving, is it not?

By contrast, CPP premiums would increase by almost \$140 a year for the average Canadian worker and even more for the employer.

The worker is suffering a \$120 loss for the year. This year the EI account will run a surplus of \$6 billion, bringing the cumulative surplus to somewhere over \$40 billion by next March. The chief actuary has said that EI premiums could be cut to as low as \$1.75 per \$100 and that should likely work for quite some time. Yet we are only seeing them lowered to the \$2.20 mark.

The Canadian Alliance motion proposes an EI cut of 15 cents this year with reductions in the following years to reach a break even point as soon as possible. EI premiums are job killers. In uncertain economic times we should be encouraging job creation, not maintaining job killing payroll taxes.

The Minister of Finance agreed with that at one time. In May 1994 he said that payroll taxes were a cancer on job creation. Employers and employees were apparently not a high priority with the Liberal government. If they were, the minister would accept some of the repeated calls the opposition has made toward reducing EI premiums. Canadians deserve better and stronger health care funding by the federal government.

• (1710)

After all, the federal government is the major tax collector of our nation. Both in Saskatchewan and Alberta there are propositions to deliver controversial policy changes for health care yet we expect that the Minister of Health will stick with his approach of around 14 cents, and for some provinces maybe 17 cents. We expect him to embrace the status quo and challenge anyone to alter the existing principles of the Health Canada Act. Is that good enough for Canadians? No, I do not believe that it is good enough.

The government has not even returned to the 1995 levels of funding and participation let alone to the 50% rate that was originally used in the early days of medicare.

Some of the items I have mentioned are not specifically mentioned in the Canadian Alliance motion. However the first point, the reallocation of financial resources from wasteful, low and falling priorities into higher need areas would allow for a broad number of changes as well as all the ones that the Alliance motion mentions.

A lot has been said here and many people will wonder why there is this exercise and why the Alliance would bring forth such a motion when it is so near the time that the budget is coming down. That is a legitimate question. We believe that this has been a good exercise. It has allowed many points of view to be expressed. Many members have offered suggestions of how prioritization can take place. The motion has called attention to the fact that prioritization needs to happen.

The hon. member across the way mentioned HRDC and CIDA among other things. It is not that the Canadian Alliance opposes those departments but anyone who has seen any of the spending reports from those places will absolutely know there is much fat to be cut. There are many areas of waste and useless government spending.

We believe that a government's first priority is that of safety and security for its own citizens. People throughout time have gathered together and they bind together for their own security and protection. That is the basis.

We need to talk about providing infrastructure so that our economy can function and things can happen. We seem always to get so far ahead of ourselves. We are so interested in providing for all of the different kinds of programs that we forget to take care of the infrastructure.

I am very grateful that we have had the opportunity today to address these issues.

\* \* \*

### POINTS OF ORDER

#### APPROPRIATIONS BILL

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I rise on a point of order. Earlier today the hon. member for Pictou—Antigonish—Guysborough raised a point of order with respect to the appropriations bill provision for foreign affairs vote 36a of \$2 million for payment to compensate for transferred liabilities to the Export Development Corporation in respect of its employees who have contributed to the public service death benefit account. The member suggested that there is no statutory basis for this transfer.

I want to point out that the current name for the corporation is that which is specified in the appropriations bill.

I would like to note also that EDC withdrew from the Public Service Superannuation Act in April 2000. It thus incurred a one time liability at that time. This payment simply covers EDC's liability for that purpose. Authority is provided under the Public Service Superannuation Act for this. This would have been required with or without Bill C-31, the EDC Act and in fact, has nothing to do with that bill.

**The Acting Speaker (Mr. Bélair):** I would like to thank the hon. member for the information. As soon as the Speaker is here just before the vote he will respond.

\* \* \*

### SUPPLY

#### ALLOTTED DAY—UPCOMING BUDGET OF MINISTER OF FINANCE

The House resumed consideration of the motion and of the amendment.

**The Acting Speaker (Mr. Bélair):** It being 5.15 p.m. it is my duty to inform the House that proceedings on the motion have expired.

[*Translation*]

Today being the last allotted day for the supply period ending on December 10, 2001, it is my duty to interrupt proceedings and put forthwith any question necessary to dispose of the business of supply.

### Speaker's Ruling

● (1715)

### SUPPLEMENTARY ESTIMATES (A), 2001-02

#### VOTE 30A—PRIVY COUNCIL

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.)** moved:

That Vote 30a, in the amount of \$1,852,871, under PRIVY COUNCIL—Millennium Bureau of Canada—Operating expenditures, in the Supplementary Estimates for the fiscal year ending March 31, 2002, be concurred in.

[*English*]

**The Acting Speaker (Mr. Bélair):** Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** Call in the members.

● (1735)

*Before the taking of the vote:*

\* \* \*

### POINTS OF ORDER

#### APPROPRIATIONS BILL—SPEAKER'S RULING

**The Speaker:** I am now ready to rule on the point of order raised earlier today by the hon. House leader of the PC/DR coalition concerning Vote 36a under Foreign Affairs and International Trade in the Supplementary Estimates (A), 2001-02.

The hon. House leader drew to the attention of the House that Vote 36a provides for the transfer of \$2 million to the Export Development Corporation from the government. The purpose of the transfer is to compensate the corporation for the liability transferred to it by the government with respect to contributions made by corporation employees to the public service death benefit account.

The hon. PC/DR House leader pointed out that this liability will be transferred only with the passage into law of Bill C-31, an act to amend the Export Development Act and to make consequential amendments to other acts.

While that bill has been passed by the House, it is still being considered in the other place.

*Government Orders*

On that basis, he indicated that the request for funds in Vote 36a was without legal authority and requested that it be struck from the supplementary estimates and removed from the appropriation bill based on those estimates.

The principle that legislative authority must be in place before funds could be appropriated is clearly recognized. The *House of Commons Procedure and Practice*, at page 735, provides the following citation from the ruling of Mr. Speaker Jerome.

[*Translation*]

This was on March 22, 1977, and I quote:

—it is my view that the government receives from parliament the authority to act through the passage of legislation and receives the money to finance such authorized action through the passage by parliament of an appropriation act. A supply item, in my opinion, ought not, therefore, to be used to obtain authority which is the proper subject of legislation.

[*English*]

The hon. parliamentary secretary to the government House leader later informed the House that such statutory authority does exist and can be found in the Public Service Superannuation Act. He explained that the Export Development Corporation—and it is useful to note that the existing name is what appears in the appropriation bill—incurred a one-time liability when it withdrew from the Public Service Superannuation Act in April 2000, and that is the situation that Vote 36a addresses.

In the short time available, I have examined the text of Bill C-31 and the supplementary estimates and I have concluded that in light of the explanations offered by the parliamentary secretary the vote is in order and can proceed.

I am therefore ruling that the amount of \$2 million in Vote 36a under Foreign Affairs and International Trade in the supplementary estimates is in order, as is the corresponding amount in the appropriation bill.

I thank the hon. member for Pictou—Antigonish—Guysborough for his vigilance in raising the matter.

\* \* \*

[*Translation*]

**SUPPLEMENTARY ESTIMATES (A), 2001-02**

The house resumed consideration of Motion No. 1.

**The Speaker:** The house will proceed to vote on Motion No. 1.

● (1745)

(The House divided on Motion No. 1, which was agreed to on the following division:)

(*Division No. 191*)

**YEAS**

Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélanger	Bellemare
Bertrand	Bevilacqua

Binet	Blondin-Andrew
Bonin	Bonwick
Boudria	Bradshaw
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Coderre
Collenette	Comuzzi
Copps	Cotler
Cullen	Cuzner
DeVillers	Dion
Discepolo	Dromisky
Drouin	Duhamel
Duplain	Easter
Eggleton	Eyking
Farrah	Finlay
Folco	Fontana
Fry	Gagliano
Galloway	Godfrey
Goodale	Graham
Gray (Windsor West)	Grose
Guarnieri	Harb
Harvard	Harvey
Hubbard	Ianno
Jackson	Jordan
Karetak-Lindell	Keyes
Kilgour (Edmonton Southeast)	Knutson
Laliberte	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	MacAulay
Macklin	Mahoney
Malhi	Maloney
Marcil	Marleau
Martin (LaSalle—Émard)	Matthews
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	McTeague
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Normand	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Owen	Pagtakhan
Paradis	Parrish
Patry	Peric
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Provenzano	Redman
Reed (Halton)	Regan
Richardson	Robillard
Rock	Saada
Savoy	Scott
Serré	Sgro
Shepherd	Speller
St-Jacques	St-Julien
St. Denis	Steckle
Stewart	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Tirabassi
Tobin	Tonks
Ur	Valeri
Vanclief	Volpe
Wappel	Whelan
Wilfert	Wood — 156

**NAYS**

Members

Ablonczy
Anderson (Cypress Hills—Grasslands)
Bachand (Saint-Jean)
Bellehumeur
Bergeron
Blaikie
Bourgeois
Brien
Cadman

*Government Orders*

(The House divided on Motion No. 2, which was agreed to on the following division:)

(Division No. 192)

## YEAS

## Members

Cardin  
Casson  
Clark  
Crête  
Day  
Doyle  
Duceppe  
Elley  
Fitzpatrick  
Gagnon (Québec)  
Gallant  
Girard-Bujold  
Goldring  
Grey (Edmonton North)  
Guimond  
Harris  
Herron  
Hill (Prince George—Peace River)  
Hinton  
Johnston  
Laframboise  
Lebel  
Loubier  
Lunney (Nanaimo—Alberni)  
Manning  
Mark  
Martin (Winnipeg Centre)  
McDonough  
Ménard  
Merrifield  
Nystrom  
Pallister  
Perron  
Picard (Drummond)  
Proctor  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Skelton  
Sorenson  
St-Hilaire  
Stoffer  
Thompson (New Brunswick Southwest)  
Toews  
Tremblay (Rimouski-Neigette-et-la Mitis)  
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Wayne  
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Casey  
Chatters  
Comartin  
Cummins  
Desjarlais  
Dubé  
Duncan  
Epp  
Fournier  
Gagnon (Champlain)  
Gauthier  
Godin  
Grewal  
Guay  
Hanger  
Hearn  
Hill (Macleod)  
Hilstrom  
Jaffer  
Kenney (Calgary Southeast)  
Lancôt  
Lill  
Lunn (Saanich—Gulf Islands)  
MacKay (Pictou—Antigonish—Guysborough)  
Marceau  
Martin (Esquimalt—Juan de Fuca)  
Mayfield  
McNally  
Meredith  
Moore  
Obhrai  
Paquette  
Pescholido  
Plamondon  
Rajotte  
Reynolds  
Robinson  
Sauvageau  
Solberg  
Spencer  
Stinson  
Strahl  
Thompson (Wild Rose)  
Tremblay (Lac-Saint-Jean—Saguenay)  
Vellacott  
Wasylcia-Leis  
Williams

Adams  
Allard  
Assad  
Augustine  
Baker  
Beaumier  
Bélair  
Bertrand  
Binet  
Bonin  
Boudria  
Brown  
Bulte  
Caccia  
Cannis  
Castonguay  
Cauchon  
Charbonneau  
Collenette  
Copps  
Cullen  
DeVillers  
Discepolo  
Drouin  
Duplain  
Eggleton  
Farrah  
Folco  
Fry  
Galloway  
Goodale  
Gray (Windsor West)  
Guarnieri  
Harvard  
Hubbard  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Laliberte  
Lavigne  
Leung  
Longfield  
Macklin  
Malhi  
Marcil  
Martin (LaSalle—Émard)  
McCallum  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
Normand  
O'Brien (London—Fanshawe)  
Owen  
Paradis  
Patry  
Peterson  
Phinney  
Pillitteri  
Price  
Provenzano  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Serré  
Shepherd  
St-Jacques  
St. Denis  
Stewart  
Telegdi  
Thibeault (Saint-Lambert)  
Tobin

Alcock  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Bonwick  
Bradshaw  
Bryden  
Byrne  
Calder  
Caplan  
Catterall  
Chamberlain  
Coderre  
Comuzzi  
Cotler  
Cuzner  
Dion  
Dromisky  
Duhamel  
Easter  
Eyking  
Finlay  
Fontana  
Gagliano  
Godfrey  
Graham  
Grose  
Harb  
Harvey  
Iano  
Jordan  
Keyes  
Knutson  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Maloney  
Marleau  
Matthews  
McCormick  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pagtakhan  
Parrish  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Redman  
Regan  
Robillard  
Saada  
Scott  
Sgro  
Speller  
St-Julien  
Steckle  
Szabo  
Thibault (West Nova)  
Thirabassi  
Tonks

## PAIRED

## Members

Asselin  
Dhaliwal  
Manley  
Roy

Desrochers  
Lalonde  
Neville  
Scherrer — 8

**The Speaker:** I declare Motion No. 1 carried.

[*English*]

The next question is on opposed Motion No. 2.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that the vote just taken on Motion No. 1 be applied to Motions Nos. 2, 5, 6, 7 and 8.

**The Speaker:** Is there agreement?

**Some hon. members:** Agreed.

CONCURRENCE IN VOTE 35A—PRIVY COUNCIL

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.)** moved:

Motion No. 2

That Vote 35a, in the amount of \$7,880,282, under PRIVY COUNCIL—Millennium Bureau of Canada—Contributions, in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

*Government Orders*

Ur  
 Vanclief  
 Wappel  
 Wilfert

Valeri  
 Volpe  
 Whelan  
 Wood— 156

**NAYS**

## Members

Abbott  
 Anders  
 Bachand (Richmond—Arthabaska)  
 Bailey  
 Benoit  
 Bigras  
 Borotsik  
 Breitzkreuz  
 Brison  
 Cardin  
 Casson  
 Clark  
 Crête  
 Day  
 Doyle  
 Duceppe  
 Elley  
 Fitzpatrick  
 Gagnon (Québec)  
 Gallant  
 Girard-Bujold  
 Goldring  
 Grey (Edmonton North)  
 Guimond  
 Harris  
 Herron  
 Hill (Prince George—Peace River)  
 Hinton  
 Johnston  
 Laframboise  
 Lebel  
 Loubier  
 Lunney (Nanaimo—Alberni)  
 Manning  
 Mark  
 Martin (Winnipeg Centre)  
 McDonough  
 Ménard  
 Merrifield  
 Nystrom  
 Pallister  
 Perron  
 Picard (Drummond)  
 Proctor  
 Reid (Lanark—Carleton)  
 Ritz  
 Rocheleau  
 Skelton  
 Sorenson  
 St-Hilaire  
 Stoffer  
 Thompson (New Brunswick Southwest)  
 Toews  
 Tremblay (Rimouski-Neigette-et-la Mitis)  
 Venne  
 Wayne  
 Yelich— 113

Ablonczy  
 Anderson (Cypress Hills—Grasslands)  
 Bachand (Saint-Jean)  
 Bellehumeur  
 Bergeron  
 Blaikie  
 Bourgeois  
 Brien  
 Cadman  
 Casey  
 Chatters  
 Comartin  
 Cummins  
 Desjarlais  
 Dubé  
 Duncan  
 Epp  
 Fournier  
 Gagnon (Champlain)  
 Gauthier  
 Godin  
 Grewal  
 Guay  
 Hanger  
 Hearn  
 Hill (Macleod)  
 Hilstrom  
 Jaffer  
 Kenney (Calgary Southeast)  
 Lanctôt  
 Lill  
 Lunn (Saanich—Gulf Islands)  
 MacKay (Pictou—Antigonish—Guysborough)  
 Marceau  
 Martin (Esquimalt—Juan de Fuca)  
 Mayfield  
 McNally  
 Meredith  
 Moore  
 Obhrai  
 Paquette  
 Peschisolido  
 Plamondon  
 Rajotte  
 Reynolds  
 Robinson  
 Sauvageau  
 Solberg  
 Spencer  
 Stinson  
 Strahl  
 Thompson (Wild Rose)  
 Tremblay (Lac-Saint-Jean—Saguenay)  
 Vellacott  
 Wasylycia-Leis  
 Williams

**PAIRED**

## Members

Asselin  
 Dhaliwal  
 Manley  
 Roy

Desrochers  
 Lalonde  
 Neville  
 Scherrer— 8

## CONCURRENCE IN VOTE 1A—PRIVY COUNCIL

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:**

Motion No. 5

That Vote 1a, in the amount of \$14,962,249, under PRIVY COUNCIL—Department—Program expenditures, in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

(The House divided on Motion No. 5, which was agreed to on the following division:)

*(Division No. 195)***YEAS**

## Members

Adams  
 Allard  
 Assad  
 Augustine  
 Baker  
 Beaumier  
 Bélanger  
 Bertrand  
 Binet  
 Bonin  
 Bonria  
 Boudria  
 Brown  
 Bulte  
 Caccia  
 Cannis  
 Castonguay  
 Cauchon  
 Charbonneau  
 Collenette  
 Copps  
 Cullen  
 DeVillers  
 Discepolo  
 Drouin  
 Duplain  
 Eggleton  
 Farrah  
 Folco  
 Fry  
 Galloway  
 Goodale  
 Gray (Windsor West)  
 Guarnieri  
 Harvard  
 Hubbard  
 Jackson  
 Karetak-Lindell  
 Kilgour (Edmonton Southeast)  
 Laliberte  
 Lavigne  
 Leung  
 Longfield  
 Macklin  
 Malhi  
 Marcil  
 Martin (LaSalle—Émard)  
 McCallum  
 McGuire  
 McLellan  
 Mills (Toronto—Danforth)  
 Mitchell  
 Myers  
 Normand  
 O'Brien (London—Fanshawe)  
 Owen  
 Paradis  
 Patry  
 Peterson  
 Phinney  
 Pillitteri  
 Price  
 Provenzano  
 Reed (Halton)  
 Richardson  
 Rock  
 Savoy  
 Serré  
 Shepherd  
 St-Jacques  
 St. Denis

Alcock  
 Anderson (Victoria)  
 Assadourian  
 Bagnell  
 Barnes  
 Bélair  
 Bellemare  
 Bevilacqua  
 Blondin-Andrew  
 Bonwick  
 Bradshaw  
 Bryden  
 Byrne  
 Calder  
 Caplan  
 Catterall  
 Chamberlain  
 Coderre  
 Comuzzi  
 Cotler  
 Cuzner  
 Dion  
 Dromisky  
 Duhamel  
 Easter  
 Eyking  
 Finlay  
 Fontana  
 Gagliano  
 Godfrey  
 Graham  
 Grose  
 Harb  
 Harvey  
 Ianno  
 Jordan  
 Keys  
 Knutson  
 Lastewka  
 Lee  
 Lincoln  
 MacAulay  
 Mahoney  
 Maloney  
 Marleau  
 Matthews  
 McCormick  
 McKay (Scarborough East)  
 McTeague  
 Minna  
 Murphy  
 Nault  
 O'Brien (Labrador)  
 O'Reilly  
 Pagtakhan  
 Parrish  
 Peric  
 Pettigrew  
 Pickard (Chatham—Kent Essex)  
 Pratt  
 Proulx  
 Redman  
 Regan  
 Robillard  
 Saada  
 Scott  
 Sgro  
 Speller  
 St-Julien  
 Steckle

*Government Orders*

Stewart  
Telegdi  
Thibeault (Saint-Lambert)  
Tobin  
Ur  
Vanclief  
Wappel  
Wilfert

Szabo  
Thibault (West Nova)  
Tirabassi  
Tonks  
Valeri  
Volpe  
Whelan  
Wood— 156

## Motion No. 6

That Vote 10a, in the amount of \$668,150, under PRIVY COUNCIL—Canadian Intergovernmental Conference Secretariat—Program expenditures, in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

(The House divided on Motion No. 6, which was agreed to on the following division:)

## NAYS

## Members

Abbott  
Anders  
Bachand (Richmond—Arthabaska)  
Bailey  
Benoit  
Bigras  
Borotsik  
Breitkreuz  
Brisson  
Cardin  
Casson  
Clark  
Crête  
Day  
Doyle  
Duceppe  
Elley  
Fitzpatrick  
Gagnon (Québec)  
Gallant  
Girard-Bujold  
Goldring  
Grey (Edmonton North)  
Guimond  
Harris  
Herron  
Hill (Prince George—Peace River)  
Hinton  
Johnston  
Laframboise  
Lebel  
Loubier  
Lunney (Nanaimo—Alberni)  
Manning  
Mark  
Martin (Winnipeg Centre)  
McDonough  
Ménard  
Merrifield  
Nystrom  
Pallister  
Perron  
Picard (Drummond)  
Proctor  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Skelton  
Sorenson  
St-Hilaire  
Stoffer  
Thompson (New Brunswick Southwest)  
Toews  
Tremblay (Rimouski-Neigette-et-la Mitis)  
Venne  
Wayne  
Yelich— 113

Ablonczy  
Anderson (Cypress Hills—Grasslands)  
Bachand (Saint-Jean)  
Bellehumeur  
Bergeron  
Blaikie  
Bourgeois  
Brien  
Cadman  
Casey  
Chatters  
Comartin  
Cummins  
Desjarlais  
Dubé  
Duncan  
Epp  
Fournier  
Gagnon (Champlain)  
Gauthier  
Godin  
Grewal  
Guay  
Hanger  
Hearn  
Hill (Macleod)  
Hilstrom  
Jaffer  
Kenney (Calgary Southeast)  
Lancôt  
Lill  
Lunn (Saanich—Gulf Islands)  
MacKay (Pictou—Antigonish—Guysborough)  
Marceau  
Martin (Esquimalt—Juan de Fuca)  
Mayfield  
McNally  
Meredith  
Moore  
Obhrai  
Paquette  
Pescholido  
Plamondon  
Rajotte  
Reynolds  
Robinson  
Sauvageau  
Solberg  
Spencer  
Stinson  
Strahl  
Thompson (Wild Rose)  
Tremblay (Lac-Saint-Jean—Saguenay)  
Vellacott  
Wasylcia-Leis  
Williams

## PAIRED

## Members

Asselin  
Dhaliwal  
Manley  
Roy

Desrochers  
Lalonde  
Neville  
Scherrer— 8

## CONCURRENCE IN VOTE 10A—PRIVY COUNCIL

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:**

*(Division No. 196)*

## YEAS

## Members

Adams  
Allard  
Assad  
Augustine  
Baker  
Beaumier  
Bélanger  
Bertrand  
Binet  
Bonin  
Boudria  
Brown  
Bulte  
Caccia  
Cannis  
Castonguay  
Cauchon  
Charbonneau  
Collenette  
Copps  
Cullen  
DeVillers  
Discepolo  
Drouin  
Duplain  
Eggleton  
Farrah  
Folco  
Fry  
Galloway  
Goodale  
Gray (Windsor West)  
Guarnieri  
Harvard  
Hubbard  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Laliberte  
Lavigne  
Leung  
Longfield  
Macklin  
Malhi  
Marcil  
Martin (LaSalle—Émard)  
McCallum  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
Normand  
O'Brien (London—Fanshawe)  
Owen  
Paradis  
Patry  
Peterson  
Phinney  
Pillitteri  
Price  
Provenzano  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Serré  
Shepherd

Alcock  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Bonwick  
Bradshaw  
Bryden  
Byrne  
Calder  
Caplan  
Catterall  
Chamberlain  
Coderre  
Comuzzi  
Cotler  
Cuzner  
Dion  
Dromisky  
Duhamel  
Easter  
Eyking  
Finlay  
Fontana  
Gagliano  
Godfrey  
Graham  
Grose  
Harb  
Harvey  
Iano  
Jordan  
Keyes  
Knutson  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Maloney  
Marleau  
Matthews  
McCormick  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pagtakhan  
Parrish  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Redman  
Regan  
Robillard  
Saada  
Scott  
Sgro  
Speller

*Government Orders*

St-Jacques	St-Julien
St. Denis	Steckle
Stewart	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Tirabassi
Tobin	Tonks
Ur	Valeri
Vanclief	Volpe
Wappel	Whelan
Wilfert	Wood— 156

## NAYS

## Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Breitkreuz	Brien
Brisson	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Crête	Cummins
Day	Desjarlais
Doyle	Dubé
Duceppe	Duncan
Elley	Epp
Fitzpatrick	Fournier
Gagnon (Québec)	Gagnon (Champlain)
Gallant	Gauthier
Girard-Bujold	Godin
Golding	Grewal
Grey (Edmonton North)	Guay
Guimond	Hanger
Harris	Hearn
Herron	Hill (MacLeod)
Hill (Prince George—Peace River)	Hillstrom
Hinton	Jaffer
Johnston	Kenney (Calgary Southeast)
Laframboise	Lanctôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Manning	Marceau
Mark	Martin (Esquimalt—Juan de Fuca)
Martin (Winnipeg Centre)	Mayfield
McDonough	McNally
Ménard	Meredith
Merrifield	Moore
Nystrom	Obhrai
Pallister	Paquette
Perron	Peschisolido
Picard (Drummond)	Plamondon
Proctor	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Robinson
Rocheleau	Sauvageau
Skelton	Solberg
Sorenson	Spencer
St-Hilaire	Stinson
Stoffer	Strahl
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Toews	Tremblay (Lac-Saint-Jean—Saguenay)
Tremblay (Rimouski-Neigette-et-la Mitis)	Vellacott
Venne	Wasylycia-Leis
Wayne	Williams
Yelich— 113	

## PAIRED

## Members

Asselin	Desrochers
Dhaliwal	Lalonde
Mánley	Neville
Roy	Scherrer— 8

## CONCURRENCE IN VOTE 15A—PUBLIC WORKS AND GOVERNMENT SERVICES

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:**

## Motion No. 7

That Vote 15a, in the amount of \$2,587,100, under PUBLIC WORKS AND GOVERNMENT SERVICES—Communication Canada—Program expenditures, in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

(The House Divided on Motion No. 7, which was agreed to on the following division:)

*(Division No. 197)*

## YEAS

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélangier	Bellemare
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Boudria	Bradshaw
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Coderre
Collenette	Comuzzi
Copps	Cotler
Cullen	Cuzner
DeVillers	Dion
Discepolo	Dromisky
Drouin	Duhamel
Duplain	Easter
Eggleton	Eyking
Farrah	Finlay
Folco	Fontana
Fry	Gagliano
Galloway	Godfrey
Goodale	Graham
Gray (Windsor West)	Grose
Guarnieri	Harb
Harvard	Harvey
Hubbard	Ianno
Jackson	Jordan
Karetak-Lindell	Keyes
Kilgour (Edmonton Southeast)	Knutson
Laliberte	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	MacAulay
Macklin	Mahoney
Malhi	Maloney
Marcil	Marleau
Martin (LaSalle—Émard)	Matthews
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	McTeague
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Normand	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Owen	Pagtakhan
Paradis	Parrish
Patry	Peric
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx

*Government Orders*

## PAIRED

## Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer— 8

## CONCURRENCE IN VOTE 1A—JUSTICE

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.) moved:**

## Motion No. 8

That Vote 1a, in the amount of \$158,624,269, under JUSTICE—Department—Operating expenditures, in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

● (1750)

(The House divided on Motion No. 8, which was agreed to on the following division:)

*(Division No. 198)*

## YEAS

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélanger	Bellemare
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Boudria	Bradshaw
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Coderre
Collenette	Comuzzi
Copps	Cotler
Cullen	Cuzner
DeVillers	Dion
Discepolo	Dromisky
Drouin	Duhamel
Duplain	Easter
Eggleton	Eyking
Farrah	Finlay
Folco	Fontana
Fry	Gagliano
Galloway	Godfrey
Goodale	Graham
Gray (Windsor West)	Grose
Guarnieri	Harb
Harvard	Harvey
Hubbard	Ianno
Jackson	Jordan
Karetak-Lindell	Keys
Kilgour (Edmonton Southeast)	Knutson
Laliberte	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	MacAulay
Macklin	Mahoney
Malhi	Maloney
Marcil	Marleau
Martin (LaSalle—Émard)	Mathews
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	McTeague
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Normand	O'Brien (Labrador)

## NAYS

## Members

Provenzano	Redman
Reed (Halton)	Regan
Richardson	Robillard
Rock	Saada
Savoy	Scott
Serré	Sgro
Shepherd	Speller
St-Jacques	St-Julien
St. Denis	Steckle
Stewart	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Tirabassi
Tobin	Tonks
Ur	Valeri
Vanclief	Volpe
Wappel	Whelan
Wilfert	Wood— 156

  

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Breitkreuz	Brien
Brison	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Crête	Cummins
Day	Desjarlais
Doyle	Dubé
Duceppe	Duncan
Elley	Epp
Fitzpatrick	Fournier
Gagnon (Québec)	Gagnon (Champlain)
Gallant	Gauthier
Girard-Bujold	Godin
Goldring	Grewal
Grey (Edmonton North)	Guay
Guimond	Hanger
Harris	Hearn
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hinton	Jaffer
Johnston	Kenney (Calgary Southeast)
Laframboise	Lanctôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Manning	Marceau
Mark	Martin (Esquimalt—Juan de Fuca)
Martin (Winnipeg Centre)	Mayfield
McDonough	McNally
Ménard	Meredith
Merrifield	Moore
Nystrom	Obhrai
Pallister	Paquette
Perron	Peschisolido
Picard (Drummond)	Plamondon
Proctor	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Robinson
Rocheleau	Sauvageau
Skelton	Solberg
Sorenson	Spencer
St-Hilaire	Stinson
Stoffer	Strahl
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Toews	Tremblay (Lac-Saint-Jean—Saguenay)
Tremblay (Rimouski-Neigette-et-la Mitis)	Vellacott
Venne	Wasylcia-Leis
Wayne	Williams
Yelich— 113	

*Government Orders*

O'Brien (London—Fanshawe)	O'Reilly
Owen	Pagtakhan
Paradis	Parrish
Patry	Peric
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Provenzano	Redman
Reed (Halton)	Regan
Richardson	Robillard
Rock	Saada
Savoy	Scott
Serré	Sgro
Shepherd	Speller
St-Jacques	St-Julien
St. Denis	Steckle
Stewart	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Tirabassi
Tobin	Tonks
Ur	Valeri
Vanclief	Volpe
Wappel	Whelan
Wilfert	Wood— 156

**NAYS**

## Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Breitkreuz	Brien
Brison	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Crête	Cummins
Day	Desjarlais
Doyle	Dubé
Duceppe	Duncan
Elley	Epp
Fitzpatrick	Fournier
Gagnon (Québec)	Gagnon (Champlain)
Gallant	Gauthier
Girard-Bujold	Godin
Goldring	Grewal
Grey (Edmonton North)	Guay
Guimond	Hanger
Harris	Hearn
Herron	Hill (Macleod)
Hill (Prince George—Peace River)	Hilstrom
Hinton	Jaffer
Johnston	Kenney (Calgary Southeast)
Laframboise	Lancôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Manning	Marceau
Mark	Martin (Esquimalt—Juan de Fuca)
Martin (Winnipeg Centre)	Mayfield
McDonough	McNally
Ménard	Meredith
Merrifield	Moore
Nystrom	Obhrai
Pallister	Paquette
Perron	Peschisolido
Picard (Drummond)	Plamondon
Proctor	Rajotte
Reid (Lanark—Carleton)	Reynolds
Ritz	Robinson
Rocheleau	Sauvageau
Skelton	Solberg
Sorenson	Spencer
St-Hilaire	Stinson
Stoffer	Strahl
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Toews	Tremblay (Lac-Saint-Jean—Saguenay)
Tremblay (Rimouski-Neigette-et-la Mitis)	Vellacott

Venne  
Wayne  
Yelich— 113

Wasylycia-Leis  
Williams

**PAIRED**

## Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer— 8

**The Speaker:** I declare Motions Nos. 2, 5, 6, 7 and 8 carried.

The next question is on opposed Motion No. 3.

## CONCURRENCE IN VOTE 10A—ENVIRONMENT

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.)** moved:

Motion No. 3

That Vote 10a, in the amount of \$60,050,603, under ENVIRONMENT—Department—Grants and contributions, in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

**Ms. Marlene Catterall:** Mr. Speaker, I believe you would find consent that those who voted on the previous motion be recorded as voting on Motion No. 3, with Liberal members voting yes.

**The Speaker:** Is there consent to proceed in this fashion?

**Some hon. members:** Agreed.

**Mr. Richard Harris:** Mr. Speaker, the Canadian Alliance is voting no to Motion No. 3.

[*Translation*]

**Mr. Pierre Brien:** Mr. Speaker, the members of the Bloc Québécois vote in favour of this motion.

**Mr. Yvon Godin:** Mr. Speaker, the members of the New Democratic Party vote no on this motion.

[*English*]

**Mr. Jay Hill:** Mr. Speaker, members of the PC/DR coalition are voting in favour of this motion.

**Mr. Gary Lunn:** Mr. Speaker, I vote no.

**Ms. Carolyn Bennett:** Mr. Speaker, I want my vote recorded with the government.

(The House divided on Motion No. 3, which was agreed to on the following division:)

(*Division No. 193*)

**YEAS**

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bachand (Richmond—Arthabaska)
Bachand (Saint-Jean)	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélangier	Bellehumeur
Bellemare	Bennett
Bergeron	Bertrand
Bevilacqua	Bigras
Binet	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bourgeois	Bradshaw
Brien	Brison

Brown  
Bulte  
Caccia  
Cannis  
Cardin  
Castonguay  
Cauchon  
Charbonneau  
Coderre  
Comuzzi  
Cotler  
Cullen  
DeVillers  
Discepola  
Dromisky  
Dubé  
Duhamel  
Easter  
Eyking  
Finlay  
Fontana  
Fry  
Gagnon (Québec)  
Galloway  
Girard-Bujold  
Goodale  
Gray (Windsor West)  
Grose  
Guay  
Harb  
Harvey  
Herron  
Hubbard  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Laframboise  
Lancôt  
Lavigne  
Lee  
Lincoln  
Loubier  
MacKay (Pictou—Antigonish—Guysborough)  
Mahoney  
Maloney  
Marcil  
Marleau  
Matthews  
McCormick  
McKay (Scarborough East)  
McNally  
Ménard  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
Normand  
O'Brien (London—Fanshawe)  
Owen  
Paquette  
Parrish  
Peric  
Peterson  
Phinney  
Pickard (Chatham—Kent Essex)  
Plamondon  
Price  
Provenzano  
Reed (Halton)  
Richardson  
Rocheleau  
Saada  
Savoy  
Serré  
Shepherd  
St-Hilaire  
St-Julien  
Steckle  
Strahl  
Telegdi  
Thibeault (Saint-Lambert)  
Tirabassi  
Tonks  
Tremblay (Rimouski-Neigette-et-la Mitis)  
Valéri

Bryden  
Byrne  
Calder  
Caplan  
Casey  
Catterall  
Chamberlain  
Clark  
Collenette  
Copp  
Crête  
Cuzner  
Dion  
Doyle  
Drouin  
Duceppe  
Duplain  
Eggleton  
Farrah  
Folco  
Fournier  
Gagliano  
Gagnon (Champlain)  
Gauthier  
Godfrey  
Graham  
Grey (Edmonton North)  
Guarnieri  
Guimond  
Harvard  
Hearn  
Hill (Prince George—Peace River)  
Ianno  
Jordan  
Keyes  
Knutson  
Laliberte  
Lastewka  
Lebel  
Leung  
Longfield  
MacAulay  
Macklin  
Malhi  
Marceau  
Mark  
Martin (LaSalle—Émard)  
McCallum  
McGuire  
McLellan  
McTeague  
Meredith  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pagtakhan  
Paradis  
Patry  
Perron  
Pettigrew  
Picard (Drummond)  
Pillitteri  
Pratt  
Proulx  
Redman  
Regan  
Robillard  
Rock  
Sauvageau  
Scott  
Sgro  
Speller  
St-Jacques  
St. Denis  
Stewart  
Szabo  
Thibault (West Nova)  
Thompson (New Brunswick Southwest)  
Tobin  
Tremblay (Lac-Saint-Jean—Saguenay)  
Ur  
Vanclief

Venne  
Wappel  
Whelan  
Wood— 207

Abbott  
Anders  
Bailey  
Blaikie  
Cadman  
Chatters  
Cummins  
Desjarlais  
Elley  
Fitzpatrick  
Godin  
Grewal  
Harris  
Hilstrom  
Jaffer  
Kenney (Calgary Southeast)  
Lunn (Saanich—Gulf Islands)  
Manning  
Martin (Winnipeg Centre)  
McDonough  
Moore  
Obhrai  
Peschisolido  
Rajotte  
Reynolds  
Robinson  
Solberg  
Spencer  
Stoffer  
Toews  
Wasylycia-Leis  
Yelich— 63

### Government Orders

Volpe  
Wayne  
Wilfert

### NAYS

#### Members

Ablonczy  
Anderson (Cypress Hills—Grasslands)  
Benoit  
Breitkreuz  
Casson  
Comartin  
Day  
Duncan  
Epp  
Gallant  
Goldring  
Hanger  
Hill (MacLeod)  
Hinton  
Johnston  
Lill  
Lunney (Nanaimo—Alberni)  
Martin (Esquimalt—Juan de Fuca)  
Mayfield  
Merrifield  
Nystrom  
Pallister  
Proctor  
Reid (Lanark—Carleton)  
Ritz  
Skelton  
Sorenson  
Stinson  
Thompson (Wild Rose)  
Vellacott  
Williams

### PAIRED

#### Members

Asselin  
Dhaliwal  
Manley  
Roy  
Desrochers  
Lalonde  
Neville  
Scherrer— 8

**The Speaker:** I declare Motion No. 3 carried.

The next question is on Motion No. 4.

[Translation]

CONCURRENCE IN VOTE 10A—NATURAL RESOURCES

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

Motion No. 4

That vote 10a, in the amount of \$58,150,000, under NATURAL RESOURCES—Grants and contributions in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

[English]

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that the vote just taken on Motion No. 3 be applied to Motion No. 4.

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

(The House divided on Motion No. 4, which was agreed to on the following division:)

*Government Orders**(Division No. 194)***YEAS**

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bachand (Richmond—Arthabaska)
Bachand (Saint-Jean)	Bagnell
Baker	Barnes
Beaumier	Béclair
Bélanger	Bellehumeur
Bellemare	Bennett
Bergeron	Bertrand
Bevilacqua	Bigras
Binet	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bourgeois	Bradshaw
Brien	Brison
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Cardin	Casey
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Clark
Coderre	Collenette
Comuzzi	Copps
Cotler	Crête
Cullen	Cuzner
DeVillers	Dion
Discepola	Doyle
Dromisky	Drouin
Dubé	Duceppe
Duhamel	Duplain
Easter	Eggleton
Eyking	Farrah
Finlay	Folco
Fontana	Fournier
Fry	Gagliano
Gagnon (Québec)	Gagnon (Champlain)
Galloway	Gauthier
Girard-Bujold	Godfrey
Goodale	Graham
Gray (Windsor West)	Grey (Edmonton North)
Grose	Guarnieri
Guay	Guimond
Harb	Harvard
Harvey	Hearn
Herron	Hill (Prince George—Peace River)
Hubbard	Ianno
Jackson	Jordan
Karetak-Lindell	Keyes
Kilgour (Edmonton Southeast)	Knutson
Laframboise	Laliberte
Lancôt	Lastewka
Lavigne	Lebel
Lee	Leung
Lincoln	Longfield
Loubier	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Mahoney	Malhi
Maloney	Marceau
Marcil	Mark
Marleau	Martin (LaSalle—Émard)
Matthews	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McNally	McTeague
Ménard	Meredith
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Normand	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Owen	Pagtakhan
Paquette	Paradis
Parrish	Patry
Peric	Perron
Peterson	Pettigrew

Phinney  
 Pickard (Chatham—Kent Essex)  
 Plamondon  
 Price  
 Provenzano  
 Reed (Halton)  
 Richardson  
 Rocheleau  
 Saada  
 Savoy  
 Serré  
 Shepherd  
 St-Hilaire  
 St-Julien  
 Steckle  
 Strahl  
 Telegdi  
 Thibeault (Saint-Lambert)  
 Tirabassi  
 Tonks  
 Tremblay (Rimouski-Neigette-et-la Mitis)  
 Valeri  
 Venne  
 Wappel  
 Whelan  
 Wood— 207

Picard (Drummond)  
 Pillitteri  
 Pratt  
 Proulx  
 Redman  
 Regan  
 Robillard  
 Rock  
 Sauvageau  
 Scott  
 Sgro  
 Speller  
 St-Jacques  
 St. Denis  
 Stewart  
 Szabo  
 Thibault (West Nova)  
 Thompson (New Brunswick Southwest)  
 Tobin  
 Tremblay (Lac-Saint-Jean—Saguenay)  
 Ur  
 Vanclief  
 Volpe  
 Wayne  
 Wilfert

**NAYS**

## Members

Abbott	Ablooney
Anders	Anderson (Cypress Hills—Grasslands)
Bailey	Benoit
Blaikie	Breitkreuz
Cadman	Casson
Chatters	Comartin
Cummins	Day
Desjarlais	Duncan
Elley	Epp
Fitzpatrick	Gallant
Godin	Goldring
Grewal	Hanger
Harris	Hill (Macleod)
Hilstrom	Hinton
Jaffer	Johnston
Kenney (Calgary Southeast)	Lill
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
Manning	Martin (Esquimalt—Juan de Fuca)
Martin (Winnipeg Centre)	Mayfield
McDonough	Merrifield
Moore	Nystrom
Obhrai	Pallister
Peschisolido	Proctor
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Robinson	Skelton
Solberg	Sorenson
Spencer	Stinson
Stoffer	Thompson (Wild Rose)
Toews	Vellacott
Wasylycia-Leis	Williams
Yelich— 63	

**PAIRED**

## Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherer— 8

**The Speaker:** I declare Motion No. 4 carried.

The next question is Motion No. 9.

[*Translation*]

CONCURRENCE IN VOTE 10A—SOLICITOR GENERAL

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

Motion No. 9

That Vote 10a, in the amount of \$11,842,379, under SOLICITOR GENERAL—Canadian Security Intelligence Service—Program expenditures, in the Supplementary Estimates (A) for the fiscal year ending March 31, 2002, be concurred in.

[English]

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that those who voted on the previous motion be recorded as voting on Motion No. 9, with Liberal members voting yes.

[Translation]

**The Speaker:** Is there unanimous consent to proceed in such a fashion?

**Some hon. members:** Agreed.

[English]

**Mr. Richard Harris:** Mr. Speaker, Canadian Alliance members are voting no to this motion.

[Translation]

**Mr. Pierre Brien:** Mr. Speaker, Bloc Québécois members vote against this motion, and the name of the member for Laval Centre is to be added.

[English]

**Mr. Yvon Godin:** Mr. Speaker, members of the NDP are voting no to this motion.

**Mr. Jay Hill:** Mr. Speaker, coalition members present this evening are in favour of this motion.

**Mr. Gary Lunn:** Mr. Speaker, opposed.

• (1755)

[Translation]

(The House divided on Motion No. 9, which was agreed to on the following division:)

*(Division No. 199)*

**YEAS**

Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bachand (Richmond—Arthabaska)
Bagnell	Baker
Barnes	Beaumier
Bélair	Bélangier
Bellemare	Bennett
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bradshaw	Brisson
Brown	Bryden
Bulte	Byrne
Caccia	Calder
Cannis	Caplan
Casey	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Clark	Coderre
Collenette	Comuzzi
Copps	Cotler
Cullen	Cuzner
DeVillers	Dion
Discepola	Doyle
Dromisky	Drouin
Duhamel	Duplain
Easter	Eggleton
Eyking	Farrah
Finlay	Folco

Fontana
Gagliano
Godfrey
Graham
Grey (Edmonton North)
Guarnieri
Harvard
Hearn
Hill (Prince George—Peace River)
Ianno
Jordan
Keyes
Knutson
Lastewka
Lee
Lincoln
MacAulay
Macklin
Malhi
Marcil
Marleau
Matthews
McCormick
McKay (Scarborough East)
McNally
Meredith
Minna
Murphy
Nault
O'Brien (Labrador)
O'Reilly
Pagtakhan
Parrish
Peric
Pettigrew
Pickard (Chatham—Kent Essex)
Pratt
Proulx
Redman
Regan
Robillard
Saada
Scott
Sgro
Speller
St-Julien
Steckle
Strahl
Telegdi
Thibeault (Saint-Lambert)
Tirabassi
Tonks
Valeri
Volpe
Wayne
Wilfert

Abbott
Anders
Bachand (Saint-Jean)
Bellehumeur
Bergeron
Blaikie
Breitkreuz
Cadman
Casson
Comartin
Cummins
Day
Dubé
Duncan
Epp
Fournier
Gagnon (Champlain)
Gauthier
Godin
Grewal
Guimond
Harris
Hilstrom

*Government Orders*

Fry
Galloway
Goodale
Gray (Windsor West)
Grose
Harb
Harvey
Herron
Hubbard
Jackson
Karetak-Lindell
Kilgour (Edmonton Southeast)
Labiberte
Lavigne
Leung
Longfield
MacKay (Pictou—Antigonish—Guysborough)
Mahoney
Maloney
Mark
Martin (LaSalle—Émard)
McCallum
McGuire
McLellan
McTeague
Mills (Toronto—Danforth)
Mitchell
Myers
Normand
O'Brien (London—Fanshawe)
Owen
Paradis
Patry
Peterson
Phinney
Pillitteri
Price
Provenzano
Reed (Halton)
Richardson
Rock
Savoy
Serré
Shepherd
St-Jacques
St. Denis
Stewart
Szabo
Thibault (West Nova)
Thompson (New Brunswick Southwest)
Tobin
Ur
Vancielief
Wappel
Whelan
Wood— 174

**NAYS**

Members

Ablonczy
Anderson (Cypress Hills—Grasslands)
Bailey
Benoit
Bigras
Bourgeois
Brien
Cardin
Chatters
Crête
Dalphond-Guiral
Desjarlais
Duceppe
Elley
Fitzpatrick
Gagnon (Québec)
Gallant
Girard-Bujold
Goldring
Guay
Hanger
Hill (MacLeod)
Hinton

*Government Orders*

Jaffer	Johnston
Kenney (Calgary Southeast)	Laframboise
Lancôt	Lebel
Lill	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
Manning	Marceau
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Mayfield	McDonough
Ménard	Merrifield
Moore	Nystrom
Obhrai	Pallister
Paquette	Perron
Peschisolido	Picard (Drummond)
Plamondon	Proctor
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Robinson	Rocheleau
Sauvageau	Skelton
Solberg	Sorenson
Spencer	St-Hilaire
Stinson	Stoffer
Thompson (Wild Rose)	Toews
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Vellacott	Venne
Wasylcia-Leis	Williams
Yelich — 97	

**PAIRED**

## Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer — 8

**The Speaker:** I declare Motion No. 9 carried.

[*English*]

**Hon. Lucienne Robillard** moved:

That Supplementary Estimates (A), 2001-02, laid upon the table Thursday, November 1, 2001, be concurred in.

**Ms. Marlene Catterall:** Mr. Chairman, I think you would find consent that the vote previously taken on Motion No. 1 be applied to the vote on concurrence.

**The Speaker:** Is it agreed that the vote taken on Motion No. 1 apply to the question now before the House?

**Some hon. members:** Agreed.

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

(*Division No. 200*)

**YEAS**

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bradshaw	Brown
Bryden	Bulte
Byrne	Caccia
Calder	Cannis
Caplan	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Coderre	Collenette
Comuzzi	Copps

Cotler	Cullen
Cuzner	DeVillers
Dion	Discepola
Dromisky	Drouin
Duhamel	Duplain
Easter	Eggleton
Eyking	Farrah
Finlay	Folco
Fontana	Fry
Gagliano	Galloway
Godfrey	Goodale
Graham	Gray (Windsor West)
Grose	Guarnieri
Harb	Harvard
Harvey	Hubbard
Ianno	Jackson
Jordan	Karetak-Lindell
Keyes	Kilgour (Edmonton Southeast)
Knutson	Laliberte
Lastewka	Lavigne
Lee	Leung
Lincoln	Longfield
MacAulay	Macklin
Mahoney	Malhi
Maloney	Marcil
Marleau	Martin (LaSalle—Émard)
Matthews	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McTeague	Mills (Toronto—Danforth)
Minna	Mitchell
Murphy	Myers
Nault	Normand
O'Brien (Labrador)	O'Brien (London—Fanshawe)
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Patry
Peric	Peterson
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proulx	Provenzano
Redman	Reed (Halton)
Regan	Richardson
Robillard	Rock
Saada	Savoy
Scott	Serré
Sgro	Shepherd
Speller	St-Jacques
St-Julien	St. Denis
Steckle	Stewart
Szabo	Telegdi
Thibault (West Nova)	Thibeault (Saint-Lambert)
Tirabassi	Tobin
Tonks	Ur
Valeri	Vanclief
Volpe	Wappel
Whelan	Wilfert
Wood — 157	

**NAYS**

## Members

Ablonczy
Anderson (Cypress Hills—Grasslands)
Bachand (Saint-Jean)
Bellehumeur
Bergeron
Blaikie
Bourgeois
Brien
Cadman
Casey
Chatters
Comartin
Cummins
Day
Doyle
Duceppe
Elley
Fitzpatrick
Gagnon (Québec)
Gallant

*Government Orders*

Gauthier  
 Godin  
 Grewal  
 Guay  
 Hanger  
 Hearn  
 Hill (Macleod)  
 Hilstrom  
 Jaffer  
 Kenney (Calgary Southeast)  
 Lanciôt  
 Lill  
 Lunn (Saanich—Gulf Islands)  
 MacKay (Pictou—Antigonish—Guysborough)  
 Marceau  
 Martin (Esquimalt—Juan de Fuca)  
 Mayfield  
 McNally  
 Meredith  
 Moore  
 Obhrai  
 Paquette  
 Peschisolido  
 Plamondon  
 Rajotte  
 Reynolds  
 Robinson  
 Sauvageau  
 Solberg  
 Spencer  
 Stinson  
 Strahl  
 Thompson (Wild Rose)  
 Tremblay (Lac-Saint-Jean—Saguenay)  
 Vellacott  
 Wasylcia-Leis  
 Williams

Girard-Bujold  
 Goldring  
 Grey (Edmonton North)  
 Guimond  
 Harris  
 Herron  
 Hill (Prince George—Peace River)  
 Hinton  
 Johnston  
 Laframboise  
 Lebel  
 Loubier  
 Lunney (Nanaimo—Alberni)  
 Manning  
 Mark  
 Martin (Winnipeg Centre)  
 McDonough  
 Ménard  
 Merrifield  
 Nystrom  
 Pallister  
 Perron  
 Picard (Drummond)  
 Proctor  
 Reid (Lanark—Carleton)  
 Ritz  
 Rocheleau  
 Skelton  
 Sorenson  
 St-Hilaire  
 Stoffer  
 Thompson (New Brunswick Southwest)  
 Toews  
 Tremblay (Rimouski-Neigette-et-la Mitis)  
 Venne  
 Wayne  
 Yelich— 114

**PAIRED**

## Members

Asselin  
 Dhaliwal  
 Manley  
 Roy

Desrochers  
 Lalonde  
 Neville  
 Scherrer— 8

**The Speaker:** I declare the motion carried.

**Hon. Lucienne Robillard** moved that Bill C-45, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2002, be read the first time.

(Motion deemed adopted and bill read the first time)

**Hon. Lucienne Robillard** moved that Bill C-45, an act granting to Her Majesty certain sums of money for the public service of Canada for the financial years ending March 31, 2001, be read the second time and referred to committee of the whole.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that the vote taken on concurrence in the supplementary estimates (A) be applied to the motion for second reading on the supply bill.

**The Speaker:** Is it agreed to proceed in such a fashion?

**Some hon. members:** Agreed.

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

*(Division No. 201)***YEAS**

## Members

Adams  
 Alcock

Allard  
 Assad  
 Augustine  
 Baker  
 Beaumier  
 Bélanger  
 Bennett  
 Bevilacqua  
 Blondin-Andrew  
 Bonwick  
 Bradshaw  
 Bryden  
 Byrne  
 Calder  
 Caplan  
 Catterall  
 Chamberlain  
 Coderre  
 Comuzzi  
 Cotler  
 Cuzner  
 Dion  
 Dromisky  
 Duhamel  
 Easter  
 Eyking  
 Finlay  
 Fontana  
 Gagliano  
 Godfrey  
 Graham  
 Grose  
 Harb  
 Harvey  
 Ianno  
 Jordan  
 Keyes  
 Knutson  
 Lastewka  
 Lee  
 Lincoln  
 MacAulay  
 Mahoney  
 Maloney  
 Marleau  
 Matthews  
 McCormick  
 McKay (Scarborough East)  
 McTeague  
 Minna  
 Murphy  
 Nault  
 O'Brien (Labrador)  
 O'Reilly  
 Pagtakhan  
 Parrish  
 Peric  
 Pettigrew  
 Pickard (Chatham—Kent Essex)  
 Pratt  
 Proulx  
 Redman  
 Regan  
 Robillard  
 Saada  
 Scott  
 Sgro  
 Speller  
 St-Julien  
 Steckle  
 Szabo  
 Thibault (West Nova)  
 Tirabassi  
 Tonks  
 Valeri  
 Volpe  
 Whelan  
 Wood— 157

Anderson (Victoria)  
 Assadourian  
 Bagnell  
 Barnes  
 Bélair  
 Bellemare  
 Bertrand  
 Binet  
 Bonin  
 Boudria  
 Brown  
 Bulte  
 Caccia  
 Cannis  
 Castonguay  
 Cauchon  
 Charbonneau  
 Colletette  
 Copps  
 Cullen  
 DeVillers  
 Discepola  
 Drouin  
 Duplain  
 Eggleton  
 Farrah  
 Folco  
 Fry  
 Galloway  
 Goodale  
 Gray (Windsor West)  
 Guarnieri  
 Harvard  
 Hubbard  
 Jackson  
 Karetak-Lindell  
 Kilgour (Edmonton Southeast)  
 Laliberte  
 Lavigne  
 Leung  
 Longfield  
 Macklin  
 Malhi  
 Marcil  
 Martin (LaSalle—Émard)  
 McCallum  
 McGuire  
 McLellan  
 Mills (Toronto—Danforth)  
 Mitchell  
 Myers  
 Normand  
 O'Brien (London—Fanshawe)  
 Owen  
 Paradis  
 Patry  
 Peterson  
 Phinney  
 Pillitteri  
 Price  
 Provenzano  
 Reed (Halton)  
 Richardson  
 Rock  
 Savoy  
 Serré  
 Shepherd  
 St-Jacques  
 St. Denis  
 Stewart  
 Telegdi  
 Thibeault (Saint-Lambert)  
 Tobin  
 Ur  
 Vanclief  
 Wappel  
 Wilfert

**NAYS**

## Members

Ablonczy

*Government Orders*

Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Breitkreuz	Brien
Brison	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Day
Desjarlais	Doyle
Dubé	Duceppe
Duncan	Elley
Epp	Fitzpatrick
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gallant
Gauthier	Girard-Bujold
Godin	Goldring
Grewal	Grey (Edmonton North)
Guay	Guimond
Hanger	Harris
Hearn	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hinton
Jaffer	Johnston
Kenney (Calgary Southeast)	Laframboise
Lancôt	Lebel
Lill	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)	Manning
Marceau	Mark
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Mayfield	McDonough
McNally	Ménard
Meredith	Merrifield
Moore	Nystrom
Obhrai	Pallister
Paquette	Perron
Peschisolido	Picard (Drummond)
Plamondon	Proctor
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Robinson	Rocheleau
Sauvageau	Skelton
Solberg	Sorenson
Spencer	St-Hilaire
Stinson	Stoffer
Strahl	Thompson (New Brunswick Southwest)
Thompson (Wild Rose)	Toews
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Vellacott	Venne
Wasylcyia-Leis	Wayne
Williams	Yelich — 114

**PAIRED**

Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer — 8

**The Speaker:** I declare the motion carried. Accordingly the bill stands referred to a committee of the whole. I do now leave the chair for the House to go into committee of the whole.

(Bill read the second time and the House went into committee thereon, Mr. Kilger in the chair)

**The Chairman:** Order, please. House in committee of the whole on Bill C-45.

**Mr. John Williams (St. Albert, Canadian Alliance):** Mr. Chairman, I ask the President of the Treasury Board to confirm that this bill is in the usual format for an appropriation bill and also that it addresses the ruling of the Speaker of the House of Commons of November 22, when he ruled against vote 10 of Environment

Canada and vote 10 of Natural Resources Canada, both in the amount of \$50 million each.

[*Translation*]

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Chairman, this bill is essentially in the same form as those passed in previous years.

[*English*]

**Mr. John Williams:** Mr. Chairman, I know it is in an unusual format but I specifically asked if it addressed the rulings of the Speaker on November 22.

**The Chairman:** The normal practice, while in committee of the whole, is for officials to also be on the floor assisting the minister. While the question is in order from the perspective of committee of the whole, would it be agreeable to allow the minister to consult with her officials, review the matter and get back to the hon. member. Does the minister have more to add?

• (1800)

**Hon. Lucienne Robillard:** Mr. Chairman, if the hon. member is speaking about the ruling on the foundation at natural resources, the answer to his question is no. It will be in the supplementary estimates (B).

**The Chairman:** Was that the question?

**Mr. John Williams:** Mr. Chairman, I specifically asked if the bill addresses the ruling of the Speaker of the House of Commons of November 22, when he ruled against vote 10 of Environment Canada and vote 10 of Natural Resources Canada, both in the amount of \$50 million each.

I thought we would get a yes, but we got a no. I am at loss as to where we stand. Therefore I am looking for some guidance from the Chair.

**The Chairman:** I think the answer, while not being the one that might have been anticipated by the hon. member for St. Albert, remains an answer and was a negative one.

Shall clause 2 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 2 agreed to)

**The Chairman:** Shall clause 3 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 3 agreed to)

**The Chairman:** Shall clause 4 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 4 agreed to)

**The Chairman:** Shall clause 5 carry?

*Government Orders*

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Clause 5 agreed to)

[*Translation*]

**The Chairman:** Shall clause 6 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Clause 6 agreed to)

**The Chairman:** Shall clause 7 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Clause 7 agreed to)

[*English*]

**The Chairman:** Shall schedule 1 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Schedule 1 agreed to)

**The Chairman:** Shall schedule 2 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Schedule 2 agreed to)

[*Translation*]

**The Chairman:** Shall clause 1 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Clause 1 agreed to)

**The Chairman:** Shall the preamble carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Preamble agreed to)

[*English*]

**The Chairman:** Shall the title carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.  
(Title agreed to)  
(Bill reported)

[*Translation*]

**Hon. Lucienne Robillard** moved that Bill C-45 be concurred in at report stage.

**The Speaker:** Is it the pleasure of the House to adopt the motion?

[*English*]

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that the vote on the motion at second reading be applied to the motion for concurrence in report stage.

**The Speaker:** Is it agreed to proceed in this fashion?

**Some hon. members:** Agreed.

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

(*Division No. 202*)

## YEAS

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Baker	Barnes
Beaumier	Bélaïr
Bélangier	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bradshaw	Brown
Bryden	Bulte
Byrne	Caccia
Calder	Cannis
Caplan	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Coderre	Collenette
Comuzzi	Copps
Cotler	Cullen
Cuzner	DeVillers
Dion	Discepola
Dromisky	Drouin
Duhamel	Duplain
Easter	Eggleton
Eyking	Farrah
Finlay	Folco
Fontana	Fry
Gagliano	Galloway
Godfrey	Goodale
Graham	Gray (Windsor West)
Grose	Guamieri
Harb	Harvard
Harvey	Hubbard
Ianno	Jackson
Jordan	Karetak-Lindell
Keyes	Kilgour (Edmonton Southeast)
Knutson	Laliberte
Lastewka	Lavigne
Lee	Leung
Lincoln	Longfield
MacAulay	Macklin
Mahoney	Malhi
Maloney	Marcil
Marleau	Martin (LaSalle—Émard)
Matthews	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McTeague	Mills (Toronto—Danforth)
Minna	Mitchell
Murphy	Myers
Nault	Normand
O'Brien (Labrador)	O'Brien (London—Fanshawe)
O'Reilly	Owen
Pagtakhan	Paradis
Parrish	Patry
Peric	Peterson
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proulx	Provenzano
Redman	Reed (Halton)

*Government Orders*

Regan	Richardson
Robillard	Rock
Saada	Savoy
Scott	Serré
Sgro	Shepherd
Speller	St-Jacques
St-Julien	St. Denis
Steckle	Stewart
Szabo	Telegdi
Thibault (West Nova)	Thibeault (Saint-Lambert)
Tirabassi	Tobin
Tonks	Ur
Valeri	Vanclief
Volpe	Wappel
Whelan	Wilfert
Wood— 157	

## NAYS

## Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Breitkreuz	Brien
Brisson	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Day
Desjarlais	Doyle
Dubé	Duceppe
Duncan	Elley
Epp	Fitzpatrick
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gallant
Gauthier	Girard-Bujold
Godin	Goldring
Grewal	Grey (Edmonton North)
Guay	Guimond
Hanger	Harris
Hearn	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hinton
Jaffér	Johnston
Kenney (Calgary Southeast)	Laframboise
Lancôt	Lebel
Lill	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)	Manning
Marceau	Mark
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Mayfield	McDonough
McNally	Ménard
Meredith	Merrifield
Moore	Nystrom
Obhrai	Pallister
Paquette	Perron
Peschisolido	Picard (Drummond)
Plamondon	Proctor
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Robinson	Rocheleau
Sauvageau	Skelton
Solberg	Sorenson
Spencer	St-Hilaire
Stinson	Stoffer
Strahl	Thompson (New Brunswick Southwest)
Thompson (Wild Rose)	Toews
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Vellacott	Venne
Wasylcia-Leis	Wayne
Williams	Yelich— 114

## PAIRED

## Members

Asselin	Desrochers
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Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer— 8

**The Speaker:** Accordingly, I declare the motion carried. When shall the bill be read the third time? By leave, now?

**Some hon. members:** Agreed.

**Hon. Lucienne Robillard** moved that the bill be read the third time and passed.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that the vote on concurrence in report stage be applied to the vote on third reading.

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed.

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

*(Division No. 203)*

## YEAS

## Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélangier	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bradshaw	Brown
Bryden	Bulte
Byrne	Caccia
Calder	Canniss
Caplan	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Coderre	Collette
Comuzzi	Copps
Cotler	Cullen
Cuzner	DeVillers
Dion	Discepolo
Dromisky	Drouin
Duhamel	Duplain
Easter	Eggleton
Eyking	Farrah
Finlay	Folco
Fontana	Fry
Gagliano	Galloway
Godfrey	Goodale
Graham	Gray (Windsor West)
Grose	Guamieri
Harb	Harvard
Harvey	Hubbard
Ianno	Jackson
Jordan	Karetak-Lindell
Keyes	Kilgour (Edmonton Southeast)
Knutson	Laliberte
Lastewka	Lavigne
Lee	Leung
Lincoln	Longfield
MacAulay	Macklin
Mahoney	Malhi
Maloney	Marcil
Marleau	Martin (LaSalle—Émard)
Matthews	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McTeague	Mills (Toronto—Danforth)
Minna	Mitchell
Murphy	Myers
Nault	Normand

*Government Orders*

O'Brien (Labrador)  
O'Reilly  
Pagtakhan  
Parrish  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Redman  
Regan  
Robillard  
Saada  
Scott  
Sgro  
Speller  
St-Julien  
Steckle  
Szabo  
Thibault (West Nova)  
Tirabassi  
Tonks  
Valeri  
Volpe  
Whelan  
Wood— 157

O'Brien (London—Fanshawe)  
Owen  
Paradis  
Patry  
Peterson  
Phinney  
Pillitteri  
Price  
Provenzano  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Serré  
Shepherd  
St-Jacques  
St. Denis  
Stewart  
Telegdi  
Thibeault (Saint-Lambert)  
Tobin  
Ur  
Vanclief  
Wappel  
Wilfert

Tremblay (Lac-Saint-Jean—Saguenay)  
Vellacott  
Wasylycia-Leis  
Williams

Tremblay (Rimouski-Neigette-et-la Mitis)  
Venne  
Wayne  
Yelich— 114

## PAIRED

## Members

Asselin  
Dhaliwal  
Manley  
Roy

Desrochers  
Lalonde  
Neville  
Scherrer— 8

**The Speaker:** I declare the motion carried.  
(Bill read the third time and passed)

\* \* \*

### FOREIGN MISSIONS AND INTERNATIONAL ORGANIZATIONS ACT

The House resumed from November 29 consideration of the motion that Bill C-35, an act to amend the Foreign Missions and International Organizations Act, be read the third time and passed, and of the motion that the question be now put.

**The Speaker:** The House will now proceed to the taking of the deferred recorded division on the previous question at the third reading stage of Bill C-35. The question is on the motion that the question be now put.

[*Translation*]

**Ms. Marlene Catterall:** Mr. Speaker, if you were to seek it, the House would give its unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members being recorded as voting yea.

**The Speaker:** Is there unanimous consent to proceed in this fashion?

**Some hon. members:** Agreed.

[*English*]

**Mr. Richard Harris:** Mr. Speaker, Canadian Alliance members vote no to this motion.

[*Translation*]

**Mr. Pierre Brien:** Mr. Speaker, the members of the Bloc Québécois vote against this motion.

● (1805)

**Mr. Yvon Godin:** Mr. Speaker, the NDP members vote against the motion.

[*English*]

**Mr. Jay Hill:** Mr. Speaker, coalition members vote no to the motion.

**Mr. Gary Lunn:** Mr. Speaker, I will be voting no.

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

(*Division No. 204*)

## YEAS

## Members

Adams  
Allard

Alcock  
Anderson (Victoria)

## NAYS

## Members

Abbott  
Anders  
Bachand (Richmond—Arthabaska)  
Bailey  
Benoit  
Bigras  
Borotsik  
Breitkreuz  
Brisson  
Cardin  
Casson  
Clark  
Crête  
Dalphond-Guiral  
Desjarlais  
Dubé  
Duncan  
Epp  
Fournier  
Gagnon (Champlain)  
Gauthier  
Godin  
Grewal  
Guay  
Hanger  
Hearn  
Hill (MacLeod)  
Hilstrom  
Jaffer  
Kenney (Calgary Southeast)  
Lancôt  
Lill  
Lunn (Saanich—Gulf Islands)  
MacKay (Pictou—Antigonish—Guysborough)  
Marceau  
Martin (Esquimalt—Juan de Fuca)  
Mayfield  
McNally  
Meredith  
Moore  
Obhrai  
Paquette  
Peschisolido  
Plamondon  
Rajotte  
Reynolds  
Robinson  
Sauvageau  
Solberg  
Spencer  
Stinson  
Strahl  
Thompson (Wild Rose)

Ablonczy  
Anderson (Cypress Hills—Grasslands)  
Bachand (Saint-Jean)  
Bellehumeur  
Bergeron  
Blaikie  
Bourgeois  
Brien  
Cadman  
Casey  
Chatters  
Comartin  
Cummins  
Day  
Doyle  
Duceppe  
Elley  
Fitzpatrick  
Gagnon (Québec)  
Gallant  
Girard-Bujold  
Goldring  
Grey (Edmonton North)  
Guimond  
Harris  
Herron  
Hill (Prince George—Peace River)  
Hinton  
Johnston  
Lafamboise  
Lebel  
Loubier  
Lunney (Nanaimo—Alberni)  
Manning  
Mark  
Martin (Winnipeg Centre)  
McDonough  
Ménard  
Merrifield  
Nystrom  
Pallister  
Perron  
Picard (Drummond)  
Proctor  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Skelton  
Sorenson  
St-Hilaire  
Stoffer  
Thompson (New Brunswick Southwest)  
Toews

*Government Orders*

Assad	Assadourian	Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Augustine	Bagnell	Bailey	Bellehumeur
Baker	Barnes	Benoit	Bergeron
Beaumier	Bélaïr	Bigras	Blaikie
Bélanger	Bellemare	Borotsik	Bourgeois
Bennett	Bertrand	Breitkreuz	Brien
Bevilacqua	Binet	Brison	Cadman
Blondin-Andrew	Bonin	Cardin	Casey
Bonwick	Boudria	Casson	Chatters
Bradshaw	Brown	Clark	Comartin
Bryden	Bulte	Crête	Cummins
Byrne	Caccia	Dalphond-Guiral	Day
Calder	Cannis	Desjarlais	Doyle
Caplan	Castonguay	Dubé	Duceppe
Catterall	Cauchon	Duncan	Elley
Chamberlain	Charbonneau	Epp	Fitzpatrick
Coderre	Collenette	Fournier	Gagnon (Québec)
Comuzzi	Copps	Gagnon (Champlain)	Gallant
Cotler	Cullen	Gauthier	Girard-Bujold
Cuzner	DeVillers	Godin	Goldring
Dion	Discepola	Grewal	Grey (Edmonton North)
Dromisky	Drouin	Guay	Guimond
Duhamel	Duplain	Hanger	Harris
Easter	Eggleton	Hearn	Herron
Eyking	Farrah	Hill (MacLeod)	Hill (Prince George—Peace River)
Finlay	Folco	Hilstrom	Hinton
Fontana	Fry	Jaffer	Johnston
Gagliano	Galloway	Kenney (Calgary Southeast)	Laframboise
Godfrey	Goodale	Lancôt	Lebel
Graham	Gray (Windsor West)	Lill	Loubier
Grose	Guarnieri	Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
Harb	Harvard	MacKay (Pictou—Antigonish—Guysborough)	Manning
Harvey	Hubbard	Marceau	Mark
Ianno	Jackson	Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Jordan	Karetak-Lindell	Mayfield	McDonough
Keyes	Kilgour (Edmonton Southeast)	McNally	Ménard
Knutson	Laliberte	Meredith	Merrifield
Lastewka	Lavigne	Moore	Nystrom
Lee	Leung	Obhrai	Pallister
Lincoln	Longfield	Paquette	Perron
MacAulay	Macklin	Peschisolido	Picard (Drummond)
Mahoney	Malhi	Plamondon	Proctor
Maloney	Marcil	Rajotte	Reid (Lanark—Carleton)
Marleau	Martin (LaSalle—Émard)	Reynolds	Ritz
Matthews	McCallum	Robinson	Rocheleau
McCormick	McGuire	Sauvageau	Skelton
McKay (Scarborough East)	McLellan	Solberg	Sorenson
McTeague	Mills (Toronto—Danforth)	Spencer	St-Hilaire
Minna	Mitchell	Stinson	Stoffer
Murphy	Myers	Strahl	Thompson (New Brunswick Southwest)
Nault	Normand	Thompson (Wild Rose)	Toews
O'Brien (Labrador)	O'Brien (London—Fanshawe)	Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
O'Reilly	Owen	Vellacott	Venne
Pagtakhan	Paradis	Wasylycia-Leis	Wayne
Parrish	Patry	Williams	Yelich — 114
Peric	Peterson		
Pettigrew	Phinney		
Pickard (Chatham—Kent Essex)	Pillitteri		
Pratt	Price		
Proulx	Provenzano		
Redman	Reed (Halton)		
Regan	Richardson		
Robillard	Rock		
Saada	Savoy		
Scott	Serré		
Sgro	Shepherd		
Speller	St-Jacques		
St-Julien	St. Denis		
Steckle	Stewart		
Szabo	Telegdi		
Thibault (West Nova)	Thibeault (Saint-Lambert)		
Tirabassi	Tobin		
Tonks	Ur		
Valeri	Vanclief		
Volpe	Wappel		
Whelan	Wilfert		
Wood — 157			

**NAYS**

## Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)

**PAIRED**

## Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer — 8

**The Speaker:** I declare the motion carried.

The next question is on the motion that Bill C-35 be read a third time and passed.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that the vote on the previous motion be applied to the motion now before the House, with the exception of the member for LaSalle—Émard.

**The Speaker:** Is there unanimous consent to proceed in this fashion?

**Some hon. members:** Agreed.

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

(Division No. 205)

### YEAS

#### Members

Adams	Alcock
Allard	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Baker	Barnes
Beaumier	Bélair
Bélangier	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bradshaw	Brown
Bryden	Bulte
Byrne	Caccia
Calder	Cannis
Caplan	Castonguay
Catterall	Cauchon
Chamberlain	Charbonneau
Coderre	Collenette
Comuzzi	Copps
Cotler	Cullen
Cuzner	DeVillers
Dion	Discepola
Dromisky	Drouin
Duhamel	Duplain
Easter	Eggleton
Eyking	Farah
Finlay	Folco
Fontana	Fry
Gagliano	Galloway
Godfrey	Goodale
Graham	Gray (Windsor West)
Grose	Guarnieri
Harb	Harvard
Harvey	Hubbard
Ianno	Jackson
Jordan	Karetak-Lindell
Keyes	Kilgour (Edmonton Southeast)
Knutson	Laliberte
Lastewka	Lavigne
Lee	Leung
Lincoln	Longfield
MacAulay	Macklin
Mahoney	Malhi
Maloney	Marcil
Marleau	Matthews
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	McTeague
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Nault
Normand	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Owen	Pagtakhan
Paradis	Parrish
Patry	Peric
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Provenzano	Redman
Reed (Halton)	Regan
Richardson	Robillard
Rock	Saada
Savoy	Scott
Serré	Sgro
Shepherd	Speller
St-Jacques	St-Julien
St. Denis	Steckle
Stewart	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Tirabassi
Tobin	Tonks

Ur  
Vanclief  
Wappel  
Wilfert

### Government Orders

Valeri  
Volpe  
Whelan  
Wood — 156

### NAYS

#### Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Blakie
Borotsik	Bourgeois
Breitkreuz	Brien
Brisson	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Day
Desjarlais	Doyle
Dubé	Duceppe
Duncan	Elley
Epp	Fitzpatrick
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gallant
Gauthier	Girard-Bujold
Godin	Goldring
Grewal	Grey (Edmonton North)
Guay	Guimond
Hanger	Harris
Hearn	Herron
Hill (MacLeod)	Hill (Prince George—Peace River)
Hilstrom	Hinton
Jaffer	Johnston
Kenney (Calgary Southeast)	Laframboise
Lancôt	Lebel
Lill	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)	Manning
Marceau	Mark
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Mayfield	McDonough
McNally	Ménard
Meredith	Merrifield
Moore	Nystrom
Obhrai	Pallister
Paquette	Perron
Peschisolido	Picard (Drummond)
Plamondon	Proctor
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Robinson	Rocheleau
Sauvageau	Skelton
Solberg	Sorenson
Spencer	St-Hilaire
Stinson	Stoffer
Strahl	Thompson (New Brunswick Southwest)
Thompson (Wild Rose)	Toews
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Vellacott	Venne
Wasylcyia-Leis	Wayne
Williams	Yelich — 114

### PAIRED

#### Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer — 8

**The Speaker:** I declare the motion carried.

*Government Orders*

(Bill read the third time and passed)

\* \* \*

[*Translation*]

**NUCLEAR FUEL WASTE ACT**

The House resumed from November 29 consideration of Bill C-27, an act respecting the long-term management of nuclear fuel waste, as reported (with amendments) from the committee.

**The Speaker:** The House will now proceed to the taking of the deferred recorded division at the report stage of Bill C-27.

The question is on Motion No. 2.

**Ms. Marlene Catterall:** Mr. Speaker, I think you will find that there is unanimous consent that those who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberals members voting no.

**The Speaker:** Is there unanimous consent to proceed in this fashion?

**Some hon. members:** Agreed.

[*English*]

**Mr. Richard Harris:** Mr. Speaker, Canadian Alliance members vote no to the motion.

[*Translation*]

**Mr. Pierre Brien:** Mr. Speaker, Bloc Québécois members vote yes to this motion.

[*English*]

**Mr. Yvon Godin:** Mr. Speaker, members of the NDP vote yes to the motion.

**Mr. Jay Hill:** Mr. Speaker, coalition members present this evening vote yes to the motion.

**Mr. Gary Lunn:** Mr. Speaker, I will be voting yes.

(The House divided on Motion No. 2, which was negated on the following division:)

(*Division No. 206*)

**YEAS**

## Members

Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bellehumeur	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Brien	Brisson
Cardin	Casey
Clark	Comartin
Crête	Dalphond-Guiral
Desjarlais	Doyle
Dubé	Duceppe
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gauthier
Girard-Bujold	Godin
Grey (Edmonton North)	Guay
Guimond	Hearn
Herron	Hill (Prince George—Peace River)
Laframboise	Lancôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
MacKay (Pictou—Antigonish—Guysborough)	Marceau
Mark	Martin (Winnipeg Centre)
McDonough	McNally
Ménard	Meredith

Nystrom  
Perron  
Plamondon  
Robinson  
Sauvageau  
Stoffer  
Thompson (New Brunswick Southwest)  
Tremblay (Rimouski-Neigette-et-la Mitis)  
Wasylycia-Leis

Paquette  
Picard (Drummond)  
Proctor  
Rocheleau  
St-Hilaire  
Strahl  
Tremblay (Lac-Saint-Jean—Saguenay)  
Venne  
Wayne— 64

**NAYS**

## Members

Abbott	Ablonczy
Adams	Alcock
Allard	Anders
Anderson (Cypress Hills—Grasslands)	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Bailey	Baker
Barnes	Beaumier
Bélaïr	Bélangier
Bellemare	Bennett
Benoit	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bradshaw	Breitkreuz
Brown	Bryden
Bulte	Byrne
Caccia	Cadman
Calder	Cannis
Caplan	Casson
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chatters
Coderre	Collenette
Comuzzi	Copps
Cotler	Cullen
Cummins	Cuzner
Day	DeVillers
Dion	Discepola
Dromisky	Drouin
Duhamel	Duncan
Duplain	Easter
Eggleton	Elley
Epp	Eyking
Farrah	Finlay
Fitzpatrick	Folco
Fontana	Fry
Gagliano	Gallant
Galloway	Godfrey
Goldring	Goodale
Graham	Gray (Windsor West)
Grewal	Grose
Guarnieri	Hanger
Harb	Harris
Harvard	Harvey
Hill (MacLeod)	Hilstrom
Hinton	Hubbard
Ianno	Jackson
Jaffer	Johnston
Jordan	Karetak-Lindell
Kenney (Calgary Southeast)	Keyes
Kilgour (Edmonton Southeast)	Knutson
Laliberte	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	Lunney (Nanaimo—Alberni)
MacAulay	Macklin
Mahoney	Malhi
Maloney	Manning
Marcil	Marleau
Martin (Esquimalt—Juan de Fuca)	Matthews
Mayfield	McCallum
McCormick	McGuire
McKay (Scarborough East)	McLellan
McTeague	Merrifield
Mills (Toronto—Danforth)	Minna
Mitchell	Moore
Murphy	Myers
Nault	Normand
O'Brien (Labrador)	O'Brien (London—Fanshawe)

O'Reilly	Obhrai
Owen	Pagtakhan
Pallister	Paradis
Parrish	Patry
Peric	Peschisolido
Peterson	Pettigrew
Phinney	Pickard (Chatham—Kent Essex)
Pillitteri	Pratt
Price	Proulx
Provenzano	Rajotte
Redman	Reed (Halton)
Regan	Reid (Lanark—Carleton)
Reynolds	Richardson
Ritz	Robillard
Rock	Saada
Savoy	Scott
Serré	Sgro
Shepherd	Skelton
Solberg	Sorenson
Speller	Spencer
St-Jacques	St-Julien
St. Denis	Steckle
Stewart	Stinson
Szabo	Telegdi
Thibault (West Nova)	Thibeault (Saint-Lambert)
Thompson (Wild Rose)	Tirabassi
Tobin	Toews
Tonks	Ur
Valeri	Vanclief
Vellacott	Volpe
Wappel	Whelan
Wilfert	Williams
Wood	Yelich— 206

#### PAIRED

##### Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer— 8

**The Speaker:** I declare Motion No. 2 lost.

The next question is on Motion No. 3.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that those who voted on the previous motion be recorded as voting on this motion, with Liberal members voting no.

**The Speaker:** Is there unanimous consent to proceed in this way?

**Some hon. members:** Agreed.

**Mr. Richard Harris:** Mr. Speaker, Canadian Alliance members vote no to the motion.

[*Translation*]

**Mr. Pierre Brien:** Mr. Speaker, Bloc Québécois members vote in favour of this motion.

**Mr. Yvon Godin:** Mr. Speaker, NDP members vote yes to this motion.

• (1810)

[*English*]

**Mr. Jay Hill:** Mr. Speaker, coalition members vote no to the motion.

**Mr. Gary Lunn:** Mr. Speaker, I vote no.

[*Translation*]

(The House divided on Motion No. 3, which was negated on the following division:)

#### Government Orders

(Division No. 207)

#### YEAS

##### Members

Bachand (Saint-Jean)	Bellehumeur
Bergeron	Bigras
Blaikie	Bourgeois
Brien	Cardin
Comartin	Crête
Dalphond-Guiral	Desjarlais
Dubé	Duceppe
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gauthier
Girard-Bujold	Godin
Guay	Guimond
Laframboise	Lanctôt
Lebel	Lill
Loubier	Marceau
Martin (Winnipeg Centre)	McDonough
Ménard	Nystrom
Paquette	Perron
Picard (Drummond)	Plamondon
Proctor	Robinson
Rocheleau	Sauvageau
St-Hilaire	Stoffer
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Venne	Wasylcia-Leis— 46

#### NAYS

##### Members

Abbott	Ablonczy
Adams	Alcock
Allard	Anders
Anderson (Cypress Hills—Grasslands)	Anderson (Victoria)
Assad	Assadourian
Augustine	Bachand (Richmond—Arthabaska)
Bagnell	Bailey
Baker	Barnes
Beaumier	Bélair
Bélangier	Bellemare
Bennett	Benoit
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Bonwick
Borotsik	Boudria
Bradshaw	Breitreuz
Brison	Brown
Bryden	Bulte
Byrne	Caccia
Cadman	Calder
Cannis	Caplan
Casey	Casson
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chatters
Clark	Coderre
Collenette	Comuzzi
Copps	Cotler
Cullen	Cummins
Cuzner	Day
DeVillers	Dion
Discepolo	Doyle
Dromisky	Drouin
Duhamel	Duncan
Duplain	Easter
Eggleton	Elley
Epp	Eyking
Farrah	Finlay
Fitzpatrick	Folco
Fontana	Fry
Gagliano	Gallant
Galloway	Godfrey
Goldring	Goodale
Graham	Gray (Windsor West)
Grewal	Grey (Edmonton North)
Grose	Guarnieri
Hanger	Harb
Harris	Harvard
Harvey	Hearn
Herron	Hill (Macleod)

*Government Orders*

Hill (Prince George—Peace River)	Hilstrom
Hinton	Hubbard
Ianno	Jackson
Jaffer	Johnston
Jordan	Karetak-Lindell
Kenney (Calgary Southeast)	Keyes
Kilgour (Edmonton Southeast)	Knutson
Laliberte	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacAulay
MacKay (Pictou—Antigonish—Guysborough)	Macklin
Mahoney	Malhi
Maloney	Manning
Marcil	Mark
Marleau	Martin (Esquimalt—Juan de Fuca)
Matthews	Mayfield
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	McNally
McTeague	Meredith
Merrifield	Mills (Toronto—Danforth)
Minna	Mitchell
Moore	Murphy
Myers	Nault
Normand	O'Brien (Labrador)
O'Brien (London—Fanshawe)	O'Reilly
Obhrai	Owen
Pagtakhan	Pallister
Paradis	Parrish
Patry	Peric
Peschisolido	Peterson
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proulx	Provenzano
Rajotte	Redman
Reed (Halton)	Regan
Reid (Lanark—Carleton)	Reynolds
Richardson	Ritz
Robillard	Rock
Saada	Savoy
Scott	Serré
Sgro	Shepherd
Skelton	Solberg
Sorenson	Speller
Spencer	St-Jacques
St-Julien	St. Denis
Steckle	Stewart
Stinson	Strahl
Szabo	Telegdi
Thibault (West Nova)	Thibeault (Saint-Lambert)
Thompson (New Brunswick Southwest)	Thompson (Wild Rose)
Tirabassi	Tobin
Toews	Tonks
Ur	Valeri
Vanclief	Vellacott
Volpe	Wappel
Wayne	Whelan
Wilfert	Williams
Wood	Yelich — 224

**PAIRED**

## Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer — 8

**The Speaker:** I declare Motion No. 3 lost.

The next question is on Motion No. 6.

[*English*]

**Ms. Marlene Catterall:** Mr. Speaker, I believe you would find consent that those who voted on the previous motion be recorded as voting on the motion now before the House, with Liberal members voting no.

**The Speaker:** Is there consent of the House to proceed in this way?

**Some hon. members:** Agreed.

**Mr. Richard Harris:** Mr. Speaker, Canadian Alliance members vote yes to the motion.

[*Translation*]

**Mr. Pierre Brien:** Mr. Speaker, Bloc Québécois members will vote yes on this motion.

[*English*]

**Mr. Yvon Godin:** Mr. Speaker, members of the NDP vote yes to the motion.

**Mr. Jay Hill:** Mr. Speaker, coalition members vote yes to the motion.

**Mr. Gary Lunn:** Mr. Speaker, I vote yes.

[*Translation*]

(The House divided on Motion No. 6, which was negated on the following division:)

(*Division No. 208*)

## YEAS

## Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Breitkreuz	Brien
Brisson	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Day
Desjarlais	Doyle
Dubé	Duceppe
Duncan	Elley
Epp	Fitzpatrick
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gallant
Gauthier	Girard-Bujold
Godin	Goldring
Grewal	Grey (Edmonton North)
Guay	Guimond
Hanger	Harris
Hearn	Herron
Hill (MacLeod)	Hill (Prince George—Peace River)
Hilstrom	Hinton
Jaffer	Johnston
Kenney (Calgary Southeast)	Laframboise
Lanctôt	Lebel
Lill	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)	Manning
Marceau	Mark
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Mayfield	McDonough
McNally	Ménard
Meredith	Merrifield
Moore	Nystrom
Obhrai	Pallister
Paquette	Perron
Peschisolido	Picard (Drummond)
Plamondon	Proctor
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Robinson	Rocheleau
Sauvageau	Skelton

Solberg  
Spencer  
Stinson  
Strahl  
Thompson (Wild Rose)  
Tremblay (Lac-Saint-Jean—Saguenay)  
Vellacott  
Wasylcia-Leis  
Williams

Sorenson  
St-Hilaire  
Stoffer  
Thompson (New Brunswick Southwest)  
Toews  
Tremblay (Rimouski-Neigette-et-la Mitis)  
Venne  
Wayne  
Yelich — 114

## NAYS

### Members

Adams  
Allard  
Assad  
Augustine  
Baker  
Beaumier  
Bélanger  
Bennett  
Bevilacqua  
Blondin-Andrew  
Bonwick  
Bradshaw  
Bryden  
Byrne  
Calder  
Caplan  
Catterall  
Chamberlain  
Coderre  
Comuzzi  
Cotler  
Cuzner  
Dion  
Dromisky  
Duhamel  
Easter  
Eyking  
Finlay  
Fontana  
Gagliano  
Godfrey  
Graham  
Grose  
Harb  
Harvey  
Ianno  
Jordan  
Keyes  
Knutson  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Maloney  
Marleau  
McCallum  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
Normand  
O'Brien (London—Fanshawe)  
Owen  
Paradis  
Patry  
Peterson  
Phinney  
Pillitteri  
Price  
Provenzano  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Serré  
Shepherd  
St-Jacques  
St. Denis

Alcock  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes  
Bélair  
Bellemare  
Bertrand  
Binet  
Bonin  
Boudria  
Brown  
Bulte  
Caccia  
Cannis  
Castonguay  
Cauchon  
Charbonneau  
Collenette  
Copps  
Cullen  
DeVillers  
Discepola  
Drouin  
Duplain  
Eggleton  
Farrah  
Folco  
Fry  
Galloway  
Goodale  
Gray (Windsor West)  
Guarnieri  
Harvard  
Hubbard  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Laliberte  
Lavigne  
Leung  
Longfield  
Macklin  
Malhi  
Marcil  
Matthews  
McCormick  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pagtakhan  
Parrish  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Redman  
Regan  
Robillard  
Saada  
Scott  
Sgro  
Speller  
St-Julien  
Steckle

## Government Orders

Stewart  
Telegdi  
Thibeault (Saint-Lambert)  
Tobin  
Ur  
Vanclief  
Wappel  
Wilfert

Szabo  
Thibault (West Nova)  
Tirabassi  
Tonks  
Valeri  
Volpe  
Whelan  
Wood — 156

## PAIRED

### Members

Asselin  
Dhaliwal  
Manley  
Roy

Desrochers  
Lalonde  
Neville  
Scherrer — 8

**The Speaker:** I declare Motion No. 6 lost.

The next question is on Motion No. 8.

**Ms. Marlene Catterall:** Mr. Speaker, I think you will find there is unanimous consent that those who voted on the previous motion be recorded as having voted on the motion now before the House, with Liberal members voting no.

**The Speaker:** Is there unanimous consent to proceed in this fashion?

**Some hon. members:** Agreed.

[English]

**Mr. Richard Harris:** Mr. Speaker, Canadian Alliance members vote yes to the motion.

[Translation]

**Mr. Pierre Brien:** Mr. Speaker, Bloc Québécois members vote in favour of this motion.

**Mr. Yvon Godin:** Mr. Speaker, NDP members vote yes to this motion.

[English]

**Mr. Jay Hill:** Mr. Speaker, coalition members vote no to the motion.

**Mr. Gary Lunn:** Mr. Speaker, I vote yes.

(La motion n° 8, mise aux voix, est rejetée par le vote suivant:)

(Division No. 209)

## YEAS

### Members

Abbott  
Anders  
Bachand (Saint-Jean)  
Bellehumeur  
Bergeron  
Blaikie  
Breitkreuz  
Cadman  
Casson  
Comartin  
Cummins  
Day  
Dubé  
Duncan  
Epp  
Fournier  
Gagnon (Champlain)  
Gauthier  
Godin  
Grewal  
Guimond  
Harris

Ablonczy  
Anderson (Cypress Hills—Grasslands)  
Bailey  
Benoit  
Bigras  
Bourgeois  
Brien  
Cardin  
Chatters  
Crête  
Dalphon-Guiral  
Desjarlais  
Duceppe  
Elley  
Fitzpatrick  
Gagnon (Québec)  
Gallant  
Girard-Bujold  
Goldring  
Guay  
Hanger  
Hill (MacLeod)

*Government Orders*

Hilstrom  
Jaffer  
Kenney (Calgary Southeast)  
Lanctôt  
Lill  
Lunn (Saanich—Gulf Islands)  
Manning  
Martin (Esquimalt—Juan de Fuca)  
Mayfield  
Ménard  
Moore  
Obhrai  
Paquette  
Peschisolido  
Plamondon  
Rajotte  
Reynolds  
Robinson  
Sauvageau  
Solberg  
Spencer  
Stinson  
Thompson (Wild Rose)  
Tremblay (Lac-Saint-Jean—Saguenay)  
Vellacott  
Wasylcia-Leis  
Yelich — 97

Hinton  
Johnston  
Laframboise  
Lebel  
Loubier  
Lunney (Nanaimo—Alberni)  
Marceau  
Martin (Winnipeg Centre)  
McDonough  
Merrifield  
Nystrom  
Pallister  
Perron  
Picard (Drummond)  
Proctor  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Skelton  
Sorenson  
St-Hilaire  
Stoffer  
Toews  
Tremblay (Rimouski-Neigette-et-la Mitis)  
Venne  
Williams

McCallum  
McGuire  
McLellan  
McTeague  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
Normand  
O'Brien (London—Fanshawe)  
Owen  
Paradis  
Patry  
Peterson  
Phinney  
Pillitteri  
Price  
Provenzano  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Serré  
Shepherd  
St-Jacques  
St. Denis  
Stewart  
Szabo  
Thibault (West Nova)  
Thompson (New Brunswick Southwest)  
Tobin  
Ur  
Vanclief  
Wappel  
Whelan  
Wood — 173

McCormick  
McKay (Scarborough East)  
McNally  
Meredith  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pagtakhan  
Parrish  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Redman  
Regan  
Robillard  
Saada  
Scott  
Sgro  
Speller  
St-Julien  
Steckle  
Strahl  
Telegdi  
Thibeault (Saint-Lambert)  
Tirabassi  
Tonks  
Valeri  
Volpe  
Wayne  
Wilfert

**NAYS**

## Members

Adams  
Allard  
Assad  
Augustine  
Bagnell  
Barnes  
Bélair  
Bellemare  
Bertrand  
Binet  
Bonin  
Borotsik  
Bradshaw  
Brown  
Bulte  
Caccia  
Cannis  
Casey  
Catterall  
Chamberlain  
Clark  
Collenette  
Coppes  
Cullen  
DeVillers  
Discepola  
Dromisky  
Duhamel  
Easter  
Eyking  
Finlay  
Fontana  
Gagliano  
Godfrey  
Graham  
Grey (Edmonton North)  
Guarnieri  
Harvard  
Heam  
Hill (Prince George—Peace River)  
Ianno  
Jordan  
Keyes  
Knutson  
Lastewka  
Lee  
Lincoln  
MacAulay  
Macklin  
Malhi  
Marcil  
Marleau

Alcock  
Anderson (Victoria)  
Assadourian  
Bachand (Richmond—Arthabaska)  
Baker  
Beaumier  
Bélanger  
Bennett  
Bevilacqua  
Blondin-Andrew  
Bonwick  
Boudria  
Brisson  
Bryden  
Byrne  
Calder  
Caplan  
Castonguay  
Cauchon  
Charbonneau  
Coderre  
Comuzzi  
Cotler  
Cuzner  
Dion  
Doyle  
Drouin  
Duplain  
Eggleton  
Farrah  
Folco  
Fry  
Galloway  
Goodale  
Gray (Windsor West)  
Grose  
Harb  
Harvey  
Herron  
Hubbard  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Laliberte  
Lavigne  
Leung  
Longfield  
MacKay (Pictou—Antigonish—Guysborough)  
Mahoney  
Maloney  
Mark  
Matthews

**PAIRED**

## Members

Asselin  
Dhaliwal  
Manley  
Roy  
Desrochers  
Lalonde  
Neville  
Scherrer — 8

*[Translation]*

**The Speaker:** I declare Motion No. 8 lost.

*[English]*

**Hon. Ralph Goodale** moved that the bill, as amended, be concurred in.

**The Speaker:** Is it the pleasure of the House to adopt the motion?

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that those who voted on the previous motion be recorded as voting on the motion before the House, with Liberal members voting yes.

**The Speaker:** Is there unanimous consent to proceed in this way?

**Some hon. members:** Agreed.

**Mr. Richard Harris:** Mr. Speaker, Canadian Alliance members vote yes to the motion.

*[Translation]*

**Mr. Pierre Brien:** Mr. Speaker, Bloc Québécois members vote no to this motion.

● (1815)

**Mr. Yvon Godin:** Mr. Speaker, NDP members vote no to this motion.

[English]

**Mr. Jay Hill:** Mr. Speaker, coalition members are opposed to the motion.

**Mr. Gary Lunn:** Mr. Speaker, I vote yes.

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

(Division No. 210)

### YEAS

#### Members

Abbott	Ablonczy
Adams	Alcock
Allard	Anders
Anderson (Cypress Hills—Grasslands)	Anderson (Victoria)
Assad	Assadourian
Augustine	Bagnell
Bailey	Baker
Barnes	Beaumier
Bélair	Bélangier
Bellemare	Bennett
Benoit	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Bonwick	Boudria
Bradshaw	Breitkreuz
Brown	Bryden
Bulte	Byrne
Caccia	Cadman
Calder	Cannis
Caplan	Casson
Castonguay	Catterall
Cauchon	Chamberlain
Charbonneau	Chatters
Coderre	Collenette
Comuzzi	Copps
Cotler	Cullen
Cummins	Cuzner
Day	DeVillers
Dion	Discepola
Dromisky	Drouin
Duhamel	Duncan
Duplain	Easton
Eggleton	Elley
Epp	Eyking
Farrar	Finlay
Fitzpatrick	Folco
Fontana	Fry
Gagliano	Gallant
Galloway	Godfrey
Goldring	Goodale
Graham	Gray (Windsor West)
Grewal	Grose
Guamieri	Hanger
Harb	Harris
Harvard	Harvey
Hill (Macleod)	Hilstrom
Hinton	Hubbard
Ianno	Jackson
Jaffer	Johnston
Jordan	Karetak-Lindell
Kennedy (Calgary Southeast)	Keys
Kilgour (Edmonton Southeast)	Knutson
Laliberte	Lastewka
Lavigne	Lee
Leung	Lincoln
Longfield	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacAulay
Macklin	Mahoney
Malhi	Maloney
Manning	Marcil
Marleau	Martin (Esquimalt—Juan de Fuca)
Matthews	Mayfield
McCallum	McCormick
McGuire	McKay (Scarborough East)
McLellan	McTeague
Merrifield	Mills (Toronto—Danforth)
Minna	Mitchell

Moore
Myers
Normand
O'Brien (London—Fanshawe)
Obhrai
Pagtakhan
Paradis
Patry
Peschisolido
Pettigrew
Pickard (Chatham—Kent Essex)
Pratt
Proulx
Rajotte
Reed (Halton)
Reid (Lanark—Carleton)
Richardson
Robillard
Saada
Scott
Sgro
Skelton
Sorenson
Spencer
St-Julien
Steckle
Stinson
Telegdi
Thibeault (Saint-Lambert)
Tirabassi
Toews
Ur
Vanclief
Volpe
Whelan
Williams
Yelich — 207

### Government Orders

Murphy
Nault
O'Brien (Labrador)
O'Reilly
Owen
Pallister
Parrish
Peric
Peterson
Phinney
Pillitteri
Price
Provenzano
Redman
Regan
Reynolds
Ritz
Rock
Savoy
Serré
Shepherd
Solberg
Speller
St-Jacques
St. Denis
Stewart
Szabo
Thibault (West Nova)
Thompson (Wild Rose)
Tobin
Tonks
Valeri
Vellacott
Wappel
Wilfert
Wood

### NAYS

#### Members

Bachand (Richmond—Arthabaska)	Bachand (Saint-Jean)
Bellehumeur	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Brien	Brisson
Cardin	Casey
Clark	Comartin
Crête	Dalphond-Guiral
Desjarlais	Doyle
Dubé	Duceppe
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gauthier
Girard-Bujold	Godin
Grey (Edmonton North)	Guay
Guimond	Hearn
Herron	Hill (Prince George—Peace River)
Laframboise	Lanctôt
Lebel	Lill
Loubier	MacKay (Pictou—Antigonish—Guysborough)
Marceau	Mark
Martin (Winnipeg Centre)	McDonough
McNally	Ménard
Meredith	Nystrom
Paquette	Perron
Picard (Drummond)	Plamondon
Proctor	Robinson
Rocheleau	Sauvageau
St-Hilaire	Stoffer
Strahl	Thompson (New Brunswick Southwest)
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)
Venne	Wasylycia-Leis
Wayne — 63	

### PAIRED

#### Members

Asselin	Desrochers
Dhaliwal	Lalonde
Manley	Neville
Roy	Scherrer — 8

**The Speaker:** I declare the motion carried.

*Private Members' Business***PRIVATE MEMBERS' BUSINESS**

[English]

**STRYCHNINE SOLUTIONS**

The House resumed from November 29 consideration of the motion.

**The Speaker:** Pursuant to order made on Thursday, November 29, the House will now proceed to the taking of the deferred record division on Motion P-3 under private members' business.

● (1825)

[Translation]

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

*(Division No. 211)***YEAS**

## Members

Abbott	Ablonczy
Adams	Alcock
Anders	Anderson (Cypress Hills—Grasslands)
Assad	Assadourian
Augustine	Bachand (Richmond—Arthabaska)
Bachand (Saint-Jean)	Bailey
Bélanger	Bellehumeur
Benoit	Bergeron
Bigras	Blaikie
Borotsik	Bourgeois
Breitkreuz	Brien
Brisson	Bryden
Cadman	Calder
Cardin	Casey
Casson	Chamberlain
Chatters	Clark
Comartin	Crête
Cummins	Dalphond-Guiral
Day	Desjarlais
Dromisky	Dubé
Duceppe	Duncan
Easter	Elley
Epp	Fitzpatrick
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gallant
Galloway	Gauthier
Girard-Bujold	Godfrey
Godin	Goldring
Grewal	Grey (Edmonton North)
Guay	Guimond
Hanger	Harris
Hearn	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hilstrom	Hinton
Jackson	Jaffer
Johnston	Kenney (Calgary Southeast)
Keys	Laframboise
Lancôt	Lebel
Lill	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)	Malhi
Manning	Marceau
Mark	Martin (Esquimalt—Juan de Fuca)
Martin (Winnipeg Centre)	Mayfield
McDonough	McNally
Ménard	Meredith
Merrifield	Moore
Nystrom	Obhrai
Pallister	Paquette
Peric	Perron
Peschisolido	Picard (Drummond)
Plamondon	Proctor
Rajotte	Reed (Halton)
Reid (Lanark—Carleton)	Reynolds
Richardson	Ritz
Robinson	Rocheleau

Sauvageau  
Spencer  
Steckle  
Stoffer  
Telegdi  
Thompson (Wild Rose)  
Tremblay (Lac-Saint-Jean—Saguenay)  
Ur  
Vellacott  
Wasylycia-Leis  
Williams

Sorenson  
St-Hilaire  
Stinson  
Strahl  
Thompson (New Brunswick Southwest)  
Toews  
Tremblay (Rimouski-Neigette-et-la Mitis)  
Valeri  
Wappel  
Wayne  
Yelich — 134

**NAYS**

## Members

Allard  
Bagnell  
Barnes  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Cannis  
Castonguay  
Cauchon  
Coderre  
Comuzzi  
Cullen  
DeVillers  
Discepolo  
Duhamel  
Eggleton  
Farrah  
Folco  
Gagliano  
Graham  
Grose  
Harb  
Harvey  
Ianno  
Karetak-Lindell  
Laliberte  
Lavigne  
Leung  
Longfield  
Macklin  
Maloney  
Marleau  
McCallum  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
Normand  
O'Brien (London—Fanshawe)  
Owen  
Paradis  
Patry  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Regan  
Rock  
Savoy  
Serré  
Shepherd  
St-Jacques  
St. Denis  
Szabo  
Thibeault (Saint-Lambert)  
Tobin  
Vanclief  
Volpe  
Wood — 123

Anderson (Victoria)  
Baker  
Beaumier  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bulte  
Caccia  
Caplan  
Catterall  
Charbonneau  
Collenette  
Copps  
Cuzner  
Dion  
Drouin  
Duplain  
Eyking  
Finlay  
Fry  
Goodale  
Gray (Windsor West)  
Guarnieri  
Harvard  
Hubbard  
Jordan  
Knutson  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Marcil  
Matthews  
McCormick  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pagtakhan  
Parrish  
Pettigrew  
Pillitteri  
Price  
Redman  
Robillard  
Saada  
Scott  
Sgro  
Speller  
St-Julien  
Stewart  
Thibault (West Nova)  
Tirabassi  
Tonks  
Venne  
Wilfert

**PAIRED**

## Members

Asselin  
Desrochers

Dhaliwal  
Manley  
Roy

Lalonde  
Neville  
Scherrer— 8

**The Speaker:** I declare the motion carried.

[English]

It being 6.28 p.m. the House will now proceed to the consideration of private members' business as listed on today's order paper.

\* \* \*

#### CANADA ELECTIONS ACT

**Hon. Charles Caccia (Davenport, Lib.)** moved that Bill C-319, an act to amend the Canada Elections Act (declined vote ballots), be read the second time and referred to a committee.

He said: Madam Speaker, the explanation of this bill is very short and simple. The purpose is to provide Canadian voters when they cast their votes the opportunity to express on the ballot not by way of spoiling it or handling it in a manner that would lead to rejection of the ballot but by way of placing the appropriate sign on the ballot itself that they decline to vote for any of the candidates named on the ballot. The ballot should be redesigned. In addition to indicating the duly registered candidates, it should have a line where the voter could indicate that he or she declines to vote for any of the candidates named on the ballot.

[Translation]

In French, “Je refuse de voter pour l'un ou l'autre des candidats nommés ci-dessus”.

• (1830)

[English]

One may wonder, why is that. Current trends show that rejected ballots comprise about 1% of the total number of ballots. It is not a large number of ballots that are rejected because of mistreatment or dissatisfaction on the part of the voter who would somehow express, as is often the case, dissatisfaction by way of rejection. An increased tendency was noticed in the last election. This matter was brought to my attention at that time by some voters in the riding of Davenport who were dissatisfied with the candidates in the race, so to speak. The bill is intended to provide a way of expressing this type of dissatisfaction.

Some people claim that we should not proceed with this type of measure because it would encourage even further disinterest on the part of Canadian voters in the democratic process. That is an opinion one should respect of course. I am inclined to think there is room in our democratic system, which is one of the best in the world, for a measure that would allow a voter, having already thought about how to vote before entering the polling station, to come to the conclusion that none of the named candidates or parties, as most of the time it is a matter of party choice, meets the requirements, expectations or political inclinations of that voter.

That is the essence of the bill. I bring it to the attention of the House as a measure that would perhaps provide some degree of satisfaction for voters who disagree with the system. If this measure is eventually adopted, I hope it will not attract a large number of voters. In a democratic system I think we ought to make room for every perspective and point of view. On election day we should provide for any type of expression, even if it sounds like one that is

#### Private Members' Business

out of the main stream of thought and of democratic forces that are at play on election day.

Having said that, because of the late hour I will sit down and look forward to the comments of my colleagues on this measure.

**Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Madam Speaker, it is an honour to rise tonight to speak on the bill, which would provide that every ballot would include a category for voting for “none of the above” candidates. I would like to thank the hon. member for Davenport for his ongoing interest in electoral issues and for his many contributions in this area.

Today's discussion relates to the fundamental matter of how Canadians choose their representatives in government. The right to vote is of course a fundamental right in our system of parliamentary democracy. Indeed, few responsibilities of democratic citizenship are more important than the exercising of that right. Through the exercising of this responsibility, Canadians send members to parliament to sit in the House and choose a government.

The government has been very active in improving our electoral laws in recent years. These changes have in large part sought to facilitate Canadians in exercising their democratic responsibility to choose members of parliament.

In 1996 parliament passed Bill C-63, which created the National Register of Electors. Bill C-63 also changed the polling hours so that the polls would close at the same time in the western provinces as in Ontario and Quebec. In 1999 parliament debated and passed Bill C-2, which thoroughly overhauled and modernized the electoral law of our country. The bill updated the tax credits for individual political contributions and made it easier for people to run as candidates by making the candidate deposit fully refundable on the filing of financial statements. Earlier this year parliament passed Bill C-9, which made it much easier for parties to qualify to have their party names on the ballot.

Under the bill before us today every ballot printed by Elections Canada would include the line “none of the above”. It seems to me that this would be at odds with the very purpose of elections, that is, to send members of parliament to the House. My concern is that the bill could be seen by Canadians as saying that they should have the option of avoiding their democratic responsibilities.

Democracy is not easy. In fact, Sir Winston Churchill, as many or perhaps all members in the House would know, said, as we recall, that democracy is the worst system there is except for all the others. That is clear. In other words, it is not a perfect system. It is a difficult system. It requires citizens to take an interest in what is going on and make difficult choices sometimes, but that is what voting is all about and that is our responsibility. We do not get to choose the exact person and party we might ideally like to have as our candidate or as a government. We have to choose among the alternatives. We choose among people who are doing the best they can as individual human beings and that is what democracy is all about.

*Private Members' Business*

The bill could also lead to cynicism about democracy and about our parliamentary institutions. I would like to point out to the hon. member for Davenport that Canadians already have ways to avoid participation in choosing their government and representatives. Canadians can avoid participating in the electoral process by spoiling their ballots. In every election Elections Canada records the number of voters in each riding who choose to spoil their ballots, so there is in fact a record kept of those people. Canadians can also simply choose to stay at home on election day, as we all know. This is unlike the situation in many countries around the world, such as Australia, where all citizens are required by law to vote. The bill, then, would present a third route of non-participation.

The bill is also unnecessary because our system ensures that Canadians have many alternatives from which to choose in elections. As we know, there are five political parties currently represented in the House and in the last election there were 11 political parties with candidates on the ballot. In total, 1,808 candidates ran for office across this great country.

These candidates and parties spanned the ideological spectrum and took different views on all kinds of issues. Advocates of the right to vote for none of the above may suggest that it is a way to give people an outlet where they are starved for choice, but we Canadians are not starved for choice as we are given a wide range of visions of the future at election time.

● (1835)

In any event, it is now even easier for parties to be recognized so that they can get their names on the ballot during an election campaign. There was a time when a party had to have 50 candidates to have its name on the ballot. Now, thanks to the changes introduced earlier this year in Bill C-9, that number is 12. To get official recognition as a party and to have its name on the ballot, a party needs only 12 candidates across the country. As a result, we can expect that in future elections Canadians will have even more choice on their ballots. I also point out that the proposal would be inconsistent with our own traditions and I am not aware of any other country providing this option in national elections.

I note that last year the people of California considered a measure similar to the one presented in this bill and in a referendum 64% of them voted against including a category of none of the above on ballots in that state. I am not suggesting that what the people in California do should determine what we should do here, but it is interesting that California, which is often considered to be avant-garde in many ways, was not supportive of this measure.

In conclusion, I believe that our current system encourages Canadians to exercise the right to vote and provides a range of possibilities for doing so. The option of adding a new category to our election ballots seems to me unnecessary, potentially harmful to our parliamentary institutions, not in keeping with our electoral traditions and not shared by other major countries for national elections.

I applaud the hon. member for his commitment and efforts at pursuing electoral reform, although in this case I feel that there may be alternatives that would be more in keeping with our traditions and practices.

● (1840)

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Madam Speaker, what we are talking about here tonight is the idea of making our democracy more participatory. The member across the way has proposed a novel idea, that is, not only should people have the option of voting for any of a number of political parties or particular individuals on a ballot, but as well, as I understand his bill, they also would be allowed to have other options, for example, on a referendum question. Maybe that is indeed what he is aiming at more particularly with his bill. I applaud him on any of those initiatives.

What happens right now is that if I, or anyone else for that matter, vote in a federal election, I am allowed to choose among, let us say, five political parties. Maybe if I am lucky, in a given area I might have an independent or two on the ballot to allow me a half a dozen or so choices to decide from on election day.

However, right now in Canada I am not given the option to vote for none of the above. In other words, if I feel that all the political parties happen to have a particular world view or side a particular way on a given question or I am frankly frustrated by the electoral process in terms of how they go about their electoral business, I do not have any other options aside from political parties already participating in the system.

The idea of the bill is to allow people to go to the polls and check off none of the above, those people who right now feel disenfranchised, who do not feel comfortable going to the polls because they do not think they have a real choice on the ballot. The Liberal member across the way talked about spoiled ballots. That is not nearly as positive or as affirmative a statement as actually voting for none of the above.

As a result of that, I would argue that there have been parties in our political past like the Rhinoceros Party, for example, for which a lot of the people who voted would have enjoyed having an option on the ballot to say none of the above. I think a lot of the individuals who voted for, if you will, the underdog, or what some would call fringe parties, did so because they did not like the other established parties on the ballot. They did not like the status quo very much. They could have spoiled their ballots, but that is not nearly as positive or as indicative a statement as to vote for none of the above.

In other words, there is a clear distinction between voting for none of the above and spoiling a ballot. People who spoil a ballot are considered to be in the same category as those who do not understand voting instructions or maybe somehow cheat on the ballot and mark two options rather than one. As a result, I think that a lot of the time spoiled ballots are not even considered by politicians and political parties.

*Private Members' Business*

For example, if I am asked how many spoiled ballots there were in Calgary West in the last election I would be hard pressed to say exactly how many there were, because often we do not look at that as an indicator of how many people are frustrated with the system. Often we look at it as a number of people who, for any number of reasons, most likely filled out a ballot incorrectly, or we look at it as scrutineers for given political parties determining ballots to be invalid. That is what the number of spoiled ballots actually represents, not the people who took the time to go out to vote and intentionally spoil their ballots to indicate that they do not approve of the process.

I would say that there is a real marked difference between a spoiled ballot, which could be a ballot that someone just did not know how to fill out, filled out incorrectly or illegally filled out, and someone actually voting in a very constructive and demonstrative way to say that he or she is voting for none of the above. There is a marked difference.

There are other countries in the world that do experiment with their electoral system in a positive way.

• (1845)

I understand that Switzerland has a category for none of the above on its ballot. That allows people to go to the polls and cast their ballot. Switzerland has a lot of referendum questions that it poses to its citizens every election cycle. As a result, if the people do not agree with the wording of the question, they do not have to vote against the question, in other words vote to oppose the particular initiative. They can actually vote for none of the above on a given question. That would signify that they may have some interest in the issue, that they may not be definitely opposed to whatever the question is, or the issue that has been raised by the question, but that they are opposed to the wording of the question.

I would argue that in a Canadian context that could be incredibly important. We decided a constitutional package not that many years ago, the Charlottetown accord, by a national referendum. It had the highest amount of voter participation that I have seen in Canadian federal politics in quite some time. As I remember, it had over 80% turnout. I am hard pressed to think of other elections that had that high a turnout.

If people do not like the wording of a question for example with regard to secession or with regard to the constitution and the provinces and jurisdiction and powers, which are very sensitive and important questions, they should be able to demonstrate whether or not they think the question is a fair one. The populous should be able to demonstrate whether questions such as those are fair ones.

Merely asking a yes or no on a framed question will not allow the same degree of scrutiny and demonstration of opinion about the question that actually having three options would. In other words, if there is a question and people feel it has been framed, when they have an option to say none of the above, they can vote for it, they can vote against it or they can say neither of those two. They can say they did not like the wording of the question, that they are opposed to the framing of the question. That alone is a valuable reason for supporting this initiative.

It is a shame that we as members will not be voting on this bill. I am sure the member for Davenport shares my frustration. I am sure he put a lot of thought and hours into crafting this piece of legislation. It is a shame that it is not getting the will of the assembly here.

There could be five or six choices on the ballot and a choice for none of the above. If a plurality of the people decide that they do not like any of the options and they actually win, in other words if none of the above gets more votes than any of the other options for given parties, individuals, or a referendum question on the ballot, that is a very strong indication of the public's distaste for the question, for the political process or any number of things.

If the only thing that is exercised is yes, no and spoiled ballots, the will of the people to cast aside the wording of the question, the framing of the question, is not taken into account. Those spoiled ballots, for example, will never determine the final outcome of whether or not it passes or fails and meets the judgment of the people.

As a result, I would argue that the none of the above option, certainly if it wins, is a very strong and powerful indication that people are either not buying into the political process or they are not buying into the framing of the question. That is a crucial piece of information we should not be overlooking. We should not group those votes into spoiled ballots and say those people just did not know how to fill out a ballot.

Madam Speaker, as you are indicating that I am short on time, I will run through the rest of the reasons that I think this is a good bill.

The bill will encourage more people to participate. It is a better reflection of the electorate's mood. It is a way to build a better mousetrap, and frankly that is what this is all about. That is why I ran for election. That is why I was elected to this place. I thought we could build a better Canada. This is a way toward doing that. It is an improvement over the current system. I applaud the member for coming up with a new idea.

• (1850)

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Madam Speaker, there is no doubt the member presenting the bill is motivated by good intentions but I do not feel inclined to support a bill to have a none of the above choice on the ballot itself.

In today's election campaigns one can vote for none of the above just by not voting at all. One can write none of the above on it if one wishes. One can spoil the ballot if wants to. However I do not think we should be offering a choice where one can vote for none of the above. We should be doing positive things to encourage people to turn out for the election campaign, to vote in campaigns, to make a choice, to vote for a vision of the country and to do a positive thing rather than a negative thing. That is the way we should go.

That being said, this debate gives an opportunity to say we need some voting reform in the country. We have tried going with a permanent voters list and I do not think that is working. A lot of people were left off the list in every riding of the country.

*Private Members' Business*

My recollection is that there were about one million Canadians who were not on the voters list in the November 2000 election. We should go back to the door to door enumeration of people in the campaign. It is a way to motivate the population to vote. It is a way to make sure that those not on the list get on it.

If we look at the lack of participation, we find that it is greatest among people living in poorer communities and in the inner cities, and among young people who tend to move a lot and have different addresses on a very frequent basis.

One of the changes we should make is the permanent voters list in the country. I heard that all over the place in my riding during the last campaign. I have heard it from colleagues from all the parties in the House since then. It is important that kind of change be made in terms of voting practices in Canada.

I am concerned about the plummeting drop in turnout. It was not long ago in the 1950s through to the 1980s when 75% or 80% of the people would vote. I was shocked in 1997, four years ago, when the turnout was only 67%.

Last fall the turnout dropped even lower. It went down to only 61% of the people on the list who actually voted. If we include people who were not enumerated on the permanent voters list, and many people say there were about one million of them, we find that well under 60% of the population who were over the age of 18 and were Canadian citizens participated in the last election campaign.

We have to do something to motivate people to vote. Why do people not vote? Part of the problem is the need for reform of the parliamentary system and reform of the voting system in the country. Our parliament is in dire need of radical reform to make this place more meaningful, accountable and democratic.

The Prime Minister's Office has far too much power. Almost every vote in the House of Commons is a confidence vote. Parliamentary committees do not have enough power. Individual MPs do not have much power. There are too many confidence votes and not enough free votes. Government appointments are made without any kind of ratification process in the opposition.

The public accounts committee today heard from the auditor general. One of the complaints was the lack of parliamentary oversight for many spending programs, like the employment insurance program.

More and more decisions are made by the executive, by the Prime Minister's Office and the Privy Council Office.

We have to make a change to democratize the place, to make sure that on major appointments for example the government will nominate and have the relevant committee of the House of Commons either ratify or reject the nomination. Committees and MPs should be given a more meaningful role. Committees should be given more independence and the right to initiate legislation and timetable it. We should have rules and regulations like in Great Britain where parliament can defeat government bills and the government does not fall.

In Britain, despite the popularity years ago of the Margaret Thatcher government, several government bills were defeated. It is the same thing in Tony Blair's government despite his popularity.

Government bills have been defeated and the only consequence is that the bills are defeated. The government does not fall. It is healthy for parliamentary democracy.

Time and again I talked to Liberal backbenchers who are extremely frustrated with the Prime Minister's Office, the PCO or cabinet but they cannot do anything about it because of the kind of system we have. The Prime Minister appoints all the cabinet ministers and the parliamentary secretaries. The government appoints all the committee chairs. There is also parliamentary travel and parliamentary associations.

• (1855)

When we have that kind of handcuffed parliamentary system, the voters see it for what it is, that it is not democratic. They feel that politicians are not listening to them and that all politicians and political parties are the same. That is why we need serious parliamentary reform in this institution.

The last point is voting reform. We are one of the few democracies in the world where the will of the people is not accurately reflected in the House of Commons. Most countries in the world have a measure of proportional representation, where if a party has 20% of the votes, it gets 20% of the seats in that parliamentary institution.

There are only three countries in the world now with more than eight million people where there is not some measure of proportional representation. The United States is one, we are another one and India is the third. When we do not have proportional representation, we get all kinds of distortions in the system.

South of the border last year Al Gore had 550,000 more votes than George W. Bush. Who became the president? George W. Bush. There was an election in New Brunswick back in the 1980s when Frank McKenna was the premier. He got 55% or 60% of the votes, something in that range, and he had 100% of the seats. People who voted for the other parties had zero representation in the legislature.

Even in this parliament the Prime Minister's party got 41% of the votes cast and 60% of the people cast a ballot. However with 41% of the votes cast, he has a mandate constitutionally for five years. The opposition represent roughly 60% of the electorate, yet the opposition is in the minority.

There can be a distortion between parties. I think of 1993 when the Conservative Party had 16% or 17% of the votes and had two MPs. In the 1997 election the Tories and the Reform both had 19% of the votes. There were 60 Reformers and some 20 Conservatives. The NDP and the Bloc each had 11% of the vote. The NDP had 21 seats and the Bloc Quebecois had 44 seats. These distortions happen time and time again.

An analysis was done of the last election. I cannot remember the exact numbers now but it took something like 65,000 Canadians to elect the average Liberal member of parliament. For the NDP it was 97,000. For the Conservative Party it was 130,000.

Everybody's vote is not equal. Everybody's vote is not the same. We need a parliamentary system where the will of the people is represented and reflected in the parliamentary body that governs the people. That is what most countries in the world have when they have a measure of PR.

Even Britain with its longstanding parliamentary system is starting to move in that direction. The Scottish parliament, the Welsh parliament and the Irish parliament have some proportional representation. All of the MPs elected to the European parliament in Strasbourg are elected by proportional representation. In Great Britain Tony Blair has promised a referendum on a measure or model of PR in Westminster itself before the next election campaign, which is due in about three and a half to four years.

The bill before us today gives us an opportunity to talk about voting reform so we would have a parliamentary system that reflects the will of the people. We should encourage the people to participate in much greater numbers. It would mean that if one cast a vote for a political party, one's vote would count. Everybody's vote would be equal. Nobody's vote would be wasted. That is the kind of parliamentary system we need.

I close by saying that the time has come when we should strike an all party committee to look at the various models of proportional representation that would be relevant to our unique federation. My preference would be what I call a mixed member proportional like Germany has, where some members are elected riding by riding and some members are elected in accordance with proportional representation. There are 13 countries in the world that have a mixed member proportional. That is the direction we should be going in.

The important thing is to strike a committee to look at reforming the electoral system. Let us get back to door to door enumeration. Let us reform the House of Commons. Let us abolish the unelected Senate. If we did those kinds of things, more people would have confidence and faith in the parliamentary system. They would be willing to participate in election campaigns. It is extremely important that people participate and fulfill a responsibility which many people died fighting wars for.

• (1900)

I had an uncle who was killed in the second world war in Normandy fighting for freedom and democracy. Many people in the House have family and friends who have died in great wars fighting for democracy.

Let us not take democracy for granted. Let us get out there and vote, but let us reform our parliamentary institutions and voting system.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC/DR):** Madam Speaker, I commend the previous speaker who has for many years championed the cause of electoral reform. He has taken the occasion quite rightly to delve into some important discussions that touch on the very cornerstones of democracy.

He referred specifically to the need to discuss this matter in a more open way in the House of Commons, the Parliament of Canada, where people should parlez and be encouraged to talk.

*Private Members' Business*

This debate should take place through the formation of a committee both to specifically get information from various countries the member referred to in his remarks and, more important, to allow Canadians to engage through their members of parliament in a process that could perhaps reinvigorate and revitalize a parliament that is sadly fading. I will take a moment to—

**The Acting Speaker (Ms. Bakopanos):** The hon. member for Davenport.

**Hon. Charles Caccia:** Madam Speaker, I rise on a point of order. I draw attention to the fact that the member for Regina—Qu'Appelle already spoke at considerable length on a matter that is not before us at the moment.

I therefore invoke the rule of relevance since the present speaker, the member for Pictou—Antigonish—Guysborough, is following the bad example already set by the member for Regina—Qu'Appelle.

**The Acting Speaker (Ms. Bakopanos):** I believe the hon. member is right in terms of relevance. Perhaps the hon. member was getting to his point.

**Mr. Peter MacKay:** Madam Speaker, I will delve immediately into the relevant part of my remarks. I was milliseconds away from doing so before I was pre-empted.

Having said that, I have a great deal of respect for the hon. member for Davenport and the valuable work he has done for many years both in the Chamber and in his previous incarnation in the provincial legislature. However I regret to inform him and the House that I am not able to support the bill before us.

The bill is quite accurately described as a none of the above addition to ballots in the Canadian electoral process. It would for all intents and purposes entrench into our system a non-choice. It would codify much of the cynicism of our current system by allowing individuals to go into a ballot booth and check off none of the above. As has been referred to by previous speakers, Canadians already have that ability. They can write it on their ballot. They can spoil their ballot.

What additional exercise of democracy would result from Bill C-319? Ballots must contain the names of candidates arranged alphabetically. The information is calculated from nominating papers. Having a choice on the ballot of declining to vote for any candidate would essentially encourage people not to participate. It would be an act of apathy.

As in regular voting, the names of individuals who wish to vote in this manner would not be disclosed so the statistic would be of little use. Bill C-319 would allow us to calculate the number of people who come out to vote to say they do not want to vote. I do not know what this would give us in terms of information or instruction.

Voting by special ballot allows electors to vote in writing in the designated area on a ballot. Voters may fill in the name of the candidate of their choice. They might spoil the ballot as a protest to signify they are not pleased with the candidates or as an expression of dismay at the overall system. Bill C-319 is not necessary. It would create a more complicated ballot and encourage complacency.

*Private Members' Business*

In discussing the bill with other members I thought of an anomaly. What if the none of the above choice won? What if the none of the above candidate received the most support? This would presumably necessitate a byelection or some form of recount that would add cost and cumbersome recounts to a system that is in some ways already too convoluted.

We should be encouraging Canadian citizens to participate. I know the hon. member for Davenport shares that view. Perhaps the intent behind his private member's bill is to somehow generate discussion and debate on the issue.

Bringing more people into the democratic process to exercise their democratic right to vote is a good thing and something we all want to embrace. However encouraging them to come out and signify on a ballot that they do not want to vote is a bit of an oxymoron.

The 2000 federal election saw the lowest voter turnout in 100 years. Perhaps this is some indication of the crisis. We can fairly deem it to be a crisis when such low turnout occurs that it directly impacts on Canadians. I am not in any way attaching motives to the hon. member in tabling his bill, but bolstering statistics by showing that individuals came out and voted even if they did not support any of the candidates would be somewhat misleading and counter-productive.

The old saying is that if we do not vote we do not have a right to complain. I do not completely ascribe to that. However younger people must be instilled with the importance of participating in the democratic process.

● (1905)

They must be encouraged to come out and make an informed decision. It is a cop out to say that one can go into a ballot box and simply not make a decision by checking the none of the above option.

I have listened to the remarks and I have done a little background work on the bill before us. Whatever is directly behind the initiative, I simply do not see that it would strengthen our process in any way. Lengthening the ballot which forces electoral officers to generate more activity and more effort to calculate statistics that really indicate nothing is counterproductive to the process. It would increase costs and confusion and give this outlet to individuals who simply are choosing not to participate.

I do not feel this is necessary as a public expression of disinterest because there are other ways to do so. Simply to stay home is sadly the option that most Canadians chose to exercise in the last general election.

Although I would not promote the right for Canadians to simply abstain from voting in an election, such action would be preferable to complicating this ballot with the choice of none of the above or declining any preference for the candidate.

I regret to say that I cannot support this proposal, but I thank the hon. member for Davenport for bringing the matter forward. Airing the issue in a public way is always a positive initiative. I simply would state that I wish the government would share his enthusiasm and honesty for debate, public commentary and discourse in the

Chamber. It is very much a useful exercise to embark on the discussion of a process such as this one.

Regrettably I will not be supporting the motion, but I thank the hon. member again for bringing forward Bill C-319.

[*Translation*]

**Mr. Pierre Brien (Témiscamingue, BQ):** Madam Speaker, it is my turn to speak to the member's bill, the purpose of which is to include a space on election ballots in which voters could indicate their disagreement with all the candidates on the ballot. In other words, this could be another way for them to cancel their vote or to express their dissatisfaction by not selecting any of the candidates on the ballot.

I think that we must go back to the basic purposes and the reason underlying such a proposal. The main reason is that there is substantial cynicism among a certain segment of voters and there is a desire to allow them to express it.

I would rather we focus on the things that give rise to this cynicism, on modernizing our institutions, and finding ways to give more recognition to what members do, so that citizens feel that their MP is playing a greater role. This seems to me to be more promising than simply allowing them to indicate on their ballot that they do not wish to vote for any of the candidates of the parties represented on the ballot.

I do not see how this would add to our democratic life. After all, we must look at things as they are. The turnout rate is still significant in our democratic system. I will take the case of Quebec, where there is high turnout. Obviously, the turnout for provincial elections is higher, at around 80%. Provincial elections in Quebec are followed fairly closely by voters, but an 80% turnout is still high.

The turnout for federal elections is a bit lower, around 70%. But there are reasons for this. People feel much more distant from political representatives and issues here. Without getting into a partisan debate on what this might indicate, there is still a message in it.

During important votes, such as the 1995 referendum in Quebec, 95% of voters turned out to vote.

So, when people feel that the stakes are high, they will cast their ballot and feel that it is important.

I do not think we should take chances with giving voters an additional option by indicating on the ballot that people will be allowed to not select candidates, although they already do so in different ways, by marking several names or some other way. This is how they express their discontent or their cynicism. About 1% or 2% of voters use this means. Others simply do not vote. There is also a message in the numbers of abstentions. It is up to us, as elected representatives, to take a look at all that and understand the various messages there are, while realizing that those who get elected are those who receive the majority of the votes in their riding.

*Private Members' Business*

I would prefer we put our energies into improving members' powers. I think there is a serious problem. The executive power is omnipresent here. There is some confusion in our system between the legislative and the executive, because the ministers and the Prime Minister have disproportionate influence in parliament. They impose party lines and play out personal ambition. It means that very often an opinion cannot be expressed as representatively as it ought, in our electors' opinion.

I do not think this is healthy. We should examine these issues. It is one of the aspects of real power we have as members with respect to the decisions taken in our communities.

One thing that encourages cynicism is the fact that people feel that, in some cases, it does not matter much whether they vote for one candidate or another. I can remember, in the last election, what did not help anything was the fact that many members changed parties just before the election.

It did not say much for the work we had done and the convictions we must uphold in political parties. We saw Conservatives join the Liberals—that happened in Quebec—because they thought things were going better for the Liberals than for the Conservatives. Even though I would have liked our candidate to win in the riding, the Conservative candidate won. It was to his credit that he appeared under his true banner and did not hide behind a Liberal label in order to get elected, while others did. They argued that in general elections there are so many issues that they would not likely be judged for what they had just done.

This matter was discussed earlier this week, that is the question of not allowing a member to change parties within a mandate. He or she could go independent. If ever he or she should wish to change political affiliations, there would have to be a byelection. This is not a perfect solution, but voters were becoming cynical with members changing parties and they have trouble figuring out what is going on with all the comings and goings.

● (1910)

The fact that this debate is being held today is a source of pleasure to me nevertheless. I acknowledge the hon. member's sincerity and I know there are others who would like to see improvements made and for voters to have more confidence in what we do here. They would like to see the profession of MP and the role of parliamentarian take on greater prestige.

I am involved in politics because I believe this is a very important job, and this place is where decisions are made. One can criticize it from without; that is one way of doing things. But one can also try to make changes from within. That is the way I have chosen, as has everyone else here. Some may be very comfortable with the system as it is.

I think, for instance, that everyone acknowledges that a lot of modernization could be done, which would improve people's confidence. I am not sure that all our procedures might not benefit from a bit of a review, which would be in the best interests of the public as well as ourselves.

We debate, but often there are not very many of us in the House. At times, one might wonder whether it is still relevant, whereas committee work is often more interesting. Sometimes there is less

partisanship when the government is willing to let members work a little more independently in committee. This is one time members like their work, because they feel they are a little more in control.

Unfortunately, committee recommendations are often rejected out of hand by the government, when we return to the House. This too is an example of the executive's excessive control of members, who are lawmakers first and foremost.

In my opinion, this is very unhealthy. It is one of the fundamental causes of members' inability to properly represent the viewpoint of their electors. Very often, we see members opposite agreeing with us. But they do not dare say so because of the reprisals they might face or to protect their career or their ability to negotiate certain things with various ministers afterwards. I do not think this is healthy.

Some ministers are more open than others. I imagine that some Prime Ministers were more open than others in dealing with dissent within their party ranks. This does not seem to be the case with the government opposite, based on my experience here, particularly regarding the role of committees, which do not have enough autonomy.

Everyone will say "Yes, in theory, this is true, it can work really well". But we see what happens when we adopt reports at the end of a session. As we are speaking, there is a bill in committee that will be passed this evening with several clauses. This is an omnibus bill amending several acts and technical aspects. Unfortunately, the whole thing will be rammed through parliament, and people will not have time to do any real, serious work.

This is not serious. If the public saw this end-of-session bulldozing, it would strongly criticize this way of doing things. It would be interesting to take a group of citizens, let them watch us work over a number of days and then ask for their comments. We would realize that there are things they find hard to understand. This would make us think about how we saw things before becoming members of parliament.

There are many things that can be improved. We often hear a criticism that applies to all of us. I am referring to decorum in parliament. One of the things that really strike people who come to watch us from the gallery is the lack of discipline in the House. I recall groups of students from my riding who visited the House and told me that, if they behaved like we do in their classrooms, they would be reprimanded. They could not understand why adults, responsible people, could behave in such a way.

Unfortunately, this is the only part, or one of the only parts of our work that citizens see. The work that we do in this House is the best known part of our job, the part that receives the most media attention. Most other parts of our work and lives as members, such as casework for constituents, committee work, party dynamics and caucus life, are given much less attention. It might be wise for us to think about ways to change this perception of the work we do.

*Private Members' Business*

In closing, this is unfortunately not a votable bill. Once again, our system appears to be somewhat antiquated when we debate bills or motions that will not be voted on. Try explaining that to someone in your riding and you will see that they find it hard to understand why we debate issues that will not be voted on.

•(1915)

I would be open to having more votes. I know that there is some consensus on this and that everyone is working on it. As for what I am hearing on this, I do not think there is much sympathy within the Bloc Québécois, or as far as I am concerned, to add another space on voting ballots to indicate that the voter does not support any of the candidates running.

As I mentioned earlier, we should work on other issues to improve voter trust. This would be a better use of our time.

[English]

**Mr. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, I congratulate my colleague across the way for not only this evening's debate but his continual efforts to improve democracy. I think that is healthy. If he will allow me some deference, I will quickly comment on a couple of things other members said tonight which were slightly off topic.

I agree that we should spend the limited time we have in the House trying to dwell on positive things as much as possible. However I want to reinforce what one of the members said about the electronic voting list. I hope Elections Canada can improve its method so the list is more accurate. This past election we had problems with that as well.

About a week ago a constituent demanded that I pound on the desk and demand that we improve our behaviour in the House. I will let him know that I have done that today.

Many members have spoken as the previous member did about the decorum in this place. I hope we can have reasoned debate and that our battles are only with words.

A couple of members spoke about committees. I want to make a couple of personal points on committees. When the members of the Library of Parliament ask their excellent research questions, it would be helpful for me personally if I could have the answers to those prepared by the department. I would then have another view over and above the answers given by the witnesses. As well, if the department gets a chance to provide detailed comment on amendments in advance I think it would improve the quality of debate at committee.

The final point I want to make relates to what the last member spoke about, private members' business. If the rigour of preparation

for some private members' business were increased, the research, the process it goes through and the checks and balances before it gets here, I think the reception for some private members' business would be more positive. I am not speaking about this particular bill. However, I do think there would be more respect for private members' bills and more confidence in voting for them if they went through the same level of research and public consultation that other bills do.

I will close by thanking my colleague once again. I have a great deal of respect for the work that he does in the House and for bringing forward yet another bill.

•(1920)

**Hon. Charles Caccia (Davenport, Lib.):** Madam Speaker, this was a very interesting hour. If Bill C-319 achieved anything it did indeed at least bring out a number of interesting perspectives on and outside the subject matter of the bill. We have now, at least on the record, a number of viewpoints.

It can be said that the essence of democracy is to provide options and choices. If the approach contained in the bill before discussion tonight is not the one that the majority of members concur with, let us then find the appropriate solution so as to increase the participation rate and reduce the number of people who reject ballots in elections.

The number of rejected ballots is not negligible and therefore it is necessary to address the issue and find ways of interpreting the meaning of rejected ballots. Obviously the majority consensus tonight is not to follow the route proposed in the bill. Therefore, what remains ahead of us is the necessity of making another effort to find the appropriate answers that would receive the support of all parties.

Having said that, I will conclude by thanking the members for Yukon, Témiscamingue, Pictou—Antigonish—Guysborough, Regina—Qu'Appelle, Calgary West and, of course, the parliamentary secretary for his fine, thoughtful and very professional intervention which set the stage for the debate.

**The Acting Speaker (Ms. Bakopanos):** The time provided for the consideration of private members' business has now expired. As the motion has not been designated as a votable item, the order is dropped from the order paper.

It being 7.25 p.m., the House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 7.25 p.m.)





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