



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, June 12, 2003**

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**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Thursday, June 12, 2003

The House met at 10 a.m.

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*Prayers*

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•(1005)

[*Translation*]

## PRIVILEGE

STANDING COMMITTEE ON ABORIGINAL AFFAIRS, NORTHERN DEVELOPMENT AND NATURAL RESOURCES—SPEAKER'S RULING

**The Speaker:** I am now prepared to rule on the question of privilege raised on April 11, 2003 by the hon. member for St.-Hyacinthe—Bagot concerning the conduct of the Chair during several committee meetings of the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources.

I would like to begin by thanking the hon. member for St.-Hyacinthe—Bagot for having raised this matter, as well as the hon. Minister of State and Leader of the Government for his intervention in the discussion.

The hon. member for St.-Hyacinthe—Bagot first raised his concerns regarding proceedings of the Aboriginal Affairs, Northern Development and Natural Resources Committee on April 3, 2003. At that time he claimed that certain procedural irregularities had taken place relating to the use of the previous question during debate. He also raised the issue of the use of unparliamentary language by the Chair of the committee

[*English*]

On April 7, 2003, I delivered my ruling on that point of order and took the opportunity at that time to remind members of our usual practice with respect to procedural irregularities in a committee. Marleau and Montpetit, at page 858, states:

If a committee desires that some action be taken against those disrupting its proceedings, it must report the situation to the House.

At page 128, we read:

Speakers have consistently ruled that, except in the most extreme situations, they will only hear questions of privilege arising from committee proceedings upon presentation of a report from the committee, which directly deals with the matter and not as a question of privilege raised by an individual Member.

[*Translation*]

I went on to state that the matter should be dealt with in the committee. Order and decorum in committee is an internal matter and the judgment of what is or is not acceptable must be made there. I will not review the portion of my earlier ruling relating to the

moving of the previous question, since that issue was fully dealt with on April 7 and is not relevant to today's discussion.

[*English*]

I will instead direct my remarks to the hon. member's concerns related to the conduct of the committee chair, including the use of unparliamentary language.

As members may recall, prior to the delivery of my April 7 ruling, the chair of the aboriginal affairs, northern development and natural resources committee, the hon. member for Nickel Belt, rose in the House to withdraw the remarks complained of by the hon. member for Saint-Hyacinthe—Bagot and to apologize to all members of the House, especially to members of the standing committee, for the language he used in the heat of the moment.

[*Translation*]

In my ruling, while expressing appreciation for the gesture made by the Chair of the committee in offering an apology in the House, I pointed out that it was in committee that the issue needed to be resolved and it was there that the relationship between the Chair of the committee and the hon. member for St.-Hyacinthe—Bagot needed to be repaired

Despite the suggestion of the Speaker that members of the committee attempt to resolve the issues previously raised, it would appear the hon. member for St.-Hyacinthe—Bagot continues to have grievances about the committee's proceedings on Bill C-7.

[*English*]

On Tuesday, June 10, 2003, the chair of the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources wrote to the Speaker to provide further explanation on the issues at hand. I thank him for doing so and I have shared the content of his letter with the hon. member for Saint-Hyacinthe—Bagot.

[*Translation*]

Our parliamentary system is predicated on freedom of thought and expression and indeed encourages active debate. I would remind hon. members that conflict and differences of opinion are inherent in the work we do as members of Parliament. On the other hand, members are expected to conduct themselves with decorum and to show respect for their colleagues in committee just as they are in this place. Establishing and maintaining a working environment in committee that respects both these principles is entirely within the responsibility of the committee and its members.

*Routine Proceedings**[English]*

While it is regrettable that there continues to be tension between members of the standing committee, I would point out once again that there has been no report from the committee. Therefore, the matter remains one which, in the first instance, the committee itself must deal with.

The reluctance of previous Speakers, and of myself on earlier occasions, to intervene in the business of committees is procedurally well founded. Accordingly, as was the case the last time the hon. member brought this matter to the House, I can find no basis for a question of privilege, nor am I willing to intervene in matters that ought properly, and indeed still can be, addressed by the committee itself.

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**BUSINESS OF THE HOUSE**

**The Speaker:** Since today is the final allotted day for the supply period ending June 23, 2003, the House will go through the usual procedures to consider and dispose of the supply bill.

*[Translation]*

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

**Some hon. members:** Agreed.

• (1010)

*[English]*

## WAYS AND MEANS

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, there has been consultation among all parties this morning and there has been consent among all House leaders for the following motion. There are actually two of them. On one I will need a few minutes more, but on this one there is unanimous consent and I therefore would like to submit it to the House. I move:

That all questions necessary to dispose of ways and means proceedings No. 7 be put and decided immediately after the business of supply is disposed of later this day.

**The Speaker:** Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to)

**ROUTINE PROCEEDINGS***[Translation]***CRIMINAL CODE**

**Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.)** moved for leave to introduce Bill C-45, An Act to amend the Criminal Code (criminal liability of organizations).

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

**CRIMINAL CODE**

**Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.)** moved for leave to present Bill C-46, An Act to amend the Criminal Code (capital markets fraud and evidence-gathering).

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

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**COMMITTEES OF THE HOUSE**

## FOREIGN AFFAIRS AND INTERNATIONAL TRADE

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Mr. Speaker, I have the honour to present, in both official languages, the eighth report of the Standing Committee of Foreign Affairs and International Trade, entitled “HIV/AIDS and the Humanitarian Catastrophe in sub-Saharan Africa”.

This report is the work of our Subcommittee on Human Rights and International Development, which is chaired by the hon. member for Mount Royal.

*[English]*

## HUMAN RESOURCES DEVELOPMENT AND THE STATUS OF PERSONS WITH DISABILITIES

**Mrs. Judi Longfield (Whitby—Ajax, Lib.):** Mr. Speaker, I have the honour to table, in both official languages, the third report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, entitled “Raising Adult Literacy Skills: The Need for a Pan-Canadian Response”.

The committee is extremely concerned that 40% of working age Canadians lack the necessary literacy skills required for successful participation in our rapidly changing workforce. We have tabled a report with 21 recommendations that we hope will address this.

I would like to take this opportunity to thank the clerk, Danielle Bélisle, and our outstanding researchers, Chantal Collin and Kevin Kerr.

I also would like to table the fourth report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, entitled “Building a Brighter Future for Urban Aboriginal Children”. The chair of the subcommittee, the hon. member for Don Valley West, has worked extremely hard. He and his committee have eight recommendations that hope to address the concerns of urban aboriginal children.

Finally, I have the honour to table the fifth report of the Standing Committee on Human Resources Development and the Status of Persons with Disabilities, entitled “Listening to Canadians: A First View of the Future of the Canada Pension Plan Disability Program”. The member for St. Paul's and her committee have done an outstanding job with their e-consultation and I know the House would like to congratulate all the people involved.

*Routine Proceedings*

●(1015)

## NATIONAL DEFENCE AND VETERANS AFFAIRS

**Mr. Bob Wood (Nipissing, Lib.):** Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on National Defence and Veterans Affairs, entitled "Honouring the Pledge: Ensuring Quality Long-Term Care for Veterans". Pursuant to Standing Order 109 the committee requests a government response within 150 days.

Also I would like to take a few seconds to express my personal thanks to some people for their dedication and help in the preparation of this report. First I would like to thank Diane Deschamps, the clerk of the subcommittee, whose leadership and organizational skills helped keep the committee and me on track and on time, Michel Rossignol, who authored the report, and Wolf Koerner from the Parliamentary Research Branch.

I would like to thank the staff and administrators of all the facilities we visited, regional and provincial authorities and Veterans Affairs Canada officials. Most of all, I must express our deep gratitude to the veterans themselves, who shared their personal thoughts and ideas, quite openly I might add, with members of the committee.

[Translation]

## FISHERIES AND OCEANS

**Mr. Tom Wappel (Scarborough Southwest, Lib.):** Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Fisheries and Oceans, entitled "The 2001 Fraser River Salmon Fishery".

Pursuant to Standing Order 109, the committee requests that the government provide a comprehensive response within 150 days of the tabling of this report.

[English]

The main thrust of this report is that the 2001 Fraser River salmon fishery was badly managed by the Department of Fisheries and Oceans. Among the reasons for this we find that the pilot sales program failed to do what it was intended to do, which was to bring order and legality to the aboriginal fishery and stability to the commercial fishery. In order to avoid a disastrous repetition of this 2001 salmon fishery, the committee recommends, among numerous other recommendations, returning to a single commercial fishery for all Canadians.

[Translation]

## MODERNIZATION AND IMPROVEMENT OF THE PROCEDURES OF THE HOUSE OF COMMONS

**Mr. Bob Kilger (Stormont—Dundas—Charlottenburgh, Lib.):** Mr. Speaker, I have the honour to present to the House, in both official languages, the fourth report of the Special Committee on the Modernization and Improvement of the Procedures of the House of Commons, as well as the committee's fifth report with respect to the taking of divisions by electronic means.

[English]

The task of modernizing and improving the procedures and practices of the House is never complete. We must continually

review and evaluate how we do things. We hope that this report, like its predecessor in 2001, will be a contribution to improve the House and the work of its members.

The issue of electronic voting has been discussed and studied by members over the last number of years. During its work, the committee decided to table a separate report on the question of the principle of electronic voting for consideration by members of the House.

[Translation]

Because the committee's recommendations had to be unanimous, there were some it was unable to make. However, those it has put forward have broad support and represent attainable solutions that take into consideration diverse interests with regard to context and modern requirements.

[English]

I would like to thank my colleagues on the committee for their candour and the generous spirit of cooperation they brought to this exercise. I also want to thank their staff as well as staff in procedural services for their technical assistance.

Finally, on behalf of the committee, I especially want to recognize the contribution and grace under pressure of James Robertson, our Library of Parliament researcher, and to thank the clerks of the committee, Audrey O'Brien and Diane Diotte.

## PROCEDURE AND HOUSE AFFAIRS

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I have the honour to present the 39th report of the Standing Committee on Procedure and House Affairs regarding the reports of the electoral boundaries commissions for British Columbia, Ontario and Quebec. Pursuant to subsection 22(1) of the act, the committee hereby recommends that the period of 30 sitting days provided for the consideration of objections to these reports be extended by a further 15 days. If the House gives its consent, I intend to move concurrence in this 39th report later this day.

I would like to thank for their work the members of the subcommittee, the staff of the subcommittee and all members who made presentations to the subcommittee on riding boundaries.

If the House concurs in this motion, this subcommittee would be able to continue its work even if the House of Commons should be suspended for the summer.

\* \* \*

●(1020)

## CORRECTIONS AND CONDITIONAL RELEASE ACT

**Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Canadian Alliance)** moved for leave to introduce Bill C-443, an act to amend the Corrections and Conditional Release Act and to make consequential amendments to other acts.

He said: Mr. Speaker, my bill deals with the provision of statutory release which, in fact, requires people to be released from prison after serving two-thirds of their sentence, even if they have done absolutely nothing to earn that leave.

*Speaker's Ruling*

Canadians are appalled that someone, for example, who is sentenced to 12 years gets out after 8 years, having not done anything to earn that parole. We support the concept of parole and early release so that people are out under supervision to reintegrate, but only if they have done something to earn it.

This bill would address that and hopefully change things so that criminals incarcerated in jail would realize they have to mend their ways if they want to be released before the end of their full sentence.

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

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### ELECTORAL BOUNDARIES READJUSTMENT SUBCOMMITTEE

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, the Electoral Boundaries Readjustment Subcommittee has been working very diligently the last few weeks to try to hear all members who filed objections to the reports of the electoral boundaries commissions for British Columbia, Ontario and Quebec.

The subcommittee had just 30 sitting days in which to hear 10 members from British Columbia, 28 members from Ontario, and 29 members from Quebec. The reporting deadline for all three provinces is next Monday, June 16. Despite the subcommittee's best efforts, production difficulties will not allow our committee to deliver its report and evidence to the Speaker in time to meet the deadline.

In order to allow members' objections to the electoral boundaries reports to be forwarded to the commissions, I move:

That, notwithstanding the Standing Orders and the usual practices of this House, the Subcommittee on Electoral Boundaries Readjustment be empowered to file any or all of its reports with the Clerk of the House when the House is not sitting, and that any report so filed be deemed to be the report of the Standing Committee on Procedure and House Affairs and to have been laid on the Table.

This would allow the subcommittee, in terms of tabling reports in the House, to act on behalf of its main committee should the House not be sitting in days ahead. Otherwise it would be necessary to call the full committee to approve the report in order that the committee could table it with you, Mr. Speaker.

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

**Some hon. members:** Agreed.

(Motion agreed to)

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### COMMITTEES OF THE HOUSE

#### PROCEDURE AND HOUSE AFFAIRS

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, if the House gives its consent, I move that the 39th report of the Standing Committee on Procedure and House Affairs presented to the House earlier this day be concurred in.

My first motion allowed the subcommittee to table reports in place of the main committee. This allows the subcommittee to continue its work, if necessary, should the House close down for the summer.

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

**Some hon. members:** Agreed.

(Motion agreed to)

● (1025)

#### OFFICIAL LANGUAGES

**Mr. Mauril Bélanger (Ottawa—Vanier, Lib.):** Mr. Speaker, I move that the sixth report of the Standing Committee on Official Languages, presented on Wednesday, April 30, be concurred in.

Before I get into my remarks, there are two things I wish to state. First, I will not be voting either for or against concurrence of this report because this matter has been brought to your attention on a couple of occasions that, given the content of the report which was adopted by the committee and reported in the House, it might involve a conflict or perception of conflict.

Even though I am moving this motion so that I can seize the House of the content and the subject matter in order to avoid any perception of conflict, I will not be voting for or against this report. I shall abstain if ever it comes to a vote.

Second, I will make all of my remarks in English in order for some Canadians who might be listening and in particular the member who is involved in this matter so he can follow the debate in his own language.

\* \* \*

### POINTS OF ORDER

#### STANDING COMMITTEE ON OFFICIAL LANGUAGES REPORT—SPEAKER'S RULING

**The Speaker:** Before the hon. member continues, I wish to make a ruling on a point of order that was previously raised in respect of this matter.

The situation before us is this. The hon. member for Ottawa—Vanier has risen to move concurrence in the sixth report of his committee and, in doing so, has provoked a point of order as to the acceptability of his moving concurrence in a report in which he may be perceived to have a pecuniary interest.

The sixth report transmits to the House the following resolution of the Standing Committee on Official Languages adopted April 29, 2003, and reported to the House on April 30. It reads as follows:

It was agreed,—That the Standing Committee on Official Languages express its support for the initiative of Mauril Bélanger, M.P. (Ottawa-Vanier), in the *Quigley v. Canada* (House of Commons) case, and request the House of Commons suggest to its Board of Internal Economy to make available a maximum budget of \$30,000 to cover a portion of the legal fees incurred by Mr. Bélanger for his role as intervener in this case.

[Translation]

However, Standing Order 21 provides as follows.

[English]

No Member is entitled to vote upon any question in which he or she has a direct pecuniary interest, and the vote of any Member so interested will be disallowed.

*Routine Proceedings*

The House will recall that a point of order was raised on Thursday, May 1, 2003, by the hon. member for West Vancouver—Sunshine Coast concerning the sixth report of the Standing Committee on Official Languages and arguing that the chair signing the report, which directly concerned his interest, was not in order.

In that case, the Chair explained that the reimbursement referred to concerned legal costs incurred by the hon. member as a third party intervener and not, strictly speaking, a grant of money to the member personally, and noted that there had been no suggestion that the hon. member for Ottawa—Vanier stood to receive any direct monetary gain.

I then went on to review the very strict interpretation that has always been given to Standing Order 21 relating to conflict of interest. The *House of Commons Procedure and Practice* at page 194 states:

—the Standing Orders of the House provide that Members may not vote on questions in which they have direct pecuniary interests; any such vote will be disallowed. The pecuniary interest must be immediate and personal, and belong specifically to the person whose vote is contested.

Then again, on May 12, the hon. member for West Vancouver—Sunshine Coast rose to contest that the hon. member for Ottawa—Vanier had filed a notice of motion for concurrence in the sixth report. The Chair noted the objections and said he would return to this matter in the event the motion was moved, and today that has happened.

I have reviewed the arguments presented in this case, both on May 12 and today, and I can find no grounds for ruling the motion out of order. Standing Order 21 is quite explicit that the prohibition relates to voting. The hon. member for Ottawa—Vanier has explained already that he will not be voting on the motion he has proposed and the Chair is, accordingly, satisfied that it is in order for him to move the concurrence motion and debate may proceed accordingly.

\* \* \*

## COMMITTEES OF THE HOUSE

### OFFICIAL LANGUAGES

The House resumed consideration of the motion.

**Mr. Mauril Bélanger:** Mr. Speaker, I will begin by giving a brief chronology of the events leading up to this day and perhaps into the near future.

In the spring of 2000, a gentleman by the name of Louis Quigley, who is a resident of Riverview near Moncton, New Brunswick, wrote to the Commissioner of Official Languages of the day complaining about not being able to follow the debates in the House of Commons in his own language. Mr. Quigley is an anglophone and the cable distributor in his municipality offered strictly the floor sound.

Whenever someone intervened in the House in French, he could not follow that discussion and interventions. This is because the cable distributor for Riverview has opted to only broadcast the floor sound, instead of broadcasting two channels, one in English and one in French.

Mr. Quigley wrote to the Commissioner of Official Languages in the spring of 2000. In October 2000 the Commissioner of Official

Languages tabled the reports of the inquiry that was conducted in this matter. The reports concluded that the Official Languages Act obliges the House of Commons to ensure that all citizens of Canada have an equal access to the debates of the House of Commons in both of Canada's official languages.

In December 2000, after the report of the Commissioner of Official Languages had not been accepted by the Board of Internal Economy of the House of Commons, Mr. Quigley sought redress at the Federal Court Trial Division, as the Official Languages Act entitled him to do.

On December 5, 2001, the case was heard in Halifax. It was a case where the Commissioner of Official Languages was granted intervener status defending the recommendations of her committee.

On June 5, 2002, Judge O'Keefe of the Federal Court Trial Division ruled in the Quigley case and stated that indeed the House of Commons was subject to the Official Languages Act, with special reference to article 25 of that act. Judge O'Keefe ordered the House of Commons to ensure that where its debates were available to Canadians that they be available in both official languages within a year.

One June 21, 2002, the Board of Internal Economy appealed the decision of the Federal Court Trial Division. On July 29, 2002, the Standing Joint Committee on Official Languages issued a press release after it had met stating essentially that: first, it welcomed the decision of Judge O'Keefe of the Federal Court Trial Division; second, it regretted the decision by the Board of Internal Economy to appeal that decision; and third, it would consider seeking for itself intervener status.

On September 16, 2002, Parliament was prorogued and all committees were disbanded.

On September 27, 2002, and it gets a little complicated here and that is why these things have to be put on the record, the Attorney General of Canada advised the Federal Court that it would not seek a leave to appeal this decision. It was satisfied and accepted the decision of the Federal Court Trial Division.

On October 10, 2002, the other place made a decision to create its own official languages committee, thereby causing the House to review its own regulations to have its own standing committee. There was some delay in setting up the committee, which occurred on November 7, 2002.

In that timeframe the decision to seek intervener status had to be made because the ability to do so was closing. Acting on my own, but with the full knowledge of the members of the official languages committee, I sought intervener status. There were no objections from Mr. Quigley and no objections from the Commissioner of Official Languages. The Board of Internal Economy also had no objections as long as I sought it personally, which I did.

• (1030)

On November 22, 2002, I obtained intervener status in this case, which I believe might be heard at the end of September 2003 in Halifax.

*Routine Proceedings*

The reason why I and the committee felt it was important to seek intervenor status was because we felt that the House of Commons was subject to the Official Languages Act and that the invocation of privilege, although we recognized privilege, had its limits.

In this case our view is that it is up to the House to decide whether it wishes its debates to be broadcast, and no one will ever question that privilege, certainly no member of the committee. However once that decision has been made, it is our view, mine in particular, that the House must ensure that these debates are available to all citizens through their cable distributors in both of Canada's official languages.

As the past co-chair of the joint committee and current chair of the Standing Committee on Official Languages, I thought it was my responsibility, as it is that of the committee, to ensure that the Official Languages Act was respected. The act itself gives such a mandate to the Standing Committee on Official Languages. Therefore it has had an interest in this issue since day one.

**An hon. member:** Time.

**Mr. Mauril Bélanger:** There is time. Twenty minutes is allowed for motions to be moved.

**Ms. Deborah Grey:** It feels like an hour and a half.

**Mr. Kevin Sorenson:** It seems like an hour.

**Mr. Mauril Bélanger:** Mr. Speaker, I will continue. The Government of Canada, as instructed by the Parliament of Canada, has created a court challenges program. This Parliament has recognized that it should be providing assistance to its citizens who wish to uphold their rights, despite actions of the government or of Parliament, rights that are protected by the Charter of Rights and Freedoms.

We created the court challenges program to that effect, which has been used time and again to challenge government and parliamentary decisions so they are respectful of the Charter of Rights and Freedoms and the Constitution of the country. Unfortunately, as members of Parliament, we are precluded from applying to the court challenges program. Therefore that avenue is closed.

As colleagues know, we cannot use our members' operating budgets to seek legal advice, or legal help or to pay the costs associated with the preparation of legal briefs. We must get it from the House. In this case we are in a bit of a quandary because the Board of Internal Economy holds a different position than I and many members of the House. The committee asked, through the proper channels, that the Board of Internal Economy supply financial assistance so the opposite view could also be defended, as the courts have agreed to hear it. That has been turned down.

We now have a situation where the privilege of members of Parliament, I believe, is being infringed upon, not by any intent but by circumstance. If members of Parliament are restricted from using the court challenges program, if the Board of Internal Economy will not provide any assistance, and if a member's operating budget cannot be accessed for that, how is one supposed to challenge the chair, challenge the Board of Internal Economy, challenge the laws, as it is our duty to do, especially in the matter of official languages

where the committee is given a mandate by the Official Languages Act to do so?

It is rather unfortunate that the Board of Internal Economy chose not to consult the committee, a committee struck by the House, with a mandate to look at the Official Languages Act and its application. That is fine. However I believe the committee and myself, representing it in this case and as a member of Parliament, have a right to that.

• (1035)

I thought it was important that these matters be put on the record. What the courts will decide, the courts will decide and we will act accordingly. However I believe it is important that members of Parliament be given the ability, if the courts will recognize their applications to be intervenors in a case, to have funding to that effect. It is a principle that is adhered to in Canada. We adhere to that as Canadians.

For Canadians to be unable to listen to the debates in their own language, means we would then have trumped their rights. If we can speak either language in the House and they cannot access those debates in their language, whether it be French or English, then someone's rights are not being respected as per the Constitution of this country and as per the Official Languages Act.

I understand that the members opposite are not fussy about official languages and respect of rights, but I would hope that this message would be conveyed to the Board of Internal Economy in due course.

• (1040)

[*Translation*]

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I would like to ask the hon. member for Ottawa—Vanier a question. There are francophones and anglophones in his riding. Could he briefly explain the effect on his constituents when he rises in the House to ask a minister a question in one language and the answer is not provided in the same language?

For example, in my riding, there are francophone communities and anglophone communities. If I ask the Minister of Human Resources Development a question in French, she answers in English. As a result, not all francophones are able to understand the answer to my question.

Will the hon. member for Ottawa—Vanier explain how this problem affects his riding or other ridings he knows, particularly as Chair of the Standing Committee on Official Languages?

**Mr. Mauril Bélanger:** Mr. Speaker, it is clear that this creates a huge problem for people who want to follow the debates of the House. It is a technical problem in some cases because the debate is not available in both languages, but it is also an accessibility problem.

I will give an example of the technical aspect. Some television viewers—that is what we are talking about—have a feature called a second audio channel, or SAP, which allows them to switch from English to French. However, there are so many steps to go through that by the time a person accesses the other official language, the comments are finished and often, in the House, we have moved on to something else. This is an unacceptable solution to most people, especially since it is not available to everyone.

The other problem is that, following a CRTC decision, every Canadian with cable will now have to pay a few cents more every month to access the Cable Public Affairs Channel and the debates of the House. This is not right because if we are required to pay for something, we should be able to receive it in the language of our choice.

That is what the Constitution of Canada and the Official Languages Act stipulate and that is what we want. I think the case can be won. We will see what happens in the courts shortly.

**Mr. Yvon Godin:** Mr. Speaker, will the debate resume following questions and comments?

**The Acting Speaker (Mr. Bélair):** The answer is yes.

\* \* \*

[English]

#### MERCHANT NAVY VETERANS DAY

**Mr. Paul Bonwick (Simcoe—Grey, Lib.):** Mr. Speaker, I rise on a point of order. I believe if you seek it you would find unanimous consent for the following motion. I move:

That this House pass at all stages my private member's bill, Bill C-411, an act to establish Merchant Navy Veterans Day, by way of unanimous consent.

As members are aware, I brought this forward about four weeks ago and I had the consent of all parties except one. I have had negotiations with the critic for that party and that critic has assured me there is agreement to go forward at this point in time.

• (1045)

**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, bill read the second time, considered in committee, deemed reported without amendment and concurred in, read the third time and passed)

**Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance):** Mr. Speaker, I move:

That the House do now proceed to the Orders of the Day.

**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.

#### Routine Proceedings

**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.

• (1050)

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

(Division No. 194)

#### YEAS

##### Members

|                                     |                           |
|-------------------------------------|---------------------------|
| Anderson (Cypress Hills—Grasslands) | Assadourian               |
| Bagnell                             | Bailey                    |
| Bellemare                           | Bergeron                  |
| Blondin-Andrew                      | Boudria                   |
| Catterall                           | Crête                     |
| Day                                 | Desrochers                |
| Elley                               | Fitzpatrick               |
| Gagnon (Québec)                     | Gallant                   |
| Girard-Bujold                       | Golding                   |
| Gouk                                | Grey                      |
| Guay                                | Harvey                    |
| Hill (Prince George—Peace River)    | Hinton                    |
| Jackson                             | Laframboise               |
| Lunney (Nanaimo—Alberni)            | Marcil                    |
| Moore                               | Paradis                   |
| Perron                              | Pettigrew                 |
| Regan                               | Ritz                      |
| Saada                               | Sorenson                  |
| Thibault (West Nova)                | Thibeault (Saint-Lambert) |
| Tonks                               | Wilfert                   |
| Yelich — 41                         |                           |

#### NAYS

##### Members

|                               |           |
|-------------------------------|-----------|
| Bachand (Richmond—Arthabaska) | Doyle     |
| Godin                         | Hearn — 4 |

#### PAIRED

Nil

**The Acting Speaker (Mr. Bélair):** I declare the motion carried.

[Translation]

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I rise on a point of order. I am seeking clarification. It may never have happened before, and in the six years I have been in this House, I have certainly never seen a vote take a mere two minutes. Usually, the bells ring to call in the members and members are given time to proceed to the chamber to vote.

I will not take up more time with this point of order, but I would appreciate some clarification on that.

**The Acting Speaker (Mr. Bélair):** I would like to have the attention of the hon. member for Acadie—Bathurst. This is not the first time we proceed in this fashion. As the hon. member may recall, on many Wednesdays recorded divisions have taken place immediately after oral question period, without the bells having rung.

*Private Members' Business*

Also, you will have noticed that in this particular case, the chief government whip and the opposition whip agreed to proceed immediately with the taking of the vote. There is therefore no precedent. That is what I had to explain to you.

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## PRIVATE MEMBERS' BUSINESS

•(1055)

[*Translation*]

### NATIONAL ACADIAN DAY ACT

**Mr. Mauril Bélanger (Ottawa—Vanier, Lib.)** moved that Bill S-5, an act respecting a National Acadian Day, be read a second time and referred to committee.

He said: Mr. Speaker, today is a great day, because we will finally officially recognize August 15 as Acadian Day. This bill originates from the other place, and I am privileged to be able to move it on behalf of my Acadian francophone colleagues here in the House. They were not able to introduce the bill, because they are parliamentary secretaries or ministers. They are good colleagues. They could not accept the invitation from the other place to introduce this bill, so I was asked to do it, and I am proud to be able to do so.

I know that one must be careful in identifying individuals in this House and in the other place, but I believe I should indicate that there were at least two senators who worked particularly hard in this matter. The initiative began with a colleague from the same party in the other house, Ms. Losier-Cool. I would be remiss in not mentioning her initial motion that led to a senator from an opposition party, Senator Comeau, introducing this bill. I will not go any farther with my recognition of them, but I did not want to miss this opportunity to commend their work as the initiators of this bill, which will officially recognize August 15 each year as National Acadian Day.

This date was chosen during the first Acadian National Convention, which took place in Memramcook, the birthplace of one of our Governors General, the Right Hon. Roméo Leblanc. It is also the birthplace of the parents of one of my assistants and I know she will find this reference a little ironic. I wanted to mention it because, since becoming a member of this House, I have discovered an absolutely incredible affinity for the Acadians as a people.

They are an exemplary people. They survived the deportation, which, as we know, began in 1755 and continued for some years. This is a people who have been put to absolutely incredible tests, who reacted with determination, came back to their homeland, and now are a shining example of abilities, energy, imagination and creativity for all francophones in Canada.

This creative energy is found in Acadia in the spheres of the arts, business and politics. There is also a fierce determination to take one's place and put down strong roots in the land. In this people, we see pride that they exist and that they are flourishing. I would like to be able to take this pride and spread it through the rest of the country. The star on Acadia's flag shines brightly and shows us the way ahead.

When I was asked to introduce this bill, I felt very proud, and I accepted at once. I thank my hon. colleagues in the other place for their initiative, and my hon. colleagues in this House, for giving their consent so that next year, we will celebrate not only the first anniversary of National Acadian Day, but also the 400th anniversary of the presence of francophones in the Americas.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, we have a lot of work to do today, especially with respect to the business of supply and the gas tax.

On behalf of the Canadian Alliance, I would like to say that we support this bill designating August 15 as National Acadian Day.

Furthermore, we wish everyone good luck next year, if it goes through. The House can count on the support of the Canadian Alliance on this bill.

**Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ):** Mr. Speaker, it is my great pleasure and honour to inform the House of the Bloc Québécois' enthusiastic support for this bill to officially recognize National Acadian Day.

First, I think Senator Losier-Cool deserves to be commended and congratulated for this initiative of hers. She started by moving a motion to this effect, which was then modified to become the bill before us thanks to Senator Comeau. I would like to pay tribute to them for giving us the opportunity to vote in the House to officially recognize August 15 as National Acadian Day.

I would also like to point out that the bill sings the praises of the Acadian people, not only here in Canada but, by extension, beyond our borders. Indeed, as the member for Ottawa—Vanier said a few moments ago, we must recognize the determination of the Acadian people. They managed not only to survive, but to flourish and establish themselves beyond the borders of Acadia, despite the numerous vicissitudes they encountered.

However, I have a number of reservations which I feel I must raise at this time. We must not forget that this proposal really serves as a sort of consolation prize, to sweeten the bitter pill that Acadians had to swallow when the majority of members of this same government defeated a motion calling on the British Crown to recognize the historic facts surrounding the deportation. It is funny that people talk about the deportation all of the time here in the House and outside the House, but no one wants to recognize it officially.

This bill also demonstrates that the future, as the old saying goes, lasts a long time. Acadians did not wait for the federal government's approval to institute a national day. They did so on their own in 1881, and some 125 years later this reality is finally being recognized. This gives me hope that with time and wisdom, the facts surrounding the deportation of Acadians will finally be recognized.

I also want to point out that what clause 2 does is play down the national character of the Acadian people since the term national in National Acadian Day has been assigned the meaning of pan-Canadian. I have no objection to Acadian Day being celebrated throughout Canada. It would be very honourable, but I would have called it National Acadian Day in Canada. Assigning the meaning of pan-Canadian to the word national plays down the national character of the Acadian people.

It is as though the government were afraid to recognize that in this country there are several nations: there is an Acadian nation, a Quebec nation and aboriginal nations. When will the government realize that there are several nations in this country? It is not just a multicultural country, but a multinational country.

I will conclude with an observation, but I am not offering to champion the particular cause. The last time I championed an Acadian cause I was criticized and the Acadians lost out simply because the messenger was not Liberal to the core.

I would like the government members to know that last weekend, at the general meeting of the Société nationale de l'Acadie, a resolution was passed to declare 2004—the quadcentennial of Acadia—the Year of Acadia.

I suggest that my colleagues across the way put forward a motion to that effect. I can tell them from the outset that we will not be partisan and we will vote in favour of it.

• (1100)

**Mr. André Bachand (Richmond—Arthabaska, PC):** Mr. Speaker, I will be brief. First, as my hon. colleagues have done, I want to mention the contribution of the hon. member for Ottawa—Vanier to the House. He is known for passionately defending both official languages and also for supporting his fellow Acadians from different regions who are with him this morning. I also want to acknowledge the work being done in the other place. My hon. colleague from the Bloc named them. I would like to mention again Senator Gérald Comeau, who is a Progressive Conservative. For years, he has been fighting for recognition of the rights of Acadians in Nova Scotia and a greater sense of belonging and enhanced visibility for that community.

As my hon. colleague from the Bloc Québécois said, this could be a consolation prize. I do not know. Instead, I want to say that it could be a first step in recognizing the Acadian people. Naturally, its good points must be acknowledged, but also the bad things it suffered in the past. Today, we must recognize August 15 as National Acadian Day. Games can be played with the word “national”, but at the very least, this is an important step. Other steps will follow.

I hope that this House will do its utmost to recognize not only the good points, but also the past suffering of the Acadians. I think this is an important part of the process.

### *Private Members' Business*

I want to thank, too, all the parties in the House for their collaboration in ensuring the rapid adoption of this bill. Our work will be finished shortly. Very soon, I hope, we will be returning to our ridings, but it is important that, starting this year, the House send Acadians throughout the country a signal that the House does note their presence and their contributions. I am sure that, in the fall, it will also note the suffering that led to the Acadians' great sense of pride.

The Acadian flag bears a guiding star. But it is also a sign of remembrance. It is important to never forget our origins, the good times and the bad.

The Progressive Conservative Party is very pleased to collaborate, as are all my hon. colleagues, in recognizing August 15, 2003, as the first National Acadian Day.

• (1105)

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, I congratulate the member for Ottawa—Vanier for proposing Senator Comeau's motion relating to Bill S-5. My congratulations to him for bringing it to this House, and also to the hon. member for Verchères—Les-Patriotes for introducing two measures relating to the Acadians in the House. He has never had Liberal support on this. The first measure was to ask the Queen to apologize on behalf of the Crown, and the second for Parliament to acknowledge the wrong done to the Acadians. Both of these were turned down.

I now see those responsible for this refusal rallying around the member for Ottawa—Vanier in order to share the glory of supporting this national day. That is all very fine if it helps the cause, but it is regrettable that the other motions did not get through. What is involved is more than just a special day; there is also the matter of recognition.

According to the bill,

Acadians, in view of their origin, history and development, constitute the first permanent settlement from France in Canada—

I think that the recognition must be more than just a national day. We can only hope that further recognition will be forthcoming later on.

I think that people all over Canada who have had an opportunity to come to know the Acadians, to live with them, to rub shoulders with them, to laugh with them, to work with them, have seen that Acadians are good people.

They are not known only as growers of potatoes or lumberjacks. It goes further than that, in my opinion. We are a people that need recognition as such, to be celebrated and accepted. This is the message I would like to get across, that there must be celebration, acceptance, not just exploitation.

### Supply

I am proud of this motion by the hon. member for Ottawa—Vanier. The NDP will be supporting it 100%, while hoping this will not be the end of it. What is needed goes beyond mere words, beyond saying that we can forget the rest, once we have given them that. I feel that Parliament should, at some point, acknowledge the wrongs done to the Acadians. Then we can really turn a new page of history.

**The Acting Speaker (Mr. Bélair):** Pursuant to order made Wednesday June 11, 2003, Bill S-5 is deemed read the second time, deemed referred to a committee of the whole, deemed reported without amendment, deemed concurred in at report stage, and deemed read a third time and passed.

(Motion deemed agreed to, bill read the second time, considered in committee of the whole, reported, concurred in, read the third time and passed)

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## GOVERNMENT ORDERS

• (1110)

[English]

### SUPPLY

ALLOTTED DAY—INFRASTRUCTURE FUNDING

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance)** moved:

That, in the opinion of this House, Canada's infrastructure needs should be met by a regime of stable funding; and that accordingly, this House call on the government to reduce federal gasoline taxes conditional on an agreement with provinces that, with the creation of this tax room, provinces would introduce a special tax to fund infrastructure in provincial and municipal jurisdictions.

He said: Mr. Speaker, it is my pleasure to speak to the Canadian Alliance supply day motion which would bring fiscal responsibility and accountability back with regard to gas taxes.

I will be splitting my time with the hon. member for Kamloops, Thompson and Highland Valleys, a colleague of mine from British Columbia.

The province of British Columbia is struggling with a lot of choices with regard to infrastructure because of the 2010 Olympic bid. It also is under increasing economic pressure because of the softwood lumber dispute. It is struggling with choices with regard to infrastructure and an ongoing dispute has emerged. The member for Kamloops, Thompson and Highland Valleys will do, as she has always done since first being elected in November 2000, and that is address many of the concerns her constituents have with regard to the B.C. government's choice to solicit bids for a 55 year lease on the Coquihalla highway. It is an ongoing concern for her constituents.

I applaud the member for her efforts to be here to speak on behalf of her constituents, address what is in fact a complicated issue and to do what is in the best interests of her constituents as she weighs those concerns.

The reason for this motion is, frankly, to do four things. First and foremost is to stop the ongoing gas tax ripoff of Canadian consumers.

The second reason is to draw accountability to the mechanism by which gas taxes are collected and spent in this country.

The third reason, and the third thing we wish to accomplish, is to establish some degree of fiscal responsibility.

The fourth reason is to end the Liberal hypocrisy on this issue. Outside this House the Liberal leadership frontrunner, the member for LaSalle—Émard, has said that if he were in power he would go down the road toward something like what this motion would do. However when he was the finance minister he had that power.

One of the things we often forget about in this place is that when a political party, such as the Liberal Party of Canada, by virtue of our first past the post system and by virtue of, quite frankly, an archaic system that is not representative of a 21st century democracy or of a G-8 nation of educated people, holds majority power in this country, has 100% of the legislative power in the House, in the Senate, in the executive and in all the crown corporations, it can do anything it wants.

When the member for LaSalle—Émard was finance minister he could have done anything he wanted in any one of the nine budgets that he presented to this House. With regard to gas taxes, he could have done what he is now talking about doing outside of the House, when he was finance minister. However when he was finance minister he did not have the courage of his convictions to do what was right.

Now, however, in a crass appeal for votes, he is talking about the kind of fiscal accountability with regard to gas taxes that he did not have the courage to demonstrate when he was finance minister. He simply cannot be trusted. I think the Canadian taxpayers know full well that the member for LaSalle—Émard should not be trusted and that will come forward in the fullness of time.

Canadians paid \$4.7 billion in federal gas taxes in the year 2001-02 and \$2.25 billion in GST on gasoline in 2001-02, which is a tax on a tax. In total, Canadians paid \$6.95 billion in gas taxes in the year 2001-02. What does that mean for the average Canadian? Sometimes we talk about macro numbers, but for average Canadians who pay federal gas taxes plus the GST on top of those gas taxes, it cost them \$220.66 last year.

Gas taxes vary between 35% and 45% of the cost of a litre of gasoline at the pump. In other words, speaking for myself and the member from Kamloops, both being British Columbians, on every second full tank of gasoline is 100% taxation. The question that must be asked is: What do Canadians get for those gas tax dollars?

Well, we do not get very much. Of the \$4.7 billion in gas taxes that were collected in 2001-02, before the GST was collected, the federal Liberal government returned only 2.5% of that amount back into roads, or \$118 million back in provincial transfers for road and highway development. Of that 2.5% that was spent back on roads, 99% was spent east of the province of Ontario. There is a dramatic inequity in the mechanism, both in terms of how it is collected and how it is spent in Canada. I raise that point—

## ROUTINE PROCEEDINGS

•(1115)

[English]

### COMMITTEES OF THE HOUSE

#### INTERNATIONAL TRADE, TRADE DISPUTES AND INVESTMENT

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I rise on a point of order. I apologize to the hon. member.

There has been further consultation among all parties in the House and I now believe you would find unanimous consent for the following motion. I move:

That, in relation to its examination in view of strengthening economic relations between Canada and Asia-Pacific, a group comprised of four (4) members of the Subcommittee on International Trade, Trade Disputes and Investment of the Standing Committee on Foreign Affairs and International Trade be authorized to travel to Kuala Lumpur, Singapore, Hong Kong and Beijing for two (2) weeks in September 2003 and that the necessary staff do accompany the Committee.

Just by way of explanation, this is something that was to have taken place right about now and, for health reasons and so on, members have asked the House for permission to delay their trip until September.

[Translation]

**The Acting Speaker (Mr. Bellemare):** The House has heard the motion. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to)

## GOVERNMENT ORDERS

[English]

### SUPPLY

#### ALLOTTED DAY—INFRASTRUCTURE FUNDING

The House resumed consideration of the motion.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, while members of the committee are in that region, perhaps they could take a detour over to Indonesia where Paul Martin could see some of his employees for Canada Steamship Lines. While they are in the region, they may as well.

As I was saying, it is important to note that of the over \$4.7 billion in gas taxes that are collected by the federal government, only 2.4% of that amount is actually spent on roads. Of the 100% of the 2.4% spent on roads, 99% was spent east of the province of Ontario. There is a dramatic inequity and it is something that needs to be considered. I am citing a report from Walter Robinson, a good friend of the Canadian Taxpayers Federation. He reminds us of an important fact, that Canada is a confederation, that it is a unity of provinces each looking out for their interests, united together for the common purposes of a national identity and national interest. We need to keep that in mind.

### Supply

Canada's road system is comprised of a total of 900,000 kilometres of roads, highways and bridges. Of those 900,000 kilometres 15,000 are federally owned, which is only 1.7%; 231,000 are provincially owned which is 25.5%; and 655,000 are municipally owned which constitutes almost 73% of all the roads. If we take that in total, of the 100% of the cost of a litre of gasoline, about 50% is taxation. Half of that taxation is federal and half is provincial.

Ninety-eight per cent of all the roads are engineered, built and maintained by provinces and municipalities but half of the tax gouge on gasoline is going to the federal government. The federal government is only returning 2.4% of that into roads and of the 2.4% that it turns back into roads, 99% is spent east of Ontario.

It may sound like a lot of numbers but it is an extraordinary gas tax ripoff that is happening for Canadians. What we are trying to do in the Canadian Alliance is to stand up for Canadian travellers, to stand up for Canadian taxpayers and to ensure that they are getting a fair deal for what they are paying at the pump.

Here is another number. Only 2.4% of gas tax revenues on the federal side is spent back into roads. Here is the reality: 91.6% of all provincial gas tax revenues that are collected are invested back into roads. That is what the accountability mechanism of this motion we are debating today is all about.

While 50% of the price at the pump is taxes, half of the taxes go to the federal government and half of the taxes goes to the provincial governments. Ninety-one per cent of the revenue collected by the provincial governments is going into roads, 2.4% of the revenue by the federal government is going into roads and 99% of that amount is only going east of the province of Ontario.

What we are endeavouring to do with this motion is to turn over to the provinces a portion of the gas tax revenue. The provinces have demonstrated clearly by the statistics I have cited to be more fiscally responsible and more accountable with regard to engineering, building and maintaining the roads that they are responsible for, in over 98% of the roads that we drive on in this country.

We have a broad problem in this country with regard to fiscal responsibility. There is one level of government that has to provide a service; a second level of government that taxes money away that would provide that service; and then there is bureaucracy between the two levels of government that causes confusion and a lack of straight line accountability for Canadian taxpayers.

We see this with regard to health care. The fact is there is not a single provincial government, not Mike Harris, not Ernie Eves, not Gordon Campbell, not Ralph Klein, not a single provincial government has ever cut from one year to the next the net amount of dollars spent on health care. It is only the federal government that has ever cut health care but because of the way that taxes are collected and spent, there is not a clear line of accountability. The Canadian Alliance with this motion is trying to create that sort of accountability.

### Supply

I understand that I only have one more minute left to speak which is unfortunate because there is a lot to go into. As the leader of the Canadian Alliance, the leader of the official opposition, said in a speech just a week ago, what we are proposing is that the federal government permanently vacate a portion of the federal gas tax, say 3¢ to 5¢ a litre, and allow provinces the option of collecting that revenue. In order to ensure that this money is not used for other purposes, the transfer of these revenues to provinces and on to municipalities would be conditional on signed agreements that these resources would be used for infrastructure.

● (1120)

That is what is needed for accountability. It is what is needed to stop the gas tax ripoff. It is what is needed to ensure that the taxes that are collected for a certain public purpose are used for that purpose, which is the building of roads. As 98% of all roads are engineered, built and maintained by provinces and municipalities, those levels of government need to have the tax dollars necessary to ensure that this important element, not only of infrastructure but of nation building is maintained into the future.

**Mr. Reed Elley (Nanaimo—Cowichan, Canadian Alliance):** Mr. Speaker, this topic is very important for Canadians across the country. My hon. colleague has done a good deal of research into this area. He is very eloquent and articulate about sharing this information with Canadians.

I would like him to comment on the Liberal government and the previous Conservative administration taking dedicated taxes and using them for the purposes that they said they would use them for when they imposed the taxes on Canadians. It is a dismal record. Perhaps the hon. member would like to comment on that.

**Mr. James Moore:** My colleague from Nanaimo is quite right. According to a chart I have here, if we go back to fiscal year 1992-93, which means it was a government budget under the Progressive Conservatives, of the \$3.4 billion that was collected in gas taxes, only \$100 million went into roads. This year it is \$4.7 billion and \$119 million going into roads. Under either administration there has not been much improvement.

We hope that there is a shift across the country with regard to all political parties in terms of having more accountability and responsibility with regard to fuel taxes.

My colleague is quite right. There are two other examples both of which fall under the previous administration and the current administration. In the final budget of the former finance minister and the leadership frontrunner for the Liberal Party, he introduced the infamous \$24 air security tax. That tax was supposed to go into air security. It did not. It went into general revenues. It was supposed to be channelled from general revenues into air security. We still have not had a clear base line accounting on how that money was collected and spent. This is an example again of the Liberals saying that they are imposing a tax for a purpose and the tax does not go to the purpose for which it was imposed.

The most infamous example perhaps of the last decade was imposed under the Progressive Conservatives and which the Liberals said they were going to deal with but they have not dealt with. They said that the goods and services tax was supposed to go specifically to paying down the debt and that it would not go into general

revenues. That was in fact not true and it was deliberately not the truth. That is not the kind of fiscal responsibility that was expected by Canadian taxpayers.

If a tax is imposed for a purpose, taxpayers expect politicians to keep their word and make sure those dollars go to that purpose. The GST did not serve that purpose, the \$24 air security tax did not serve that purpose and gas taxes day in and day out are ripping off Canadian travellers.

● (1125)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I first want to acknowledge my colleague's motion today. I congratulate him and the Canadian Alliance on finally recognizing after many years in the wilderness the issue of infrastructure.

For many years that party across the way opposed the national infrastructure program. The Johnny-come-latelies in that party have now decided that this is a politically motivated motion which they are now trying to bring before the House. It is very nice to see. It is better late than never. Obviously they got themselves a new sun dial. Now they realize that this is an important issue. This is an issue that the government embraced immediately in 1993 when it was elected, so it is nice to see that.

I would like to ask the member one specific question. I am sure I will have an opportunity to ask a few questions during the day. How does the member believe, in terms of its structure, if the federal government vacated tax room that we would actually see the moneys vacated utilized by the provinces for the purpose for which the member suggests should be done?

**Mr. James Moore:** Mr. Speaker, that is easy to do. It is done all the time. The federal government did it last fall with regard to health care. It has done it in all kinds of agreements. It happens all the time.

In fact, the province of British Columbia, a Liberal administration, has allocated the gas tax room to the municipalities where the municipalities have used it.

I want to back up and comment on the member's original comments at the beginning of his question. The fact is that when he said that the Canadian Alliance members are Johnny-come-latelies, if he thinks he can posture that the Liberal Party actually believes in this policy, I very much look forward to his vote and the Liberal Party vote. If he is saying that we are Johnny-come-latelies to a position that the Liberal government has had, I look forward to the Liberal government voting in favour of our motion and in fact seeing this come to pass.

The Canadian Alliance members need to take absolutely no lessons with regard to fiscal responsibility from the Liberal Party of Canada. The Liberal Party, which broke its word with Canadians with regard to the GST, which takes the air security tax and puts it into general revenues, rips off the air industry, continues, in terms of infrastructure and putting money into roads, to rip off Canadians at the pump. If the Liberals believe in fixing it, they can fix it. Paul Martin had his chance and he did not do it.

*Supply*

**The Acting Speaker (Mr. Bélair):** The hon. member knows full well that he cannot refer to the member by his name but by referring to him as the former finance minister or the member for LaSalle—Émard.

**Mrs. Betty Hinton (Kamloops, Thompson and Highland Valleys, Canadian Alliance):** Mr. Speaker, it is always a pleasure to follow my colleague from Port Moody—Coquitlam—Port Coquitlam. My colleague gave the logic, and I will give a bit of the emotion.

Mr. Speaker, I would like you to buckle your seat belt because we are going for a ride. The destination is Kamloops, Thompson and Highland Valleys. The ride is a little rough and that is what we are going to talk about today, but the trip is well worth it. The people in the area are wonderful.

In order for members to really understand the big picture I have to provide a bit of background information. Two of the main industries in my riding are forestry and cattle ranching. The third is tourism. All of them rely heavily on roadways. Let me start with forestry.

Under this incompetent government's watch, forestry is on life support. I have listened day after day for two years as the Minister for International Trade has tried to convince Canadians that he is working very hard for the industry. Road apples.

It is physically impossible to bury one's teeth in a trade issue with the United States while puckering up at the same time for political and diplomatic blunders made regarding Iraq. No Liberal, including the anointed member for LaSalle—Émard, can fix the mess that the government has created on this issue. The U.S. does not take any Liberal issue seriously, and with good reason.

The \$110 million in diversification funds that the Minister of Natural Resources keeps bragging about is also a joke. B.C.'s share of that will be \$55 million split between 100 communities. I say will be because not one red cent has passed from this greedy government's hands into the hands of those decimated communities, regardless of how the minister wants to spin it. Not one penny.

It is also interesting to note that the \$110 million proposed for diversifying a primary Canadian industry—

• (1130)

**The Acting Speaker (Mr. Bélair):** I am sorry to interrupt the hon. member, but I really question the relevance of her speech to this point. I certainly hope that she will tie in what she has just said to her party's opposition motion on infrastructure.

**Mrs. Betty Hinton:** Mr. Speaker, with all due respect, and I do have respect for the Chair, it is relevant. All the things I will talk about have had an impact on my riding and all of them require transportation.

I will go back to what I was saying. It will be split, because not one cent has passed from the greedy government into the hands of the people who need it; not a penny. It is also interesting to note that the \$110 million proposed for diversifying a primary Canadian industry just happens to be the same amount the Prime Minister spent on two new Challenger jets for his personal use; so much for Liberal priorities.

I see you are getting a little anxious here, Mr. Speaker, so let us move along. Now I will talk about the cattle industry, which is also dependent on transportation.

We had one incident in the country involving one cow. The devastation caused by that has changed the industry for evermore. There is a very good chance that some of those markets, on which we used to rely, will no longer be there because they have now been absorbed by other parts of the world and other countries will be contributing the cattle that we used to contribute.

I do not like to condemn people for nothing. It was one cow, though, and the government has taken so long to try to come up with some sort of solution, and it still has not reached one. Not only have we lost the forest industry in my riding or it has changed forever, we are now looking at the possibility of a forever and a day change in the cattle industry.

Cattlemen have been around since the start of the country. They are the original entrepreneurs. That is one more industry in Canada that has been damaged severely. When we look at the big picture, it is not hard to understand why we are not getting cooperation from the United States. Hon. members should go back to the reason I gave them for forestry. It is very difficult for the government to take a firm stand with the United States or anywhere else in the world right now because of the decisions it has made, diplomatic blunders.

The third part is tourism. That most definitely relies on roadways. We need roads and all forms of transportation if we are to diversify our economy to bring tourism up to a level that may help compensate for the losses we have suffered because of the softwood dispute, and now with cattle.

The part that is really upsetting to my residents, because the federal level of government gives so little money, in fact it gives less than a nickel for every dollar we pay in taxes on gasoline, is now we have a provincial government, which is also Liberal, poised to rent out an asset. The leasing of a major artery in the interior of British Columbia for the next three generations is providing an enticement for business people around the world. By the deadline for proposal calls this week, 28 people have penned a letter of intent and have sent it to the provincial government saying that they are interested in leasing the Coquihalla highway for the next 55 years.

I have the same reaction as the majority of the people I represent. I do not like that. I see absolutely no reason why a provincial government should be put in a position of having to lease an asset that was paid for by taxpayers because it cannot afford to keep up the road. If the federal level of government had any kind of decency, it would realize it has been gouging people for years at the gas pumps. That money was collected for a purpose. It was supposed to be for transportation and that includes roads.

I have a bit of a personal bent about the Coquihalla highway. I happen to be one of the people who cut the ribbon and opened it. It was put in place for Expo 86, which was a tremendous success. It brought in many tourists from all over the world to British Columbia and to Canada. As a result of that, we have seen changes across the entire country. British Columbia gets to take credit for part of that. It had the foresight to do these things, which worked out really well.

### Supply

Like most people from my riding, I have driven the Coquihalla highway enough to actually believe that I probably own at least a kilometre of it. I have paid enough tolls and have gone over it enough times, and that is pretty much the way most people in my riding feel. They feel ownership of that highway. Therefore, when it is being jeopardized because there is not enough money to keep the highway going under provincial jurisdiction, people have a right to be upset.

• (1135)

The people of Kamloops, Thompson and Highland Valleys are asking how anyone could lease out an asset that has been paid for with their tax dollars. I happen to agree, and it is a question I would like to have answered in the House.

I know what one of the answers is. From the provincial side of it, the answer is desperation. That desperation could be eliminated if that side of the House would take a serious look at what the Canadian Alliance is proposing today, which is a viable solution that hurts no one and does not increase taxes in any way, shape or form. It is just a matter of sharing.

That sometimes is something the Liberals do not do very well but I hope they will make an exception in this case because this is a very serious issue. Do we want to have highways within Canada leased out to possible foreign ownership? It is quite possible. One person who bid was from Spain. I do not think this is the direction in which we want to go. We are trying to maintain sovereignty in our country. That is not something that we really want to entertain.

The Coquihalla highway is beautiful. If anyone ever has a chance to travel it, I suggest they do so. That highway is a lifeline between the interior of British Columbia and the mainland. It carries three million passengers and vehicles per year. That is a fairly well used piece of roadway. Therefore, when we hear that people are upset, we understand why.

While the provincial government is holding garage sales of major assets, the federal government continues to take 95¢ out of every dollar collected on gas. This makes absolutely no sense whatsoever.

In conclusion, Liberals do not think big. They have no national visions or dreams. They think paving the street in front of a Liberal voter's home is what government is all about. Canadians deserve better and are demanding better. They want government that thinks big and grasps the magnificent potential of Canada and all its various parts and its people.

We have an opportunity today to make a change that will matter. By voting in favour of this motion, we will not only eliminate a problem, we will have done it without increasing taxes. This is about common sense. Let us use it for a change in the House.

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, first, I know the Coquihalla highway very well since my parents used to live in Kelowna. I have driven it many times to Vancouver. It is a wonderful highway and, obviously, not only is it great to drive but from an infrastructure standpoint is quite an engineering feat.

The member talks about vision. I want to indicate to her that when it comes to vision, this government is the first government to say that

we will be partners with municipal governments, that we will embrace a national infrastructure program, that we will embrace the strategic infrastructure fund, that we will deal with the green enabling fund, all these things to make our cities better. There are some in the House who were with me, who fought those battles with the FCM against the government of the day. We said that we needed to do this, that we needed to go back to our communities.

The premise of the motion is based on faith that the provinces will do their part. The provinces have not done their part. Ontario is an excellent example of the slash and burn policy of the Harris-Eves government in terms of not delivering moneys to municipalities. In fact they have cut back continually.

Why does the member have such great faith in governments that—

• (1140)

**The Acting Speaker (Mr. Bélair):** The hon. member for Kamloops, Thompson and Highland Valleys.

**Mrs. Betty Hinton:** Mr. Speaker, it is a good thing I have a sense of humour. We are talking about vision and the only vision I have seen come from the Liberal side, in the last two and a half years that I have been here, is tunnel vision. The member mentioned that the Liberals have this infrastructure plan in place and the country is moving ahead, et cetera. Saying it and doing it are two different things.

The member for LaSalle—Émard spoke the other day in Winnipeg. He pretty much said exactly what this motion says. It is Canadian Alliance policy. He actually was quoting Canadian Alliance policy No.15. It would be wonderful if it would happen but we know better. We are putting an insurance policy in place today and we are asking members to do the right thing and save this country.

We need to have the money from the gas taxes to put the infrastructure in place for roads. If we are going to travel and if we are ever to meet eye to eye, we have to improve the roads in this country.

The member says that I have to have faith. Does the member think this is a motion of faith? I do not know why we should not have faith. If we do not, then we have a very good way of going around that by putting it into the agreement.

My colleague has just explained all of that. This is not difficult. It is not rocket science. It is written into the agreement that if the federal government gives back 3¢ to 5¢ on the litre, the provinces have to agree they will put that towards infrastructure for roads, and the federal government has to ensure that.

I do not think there will be any argument from any of the provinces. In my particular case, British Columbia is looking at the loss of an asset because it does not have the money to pay for the upkeep, and the government can fix that. The governments are supposed to be cousins. It is the Liberals in British Columbia and the Liberals in Ottawa. Do the right job, stand up for the family for a change and help these guys out because British Columbia will lose a road.

*Supply*

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Mr. Speaker, I am confused with some of the comments.

The implication of the previous question implies that the federal government is a terrific success at whatever it does. I look at things such as defence, security, Air Canada, firearms registration, aboriginal policy, the pension system, et cetera. I really do not know where the Liberals get their enthusiasm because I certainly do not share it with them.

I do want to pose a question to the member from Kamloops. Her speech was very much on point. I come from the province of Saskatchewan. Our economy is dispersed throughout the province. We have roads from one end to the other. There are only a million people in Saskatchewan. We are dependent on gasoline and diesel fuel to move product out of Saskatchewan. It is a big burden in our province and our highway system is a big burden.

If I hear the prime minister in waiting correctly, he wants to invent this great big urban bureaucracy to spend money in infrastructure in the urban areas. It seems to me that the more common sense approach is the Canadian Alliance motion, given the capacity to provide proper infrastructure and not create another huge federal government bureaucracy. What is the member's reaction to—

**The Acting Speaker (Mr. Bélair):** There is no more time on the clock. However, with the indulgence of the House I will give a minute to the hon. member for Kamloops, Thompson and Highland Valleys.

**Mrs. Betty Hinton:** Mr. Speaker, I agree with the preamble of the question. As a former mayor, I think I can speak for some mayors who would be really happy if this were to pass. If we share at the federal level with the provincial level, that allows the province to share with municipalities.

We only have to drive around on some municipal roads to know how desperately money is needed. We are all getting the money from the very same pocket. It comes out of the pockets of taxpayers. It does not matter whether it is on the left side or the right side, that is from where it comes.

There is not enough left in the pockets of taxpayers to pay any more money. This is a logical way to move that money from where it really is not needed to where it is needed.

• (1145)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I am delighted to be able to speak to this motion put forward by the member for Port Moody—Coquitlam—Port Coquitlam. In fact, it is a very interesting motion, particularly coming from the Canadian Alliance, which only recently just a few weeks ago started to talk about this issue of vacating tax room for this type of infrastructure program, but as I say, better late than never.

As a former president of the Federation of Canadian Municipalities, I am aware of the importance of cities. I am very aware of the needs that all governments have, particularly when it comes to infrastructure. I suppose the reason I am pleased to be able to talk about this issue today is that through the national infrastructure program the government is in fact well on the road to meeting the

infrastructure needs in partnership with cities and indeed with provinces across this country.

Let us consider the first line of the motion we have before us: “That, in the opinion of this House, Canada's infrastructure needs should be met by a regime of stable funding”. I would argue that this government, since it came into power a decade ago, is doing just that. When it comes to making municipal infrastructure needs a priority, we can take a great deal of pride on this side of the House in what we have done.

In 1983 the FCM proposed a national infrastructure program to deal with the deficit in infrastructure in cities across this country. It languished until 1994, when this government adopted the first national infrastructure program.

Mr. Speaker, I know this has been a very important initiative in your community, as it has in my community and across the country. Cities are home to 80% of Canadians and account for the largest share of the GDP and personal income. The government made it clear in the Speech from the Throne last September that competitive cities and healthy communities are vital to our individual and national well-being. That is why we are dealing with new partnerships for a new urban strategy. This is the government that has talked about and delivered on urban issues.

Across the way it is nice that they are finally on the same page, approximately, but I remember being in committee meetings where some members on the other side were slamming the national infrastructure program.

Let us put it this way. In May 2001, the Prime Minister created the caucus task force on urban issues and asked us to engage in dialogue with citizens and experts from all orders of government on the opportunities and challenges facing urban regions in this country. As a member of that task force, let me tell members that we issued our final report in November, and I am sure the hon. members across the way would congratulate us for our vision and what we believe we need to do in terms of partnership with cities for the future of this country. By the time the report was released, the Clerk of the Privy Council had created a working group of officials charged with building caucus task force recommendations, building on that and providing further recommendations for the future.

The government's commitment is very important to this issue. It is important because successive budget surpluses and a strong economy have given us the leverage and the opportunity to be able to invest in the Canada infrastructure works program.

I will point out that when we are talking about investments, and I will get into numbers later, we are talking about investments by the Government of Canada leveraged by provincial governments, leveraged by cities and leveraged by the private sector. In other words, it is not simply federal money. Without the federal government, the others would not be at the table. We are at the table. We are there working with our partners on this issue.

I think an unbiased view of our record would show that we are doing exactly what the hon. members are talking about. The fact is that we are funding infrastructure needs and we are doing it in very important ways.

*Supply*

•(1150)

Let us take the opportunity to talk about investments. Since 1993, this government's investment in infrastructure has exceeded \$12 billion. That is just federal money. That does not include the other orders of government and private sector partners. Our contribution only begins there, because the investment has stimulated or will stimulate an additional \$20 billion in spending by other partners, including the provinces.

**An hon. member:** Oh, oh.

**Mr. Bryon Wilfert:** Mr. Speaker, one of my Bloc colleagues is complaining over there. Thank goodness that the PQ is now on the other side of the house in the National Assembly of Quebec because it was the PQ that cut back continually on cities in Quebec. The UMQ continually went after the premiers of the day in Quebec and there was no help from the Bloc. Maybe they should take a look at their record in Quebec under the separatists: absolutely useless when it came to infrastructure. Obviously I got their attention, but the problem over there is that they like to talk but they do not like to deliver. They never delivered when it came to those issues.

I want to point out that when it comes to water, sewage treatment plants and rapid transit, this government has been there to invest, and in public libraries as well. All of this is because of the investment that the government has done in conjunction with our partners. We are continuing to do that and we will do more because we are committed to this program.

Let me point out that in 2000 we launched a \$2 billion infrastructure Canada program in partnership with provinces and municipalities. This now is funding projects across the country, particularly in the area of water and waste water infrastructure, which I am sure is important to all members in the House. I would also point out that in 2001 we provided \$2 billion for the Canada strategic infrastructure program.

What is important is that these are municipally generated programs. This is not the Government of Canada saying, "We know what is best and we are going to tell you what you need". These are municipally driven. Anyone who has any notion of what municipally driven means knows it means that the cities set the priorities and come to the table with proposals.

Let me give an example. My own region, York region, came forward with a quick start program and put \$50 million on the table. We then put \$50 million on the table. The province of Ontario languished. In November, it was going to announce with us, then it said no, it had to wait. Then it was going to do it in January. It put that off. We finally and unilaterally announced the money at the end of March. We finally smoked out the Ontario government.

Last week, finally, Ontario put its \$50 million on the table. However, we have lost a whole season for construction. That is the Ontario government, which of course says to have faith in the provinces. We could not even get \$50 million out of it to match what the private and municipal sectors put on the table with the federal government, because the Ontario government thought it was going to have an election, I assume, and it wanted to do it within that 37 day period. It wanted to play politics. We wanted to put it on the table, and we had it there with our friends and said let us go ahead.

We also have an expansion of convention centres, right here in the city of Ottawa and in Vancouver. There was the cleanup of the Halifax harbour and the expansion of the Red River floodway. These are all municipally generated programs. They suggested them, we looked at them, they made sense and we went forward, again with other participation. Some provinces have been a little more quick to be at the table. I would congratulate the Province of Alberta in that Alberta continually has been very supportive of a national infrastructure program. That has been important.

There also has been recent funding through the border infrastructure fund, which assists projects that improve the flow of goods and services between Canada and the United States. So far, commitments have been made in Windsor, Sarnia and Niagara, and of course I know that the initiative is very important because it also has happened in the lower mainland in British Columbia.

I think we have demonstrated very clearly the work the government has done in the area of infrastructure, but members can rest assured that we are going to go further. Last year the Speech from the Throne committed the government to put in place a 10 year infrastructure program. It is something for which municipal governments have been asking for years and years, because municipal governments need to plan. The way they plan on a capital program is on a five year or ten year cycle. They need to know, so we put an initial investment down with regard to that. That was very important, because again we are looking at leveraging.

•(1155)

A lot of people talk about infrastructure in the House and forget the word leveraging. They forget the fact that the provinces, the municipalities and the private sector also put in money to leverage. For every \$1 they put down, they get \$2. It makes sense. As I have said, that 10 year infrastructure program will accommodate the long term strategic initiatives essential to competitiveness and to sustainability in terms of growth, which again I will say is part of this government's agenda.

It is important to note that a few months ago we backed up this commitment with a significant down payment of \$3 billion as an initial payment toward this. It was very important. As we know, the Canada strategic infrastructure fund is for large projects in large urban areas. I listed a few of them minutes ago. We must keep in mind that the FCM said it wanted to do things with regard to the environment, so it wanted to look at getting a fund that would help in that regard. It proposed the FCM green enabling fund. The government initially put in \$150 million. This revolving fund was such a success, and I know the New Democratic Party was pleased about this, that the government put in another \$150 million because the fund is doing the kinds of things that from an environmental standpoint and infrastructure standpoint are important in communities across the country.

We talk about stable funding, and this is also important. The fact is that the government has had numerous infrastructure programs in conjunction with our partners. The government sat down and worked with them, again, though, always saying that the premise is that those programs had to be municipally driven. Otherwise, a top down approach is not going to work. We do not support that.

This has been important for communities in the Northwest Territories. It has been important for the City of Yellowknife. I had the pleasure of working for many years with the then mayor of the City of Yellowknife, Pat McMahon, who worked tirelessly to make sure that those federal funds, in conjunction with those of the government of the Northwest Territories, helped improve water, sewer and roads in her community.

There were testimonials from mayors across the country who realized the importance of this. I think that is important to recognize. It is all part and parcel of competitive cities, not only on this continent but around the world.

Our friends across the way are saying it is about faith, that provinces may take the tax room, that we will have an arrangement with the provinces whereby they will take the money and make sure it goes to where it is needed. The difficulty is that sometimes the provinces have short memories.

As we know, often in the area of health care we hear that government is giving  $x$  number of cents, but the tax points are forgotten. Tax points of course mean that we vacate and the provinces receive revenue we otherwise would have. Yet the great myth the Alliance always talks about is the 14¢. I think now their myth of what we give on health care is up to 18¢. This is utter nonsense. The reality is that they do not include the tax points and we no doubt would have the same nonsense if we went ahead with this proposed situation.

At the same time, one of the members across the way raised some very important issues with regard to mad cow disease and SARS. If we had the dedicated tax the hon. member wants, we would have no flexibility whatsoever, and emergencies do come along. However, when one is in opposition one can ask for \$3 billion one day, ask for a cut of \$2 billion the next day, say to raise \$4 billion the next day, and tell us to spend, spend, spend. That is not prudent financing.

This government has its fiscal house in order. We have eliminated the national deficit of \$42.5 billion. Canada is the only G-7 country paying off its national debt. It has gone from 71.5% of GDP down to 44% and falling. It is because of those initiatives, because of the single minded purpose on this side of the House, that we are able to have the types of programs I have talked about today to help communities across this country.

There are the prairie grain growers, with \$175 million over 2001-06 in federal funding; from the agriculture department, \$159 million. If one were to listen to members across the way one would think there was absolutely no money going to communities across this country. They should take a look at that. They should take the time to talk to some of their municipal colleagues and find out.

Affordable housing is another good example of what this government has done. There is \$680 million on the table and again there is another problem with Ontario. We put money on the table

### *Supply*

and the province basically said it would not put any money down but would use in kind, put forth by municipalities. It was their money. Essentially Ontario did not come to the table. That is a problem. It is a problem because this country is about partnerships. One of the most effective partnerships this government has discovered is that of working with municipal leaders across Canada and addressing those issues. Again I will refer to the fact that the party across the way is only now recognizing this as an important issue

- (1200)

I would like to point out that it is not simply about roads, bridges and sewers. It is about issues dealing with the environment, making our communities better in terms of cleaner air. Cleaner air is very important. We worked with cities in recognizing what they wanted. I refer back to the green enabling fund and how important that was for projects to move forward.

In April 2000 the Federation of Canadian Municipalities supported 226 initiatives and approved \$36 million in funding through the green enabling fund, which has a total value of \$134 million. It is an obvious example, not only of stable funding, but of cooperation and partnership. We do not just talk about it, we deliver.

The 2003 budget announced several new environmental initiatives including \$3 billion to help cities improve the quality of life for their citizens. That included \$2 billion over five years to implement the government's climate change plan for Canada to improve air quality for Canadians, and to ensure that people who suffer from emphysema, for example, could breathe better because of those types of initiatives. The 90% reduction of sulphur in gas, for example, is very important. The fact is that since 1993, discounting provincial, municipal and others, \$30 billion has come from the federal government to deal with infrastructure issues. That is \$30 billion more than we had in the previous regime.

If the Canadian Alliance were to have its way, until recently I guess, it would have followed in the footsteps of the Conservative Party. It would not have helped the cities. Alliance members have never been on record as supporting cities, except when their leader went to the FCM the other week and suddenly, on the road to Damascus, he saw the light and said "We are going to assist cities on infrastructure". That is great. We like that because now I will not have to argue with Alliance members about why this is an important issue. We know it is important.

It is unfathomable to me how the Alliance Party can suggest that we are going to simply turn over. We have read the motion. It says that we should do this with the consent of the provinces. Provinces will of course sign on to anything where they think they will get more money. However, one of the comments that I have heard in the House is how the provinces need more money.

### Supply

Let us check the record because it is very clear. Provinces have the same fiscal capacity to raise money that the government does, but of course they would rather not do that because obviously they do not find it politically palatable. However, they have the same ability to do so.

Bloc members have made a career out of complaining about federal transfers. This was the same party that held up the budget implementation bill earlier when we in fact had put more money into the hands of Quebeckers. However, they would rather complain.

I want to again emphasize that it is because of these kinds of programs that we have that flexibility. We are able to come up with new initiatives, such as the cultural space program for cities, which is very important, as well as affordable housing. However, if we were to tie our hands as the party across the way would do, we would not be able to do that. We would not be able to respond to new initiatives and we would have some cases where money would be over supplied in one area and underfunded in others, and that would not be very useful.

I want to point out again the importance of this program to the government and of the many initiatives that we have taken. I look forward to the continuing debate in the House as the day goes on.

• (1205)

**The Deputy Speaker:** Questions and comments. Before I give the floor, I wish to remind members that they must be in their seats to be recognized by the Chair. I will now move to the member for Windsor West.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, I found those comments interesting. This is a very important debate for Canadian municipalities. It is important for us in the New Democratic Party because Jack Layton is the immediate past president of the FCM.

What was left out from the discussion, which is kind of interesting, is that the Federation of Canadian Municipalities has now indicated a \$57 billion deficit in infrastructure spending. The federation and many municipal leaders ascribe the government's recent infrastructure plan as doomsday for municipalities. Even in today's paper the mayor of Ottawa is identifying once again the downloading that has happened.

I understand why the government will be opposed to this motion. It is because of the complexity it would create with the provinces. The fact that it will not get the actual funds to municipalities is one of the concerns I have. At the same time the government is not providing the resources. It talks about the \$30 billion that it has invested, but we do not see it on our city streets and we do not see it being outlaid in major projects for which we need the investment.

My question to the hon. member is whether or not he feels the current infrastructure allocation of the last budget is sufficient for Canadian municipalities? Even the finance minister said it was a down payment, admitting that it was so bad.

I must say the former finance minister and the current finance minister, when they met with the FCM, were more like they were auditioning for the movie *Dumb and Dumber* with their infrastructure programs and suggestions because they were not listening to the Federation of Canadian Municipalities and municipal leaders.

My question is quite direct. Is that enough for municipalities? Why are they not getting the support when it is clear the voices are coming from there? When will the government act? We will see another construction season, whether it be for roads, sewers or what not, evaporate before us. We will have to wait another year for very urgent needs for our communities for which municipal leaders are clambering.

**Mr. Bryon Wilfert:** Mr. Speaker, I thank the member for the question, although I am a bit astonished that a member who has a municipal background, as this hon. member does, would ask such a question.

The reality is that, under the Constitution, the jurisdiction in terms of powers for municipal governments lie with the provinces. I agree that municipalities need more funding powers. How would they get that funding power? The Province of Ontario could give them part of the gas tax if it wished. The provinces could give municipalities the hotel tax. Toronto said it would like to have a hotel tax and the Province of Ontario said no.

If hon. members want to hear the answer, that is fine. If they want to shout, they should audition somewhere else, because when it comes to dumb and dumber, the hon. member should talk to his buddies next to him.

The reality is that when it comes to sewers, water, et cetera, it is a partnership. The federal government will not fill the potholes. That is up to the municipalities. They establish their priorities. The member says that the 10 year program and the initial down payment was not enough. Excuse me, I cannot believe my ears.

He must be in a different world. Members opposite have been clambering for a 10 year program and an initial down payment, but what the member is suggesting is that provinces should be out of the way, that municipalities should continue to say they will not raise any taxes, but that the federal government should continue to be the gatekeeper. It should be the one to fund all these services directly. That is not acceptable.

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Mr. Speaker, I am still not sure whether or not the parliamentary secretary is in favour of our motion today. It seems like the member for LaSalle—Émard is in favour of our motion. At the creative cities conference on May 29, 2003, the former finance minister said:

Many cities have suggested that having access to a portion of the revenues generated by the gas tax would be of significant help in making their budgets more reliable and predictable.

It seems like the former finance minister would be supportive of our motion. I would like to ask the parliamentary secretary whether or not he wants to line up with the Canadian Alliance and perhaps the Prime Minister in waiting to make some of the gas taxes that the federal government collects available to the provinces and municipalities so that they can build their infrastructure, and stop building sports boxes in sports stadiums across Canada in the name of infrastructure?

*Supply*

• (1210)

**Mr. Bryon Wilfert:** Mr. Speaker, to equate the former minister of finance with the Canadian Alliance is so delusional that I cannot understand it. The former finance minister was the one who, in conjunction with the Prime Minister and the government, brought in the national infrastructure program. It is because of the former finance minister, the government, and the Prime Minister that we have a program. Had we continued to languish under the Tories, we never would have had that.

The fact is that the motion says “on an agreement with provinces”. To date, we have not seen one province that is prepared to share that kind of money. I will give an example. In the Province of Manitoba, the city of Gimli wanted to put a 5¢ tax on liquor because it wanted to use it for its police force and it passed a resolution. It is still awaiting an order in council by the NDP government of Manitoba to okay it. The fact is that here was a city in Manitoba that actually wanted to get empowered and got nothing from the Government of Manitoba.

My friend across the way should not be under any illusions. This motion has nothing to do with anything that any member of the government has ever said.

[*Translation*]

**Mr. Odina Desrochers (Lotbinière—L'Érable, BQ):** Mr. Speaker, my hon. colleague opposite takes pleasure in using the Constitution whenever it suits him. This government has made a specialty of interfering in provincial jurisdictions, but when the time comes to take its leadership role, then it invokes the Constitution.

Does the Parliamentary Secretary to the Minister of Finance see it as normal that the Canadian government collected \$4.758 billion in fuel taxes, but only spent \$119 million on roads? That is what I call fiscal imbalance. Am I right in thinking that the role of the central government is to distribute money to the provinces, not crumbs?

I would like to hear him on that. Does he find it normal that his government collects nearly \$5 billion but gives back only \$119 million to look after roads? Is that normal? Is that equitable? Or is it just a typically Liberal thing to do?

[*English*]

**Mr. Bryon Wilfert:** Mr. Speaker, I see some residue from the PQ government over there where his friends in the PQ talked a lot about provincial jurisdiction.

Yet, when it comes to areas such as health care, they are always after a handout saying that they need more and more. When it comes to infrastructure, nobody put a gun to the Government of Quebec when it signed successive infrastructure programs because it knows, as well as I and others, that the UMQ was strongly in support of the infrastructure program.

This member talks about dollars. It was the Quebec government, about seven years ago, that unilaterally cut back on funding to cities in Quebec, with no discussion, after the cities had already passed their budgets. I do not think we have to take any lessons from over there about dollars and cents. Maybe the hon. member should go back and ask those questions of his colleagues.

[*Translation*]

**Ms. Jocelyne Girard-Bujold (Jonquière, BQ):** Mr. Speaker, I appreciate finally being able to speak to set things straight. Unfortunately, one of the members to whom I wanted to direct my remarks is not here. I would have liked to give him the real figures, but he is gone.

I will begin by telling the member from the Canadian Alliance that the members of the Bloc Québécois will not support the Canadian Alliance motion. We might have been able to support it if it had stopped after “gasoline taxes”, because the rest is nothing but interference in areas of provincial jurisdiction, making the reduction conditional on the provinces doing certain things and raising money.

Quebec is not a local government. Quebec has full powers. I do not see why, as a federal member of Parliament, I would tell the provinces, and Quebec in particular, to do as they please when it comes to their highway infrastructure. We know that this 1.5 cents per litre gas tax, imposed by this government in 1995, was introduced to fight the deficit and eliminate it. We know that in 1998, the former Minister of Finance said that the fiscal imbalance had been addressed, yet he continued to pocket this money. We do not need any lessons from the parliamentary secretary. This is a serious issue.

Mr. Speaker, I forgot to advise you that I will be sharing my time with the hon. member for Lotbinière—L'Érable.

We know that, with just 10¢ in excise tax in 2001-02, the Liberal government of Canada collected \$4.758 billion in fuel taxes in Quebec. That is a lot of money. And what does the government do with that money? We do not know. It seems to me that when taxes are collected on fuels, it is to take care of infrastructure matters. But no, the federal government takes this money and we do not know what happens to it.

In 2002-03, Quebec collected \$1.6 billion in fuel taxes and invested over 117% of that money. The government looked for money in other budgets within the transportation department. Quebec is doing its job.

The parliamentary secretary spoke of the infrastructure issue. I am the Bloc Québécois critic for infrastructure; I have attended all the negotiations. I also was present when all the cities submitted their projects. It is understandable that it would come from the cities because municipally elected officials are the first point of contact for the public. They know what they need to improve their infrastructures, from sewers to water mains to roadways.

An agreement had been negotiated. For the last two infrastructure agreements, which involved the federal, provincial and municipal governments, it was agreed that Quebec would run the show. The municipal governments sent in their latest proposal for an agreement to the Government of Quebec. They had over \$4.3 billion in projects, but in the negotiated agreement the federal government put \$1.9 billion on the table. There was a shortage of money. The projects are waiting. What this government wants to do now is to go over people's heads. I think it is going in the same direction as the Canadian Alliance. I think it is just more of the same. It does not respect provincial jurisdictions.

### Supply

In Quebec, the municipalities are creatures of the provincial government. So, when a creature belongs to one level of government, I do not see why a higher level could go over the head of the person or entity to whom the creature belongs, to go and negotiate with it instead.

This parliamentary secretary has said some very odd things. The Bloc Québécois has provided the real numbers, while the parliamentary secretary has pulled them out of thin air. The real figures are here.

• (1215)

In speaking about the needs, he even mentioned the Federation of Canadian Municipalities. He says that he spoke with its representatives. After the last federal budget, that federation took a stand.

In the throne speech, the federal government said that infrastructure had to be put in order. The current situation is serious. It was announced that needs in Canada required investments of \$57 billion over the next 15 years. How much did the government offer? It put \$100 million on the table, when it had pocketed \$4.7 billion from the fuel tax in 2002-03 alone.

Any child of five, six or seven years of age can calculate the difference between a need for \$51 billion over the next 15 years and the \$100 million actually offered, without including the \$4.7 billion being pocketed each year. This is proof of the fiscal imbalance that the Bloc Québécois condemns. The PQ government has also spoke out against it, as has the current Charest government, in Quebec City, and all the other provinces.

This government will take the money from the taxpayers, as it has done with employment insurance. The fund has \$44 billion. The government took that money. I call this a payroll tax. Workers pay employment insurance premiums. This means that when you work, you pay an additional tax. In my opinion, workers want to enjoy their salary and to pay taxes normally. They do not want to pay additional taxes.

In terms of employment insurance, only 37% of workers are entitled to benefits. Furthermore, when they do receive benefits—which is quite difficult—their premiums are only about between 50% and 55% of what they should be.

Whose idea was this? The current Minister of Finance has picked up where the former Minister of Finance, the member for LaSalle—Émard, left off. The latter ran Canada like a financier would. It is not surprising. He owned ships and did not pay taxes to Canada or Quebec. Imagine the millions of dollars he has not paid. With that kind of money we could have done things to help the workers, built infrastructures, helped the poor and the homeless. Imagine what we could have done with the money that was not paid by the former Minister of Finance, the member for LaSalle—Émard.

The way infrastructure funding is handled is preposterous. There are immense needs not only in Quebec, but in Canada. Everyone agrees. The Canadian Alliance has put forward a motion. They are saying that the government should reduce the excise tax on gasoline by 1.5¢ per litre, on condition that the provinces come up with additional money themselves. That is not what the provinces want.

The provinces want the fiscal imbalance to be resolved. If this were done, if the federal government invested the money it takes in from the fuel tax—last year it collected \$4.7 billion—if it helped the provinces shoulder the cost of infrastructures, everyone would be happy. There would be modern infrastructures and the taxpayers' true expectations would be met. The taxpayers want something to show for their money.

However, what is currently happening at the federal level is that the government is pocketing or accumulating money and we do not know what they are doing with it. In the meantime, infrastructures are deteriorating. Moreover, the parliamentary secretary has the nerve to accuse the provinces of not doing their work. On the contrary, they are doing their work very well despite all the cuts that the federal government has been making for many years.

• (1220)

The federal government is the one that should be putting out the money. I suggest to the hon. member from the Canadian Alliance that he take out what follows the words “gasoline taxes” in his motion. If he takes out what makes it conditional, the Bloc Québécois will support the motion.

[English]

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, the hon. member has indicated that on the one hand we are imposing on Quebec and on the other hand we are not giving Quebec enough.

The Government of Quebec under the PQ, as I said before, did a unilateral cut of \$500 million after cities in Quebec had already passed their budgets. This is what we call good cooperation between cities and the province of Quebec.

On the other hand, the PQ when it was in office did not have a very strong relationship with municipalities in Quebec because it did not provide the very thing that she suggested. The member suggested that they should have stable funding but how can they deal with a government that pulls the rug out? That is in fact what the PQ government did. I remember many mayors, in Quebec City, Montreal, Sherbrooke, and elsewhere saying that this was unconscionable by the Péquistes.

How does the member reconcile the fact that on the one hand she is suggesting that we are not providing enough funding for infrastructure in Quebec and on the other hand the Quebec government has not done its share when the PQ was in? She will dispute that but I would like to hear her comments.

• (1225)

[Translation]

**Ms. Jocelyne Girard-Bujold:** I would rather address you, Mr. Speaker, because if I were to address that member, I would not be very nice.

I quoted figures earlier. I indicated that, in the past year, 2002-03, Quebec, along with the municipalities, invested more than 117% of the gasoline tax revenues, plus money from its own transport department. If that is not cooperation with the municipalities, I do not know what is. Who has the money in Canada, with the fiscal imbalance? The federal government. And it has the gall to want to negotiate directly with the municipalities.

That makes no sense. The parliamentary secretary should do his homework and take this issue seriously. It is very important; people's lives are at stake. We are talking about water and sewer infrastructure. We know what happened in Ontario with the water system and water treatment. It is only natural to want to upgrade our infrastructure.

This is not the kind of attitude that will lead to an agreement or to progress on major issues. We are talking about health. The fact is that infrastructure has a direct impact on the health of Canadians and Quebecers.

Let us stop talking nonsense and start dealing with reality. I do not accept such things from him. I can understand where he is coming from, since he is here to defend his government. But the taxpayers do not give a hoot about party politics when it comes to meeting their real expectations. As far as health is concerned, their needs are directly linked to the infrastructure situation.

[*English*]

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, hearing the government's position on this is very disturbing to say the least. It is ignoring its responsibility and it is also not calculating the other downloading that is happening.

Has the province of Quebec, similar to Ontario, been under the siege of massive funding cuts at the same time as the government is usurping other taxes and surpluses? Has it faced the same problem which has made difficult infrastructure problems because of the downloading on the municipal and provincial governments?

[*Translation*]

**Ms. Jocelyne Girard-Bujold:** Mr. Speaker, I thank the NDP member for his question. We keep coming back to the same thing: fiscal imbalance.

Yes, transfer payments have been cut to Quebec, as government transfers to the provinces have been cut.

It is easy to be arrogant when one's pockets are full of money stolen from others, money that one has appropriated, when there is a duty under the Canadian Constitution to redistribute tax transfers to the provinces for normal needs in areas of jurisdiction that do not belong to us. But that duty has not been met. It is all very fine to pat oneself on the back, but I would not like to be in his place and to be patting myself on the back over this.

The government is here, not to manage Canada like a private business, but to meet the needs of the taxpayers. And this government is not doing so.

**Mr. Odina Desrochers (Lotbinière—L'Érable, BQ):** Mr. Speaker, I will also be following the recommendations made by my colleague and vote against the Canadian Alliance's motion for the reasons she gave. I would add that all of the efforts made in this House are for naught.

The fact is, this government is in transition. No one is making decisions. Yesterday or the day before, the member for LaSalle—Émard arrived in the Saguenay—Lac-Saint-Jean and said basically what the current Parliamentary Secretary to the Minister of Finance has said.

### *Supply*

This government has no captain at the helm. The ship is drifting, but I am not referring to one of those that belong to the former Minister of Finance. They are in other countries, in tax havens. While the member for LaSalle—Émard was Minister of Finance, he was vehemently opposed to eliminating tax havens in the West Indies. We know why.

I will be curious to see if the member for LaSalle—Émard will act like a real taxpayer and shoulder his responsibilities when he finally becomes Prime Minister. When you are a taxpayer and you run a corporation, you have to pay taxes. When you do not pay taxes, you are not a good corporate citizen. You are not shouldering your responsibilities. If all Canadians behaved like the member for LaSalle—Émard, what kind of administrative mess would we be in and what would happen to Canada's economy?

I would like to say to the member opposite—who spoke earlier and who made comments about the Parti Québécois—that it was Yves Séguin, the current finance minister in the Charest government, who clearly proved that the fiscal imbalance exists. Earlier the member mentioned the fact that municipalities come under provincial jurisdiction and that that terrible PQ government, the terrible separatist government, as they put it, had cut funding to municipalities.

That is what is called nation building. It is the way the Liberals behave in order to smother Quebec. It is easy. They cut off the money at the source and the Government of Quebec finds itself with a shortage of funds. It had to make difficult choices. In making these difficult choices, it had to make cuts with respect to municipalities. It also had to make cuts in highway maintenance. The money is in Ottawa.

It is well known that the excise tax was originally introduced to support the creation of Petro Canada, which, as far as I know, has been sold to private investors. I think perhaps 25 or 30% remains in public hands. I do not follow the ups and downs of Petro Canada on the stock market, but there is no longer any reason for the excise tax. About \$4.758 billion has been taken for no reason from the taxpayers' pockets. Now, we have to deal with it, because this government specializes in taxes. Since it does not want to eliminate the excise tax, it should take the money and invest it in the provinces. The money does not belong to the federal government.

A short while ago, the parliamentary secretary said that Quebec and the provinces do not treat the municipalities very fairly. Nevertheless, the figures are clear: 117% of the fuel tax is directly invested in highways, and, of the \$4.750 billion, \$2.5 billion goes to highways. That is a fiscal imbalance.

I smiled when I read the Canadian Alliance motion. Since the Alliance has been here, its members have specialized in saying that there are too many taxes and they should be eliminated. Now, they take one tax and want to turn it into a new one and make it a provincial responsibility. That does not work.

### Supply

The Canadian Constitution is clear. But the hon. members across the floor are messing around with its interpretation. When it suits the federal government, the Liberals say, “That is a provincial responsibility”. Look how they operate with softwood lumber. Look how they operate with gasoline. When things go badly, they say it is the provinces' fault.

• (1230)

Things are going badly in the provinces because the federal government is not doing its job. Generally, a confederation ought to cooperate, subordinate, coordinate the federations. What we have is not a confederation but a centralist Canadian federation, a product of the dream of former Prime Minister Pierre Elliott Trudeau.

The people in government, along with the present Prime Minister and the present Minister of Intergovernmental Affairs, are suffocating Quebec, taking away its responsibilities. What is happening is that there are difficult choices to be made. Those who are really responsible for the financial chaos in Quebec are the people across the way. Those who are really responsible for the pitiful state of our highways—with which I am familiar, since I live in a very rural riding—are in government.

We have the infrastructure program, clear agreements. But when those clear agreements come here to Ottawa, we are all very well aware of how they get fiddled about with at Economic Development Canada, of all the red tape, of all the delays there are. Who is responsible? Always the Canadian government, which is not doing its job.

There is a surplus and there is fiscal imbalance. The solution is clear. They merely have to hand the money over to us, to the provinces, and we will administer it. When we have the money to which we are entitled, we will be in a position to meet the expectations of the municipalities, which are under provincial jurisdiction. That is clear.

It seems to me that the federal Liberals can no longer lay the blame at the feet of the terrible separatist government, as the parliamentary secretary was just doing. They are no longer in power. Now it is the provincial Liberals, with Yves Séguin as Minister of Finance, he who has been openly critical of the fiscal imbalance. So where can the blame be laid? They will have to talk to each other. I would imagine there would be a certain degree of accommodation between two groups of Liberals.

I am looking forward to seeing the present Minister of Finance tell Yves Séguin, “Dear Yves, I know there is a fiscal imbalance. Now that the minister is no longer a PQ minister, I can acknowledge that there is a fiscal imbalance.” They have no choice. That is the reality.

As I said at the beginning of my speech, however, the problem is that there is no longer anyone in this government making decisions. There is a Prime Minister who is coming to end of his mandate, and a future Prime Minister who says all manner of things all over Canada, but who is often conspicuously absent when there are crucial votes. Take yesterday's vote on Bill C-24 as an example. This cuts very close to the partisan heart of the member for LaSalle—Émard, and he was not there. So what are we to do?

This government is in transition, and is having trouble governing. As I was saying, the Liberal government's ship is drifting, unlike the

ships of the hon. member for LaSalle—Émard. Currently, the Liberal ship has no rudder. There is no one at the helm and it is listing. The Liberal government's ship must be prevented from entering the St. Lawrence or it could run aground on the north or south shore. It would not even be able to find the channel. The channel is the central canal where there is sure sailing. But this is not the case.

I hope that, over the next few months, once we have a real Prime Minister, a real Minister of Finance and a real cabinet, they will acknowledge that there is a fiscal imbalance and give the provinces the money they need to meet the real expectations of the municipalities.

• (1235)

[English]

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, the good news is that now we have a government in Quebec with which we can actually work, a government that has indicated, as has the Minister of Finance, that they are looking forward to working with Mr. Séguin.

The fact is that there will always be issues between the federal government and the provinces, but working in a collaborative manner is very important. Therefore we obviously are pleased to hear that the minister in Quebec indicated very strongly that he will work with the Minister of Finance.

The member says that we are leaderless, that we are adrift. If the member were correct, I would hate to see if we did, because the 2003 budget deals with health care funding, infrastructure, child poverty, and a vast array of issues, but still continues to have no deficit. We have had six balanced budgets or better.

The member talks about infrastructure issues, yet what I cannot understand and what I have not heard is that if there is an imbalance, as the member says, why is it that the provinces have the same fiscal capacity as the federal government? If there is a problem then maybe Quebec, certainly under the PQ it preferred to blame us rather than work with us, maybe the PQ should have looked at its own fiscal house and dealt with that issue. We know the problem the PQ had because of course it left the cupboard bare: \$4 billion. Obviously it did not have a lot of money. I do not know what the PQ did with it.

The PQ talked about moneys from the federal government and yet it sat on \$600 million from the federal government because it did not want to spend it on areas upon which it thought we were imposing. However the PQ sat on it and still said, like the little boy in *Oliver Twist*, “Please, sir, give us more”. It is very odd.

In this case I do not know how the member could stand and say what he did, given the shabby treatment that the PQ handed out to the municipalities in Quebec. Without the support of the Government of Canada and the national infrastructure program, more than half the improvements in cities in Quebec would not have occurred. At least the PQ had the sense to sign on even if it did cause a lot of difficulty for the municipal governments.

*Supply*

• (1240)

[*Translation*]

**Mr. Odina Desrochers:** Mr. Speaker, in listening to the current parliamentary secretary, I am almost tempted to invite him to run in Quebec, because he talked only about Quebec. We are talking about Canadian situations. As a sovereigntist and a member of the Bloc Québécois, I am talking about a Quebec situation. But to hear him, I think that if there is ever a seat available in Quebec, I would strongly suggest he run in Quebec. He talks only about the Parti Québécois.

Yes, perhaps there were cuts. But as I was saying earlier, if the Quebec government was forced to make cuts, it is due to this government's strategy to suffocate Quebec and take away its autonomy.

It is not complicated, I am going to do some quick math. The government took \$100 from us with cuts to the employment insurance fund, and since it has been running surpluses, it gave us \$20 back; and it thinks we will be happy. We are out \$80; I think this is not hard to understand. The government took \$100 and gave us \$20 back, and it thinks we will forget that we are still short \$80. We use hard facts, calculations and columns to understand. All the government does is forget the past. Everything has to be erased.

I keep coming back to the hon. member for LaSalle—Émard, who is going around saying that everything in this Parliament is going to change. In that case, all the Canadian taxpayers and all Canadians will have to forget the financial massacre he led and orchestrated as former Minister of Finance. He was responsible for creating foundations, cutting transfer payments and grabbing money from the employment insurance fund.

Quebeckers and Canadians will remember. The government members opposite are responsible for the current situation. And they are to blame if the municipalities are suffering.

[*English*]

**Mr. Norman Doyle (St. John's East, PC):** Mr. Speaker, I will be splitting my time with the member for Cumberland—Colchester.

The Canadian Alliance motion states that Canada's infrastructure needs should be met with stable funding. Of course we can all agree that Canada's infrastructure needs should be met with stable funding, but the motion goes on to call upon the federal government to reduce its own tax on gasoline in return for negotiating a deal with the provinces, where each province would then introduce a new tax to fund its own infrastructure needs. On that particular point, I think I am safe in saying that we profoundly disagree with the motion. We think it would be complicated. It would be a convoluted way to get moneys to fund infrastructure in Canada.

One of the main problems with the motion has to do with dedicated taxes. Simply put, I believe that dedicated taxes are not the Canadian way. In our system tax revenues from all sources go into one pot and the government allocates expenditures on its priorities from that one big communal pot. Dedicated taxes are often used in the United States. Such taxes are useful when they are used probably to fund a specific project.

However, our national infrastructure requirements are varied and they are ongoing as well. Older infrastructure needs to be replaced or

upgraded. New and more modern infrastructure has to be constantly built. That situation requires an ongoing commitment to maintaining and building infrastructure. It is something that should be met, we are of the firm opinion, with leadership from the federal government and cost shared funding from the federal treasury, not dedicated taxes.

A number of years ago we in Newfoundland and Labrador had a cottage hospital tax to help fund health care in rural areas of Newfoundland and Labrador in the early days after we came into Confederation. That tax was still around, believe it or not, when I served in the provincial government back in the 1980s.

That dedicated tax was used to fund part of the health care system in Newfoundland and Labrador, the old cottage hospital. That dedicated tax was still around back in the 1980s. Dedicated taxes have a tendency to stay around, to hang on forever and to grow and grow regardless of whether or not they are currently serving the purpose for which they were implemented.

As I said a moment ago, there are very big infrastructure needs in this nation, projects of a size and scope that demand federal involvement at the financial level, at the federal-provincial agreement level. Some very big projects have happened in the nation. The fixed link between Prince Edward Island and New Brunswick was a very big project. I do not know if a project like that could be funded without some kind of federal-provincial agreement, not a dedicated tax.

• (1245)

Passing the taxation power down to the provinces and expecting the provinces, each with its own agenda and priorities, to build something of a national nature is doomed to failure. More important, from the point of view of the House, it is an abdication of our responsibilities in nation building and is the main reason that we would not support this motion.

We have always had very good success with federal-provincial agreements. All it takes is more agreements and a greater commitment by the federal government to fund these agreements between the two levels of government.

The motion brings into contrast some of the main differences in philosophy between our party and other parties in the House. One sometimes gets the impression that the Alliance in this particular case believes that government is the main problem and is not part of the solution. We believe that government at the federal level has to be part of the solution. In this motion it readily gives up its national responsibilities in favour of devolving taxing and spending powers to the provinces.

Our party, on the other hand, recognizes that most Canadians do not look upon their government as the enemy, that they expect their government to play a role in making their communities and their country a better place in which to live. Canadians want their federal government to play a leadership role through cooperative agreements. Federal-provincial agreements have worked very well in the past.

### Supply

The Alliance motion does not lead; it passes the buck. Better put, it passes the power to raise and to spend the buck. If we had the kind of system that the motion encourages, as I said, small provinces like Prince Edward Island or Newfoundland and Labrador would not have the capability to fund the larger projects like the fixed link in Prince Edward Island.

Canadians these days are feeling the effect of our country existing in a leadership vacuum. We need leadership in building our infrastructure. We need leadership in building the health care system. SARS and the mad cow crises have shown just how absent federal leadership has been in our country. We need leadership in maintaining and developing our national transportation and our municipal infrastructure needs.

Canadians today can sense the drift in the focus of their national government. They need leadership like never before in this very troubled world of ours. Yet what is the official opposition response? Its response is to let the provinces handle it.

Instead of embracing the challenges of rebuilding our national infrastructure system, I think what we are looking at in the motion is a way of passing the buck on to the provinces. This should not mean that the federal government should be going it alone. The federal government has to work in partnership with the provinces and the municipalities to rebuild our national infrastructure. That is not an easy task in the kind of diverse federal nation that we have. Then again, leadership in Canada has never been easy. If there are serious imbalances in the taxing and spending powers of our national, provincial and municipal governments, this is something we should look at globally in concert with the provinces. Shifting around responsibility on a tax by tax basis is only a recipe for trouble and confusion.

I do not believe we should be passing the buck in this regard. We need to be taking the bull by the horns and getting on with the job of making Canada a beacon in an often dark world.

• (1250)

I believe we can achieve our municipal infrastructure objectives much better with the use of federal-provincial agreements than we can by dedicated taxes.

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I particularly concur with the hon. gentleman's comment with regard to cooperation, that it is in cooperation with municipally generated programs. The hon. member made a good point in terms of needing to work cooperatively with the provinces and municipal governments in Canada. That is what the government has been doing since it first came into office. The fact is that the government has made sure through the national infrastructure program, through the strategic infrastructure program and others, that they are municipally generated.

The issue the member touches upon is that we do not want to abrogate responsibilities. Simply by having one order of government raising money and turning it over to another order of government so that order of government does not have to take responsibility for it but can spend the money is an issue with which members in the House have to deal. If members think that this is a good approach, then obviously there are going to be implications. The member's point about cooperating is a very important one. Simply, the

provinces getting money from the Government of Canada and hoping they will turn it over to municipalities, at least in the province of Ontario, has not been successful. I commend the member for that point.

I would ask the member very specifically about the issue of vacating tax room. Let us assume for a moment that we agree with the Alliance motion. It is based on the premise of the provinces being able to take the money and turn it over to municipal governments. How would that be structured to ensure that in fact it would work? Why is the option of cooperation probably the better road to take?

• (1255)

**Mr. Norman Doyle:** Mr. Speaker, one of the main problems we would have with the motion is it would be very difficult to build the kind of structure whereby the federal government created tax room for the provincial government to implement its own taxes.

As I said a few minutes ago, dedicated taxes have a tendency to go on for ever and ever. I do not know if the hon. member was in his place when I mentioned it, but Newfoundland had a cottage hospital tax shortly after Confederation. When I served in government back in the 1980s, the old cottage hospital tax was still in place and only was eliminated sometime in the 1980s. They have a tendency to go on for ever and ever.

To have dedicated taxes wherein the provincial government would take the taxes from gasoline would in no way guarantee that the federal government would not continue to raise taxes on gasoline over time. I do not think it is the way to go about it. Municipalities have to be better involved in the budgetary process at the federal level. The federal government needs to be a full partner in assisting municipalities in dealing with the costs associated with meeting the infrastructure needs.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, it is interesting to hear the conflict that the government has on this. The member for LaSalle—Émard is supporting this and is married to the Alliance motion. Similarly, we are seeing conflicts where the parliamentary secretary talked about the fact that it is a provincial responsibility, being the municipalities, but at the same time he cannot abrogate responsibility to them. He cannot have it both ways but he is trying to do so.

In the last budget we saw tax relief for things like coal, which is causing greenhouse gases. There were a number of different strategies that the government went through with Kyoto to try to reduce it. At the same time it did not provide tax relief for urban transit. That is something the municipalities have been clamouring for. I want to ask the hon. member's opinion about that. Why one and not the other?

**Mr. Norman Doyle:** Mr. Speaker, that would be a question more aptly put on the agenda for the government. I certainly do not know why there would be tax relief for one and not for the other. I do know that we need the federal government heavily involved with municipalities if we are going to fund some of the larger infrastructure projects in the country. I made reference a little while back to the fixed link.

We have often looked at having a fixed link from Newfoundland and Labrador across the Strait of Belle Isle. I do not believe we can fund these kinds of projects unless the federal government is fully involved with a commitment to ongoing funding for municipal infrastructure.

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, I thank the distinguished member for St. John's East for sharing his time with me.

I was sitting here listening to his comments and I thought he was talking about a cottage hospital tax. I was wondering if that was a hospital for cottages. Then I realized what he was talking about. Again, it shows us the differences in our provinces and right across the country and how things have changed. We did not have a cottage hospital tax in Nova Scotia. It was interesting to learn about that and I intend to ask the member more about that after I finish my comments.

I agree with the member for St. John's East. Infrastructure funding does need stable funding. We need a program where we can count on investments on an ongoing basis.

The government takes great pride in standing up in the House and taking credit for eliminating the deficit. The fact of the matter is the government did it in two ways. It downloaded the deficit to other levels of government, plus it created a deficit in infrastructure. By not renewing the infrastructure, which must be done regularly, it created a deficit there very much as real as a deficit in the bank account. This now has to be caught up and the money spent all at once or in the future, rather than the time that the government was cutting its spending.

I agree with the member for St. John's East, soon to be a minister, when he says that we oppose the motion which would basically cut federal taxes but increase provincial taxes. To me it is very simple. This is a matter of accountability and management control and by doing the infrastructure route now, where the municipalities, the provinces and the federal government all share in the decision making process and also the funding process, there is much more control, accountability, much more value for the taxpayers and much more input for the people in all areas that are affected if all three levels of government have input into the situation.

However, the proposal would say that all of the money goes to the provinces and the provinces would make all the decisions. The municipalities and the federal government would be out of the loop. That would leave the door open for a lot of abuse, political or otherwise, or just bad decisions. It would leave municipalities with no input whatsoever.

Municipalities are facing some of the gravest challenges in infrastructure. I was thinking about what has happened over the years as a result of this debate. During my first term in the House from 1988-93 there was a program called the federal-provincial highways program. It was a great program where the provinces and the feds agreed on funding for highways.

Many highways were upgraded, approved and built in Atlantic Canada, highways which saved lives, made us competitive, allowed us to get our products to market and made us competitive and part of

### *Supply*

Canada. However that whole program was done away with by the Liberals. It was sorely needed and still is sorely needed.

Very little money has been spent on highways in Atlantic Canada. Again, it is a deficit. It is probably the same in the rest of the country but I know I can speak firsthand about Atlantic Canada.

My second thought has to do with how the system is better served by an infrastructure program that has federal, municipal and provincial governments on side. In my own riding there is a highway that is very dangerous. This highway has had more fatalities than any other highway in Atlantic Canada. It runs through the Wentworth Valley which happens to be in my riding.

The federal Conservative government signed a federal-provincial agreement with the Conservative government in Nova Scotia. The agreement said that 50% of the total costs would be paid by the federal government and 50% would be paid by the provincial government. It would then be 100% paid for.

Then there were two elections. Both the federal and the provincial governments changed and the Liberals came in. Two ministers, one federal and one provincial, took half of the money from that program, which was designated specifically to pay for the upgrading of that dangerous highway, and moved it to their own ridings 200 kilometres away. It had nothing to do with the national highway program under which this money was made available.

This was in black and white and still is. The commitment was there to pay 100% for that highway and these ministers deducted half of the money and took it to their own riding in Cape Breton. These ministers both shared the same riding and wanted a highway along the seashore. They took this money from my highway, which was known as death valley, and put it in their own riding. I believe that is an example of abuse.

● (1300)

However, if the municipality had been a party to this agreement, it never would have happened. The reason we support the infrastructure program is that it has municipal, federal and provincial input and this sort of abuse cannot happen.

However to replace the highway money that was committed by the federal and provincial governments, they established tolls. We are paying tolls today because that agreement was abused. We will be paying tolls for a long time because millions of dollars were taken out of that agreement and moved to another highway which did not qualify under the federal-provincial agreement whatsoever.

The money was supposed to be specifically restricted to highways in the national highway system. This was a tourist road in Cape Breton. It had nothing to do with the national highway system. However, one federal Liberal minister and one provincial Liberal minister were able to take the money and transfer it out of the program for which it was originally designed.

For these reasons: because of the accountability, the co-management, the better value, and because it restricts abuse and ensures input from the municipalities, we support the present infrastructure program which does involve the three levels of government.

### Supply

We would like to see longer term commitments so the municipalities can plan over 10 or 15 years the projects they will deal with, and the provinces can make plans for their projects which need work done. The priorities change as people evolve, as people move and as communities change, but they need to know that money is there so they can deal with them.

We agree with one of the concepts of the motion but we do not agree with the way it would be implemented. The concept that we need stable funding, is the concept that we agree with.

I agree with the very distinguished member for St. John's East. We do have a requirement for infrastructure investment which is now in a deficit. We do need to make it up now but we would prefer to see it done through the three way program of municipal, provincial and federal funding.

•(1305)

**Mr. Loyola Hearn (St. John's West, PC):** Mr. Speaker, when I see resolutions like this or I hear such suggestions about dedicated taxes, it concerns me. The end result is usually that the user somewhere down the line is the one who will have to pay and pay heavily.

People who have been in government know that dedicating taxes is a very dangerous process because, with the great needs throughout the country, if we were to start earmarking money for health, transportation and education, where would be the flexibility the government needs?

Let me ask my colleague two questions. First, does he think we should be dedicating taxes to issues like health care, infrastructure, education and so on?

Second, some speaker a little earlier said that the member for LaSalle—Émard was in favour of the resolution. Is my colleague aware of anything that the member for LaSalle—Émard is not in favour of these days? If he is so in favour of such things, why, in the nine years that he ran the country and dictated where finances will go, did he not do something about it?

**Mr. Bill Casey:** Mr. Speaker, it is interesting that the other very distinguished member for St. John's West would ask those questions because I remember when the Nova Scotia hospital tax was brought in, not the cottage hospital tax but the Nova Scotia hospital tax, and everybody agreed with it. Nobody could disagree with a hospital tax.

However within a very few years it went up pretty fast. All of a sudden it was not the hospital tax any more, it was the sales tax. That is what happens when we start with dedicated taxes. They grow, expand and we do not know where they will go. It restricts the ability of government to make decisions as situations change and circumstances evolve.

With respect to the hon. for LaSalle—Émard, I wish he had spoken up when his colleague in his own cabinet took, I think, \$26 million out of the highway commitment to build a highway to replace the most dangerous highway in Nova Scotia, his colleague who sat right in the next seat to him, and gave it to his own riding. The member for LaSalle—Émard should have spoken up then and there and stopped that outrageous event.

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, with regard to the Canada strategic

infrastructure fund, the province of Nova Scotia certainly has benefited with, I think, over \$30.5 million for Highways 101 and 104.

I agree with the member concerning the difficulty with dedicating taxes. If we were to overfund in one area and underfund in another we may not be able to reply to emergencies.

Concerning the type of funding for Highways 101 and 104, is that the type of cooperation the member is looking at? Does he have any suggestions in terms of how we can build upon that type of cooperation?

•(1310)

**Mr. Bill Casey:** Mr. Speaker, I have a great idea for building on that. Maybe the member could find a way to get that \$26 million that was taken out of the other program so the people in Cumberland—Colchester could stop paying the toll charge to go over the highway that was supposed to be 100% paid for.

That is a little thorn in my side and always will be because I believe my riding was cheated on that issue. However I do agree with him, that it is the type of funding that works well. It works well because the federal government has a say, the province has a say and, in many cases, the municipalities have a say. I believe that is the best value, the best bang for the buck.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, it is my pleasure to rise to speak to municipal issues again. It is always a good debate. I believe the subject has come up a number of times and we have had a good chance to review some of the things that have happened. We also have had a chance to talk about the future of Canada, and we know there are so many different problems related to municipalities.

Municipalities have been at the top of the agenda for many years, the past few in particular, and there has been little or not enough action taken to bring products out so people see their cities being cleaned up. People need to feel confident that major infrastructure problems are taken seriously and that solutions to the problems are found and accomplished.

The New Democratic Party has concerns with the text of the motion. The member for LaSalle—Émard espoused it recently. It does not lead to the empowerment of municipalities. We think it is important to ensure that they will get the proper supports and funding.

The concern in particular is the way it relates to the provinces and the fact that we have no guarantee that the money will even hit the ground. We have seen that with the infrastructure program for Ontario and other provinces where the actual programs, dollars and partnerships have taken a long time to unroll. As well it leaves out the municipalities from part of the debate in the sense that they will not have a voice at the table, which is really important. They need to have the opportunity to participate in an empowered way. If they do not, they will be subjected to the means and tools of the provinces.

*Supply*

One example that comes to mind is the problem related to the disbursement of funds in Ontario. It is important to note that we support greater funds and access to those funds to municipalities, including revenues from the gasoline tax. However we have a problem with the motion. There are a couple of issues of which we have taken note.

The national child benefit plan that the federal government introduced was paltry but at least it was it got off the ground to help children and ensure that poverty would be addressed. Tragically the province of Ontario clawed it back from many citizens. There are no guarantees that we will not see that happen again. There is some discussion about that in terms of the way the motion is worded, but it does not guarantee that will not happen.

The other issue I experienced as a councillor in Windsor, Ontario, was municipalities wanted long term stable funding to ensure that revenues would be there. That is important, because municipalities have to decide about roads, bridges, water treatment facilities and a number of projects which are large ticket items.

We heard a discussion about the Confederation Bridge and how that required the coming together of the province and the federal government. A large project like that is something very specific and significant. However when we consider other municipalities, whether they be small urban or rural municipalities or larger cities where they have long term projects which require multi-year funding, the motion does not guarantee that there will be long term funds.

We could have fluctuating gas prices, for example, that would change the revenue streams. They also could affect what products and what types of projects municipalities would want to unroll, such as a major piece of infrastructure. If we look at some of the development required, like sewer capacity expansion as well as road development, water and waste treatment facilities, we get into large significant amounts of money. All those things become very complicated if we do not have the actual stable base. Once again, when we get into fluctuation, it creates some problems for the municipalities. It also affects their credit rating and that lack of stability will be played out.

Our municipal government had a good bond rating because the revenue sources we were drawing upon provided some degree of confidence for that stability. Without that stability, the bond rating is affected, which means the municipality pays more interest on a debt which in turn incurs more costs.

These are some of the problems we have with the motion. To be quite frank, the reason the member for LaSalle—Émard can support this, at least in his statements in public, and why we disagree with the Alliance on this is it does not guarantee that municipalities will get money. That is a strategy and one of the reasons why the member for LaSalle—Émard spoke about it at the Federation of Canadian Municipalities.

• (1315)

All we would have to see was some type of wrangling with provincial governments and the dollars would not reach their intended projects. That delay is a revenue stream for the government.

We have seen what it has done with some of those funds. I believe some have not been allocated properly, and that has been a problem.

There is another issue and that is the issue of municipalities having to negotiate with the provinces. If we have a system where regional governments or individual municipalities do not have a voice, some will opt into this and others will opt out, which could create the problem of different prices at the pump.

For example, in Windsor, Ontario gasoline prices sometimes dictate whether people come and go across the border. I would hate to see one province sign on to something like this and another decide not to because it wanted to use it as a marketing resource to attract customers or whatever. We have seen the lobbying on these issues. Even if there is an intent by two provinces to sign, this may create an economic imbalance. If the system is removed, companies on either side of the border will have different prices. This will also create some competition issues.

The NDP are calling for no more micromanagement of these funds. We trust municipalities to choose their own priorities. We are talking about sending clearer goals and setting clearer targets for federal infrastructure transfers. Emphasis must be placed on accountability. These are things that come through consultation with municipalities, and our party has been doing that.

It is important to note that this empowerment will create good governance in local municipalities. People will feel confident because they will have a say in this. Municipal planning includes official plans. Official plans means that municipalities reach out to their businesses, to citizens, groups, organizations, and visit improvement areas. They are part of a group that creates an official plan and sets priorities. We believe the government should be encouraging participation in that format. That will empower municipalities and make them feel good about participating in a meaningful way.

I should note that I will be splitting my time with the member for Churchill, Mr. Speaker, who will be adding some good comments and will be addressing some of the important rural issues as well.

Many of our cities and downtowns need some revitalization. That is important for both small and large municipalities. Affordable housing should be available. We know for a fact that in the province of Ontario we have not seen that because of the downloading on municipalities. They do not want the government program because it does not provide enough support and that is unfortunate because affordable housing affects many Canadians. It is also a factor in creating some of the poverty because of the lack of sustainability.

My party also emphasizes transit. In signing on to Kyoto, we believe transit is a way to create stronger cities and a way to achieve other national goals, and Kyoto has a national goal. The government should be given credit for signing on to Kyoto even though it is late with the plan, as we heard in committee this week. At least it is signed and there will be some sources of revenue dedicated toward that plan. We are looking forward to seeing more details unravel over the summer.

### Supply

In summary, I believe we need to get more finances to municipalities. However we do not agree with the way it would be done under this motion. It would create complications. Cities and municipalities would not receive the sources they need. It would also be done in an imbalanced way because of the proposed regionalism.

• (1320)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I appreciate the comments of the hon. member. He talked about infrastructure programs, and I just want to make sure I was clear on what he said. I think we are in agreement that the program the government brought in in 1993 works extremely well, and continues to work well. Except for the naysayers in the Canadian Alliance who never supported it in any event, the fact is it is municipally driven. We both know, because of that member's experience in the city of Windsor, that it has to be a municipally driven project.

I will give a simple example. The York region proposed an overall transit plan, a quick start program. The chairman of the region of York asked for my support. It put \$50 million down and I worked hard to ensure that we put \$50 million down. However it was the province again, always late, that did not deliver.

The member raises a good point. We cannot depend on the provinces necessarily in terms of us just turning over the money, as our friends across the way would say.

I want to point out that they keep mentioning in the House the former minister of finance. The former minister of finance has nothing to do with the motion by the Alliance. The former minister said that if we were to vacate any portion of the federal tax, it would have to be matched by the provinces. That is not what the motion says.

**An hon. member:** You're splitting hairs.

**Mr. Bryon Wilfert:** Splitting hairs, he says, Mr. Speaker. The reality is facts are facts.

Is the hon. member in agreement that it must be municipally driven because the municipalities know best what the projects are in conjunction with federal, provincial and private sector partners?

**Mr. Brian Masse:** Mr. Speaker, I agree that it needs to be municipally driven. In fact it is imperative. That is part of the process to unravel the programs.

I disagree with the parliamentary secretary though. I think the member for LaSalle—Émard, the former finance minister, is very much married to the motion.

The motion by the Alliance is really about johnny-come-lately, but really it is Johnny never comes. The money will never get there because of the issues we have with the provincial governments in the way that it is set out.

That is one of the difficulties we have about accepting it. It comes in a way that really will not see projects happen. It keeps municipalities away from the table. It keeps them as a junior level of government, and that is wrong.

Right now 80% of Canadians live in large urban settings and 50% live in five major urban areas. That is very important to recognize.

The country has a challenge to ensure that those large areas have the proper support for municipalities on national issues. As well the smaller rural municipalities deal with special circumstances and we must ensure their viability and long term significance.

I was recently on the northern Ontario trade mission. The rural municipalities face very special and distinct challenges. They may not even benefit from this because of the situations they are in, and that will be a major problem.

**Mrs. Bev Desjarlais (Churchill, NDP):** Mr. Speaker, I am pleased to be able to add to the excellent comments of my colleague from Windsor West. He does bring to us a perspective from the urban areas of the country.

This motion has been brought forth by the Alliance. I know the comment has been made that we welcome the Alliance into the infrastructure debate, into ensuring that there is more funding in infrastructure. Where we disagree with the Alliance is on its approach to doing it. We have seen what has happened with a number of suggestions from the Alliance about cutting taxes. Over the years what we have seen is that Alliance wants the cut in taxes but it also wants the cut in service. It wants to see a privatization model put in place for everything, so that if a buck cannot be made off something it is not worth doing. That is the impression it has given over the last number of years. We heard it in the health care debate and I get the same impression here.

In my own mind and from what I hear from people in my riding and throughout the country, I think Canadians want a vision for Canada. They do not want a vision for Toronto. They do not want a vision for Ottawa. They do not want a vision for a small community in Manitoba or Saskatchewan, or a vision just for Campbell River, B.C., or for Cornerbrook, Newfoundland. They want a vision for Canada. They want a country that is unified, with support for each other and with programs where all Canadians benefit from us working together as a nation.

Quite frankly, to suggest that a small municipality, by being able to tax what few citizens it has, is going to be able to support the infrastructure it might need just is not going to work. It is not going to work, to say nothing of the fact that we all benefit from infrastructure as we travel and work throughout the country.

This motion is not going to improve the situation in Canada. There is no question, absolutely no question, that this Liberal government needs to be taken to task for the fact that it has had so many cuts and so little input of tax dollars given back to the provinces and municipalities, such that we are in a serious situation as far as infrastructure in the country is concerned. There is no question that this is an issue, but that is what we should be dealing with.

When we reach the point where the infrastructure is to the level it should be, maybe we should look at cutting taxes altogether at that point, but right now I believe Canadians want to see those tax dollars going back into infrastructure. We will get no disagreement there. Of the gas taxes that the federal government is collecting, very little is going back to the provinces and municipalities, very little, and that is unconscionable.

The former finance minister now presents himself as the saviour of the nation. It is kind of like saving us from him, because quite frankly he put in place the situation we have. He set it in motion, to literally strip the country in a slash and burn kind of approach: "Let us destroy it and then I will go out there and save the nation". The bottom line is that he was the architect of what we see. Quite frankly, I do not put great faith in that former finance minister, should he become leader of the governing party, to do anything different. He increased the gas taxes. Did we see any additional dollars go back into infrastructure?

And let us not look at just the last year or so, because now I think the government sees that an election is coming up and it has to put a little more money back in. Let us look at what was there before and consider that period of time when there should have been increases to address the problem. We have not even caught up. What we need to see as a nation, and what I believe the Federation of Canadian Municipalities has said is needed, is very assured, stable funding within the infrastructure program, working with the provinces and municipalities to ensure that the infrastructure is being dealt with on a regular basis. I believe the figure suggested at this point in time is an amount of about \$2.5 billion over the course of 10 years so that we can see absolutely major infrastructure improvements throughout the nation.

● (1325)

What I have heard from communities, from people within the provinces, is that the infrastructure programs, when in place, have worked. There seems to be a working relationship between the municipalities and the provinces and the federal government to improve the infrastructure, but the funding has to be there. As well, there have to be some resources for the municipalities that do not have their share up front. They do not mind paying, but they do not have their share up front. There needs to be some kind of system or loan process in place with low to no interest so the municipalities can cover it. They do not want something for nothing. I have not heard anyone say that they want it for nothing, that they do not want to pay. I have never heard that from the municipalities I have met with.

However, they do want an opportunity to access some dollars at low to no interest because they do not have huge tax bases. I am talking about a number of smaller municipalities and towns throughout the country. They want that opportunity so they can improve their infrastructure. They do not want to be in a situation where their water and sewage systems are creating health problems. We saw the situation in Walkerton where there were problems with the water systems and the water supply. Those types of situations are happening throughout the country, although maybe not to that degree. They are happening in the first nations communities, which also need to be able to access infrastructure dollars so they can improve infrastructure in first nations communities as well.

I know the Alliance members would want to give the impression that their motion is trying to improve things for people throughout the country, but when I looked at it this morning—and I am sure we all get together as caucuses, discuss the motions and whether we can support them or not—I thought that the first sentence was not so bad, but then one realizes that it is going to reduce it and leave it up to the provinces to put in place a tax system. Excuse me, but as someone from Saskatchewan and Manitoba, I have seen the last couple of

### *Supply*

governments really make some strides to improve their provinces after they had Tory governments in place that literally stripped the provinces of everything, much like the finance minister did previously here in Ottawa.

We have governments that now are trying to improve that situation and are putting their tax dollars back, but I can tell members that is not what I am hearing from people in B.C. right now and that is not what we hear from people in Ontario. There are serious issues around the concern that the dollars will not go to where they should be going.

Recently I read about the concerns of people in B.C. who are being pressured into privatizing their roads. It is a major infrastructure development where B.C. want to have a toll road so that, much like a situation in New Brunswick, it can give some company so much money to continually maintain and fix the roads. They will make literally millions over the course of time just because there is a need to have some dollars put in there right now to fix the road. The suggestion was that as individuals people do not mind paying a bit of a toll to pave the road right then and there. That is what someone said, but under no circumstances should someone be profiting from infrastructure that should be there for the entire population to use.

That goes back to my comment that provinces and municipalities need to be able to access some dollars at low to no interest and then pay for those things. That is where the federal government comes in: to give back to the provinces and the municipalities the tax dollars they are paying in. Quite frankly, throughout the nation the one that has not held up its end of the bargain for the most part has been the Liberal government. For a decade now, it has not put the dollars back into infrastructure that it knows needs to be there, yet we have seen continuous wastage of taxpayers' dollars. Now we have people starting to feel that maybe they just should not pay taxes if the government is not doing anything with them anyway, or if it is not doing what it said it was going to do.

That plays into the hands of the Alliance members. Quite frankly, in a good many instances I get the impression that they do not think any services should be there as public services, that if some private company or an individual cannot make a buck from it, it should not be there for the service of the nation. New Democrats do not feel that way and quite frankly I am comfortable and confident that most Canadians do not feel that way. They are not going to accept that kind of an attitude throughout the nation.

● (1330)

I am from western Canada. I am from Manitoba but I grew up in Saskatchewan and there we know that the smaller provinces have to work together. We know that we put back into the tax base of the nation, but we also know that we need the support of the nation. Maybe we see it a little differently from those who come from major centres and figure they have all these tax dollars around them. They forget that they are getting the resource tax dollars from the smaller areas of the country, from those smaller communities.

I am out of time and there is so much more to say. I hope I have another opportunity.

*Supply*

• (1335)

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, I appreciate the comments from my transportation colleague, the member for Churchill, who is again in good faith expressing her opinions effectively but also again proving that the NDP members are the masters of dramatically oversimplifying complicated public policy.

I have a question for the member, given the fact that over 98% of every single road that Canadians drive on is engineered, built and maintained by municipal governments and provincial governments, and given also the second fact that in her presentation the member said the provinces of Saskatchewan and Manitoba, where she is from, are doing such a marvellous job of reconstructing those provinces coming out of the depths of Conservative governments. They are being reconstructed under the socialist panacea of her provincial parties. If their provincial parties are doing so great and the reality is that 98% of our roads are engineered, built and maintained by provinces, why is she opposed to a motion that would trench in law stable funding to those levels of governments that she so trusts to continue rebuilding her province?

**Mrs. Bev Desjarlais:** Mr. Speaker, it might appear so simple that it is hard to grasp, but let me say to my colleague from the Alliance that what I am willing to accept is that we are going to do things provincially. We have provincial taxes on gasoline, but quite frankly I know that in Manitoba almost 100% of the gasoline tax dollars go back into roads. I know that does not happen in the other provinces of the country and that is why we have a national government as well: to ensure that those dollars will go into infrastructure.

I am willing to accept that Canadians respect that provincial governments have rights and respect that we have national government to give representation as well. But what we need to see is this national government putting the dollars back into the provinces and the municipalities. Quite frankly, the approach that has been taken has been instrumental in building this regionalized approach and this regionalized rejection of national government. That is not acceptable. I think there is a need for both. I think Canadians respect that. What we have to do is give them reason to respect that the dollars will go back to where they should be going.

I can trust the governments in Saskatchewan and Manitoba, but I know darn well that they are cleaning up a heck of a mess that was put there by another government whose idea was to privatize and push things into a different type of system. I am not willing to go with that.

I know that in Manitoba when the New Democratic Party went in provincially it made a commitment that 25% of its road budget would go to northern roads, recognizing that the northern part of the province was giving huge dollars in taxes through resource taxes as well as income taxes. The NDP recognized that. That does not happen with other governments. Not everyone looks at the picture as a whole. Some parties and some governments look at a specific region and say the heck with the rest of the country. We do not believe in that. We believe in working together as a nation and supporting each other.

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I am somewhat disappointed in the hon. member's comments. She talks about Manitoba. As an example,

Manitoba's NDP government has refused the City of Gimli a 5¢ tax on liquor sales to be used for its police forces; talk about dedicated taxes, which the member suggests that she supports.

I think the member and I agree on the issue of the mechanism. Again, talking about the former minister of finance, the former minister of finance does not agree with the motion across the way. What he suggested was that provinces create a way for municipal governments to reap the resulting revenue.

I think the hon. member would agree, and I would like her comment on this, that nothing in the motion says the provinces agree that the funds will be truly incremental to the cities. I do not see that in the motion.

So in other words, we have to go back to faith. Of course anybody who believes anything the party across the way says has obviously been out in the sun too long, because this is the party that for 10 years made a heyday of saying it opposed infrastructure and it opposed the national infrastructure program. I sat in committees with these people. At least the NDP is a little more honest. It is at least a little more honest in saying that there are elements in the national infrastructure program that it supports. The member knows that I know some members of councils, certainly in her riding, who have been very vocal and very supportive of our program.

• (1340)

**Mrs. Bev Desjarlais:** Mr. Speaker, I have to admit to my colleague that I missed the first comment about Gimli so I cannot respond to that.

Had the member been listening, what I said was they do support the infrastructure program. The failing has been that the government has not put in stable funding. There has not been stable funding in place so that municipalities can plan ahead and they know for sure the money will be there.

The municipalities do support the infrastructure program with portions from the federal and provincial governments. The municipalities want to pay their share. I indicated that none of them said that they wanted something for nothing. The municipalities are willing to pay, but they need some assistance because they do not have the tax base.

What is needed is a government that is willing to put the dollars back into the infrastructure program. The federal government has not done that. We also need stable funding. The municipalities do not need to know that they will receive this much this year and the next budget there will be a decision made. They need stable funding. How can any nation operate and plan infrastructure improvements over a few years? Stable, long term funding is needed.

I just thought about that wonderful plan members of Parliament were given for the renovations of the buildings in the parliamentary precinct. We were given this long drawn-out booklet. I think it was over the course of 20 years plus.

Is it not only reasonable that the provinces and municipalities should demand the same thing from the federal government? The provinces and municipalities need to know that they will have that long term stabilized funding. Let us get our heads out of the parliamentary precinct and look at the entire nation for a change.

**Mr. Bryon Wilfert:** Mr. Speaker, the member's prayers have been answered. We have a 10 year national infrastructure program. Talk about long term planning, she has already got the answer.

**Mrs. Bev Desjarlais:** Mr. Speaker, with all due respect, if we can get 20 years on the renovations of the parliamentary precinct, we can do a whole lot better for the nation.

The member's plan is probably around \$50,000 per municipality. It just does not cut it. That is the issue here. The issue is the lack of commitment and stable funding.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, what would \$50,000 buy for the member's municipality or any other municipality? That is what it works out to in terms of the government's plan.

The comments of the member for Churchill were about the fact that the plan actually provides less funding over the 10 years as they ramp down other programs.

**Mrs. Bev Desjarlais:** Mr. Speaker, there is no question that when we are dealing with the situation of infrastructure or even roads, it takes almost \$1 million to do a kilometre of road in some cases, let alone putting in a bridge or a water system that would be \$1 million to \$2 million depending on the size.

There was a situation in one of my municipalities where what was needed was just support for the loan. The municipality was willing to pay it back. The municipality needed under \$500,000 but that amount was not even built into it.

Certainly if the government can put in place loan structures for particular corporations or foreign investment, can it not do that for the municipalities? Can the municipalities not be given either a low or no interest loan so that they can fix the infrastructure within their own communities?

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, at the outset please note that I am splitting my time with my colleague from Surrey Central.

I want to remark about the exchange I just sat through. I remind the hon. member for Oak Ridges that volume does not outweigh intelligence in a debate. He probably should recognize that we do have microphones in this place and he does not have to shout quite as loudly to be heard.

I want to begin my remarks today by thanking my colleague the hon. member for Port Moody—Coquitlam—Port Coquitlam. Since first becoming elected in 2000, he has been an invaluable member of the official opposition by working tirelessly as the Canadian Alliance transportation critic. Today we are debating a motion sponsored by the Canadian Alliance put forward by my colleague which advocates the reduction of federal excise taxes on gasoline in order to provide provinces and Canadian cities with stable funding for infrastructure projects such as highways and roads.

### *Supply*

Canadian taxpayers are an incredibly resilient group. Everywhere we turn it seems we have to pay a tax, user fee or surcharge which is quickly deposited in the coffers of our beloved federal Liberal government. Yet the more we pay, the more this money hungry government wants to collect from Canadians. Every time the government hits taxpayers up for more money, it is careful to cite reasons for the increase, such as eliminating the deficit or preventing corporate influence of political parties.

There is a saying with which I am sure everyone is familiar, that there are only two certainties in life: death and taxes. Under the Liberal regime there is a preoccupation with taxing Canadians to death. Federal excise taxes on gasoline are only one example of the cash grab from Canadians. In the last fiscal year motorists paid a whopping \$4.7 billion in gas taxes with another \$2 billion added on top with the GST. It seems only in Canada do we have taxes charged on taxes.

Over the past couple of years Canadian motorists have had to pay astronomical increases in gas prices to fill up their tanks at the pumps. These price increases have been especially hard to take as many people depend upon affordable fuel in order to drive to work or transport their products to market. Although fuel prices have increased primarily due to a higher demand for oil on the international markets, on average 42% of the retail price of gasoline in Canada is attributed to some form of taxation.

The federal government imposes a 10¢ a litre charge plus GST, while the provinces collect the remainder. The primary difference between the two levels of government is that the provinces reinvest the revenue generated from gas taxes into roads and infrastructure projects while the federal government is nowhere to be seen. Every year the federal government offers \$118 million to share among all 10 provinces and the territories to pay for roads, which works out to about 1.7% of the federal revenues collected. Less than 2% of the money it collects actually goes into infrastructure.

If we look at the amount the federal government gives to the provinces for infrastructure projects through the new Canada infrastructure works program, we would discover that the federal government only tosses back a dime for every dollar of federal revenues collected at the pumps. Most recently the Liberal government seems content with having gas taxes as a cash cow while using a small portion of the revenues for its own political purposes. On the rare occasion the Liberal cabinet decides to dole out some cash for a highway project, there always seems to be a federal minister on hand to cut the ribbon and usually just by coincidence, it happens to be in a Liberal riding.

It was only a short five months ago that the current fisheries minister kiboshed a highway project in Nova Scotia because the proposal did not include a highway in his riding. This blatant political interference has resulted in an incredible 99% of all federal transfers for highway projects directed east of Ontario. This kind of political mangling of government services is deplorable.

### Supply

• (1345)

Cities across Canada have been buckling under the financial burden of maintaining roads, providing clean water and transportation. Our municipalities are on the front lines providing the services that most directly affect Canadian lives. They need new means of generating revenue to provide these services. The sensible solution would be to allow municipalities to collect the federal government's portion of the gas tax, as they are the ones ultimately responsible for most of the nation's infrastructure.

However, as the Liberal Party is in the middle of a leadership change, with the member for LaSalle—Émard widely expected to take over the reins of power, Canadians are hearing some mighty big promises from the former finance minister.

Last month the person in question was in Winnipeg addressing a Federation of Canadian Municipalities conference. In his speech he reassured Canadian municipalities that under his leadership everything was going to change. His proposal to municipal leaders was to vacate the gas tax room by reducing the federal excise tax in order for the revenues to be collected by the provinces for use by Canadian municipalities.

Naturally, his plan has various stipulations, but on the whole, it is not unlike the motion we are debating here today. The only difference between our motion and his proposal is that his track record for delivering on promises is dismal, to say the least. By now most Canadians are familiar with the 1993 red book campaign promise to scrap the GST, which the member for LaSalle—Émard never seemed to get around to doing as our nation's finance minister for nine years.

That person's track record in regard to gas taxes is somewhat contradictory to his speech delivered in Winnipeg last month. In his 1995 budget, the former finance minister increased the federal excise tax on gasoline by 1.5¢. His explanation for the tax hike at that time was to eliminate the deficit. However, long after the deficit was a problem, he refused to reduce the tax. Why? Because his increase was contributing an extra \$705 million annually to general revenues.

During the best of times and the worst of times, members of the Liberal Party are pretty good at showing caucus solidarity regardless of whether they are right or they are wrong. However the member LaSalle—Émard's comments in regard to the federal gas tax seem to have struck a soft spot with the new finance minister. Just last week the finance minister was quoted in the *National Post* publicly criticizing his predecessor. His comments were:

I think [he] is being politically opportunistic.... Provinces aren't going to agree to this. And if they do, it's going to be very difficult for municipalities to actually implement it, plus he's also put in the qualifiers on over what period of time and how long. He knows it's bad public policy. I don't think he has any expectation that he will ever be called on to do it.

This is from the current Liberal finance minister, "I don't think he will ever be called upon to do it". That is rich and quite indicative of how the Liberal government operates. It makes big promises to Canadians and never delivers on them.

We know the future leader of the Liberal Party has a credibility problem when even his successor does not believe him. By the way, I agree with the current finance minister. I do not believe the member

for LaSalle—Émard either on this or most of the other promises he is running around the country making.

Canadian municipalities are at the breaking point right now. They cannot handle the costs of maintaining their roadways and their infrastructure. Montreal needs \$6 billion to \$10 billion over the next 20 years. Calgary needs \$1.1 billion right away. Toronto and Vancouver are looking for untold billions. In Canada, cities are responsible for approximately 73% of our 900,000 kilometres of road system, yet they do not collect any of the gas taxes paid by motorists.

Our proposal that we are debating today would reduce the federal gas tax contingent upon an agreement with the provinces, using that tax room created to introduce a special tax that would give funding to infrastructure projects in our cities and provinces.

The funding problem has been around for quite some time. Yet there has never been a concerted effort to resolve the situation.

• (1350)

When I was the Canadian Alliance transport critic, right after the last election, I highlighted, in my reply to the Speech from the Throne, the need to increase funding for highways and infrastructure. However, two years later I am rising in the House again on this very same subject. It seems that when it comes to adequately funding Canada's crumbling infrastructure, as usual, the government cares more about photo ops than it does about actually getting the job done.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, I am glad to see the Canadian Alliance join the debate about urban infrastructure in municipalities. It is very good and helpful to discuss this more and more in the House.

My questions deal with some of the problems that I think we have. Even though there could be agreements with all the provinces, there is a timing issue. What would the Alliance do about that? There is also the issue of some provinces signing agreements and others that do not. What do we do about those circumstances?

We see for the Province of Ontario new infrastructure dollars that might be opened up under a new window that is proposed in the motion. However the motion does not deal with the actual revenue stream that is then clawed back. We have seen that in the national child care benefit plan, for example. As well, I would like to know what the Alliance would do about the difficulty of the fluctuating funds, given that prices of gasoline would differ year to year in terms of the revenue available?

Those are things I would like to hear addressed, as well as some of the concerns about the motion. I would like the hon. member to touch upon those, if he could.

• (1355)

**Mr. Jay Hill:** Mr. Speaker, I appreciate the comments and questions posed by my hon. colleague from the New Democratic Party. He raises quite a myriad of questions, although I am not sure that I got them all.

I will take the last one first, the fact that the money could fluctuate quite a bit. Of course governments at all levels must deal with this all the time and I suspect that while it does pose some problems in the sense of ongoing stable funding, government at any level would have to deal with the fact. On any given year the money might fluctuate somewhat.

I think my hon. colleague would agree that the key point here is getting the federal government to recognize for the first time that when a tax is collected on gasoline or fuel, in some cases diesel fuel for trucks and locomotives, there should be a commitment that money is actually spent on infrastructure. That is what we are not seeing.

All the questions that he is raising are quite valid. If this motion were to pass, those are things that could be worked out. This would not be unique in the sense that we already have a number of agreements between the provincial and federal levels of government, indeed tripartite agreements in many cases with municipalities as well.

They are not insurmountable. There should be an agreement on a commitment by the municipalities and the provinces to actually target that tax room to infrastructure, and be held accountable for that spending so that we do not end up in a similar situation that we have at the federal level where that money comes in at less than 2%. Even when the Canada infrastructure program is added in, that the government keeps bragging about, it is still only about 10% of the money that is collected.

What we are dealing with here is, first and foremost, accountability and a recognition by the federal government that it has a responsibility, when it collects these billions of dollars in fuel taxes, to spend them in rebuilding our crumbling infrastructure from coast to coast.

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, there are lots of questions I could ask this particular member, but I will just ask him one specific question.

The fact is that if dedicated taxes go to specific programs, there is always the danger of overfunding in some programs and underfunding in others. This hon. member has raised issues in the House where he says the government should respond in emergencies. Where would the flexibility be if we were to take the hon. member's advice and simply dedicate taxes to put us basically in a financial straitjacket?

**Mr. Jay Hill:** Mr. Speaker, that would be almost hilarious if this were not such a serious issue.

We are talking about a government that has overtaxed Canadians to the tune of some \$8 billion. That is the surplus. To suggest that by dedicating some of the gasoline taxes or, as this motion says, to free up that tax room for the provinces and municipalities, would somehow create a straitjacket is absolutely ludicrous. The government has overtaxed Canadians consistently ever since it balanced the budget and eliminated the deficit. It continues to do it today with no prioritization other than to just dole out money to its friends. It has been caught doing it time and time again.

*S. O. 31*

## STATEMENTS BY MEMBERS

[*English*]

### MILLENNIUM EXCELLENCE AWARD

**Mr. R. John Efford (Bonavista—Trinity—Conception, Lib.):** Mr. Speaker, the Canadian Millennium Scholarship Foundation has announced its excellence awards for 2003-04. I am honoured to congratulate students from my riding of Bonavista—Trinity—Conception in recognition of their academic achievement, service to the community, leadership, and interest in innovation.

Jillian Croke, a student of St. Gabriel's All Grade School in St. Brendan's will receive a national level excellence award worth \$5,000, renewable for up to three additional years to a maximum of \$20,000.

Jonathan White, a student Lester Pearson Memorial High School in Wesleyville, will receive a one-time local award of \$4,000.

MacKenzie Young, a student at Heritage Collegiate in Lethbridge, will receive a one-time local award of \$4,000.

I am extremely proud that the federal government has been able to support such dynamic young people as Canada's future lies in our youth.

\* \* \*

● (1400)

### CHILDRUN

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Mr. Speaker, June 1 marked the 18th annual HSBC Childrun to raise money for children with cancer at B.C.'s Children's Hospital and throughout the province.

The Childrun is a family fun run with individuals, as well as corporate and school team members, running, walking or wheeling around either a one or five kilometre course.

This year, 2,882 participants, including 31 school and 19 corporate teams, raised over \$100,000 for childhood cancer. I wish to congratulate all of the participants and teams for their contribution to the fight to cure childhood cancer.

My entire family participates in this annual run to help raise funds for B.C.'s Children's Hospital Oncology Clinic. We would like to thank everyone who sponsored us, including many members of the House. We would also like to thank the doctors, nurses and staff at the Oncology Clinic and 3B who help so many families through very difficult times.

\* \* \*

[*Translation*]

### ADSTOCK STRONGMAN FESTIVAL

**Mr. Gérard Binet (Frontenac—Mégantic, Lib.):** Mr. Speaker, Adstock's first Strongman Festival will be held from July 10 to 13 under the patronage of Hugo Girard.

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Hugo Girard, a police officer from Gatineau and world record holder, is the strongest man in the world, having won, among other things, the 2002 World Strongman Super Series sponsored by the International Federation of Strength Athletes. Since 1998, he has stunned crowds across Canada, the United States and Europe with his feats of strength and immeasurable challenges.

Twelve strong men from Canada and the United States will compete at the Adstock Strongman Festival, and the winners will move on to the provincial competitions.

Since the dawn of time, people have always been fascinated by strong men, from Samson to Cyr to Schwarzenegger. I cordially invite you to come to Adstock to watch the demonstrations of physical strength that are part of our folk tradition in Quebec.

Congratulations and best wishes to the volunteer organizers from the lovely municipality of Adstock.

\* \* \*

[English]

**IMMIGRATION**

**Ms. Sophia Leung (Vancouver Kingsway, Lib.):** Mr. Speaker, on May 31 I had the honour of opening the Multicultural Helping House Society's new centre in my riding of Vancouver Kingsway.

The new facility will provide services such as helping new immigrants: locate a place to live, find a job, learn basic computing skills, and learn about emergency first aid. I am proud that the society will provide an essential service to many new immigrants and their families.

I would like to congratulate President Tom Avendano and Vice-President Eleanor Guerrero-Campbell, and the many volunteers for their contributions to this special project.

\* \* \*

**STROKE AWARENESS MONTH**

**Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.):** Mr. Speaker, I would like to take this opportunity to inform members of Parliament and all Canadians that the month of June is Stroke Awareness Month. I speak today not only as a member of Parliament but as a wife of a stroke survivor.

Stroke is the fourth leading cause of death in Canada. Each year, approximately 16,000 Canadians die from a stroke. There are between 40,000 and 50,000 strokes in Canada each year. Currently, approximately 300,000 Canadians are living with the effects of stroke. After age 55, the risk of stroke doubles every 10 years.

In adults, stroke is associated with risk factors such as smoking, high blood pressure or history of strokes in the family. In children, a stroke is usually the result of another underlying disease or condition.

The warning signs of stroke are caused by the sudden interruption of brain function. Some warning signs include: sudden weakness, numbness or tingling in the face, arm or leg; sudden temporary loss of speech or trouble understanding speech; sudden loss of vision, partially in one eye, or double vision; sudden severe and unusual headache; or sudden loss of balance.

Although there has been significant advancement in stroke research, we need to continue our research to understand the reasons why strokes occur and ways to prevent them. Unless the prevention of stroke is improved, the number of strokes across Canada is expected to increase over the next two decades.

\* \* \*

● (1405)

**MILLENNIUM EXCELLENCE AWARD**

**Mr. Gurbax Malhi (Bramalea—Gore—Malton—Springdale, Lib.):** Mr. Speaker, I am pleased to inform the House that three of my young constituents have been selected to receive one of the 404 millennium excellence awards this foundation provides to outstanding Ontario students entering college or university for the first time in 2003.

Selected on the basis of outstanding academic achievement, community service, and leadership and innovation, they represent the future of our country.

I would like to recognize Crystal Chan, Jenny Yap and Teresa Racco, from Mayfield Secondary School and St. Marguerite Youville Secondary School in Brampton, for their outstanding accomplishments. My most sincere congratulations to these young achievers and my very best wishes for even greater success as they move forward in life and make their mark on the future of our great country.

\* \* \*

[Translation]

**DANIEL VENDETTE AND BRUNO LANGLOIS**

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, I would like to congratulate Daniel Vendette and Bruno Langlois, two dockers from the Port of Montreal who, on May 23, did not hesitate to brave the icy waters of the St. Lawrence River to save a mother and her child.

Josée Vigneau, aged 27 and five months pregnant, slipped off the dock into the river with Maude, her two-year-old daughter, in a dangerous space between the dock and a ship that was moored there.

Twenty seconds later, Daniel Vendette, who was working nearby, did not hesitate to dive into the dark waters to rescue mother and child with the help of his colleague, Bruno Langlois, who guided him from the dock. It was not a moment too soon: the child was already a metre under water.

Modest about their achievement, our two heroes did not have much to say when they were questioned by the *Journal de Montréal*. At the risk of embarrassing them, I want to congratulate them publicly today.

Bravo to Mr. Vendette and Mr. Langlois. Bravo to all the dockers who bring so much life to the riding of Mercier.

[English]

#### MILLENNIUM EXCELLENCE AWARD

**Mr. Werner Schmidt (Kelowna, Canadian Alliance):** Mr. Speaker, I would like to recognize the following young people from our Kelowna constituency who are the recipients of this year's millennium excellence awards.

Based on a national competition, each has been recognized for excellence in academic performance, leadership, community involvement, and interest in innovation.

They are: Andrea Pisesky, Teryn R. Buna, Glen Y. Chua, Ryan T. Dyk, Lindsay N. Maier, and Jenna O'Donnell. I congratulate them on their achievement. May these scholarships take them a step further to the realization of their dreams.

\* \* \*

#### ITALIAN CANADIANS

**Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.):** Mr. Speaker, on Sunday, June 1, 2003, over 3,000 people participated in the festivities for Italy's national holiday "Festa della Repubblica" as well as for the first anniversary of the opening of the Leonardo Da Vinci Cultural & Community Centre in my riding of Saint-Léonard—Saint-Michel.

The Consul General of Italy, COMITES of Montreal, the Leonardo Da Vinci Centre, and the Italian-Canadian Foundation hosted the day's events. Other dignitaries in attendance included the Speaker of the Senate, as well as senators, members of Parliament, members from Quebec's National Assembly, the Mayor of Montreal, and many city councillors and community representatives from across the island.

As my riding of Saint-Léonard—Saint-Michel has the highest concentration of Italian-speaking Canadians, the location chosen could not have been any better. The riding continues to be one in which different cultural groups, traditions, and beliefs are valued and maintained.

I am proud to represent a riding that serves as a model for all others across the country. It is a place where people, no matter what their origins, can live together in friendship as a true representation of Canada's diversity.

\* \* \*

#### HEALTH

**Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance):** Mr. Speaker, visiting Parliament today is a courageous group of women, the women with the red umbrellas. They came from across the country to share their stories of recovery from the debilitating disease of bipolar depression.

These women lived through tragedy until they discovered a simple vitamin and mineral supplement which helped them to recover their lives and restore them to their families. Over the past year Health Canada has initiated progressive restrictions on their supplement. The simple vitamin and mineral formula has been turned back at the border and people calling Health Canada are being told the product has been banned.

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Clinical studies have been published in peer-reviewed journals like the *Journal of Clinical Psychiatry*, and the *Journal of Child and Adolescent Psychopharmacology*. Unbelievably, research at the University of Calgary which was funded by the Alberta Science and Research Authority was shut down by Health Canada, even though there is no evidence of harm to anyone taking this product. These people are here representing thousands across the country who feel their health and security are being threatened by this Health Canada embargo.

Will the minister ensure access to this product is not impeded and that the right to freedom of choice in personal health care by Canadians is respected?

\* \* \*

● (1410)

#### NATIONAL WINTER HOLIDAY

**Mr. Pat O'Brien (London—Fanshawe, Lib.):** Mr. Speaker, the bitterly cold and interminable winter just now barely fading from memory serves as a vivid reminder that Canadians deserve a national winter holiday.

The many long weeks from New Year's day to Easter represent the longest time Canadians endure without a long weekend. There are several worthy possible reasons to create a new national holiday. The latest suggestion comes from a group called the Guinness Party of Canada which, while having some fun, still promotes the serious idea of making St. Patrick's day a national holiday, and some of my colleagues opposite agree. Some 90,000 Canadians recently registered their support for this idea online.

Whether it be flag day, heritage day, St. Patrick's day or some other day, it is time to seriously consider giving Canadians a winter long weekend. To that end, in the fall I will present a private member's bill to create a national winter holiday.

\* \* \*

#### NEW BRUNSWICK

**Mr. John Herron (Fundy—Royal, PC):** Mr. Speaker, on August 27, 1952, the federal government authorized the expropriation of the 720 square kilometre area in southwestern New Brunswick, now occupied by CFB Gagetown. Three thousand residents, including 720 families in 20 rural communities, were forced to leave their homes.

On December 3, 1952, Colonel A.J. Brooks, member of Parliament for the riding of Royal, rose in the House and stated:

—it came as a great shock to the people in [Western Queen's county] to read in the newspaper that their homes [farms, communities, churches, schools, friends, societies and cemeteries] were to be taken from them and that this was to be a military area. They are splendid people; they are people whose ancestors lived in that section of the country for four and five generations.

Some of those ancestors were my Irish ancestors in that regard. Fifty years later, former residents and descendants will gather to reflect on their heritage and celebrate their once proud communities.

I invite all members of Parliament to join the thousands of former residents and their descendants from all across North America for the 50th anniversary of this tragic event.

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[*Translation*]

#### ABORIGINAL AFFAIRS

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, yesterday, in response to a question I put to him about the Long Point first nation school in Winneway, Témiscamingue, the Minister of Indian Affairs flippantly answered that he was not familiar with the case.

For two years now, his officials have been telling Chief Mathias and the band council that the minister is well aware of the case, that he is looking into it and that he is very sensitive to the needs of the children in Winneway. Dozens of pages of correspondence have been sent to the minister's office in the past few years. This was all for naught, since the Minister of Indian Affairs is clearly a minister in name only, who is totally insensitive to the hardship and needs of aboriginal peoples.

On behalf of my colleagues in the Bloc Québécois and our future colleague Sylvain Sauvageau, I demand that the minister take his responsibilities and immediately provide sufficient funding to the Amo Ososwan school, in Winneway, Témiscamingue.

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#### UNESCO

**Mr. Yvon Charbonneau (Anjou—Rivière-des-Prairies, Lib.):** Mr. Speaker, on behalf of the Friendship Group of Parliamentarians for UNESCO, I would like to point out that tomorrow and the day after, Ottawa will be hosting an international conference of parliamentarians on strengthening relations between UNESCO and the parliaments of the world.

In addition to its primary mission, which is to promote education, science and culture, UNESCO has been given several broad mandates, such as the promotion of a culture of peace, dialogue of cultures and civilizations, and protection of cultural diversity. In a word, UNESCO has taken on the duty of humanizing globalization, which constitutes an essential reference point.

There is considerable overlap between what parliamentarians and UNESCO do.

The Ottawa conference is sponsored by UNESCO and the Department of Foreign Affairs. It will lay the foundation for an international network of parliamentarians for UNESCO which, in conjunction with the Inter-Parliamentary Union, will help parliamentarians familiarize themselves with UNESCO and contribute to its policy direction and programs.

\* \* \*

[*English*]

#### CHABAD

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, the NDP is pleased to join with all the other parties in the House of Commons in recognizing and celebrating the work of Chabad Lubavitch. This worldwide movement provides a network of educational and social service institutions, operates schools, youth centres, social agencies, summer camps, soup kitchens, medical clinics and non-sectarian drug rehabilitation centres. There are 72 Chabad centres in Canada.

At this time we also pay tribute to the leadership of Lubavitcher Rebbe, Rabbi Menachem Mendel Schneerson, who passed away in 1994. He assumed the leadership of Chabad in 1950 and guided the movement into the international service that we recognize today and from which so many people benefit.

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#### MILLENNIUM EXCELLENCE AWARD

**Mr. John Maloney (Erie—Lincoln, Lib.):** Mr. Speaker, it is with great pride that I recognize several outstanding young people in my constituency of Erie-Lincoln.

Millennium scholarships were awarded to four local high school students who excelled in their studies and show great potential for our Canadian community.

I ask all members to please join me in congratulating Elissa Smith and Emily Wilson, both of Port Colborne High School; and Rebecca Bogar and Adam Sherk, both of Ridgeway Crystal Beach High School, for outstanding academic achievement and excellence.

Ashley Browne, from Ridgeway Crystal Beach High School, also deserves special recognition for being selected to participate in a trade mission to Mexico with junior team Canada. Ashley will be the first young person from Niagara to join a junior team Canada delegation, and she plans to promote the growing Niagara wine industry during her trip.

I congratulate these young people, their families, friends and schools. I wish them all good luck. They make us very proud.

\* \* \*

• (1415)

#### AGRICULTURE

**Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance):** Mr. Speaker, the mad cow crisis in western Canada is changing from mad cows to mad cowboys. The Liberals seem content to stand by and watch a vibrant industry grind to a halt.

That need not have happened if the Minister of Agriculture had only sent a strong signal of support for the beef industry.

Instead, the minister is using this crisis to push his own agenda. He is blackmailing the provinces to sign on to his third failed initiative, that much touted agricultural policy framework. Everybody in the west realizes that the APF can never work as a crisis management tool. It will not happen.

Folks in my part of Canada are always wary of Liberal posturing because we have worked through crises before on our own. The outbreak of CWD in our elk herd has been under control for more than two years now and still export borders are closed to our elk ranchers.

Where are the Minister for International Trade and the Minister of Agriculture when we really need them?

It is high time for the Liberal government to lead, follow or get the heck out of the way as the provinces step up and go to bat for the beef industry on their own.

## ORAL QUESTION PERIOD

[English]

### HEALTH

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, it is clear now that SARS has ravaged Toronto's economy. Ontario's health care system has spent literally millions of dollars fighting the SARS outbreak and yet the Prime Minister continues to say that it is not a disaster. He has actually reneged on the disaster funding he had committed to.

I ask the Prime Minister: If this is not an emergency then what is?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, I am sorry but I was in consultation with the chairman of the transport committee on an urgent and pressing matter.

I am sorry there is levity on the other side of the House but there is no levity when it comes to the government in dealing with SARS. This is a very serious issue. Ministers have been seized with the issue. The Minister of Industry has been working on an economic package. The Minister of Human Resources Development has been working on matters dealing with the impact on workers. As a result, the government is certainly seized of the issue.

\* \* \*

### AGRICULTURE

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, we can see how seized they are, they cannot even listen to the question.

For weeks the government has avoided dealing with the ban on Canadian beef saying that it has to wait for the science. Well, the science is now done and yet the health minister and the public works minister have both said that the border remains closed "for other reasons".

Is the real reason the border remains closed that the Prime Minister refuses to call President Bush, or is it that he knows President Bush will not take his phone call?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, the answer is no to the hon. member's question.

**Mr. Jay Hill (Prince George—Peace River, Canadian Alliance):** Mr. Speaker, we still do not know "no" to which question. I suspect it is the latter and that he will not accept the call.

The transport minister blames the government's inability to address important issues, such as SARS, mad cow disease and softwood lumber, on the fact that his government is now in transition. The treasury board minister said that governing has become more difficult and will likely only get worse.

The Prime Minister's own cabinet now seems to understand what the Prime Minister does not, that he is the problem and not part of the solution. Canadians deserve much better.

Will the Prime Minister now step down, or are Canadians doomed to spending another summer watching his party trying to get rid of him?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, perhaps the hon. member has been so far back behind the

### Oral Questions

curtains over there that he has not seen what this government has done in the last six months, with an outstanding budget and an active legislative agenda, led by the Prime Minister and culminating in the passage of Bill C-42. We are 100% behind the Prime Minister and the legislative program of this party and this government.

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, yesterday the agriculture minister denied that he was blackmailing the provinces into signing the agriculture policy framework. Today he confirmed that unless the provinces sign on there will be no compensation for the beef industry. In my books, that is blackmail and it is shameful.

Why will the agriculture minister not provide a compensation package outside of the APF?

• (1420)

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, the hon. member who just asked the question was very vocal about the previous disaster program that we had and said that it needed to be replaced with something better. That is what we have done, at the wish of not only the opposition but lots of people in the industry. That program is there.

As the hon. member said, the previous program was no good and we wanted to replace it with something better. The third party review has said that what is there to replace it is much better than what was there in the past. I am sure that when the industry understands that fully it will be signing and it will be asking respective ministers to sign it, as some ministers already have and more will be tomorrow.

**Mr. Howard Hilstrom (Selkirk—Interlake, Canadian Alliance):** Mr. Speaker, auction markets across Canada remain closed. Neither feedlot operators nor cow-calf ranchers are able to move their animals to export. A staged opening of the U.S. border to young animals is the most likely scenario. That will mean older, grass fed cows will not be able to be sold unless they go into the domestic market.

What is the government doing to work with the beef industry to ensure there is a domestic market for these culled cows that cannot be exported?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, as the hon. member knows full well, being a beef producer himself, the domestic market is only so large. The best approach, but not our only approach, is to get the market open so we can ship not only the younger beef but also the older animals to those markets where they have been slaughtered and processed in the past.

In the meantime, we also fully understand the pressure, both financial and otherwise, on the beef industry in Canada and we will be working with the provinces and the industry to alleviate that.

*Oral Questions*

[Translation]

**GOVERNMENT CONTRACTS**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, last September, in response to an inquiry under the Access to Information Act, the Department of Public Works said that a company owned by Nino Colavecchio had received \$115,000 worth of contracts between 1997 and 2002. In reality, the company owned by this friend of Alfonso Gagliano's received \$1.7 million in sponsorship contracts for 2001-02 alone.

Can the Minister of Public Works and Government Services, who prides himself on being a model of ethical behaviour, explain to us how his own department, under his watch, could violate the Access to Information Act?

[English]

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, the question refers to an access to information request about sponsorships last year. It was directed by the questioner to the wrong department, but Public Works tried to answer it in any event.

While the department's answer to that specific ATIP request has proven to be incomplete, the information has in fact been in the public domain in any event for about a year as a result of a variety of other ATIP requests. Nothing has been concealed.

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, if he has nothing to hide, could Mr. Integrity, the Minister of Public Works, explain to us why, in the House yesterday, he did not inform the public that what TNC Multicom received in sponsorships between 2001 and 2003 was not \$115,000 but rather \$3.3 million? If he did know, he did not say, this champion of integrity.

[English]

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, the fact remains that yesterday I was not aware of the difficulty with the arithmetic. I repeat for the hon. gentleman that in fact all the information requested was put into the public domain last year, not last week or yesterday, as a result of ATIP requests. If the hon. gentleman would like a consolidated list, I would be happy to table it today.

[Translation]

**Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ):** Mr. Speaker, the Access to Information Act is there to inspire trust in people and ensure access to information of interest to the public, particularly with regard to government departments and agencies.

How can the Minister of Public Works and Government Services, who fancies himself Mr. Integrity, explain that the department for which he is directly responsible violated the Access to Information Act by denying a journalist information to which he was entitled, simply because it would embarrass the government with regard to Mr. Gagliano's friend, Mr. Colavecchio?

● (1425)

[English]

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, the hon. gentleman is incorrect in his conclusion. I do not edit ATIP replies. I do not even see them before they go out from my department. I have offered to table the full list today.

I would advise that the officials in my department are investigating what went wrong with this particular ATIP request. They are in conversation with that particular reporter to see what they can do to satisfy his full inquiry.

[Translation]

**Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ):** Mr. Speaker, how can the minister, who is so sensitive when it comes to his own integrity, explain that, under his own government, it is no longer possible to have access to this information, with the result that his department is breaking the law to prevent the opposition and the public from finding out what really happened?

[English]

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, I know of nothing that would justify the allegation that the hon. gentleman has made. If he has any information that would establish or even imply that there is some kind of interference in the ATIP process, I would be happy to see it, because none of that evidence has been drawn to my attention.

\* \* \*

**LIBERAL LEADERSHIP CAMPAIGN**

**Mr. André Bachand (Richmond—Arthabaska, PC):** Mr. Speaker, the ethics counsellor said in a letter that the Deputy Prime Minister "should avoid meeting with personally" companies such as Bell Canada, Bombardier, et cetera, because they gave \$25K. What about those who gave \$20,000, \$15,000 or \$10,000?

The finance minister is putting himself in a difficult situation and will not be able to perform his duty correctly. His spokesperson said that we should trust him because he is an honest man. We thought that of cardinal Gagliano and look where he brought us.

When will the Prime Minister ask his finance minister to step down to save what is left—

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

*Oral Questions*

**Hon. David Collette (Minister of Transport, Lib.):** Mr. Speaker, the Minister of Finance has stated publicly that he has no problem in following the suggestions and the instructions of the ethics counsellor. As with all ministers involved, both ministers and the member for LaSalle—Émard on this side, all of the members engaged in the Liberal leadership race have followed all of the guidelines and will continue to do so. I can state categorically on behalf of the Prime Minister and colleagues on this side that we have full and absolute confidence in the Minister of Finance and he will stay as Minister of Finance.

[Translation]

**Mr. André Bachand (Richmond—Arthabaska, PC):** Mr. Speaker, in the beautiful riding of Témiscamingue, both a lake and a town are named Macamic. In the language of the first peoples, Macamic means “lame beaver.”

Does the “Macamic” Minister of Finance not understand that, with the letter from the ethics counsellor, he is really a “lame beaver” for the cabinet and the government?

Now that “Cardinal” Gagliano has been rejected by Rome, is it not time for the Prime Minister to part company with his “Macamic” Minister of Finance?

**Hon. David Collette (Minister of Transport, Lib.):** Mr. Speaker, I have already answered that question. The Minister of Finance has followed all of the ethics counsellor's directives.

\* \* \*

[English]

**HEALTH**

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, my question is for the Minister of Health.

The Minister of Health will know that the Liberal government in British Columbia is permitting a comprehensive privatization of day surgeries in that province, turning a great deal of them over to for-profit clinics. Roy Romanow was perfectly clear about the superiority of non-profit health care over for-profit health care. What does the Minister of Health intend to do about this in order to prevent this erosion of medicare?

**Hon. Anne McLellan (Minister of Health, Lib.):** Mr. Speaker, as I have said many times in this House, the question of health delivery is one that is left up to the provinces. In delivering health care they must abide by and respect the five principles of the Canada Health Act.

We are well aware of the situation in British Columbia. My officials are in contact with B.C. officials. We have been in contact with them over other issues in relation to private delivery of health care. We try to make sure that if there are problems, that they are worked out through negotiation and discussion. If that is not possible, then we can take action under the Canada Health Act to withhold transfer payments.

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, this is one more blow to medicare under the watch of the Minister of Health.

I ask the Minister of Health, does she or does she not stand by the conclusion of Commissioner Romanow that non-profit health care is

superior to for-profit health care? If she does stand by that conclusion, why is she not prepared to do anything about it?

• (1430)

**Hon. Anne McLellan (Minister of Health, Lib.):** Mr. Speaker, I think it is fair to say and I have said in this House on a number of occasions that there is no evidence to suggest that for-profit health care provides either better health care or more cost effective health care.

Delivery of health care is a matter for the individual provinces and territories. Our obligation on behalf of all Canadians is to ensure that in the delivery of that health care, they respect the five principles of the Canada Health Act. If they do not, we will take action against them.

\* \* \*

**VIKING MILLENNIUM CELEBRATION**

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, when the secretary of state for ACOA sent out his made for Vikings family income support plan letter, a copy of which I have here, he claimed he needed money because he would be solely responsible for several community receptions relating to the Viking millennium celebration.

There is no evidence of a single public event ever occurring under the minister's direction, although everyone is now looking for one of those cute Viking hats with the horns and maybe the yellow braids.

Will the government confirm that the minister responsible for ACOA was indeed given the sole responsibility for hosting community events relating to the Viking millennium celebration?

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, what the hon. member has not said is that these particular fundraising activities occurred when the hon. member was not a minister of the Crown. The question is out of order. It has nothing to do with the business of government. It has to do with a constituency association and the party across the way does not even want to register party constituency associations. It voted against Bill C-24.

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, the member claimed to be representing the federal government at federal government sponsored events. I think that is important.

The arm twisting letter the minister mailed out has no letterhead but there was an invoice included. The invoice asked for \$2,000 and the letter promises the victim that by using the invoice, it will help guide the money through the accounting process. But, there was no accounting process, no receipts, no accounting for money spent.

Will the minister confirm whether this money making scheme was sanctioned by the Liberal Party of Canada or will he at least see whether the minister claimed the money and that part of the income tax—

**The Speaker:** I am afraid that question is out of order. It does not relate to the administrative responsibility of the government, despite the debate on Bill C-24 that we are now having. We will move on to the next question.

*Oral Questions*

[Translation]

The hon. member for Roberval.

\* \* \*

**GOVERNMENT CONTRACTS**

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, yesterday, on the front page of *La Presse*, we were treated to the story on Mr. Gagliano's friend and the contracts he obtained simply because he knew Mr. Gagliano.

How can the minister, since he is responsible for defending Alfonso Gagliano and since the front page scandal reported erroneous figures provided by his department, expect people to believe that no one informed him prior to question period that it was not \$115,000 worth of contracts, but \$3 million that were—

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

[English]

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, the discrepancy in the arithmetic was drawn to my attention later on.

I have indicated to the hon. gentleman that all of the information had in fact been published as a result of ATIP requests a year ago. It was already in the public domain. Therefore, nothing at any moment was concealed.

I regret in the ATIP process within the department that apparently an incomplete return was filed. I have asked my officials to investigate that and to explain to the reporter.

[Translation]

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the Minister of Public Works and Government Services can go to extraordinary lengths to defend Alfonso Gagliano. However, now that his office has noticed that we are not talking about \$3 million worth of contracts but \$115,000 worth, the minister wants us to believe that he was never informed of what he calls a discrepancy in the arithmetic.

I would ask him this. Does he not find it strange that each time there is a discrepancy in the arithmetic or whatever, the oversight is in the government's favour and covers its tracks?

[English]

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, not at all. The original problem here was that unfortunately the first question was directed toward the wrong department.

We have worked our way through this. We have found the error. We are correcting it with the reporter.

I would also indicate to the hon. gentleman that at no time was any information concealed because as a result of other ATIP requests,

that information was already in the public domain as much as a year ago.

● (1435)

**Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance):** Mr. Speaker, the minister of public works hides behind his lawyer's jargon and says he cannot comment on any investigation.

The minister claims he wants to avoid political interference, but unless his Danish predecessor is actually under investigation, we have to assume it is his political interference that is preventing that investigation.

Has the RCMP ever interviewed Alfonso Gagliano, or do we need to extradite him home from Denmark?

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, the short answer to that question is I do not know, nor should I. That is up to the RCMP.

**Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance):** Mr. Speaker, there is an "I do not know" to a whole lot of things.

The Prime Minister spirited his Quebec bagman out of the country before the RCMP could get to him. Accusations of patronage at Canada Lands, money laundering through sponsorship grants and insider trading on printing contracts all beg for a public judicial inquiry with Mr. Gagliano as the star witness.

Who is preventing the return of Mr. Gagliano from Denmark to testify?

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, what I can comment on is what is within my jurisdiction and undertaking at my instigation. That includes all of the inquiries with respect to the sponsorship program and with respect to advertising where that is appropriate.

I have indicated that we are pursuing these things through forensic investigations as a result of the Financial Administration Act. The Auditor General is conducting a government-wide examination. Wherever a matter has been drawn to my attention or that of my officials that raises a legal question, that has automatically been referred to the RCMP.

\* \* \*

[Translation]

**GOVERNMENT APPOINTMENTS**

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, early last week, the Queen of Denmark's official website announced a farewell lunch on June 17 for Alfonso Gagliano. Clearly the Queen of Denmark did not invent the ambassador's departure. Therefore, someone from Canada must have notified her.

Can the Minister of Foreign Affairs tell us when and by whom the Queen of Denmark was informed of Alfonso Gagliano's departure?

*Oral Questions*

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I cannot speak on behalf of the Queen of Denmark. With all the authority vested in me by this government, I cannot do it. However, I can assure the House that Mr. Gagliano is and will continue to be our ambassador to Denmark.

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, the Minister of Foreign Affairs can try to ridicule the Queen of Denmark. However, a staff member from the Danish embassy told us that the Queen's agenda is no laughing matter. Therefore, when an event is on her agenda, it is serious.

We would like to know who notified Danish officials of Alfonso Gagliano's departure. And if the government refuses to answer, are we to understand that it is prepared to tarnish the reputation of Canada instead of that of Alfonso Gagliano?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I certainly have no intention of ridiculing the Queen of Denmark, but I hope the opposition member does not intend, for his part, to use the Queen of Denmark as a political pawn in this House.

\* \* \*

[English]

**NATIONAL DEFENCE**

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, the decision to issue forest green uniforms instead of desert camouflage to Canadian troops bound for Afghanistan was made so they would, in the words of the government, stand out more. The troops were then issued bulletproof vests without the ballistic plates which were supposed to go with them. As is, this may stop a round from a pistol but not an AK-47. This completely contradicts what the minister has said about safety for the soldiers.

Why does this minister insist on jeopardizing the lives of our soldiers in making such inept decisions?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, it is a great privilege for me to respond on behalf of the Minister of National Defence today, who is over in Europe working at NATO, exactly for the security of our forces and for the security of our country. He ensures that our forces are the best equipped. He has said that in the House, and he will continue to do so.

**Some hon. members:** Oh, oh.

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, soldiers are dying in Afghanistan. Hiding behind the rules of engagement will not hide the fact that the soldiers bound for Afghanistan are afraid it will turn into another Somalia because, in the crunch, that minister refuses to stand up for the troops.

Will the Minister of National Defence stand in his place and promise that no Canadian soldier will die because the government is too cheap to provide the equipment that the troops need? Promise.

• (1440)

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, on behalf of the minister I completely reject the allegations contained in that question.

As we all know, the hon. member is anxious to spend the government's money in her riding, which might be better used to protect our troops. We should all, when we are trying to face these issues, recognize that the Minister of National Defence is committed to a well equipped army, to a well equipped defence system, and he remains that, as does this government.

**Some hon. members:** Oh, Oh.

**The Speaker:** It is becoming increasingly difficult to hear the questions and the answers. Perhaps a little more quiet would be helpful for all hon. members because now we will hear from the member for Peterborough who sits a long way away from the Chair and I need to hear.

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**HUMAN RESOURCES DEVELOPMENT**

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I have attended regional and national skills competitions and they were wonderful, exciting events. I understand a team will be travelling to Switzerland to represent Canada in the world skills competition.

Would the Minister of Human Resources Development explain the Government of Canada's role in this event and the importance of skilled trades?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the Government of Canada is a proud sponsor of Skills Canada, and 35 young men and women will be participating in the world skills competition in Switzerland this month. This investment is indeed part of our skills and learning agenda that promotes skilled trades as a first choice career for young Canadians.

[Translation]

I know that all hon. members will want to join me in congratulating these young Canadians.

[English]

Good luck. We are proud of everyone of them.

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**NATIONAL DEFENCE**

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, two years ago Alfonso Gagliano told the House that the Sea King replacements would be delivered in 2005. Two weeks ago the defence minister told the House that the government wants to replace our Sea Kings "as fast as possible". Yet all the documents for the delivery of the new helicopters clearly prohibit delivery before 2008.

Will the Prime Minister inform the House why we have to wait until 2008, 17 years since the cancellation of the EH-101 contract, for new helicopters?

*Oral Questions*

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, with respect to the procurement process for the helicopters, both the Minister of National Defence and my department have been working together strongly to accelerate this process, to ensure that we get the right helicopter that satisfies the military requirements. We do so at the best price and at the earliest possible timeframe.

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, as the Sea King contract delivery schedule is currently written, delivery of the replacement vehicles is prohibited to no sooner than 48 months after the contract is awarded. Yet the industry officials insist that they could deliver within 35 months of the contract being awarded.

Why is the government prepared to wait another full year for delivery? Why is the minister delaying the replacement for another year before he will receive the equipment that is needed, the Sea Kings, when he has said he will have them as fast as possible?

**Hon. Ralph Goodale (Minister of Public Works and Government Services, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, the hon. member's representation will certainly be taken into account. As a matter of fact, the documents she is referring to—Elsie, just listen.

**The Speaker:** Mr. Speaker, and the Speaker was listening.

**An hon. member:** Don't call him Elsie.

**Hon. Ralph Goodale:** Mr. Speaker, if the hon. member would just listen for a moment, I believe the materials to which she is referring are in fact draft material. No RFP has yet been issued. Therefore, matters have yet to be determined.

\* \* \*

•(1445)

**GOVERNMENT ASSISTANCE**

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, we would all just wish that the government would listen. For months now the government has refused to deal with the very real crisis affecting workers, farmers across the country, hospitality and health care workers as a result of SARS and mad cow.

While there seems to be a big rush by the government and its friends in the Alliance to get out of Parliament, there is no indication that there is the same rush to help Canadians who are reeling from crises.

Will the Prime Minister bring forward a real plan, including disaster relief, waive the two week EI period and work share income support program before the government rushes off to recess?

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the hon. member's assertions are just plain incorrect. In fact, we have been working directly with employers and employees using the employment insurance system, whether it be providing income support, working on work share agreements of which we have well over 100 across Canada in these initiatives or whether it be dealing directly with provinces that have moneys

through their labour market development agreements or EI part II funds.

We are working to ensure that those who are affected by these challenges have the benefits of the country.

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**POLITICAL PARTY FINANCING**

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, as a member of Parliament, the minister responsible for ACOA, prior to his entry into cabinet, is alleged to have used inappropriate solicitations for events, parties and certain materials.

Will the government now ask the ethics counsellor to look into the minister responsible for ACOA to ensure that this type of solicitation of funds is not happening while a member of the cabinet?

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, we have been through this before. The hon. member was not a member of cabinet at the time. He is asking about rules of fundraising in a political party, rules that did not even exist and still do not but will exist when Bill C-24 is in place, and which that member and his friends voted against.

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**INFRASTRUCTURE**

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, recently the transport minister reminded the House and all Canadians that the Minister of Canadian Heritage was entirely responsible for the maintenance and improvement of highways located inside of national parks.

For years the Canadian Alliance has been calling for a dangerous stretch of highway in Banff National Park to be widened to avoid further fatal accidents. Nineteen people have died on that stretch of the highway in the past four and a half years.

When can we expect funding to twin this section of the highway so that people will not die?

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, the hon. member obviously understands the complexities of government. I have been in discussions with the Minister of Canadian Heritage and the Minister of Industry, and we certainly hope this matter can be addressed soon.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, the government has it in its power to correct the problem. The province of Alberta has twinned the Trans-Canada Highway from its border with Saskatchewan all the way to the gates of Banff National Park. It wants to twin it within the park but it cannot because twinning the highway in the park is 100% federal jurisdiction. It cannot do it.

Nineteen people have died on this stretch of the highway and the government has done nothing to fix it. Why has the government done nothing and why is it not committing to fix this stretch of highway so that people will not die?

**Hon. David Collette (Minister of Transport, Lib.):** Mr. Speaker, the government, whether it is under the SHIP program or the infrastructure program, has done a lot to improve highways across the country, including in his home province of British Columbia.

There are a number of priorities across the country. He has outlined one of them, and I have said that the government will hope to address this in the near future.

\* \* \*

[Translation]

#### EMPLOYMENT INSURANCE

**Ms. Monique Guay (Laurentides, BQ):** Mr. Speaker, yesterday, the hon. member for LaSalle—Émard, on a visit to Saguenay—Lac-Saint-Jean, made a commitment to the union leaders of that area to speak to the Minister of Human Resources Development about eliminating the two-week EI waiting period for workers who are victims of the softwood lumber crisis.

Given that the Bloc Québécois has been asking, since the beginning of the softwood lumber crisis, for the elimination of the two-week waiting period as one of the corrections that should be made to employment insurance, will the Minister of Human Resources Development take this request from her future leader seriously, or will she consider it just another opportunistic statement made in order to garner support?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, the two week waiting period is like a deductible in an insurance program. It is there for a purpose.

Having said that, we consistently have made changes to the employment insurance system to ensure that it is responsive to today's modern labour force. I can itemize the numerous different changes we have made to improve the program. Our focus is to ensure that the program is there for those Canadians who need it when, through no fault of their own, they find themselves laid off.

• (1450)

[Translation]

**Ms. Monique Guay (Laurentides, BQ):** Mr. Speaker, the member for LaSalle—Émard has also stated that victims of the softwood lumber crisis should be treated the same way as workers in Toronto who have suffered in the SARS crisis.

Will the Minister of Human Resources Development finally admit that workers who are victims of the softwood lumber crisis should be treated with as much consideration as those who are victims of the fisheries or SARS crises, and finally do something concrete, as the Bloc Québécois is asking and as the hon. member for LaSalle—Émard has suggested?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, I will repeat again that the Government of Canada treats Canadians fairly no matter where they live. With respect to the Employment Insurance Act and the labour market, indeed those in the softwood lumber industry are being treated the same as other Canadians.

#### Oral Questions

The hon. member makes reference to the waiving of the two week waiting period. Again, that applies only as a health measure. Canadians wanted us to ensure that we stopped the spread of a communicable disease, SARS. Part of that was to provide a waiving of the two week waiting period for those in quarantine so they would stay at home.

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#### AIR INDIA

**Mr. Kevin Sorenson (Crowfoot, Canadian Alliance):** Mr. Speaker, court documents show that upon hearing of the bombing of Air India flight 182, CSIS agents knew immediately who the prime suspect was, based on their wire taps. Yet they destroyed the tapes of telephone conversations between the suspects despite specific instructions to retain the tapes for one year, as indicated in the SIRC report.

How much more evidence does the Solicitor General need before he recognizes that CSIS has not been absolved of all wrongdoing? How much longer before the Solicitor General initiates a public inquiry?

**Hon. Wayne Easter (Solicitor General of Canada, Lib.):** Mr. Speaker, I have referred a number of times to the very indepth work that the SIRC report did in 1991-92. Beyond saying that, the hon. member and his party know that it would be absolutely inappropriate for me to comment on an ongoing court case.

**Mr. Kevin Sorenson (Crowfoot, Canadian Alliance):** Mr. Speaker, the RCMP's investigation into the Air India disaster has never been subject to a review. Allegations of incompetence against both our security and intelligence forces are surfacing and increasing.

Again, when will the Solicitor General initiate a full public inquiry to prove the allegations or to dispel those allegations that would only serve to build confidence with Canadians in their security agencies?

**Hon. Wayne Easter (Solicitor General of Canada, Lib.):** Mr. Speaker, I absolutely reject the remarks of the member in terms of saying that either the RCMP or CSIS is incompetent. They are recognized as two of the best agencies around the world in terms of dealing with security and policing.

Beyond that, I do not intend to make any comments that can be implied toward this court case.

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#### THE ENVIRONMENT

**Mr. Andy Savoy (Tobique—Mactaquac, Lib.):** Mr. Speaker, my question is for the Minister of the Environment. Bill C-9, an act to amend the Canadian Environmental Assessment Act, received royal assent yesterday, June 11, 2003.

Could the Minister of the Environment tell Canadians if the renewed act will provide participants in environmental assessments with a more transparent and predictable process?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, may I thank the members of the committee on the environment and sustainable development and all Canadians who came before them as witnesses for the excellent work that was done in the preparation of this bill.

*Oral Questions*

The bill certainly will allow us to make more informed and timely decisions and it will assist Canada in pursuing the goal of sustainable development. I might add that the government has put somewhat over \$10 million a year additional into this legislation over the next five years.

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**CANADA CUSTOMS AND REVENUE AGENCY**

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, the Deputy Prime Minister made recent remarks saying that the Privy Council is looking at consolidating security functions into one department. It is about time. The Liberals have treated the security of Canadians with contempt for far too long.

One department that has been sorely neglected by the Liberals is customs, whose mandate is to protect our borders. Will the Deputy Prime Minister now finally change our customs agents from tax collectors to Canada's front line security?

**Hon. Elinor Caplan (Minister of National Revenue, Lib.):** Mr. Speaker, I find it completely outrageous and unacceptable that the member opposite would insult customs officers, who have done an outstanding job on our border, ensuring that they meet all of their mandate in a professional and dedicated way.

I can also say to the hon. member that machinery changes are the prerogative of the Prime Minister and that I give him my advice, as do other members from time to time, but I can assure him that at no time have customs officers ever been spoken to in the way he has just referred to.

• (1455)

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, I would like to remind the minister that it was she who called customs agents 3,000 accidents waiting to happen. She is the only one who has ever insulted the customs agents of this country.

Customs agents are responsible for enforcing over 70 statutes, including the Criminal Code, the Controlled Substances Act, the Firearms Act and the Anti-Terrorism Act. The minister refuses to acknowledge that all of these involve potentially violent situations.

The Canadian Alliance has been asking the government to arm these customs agents so they can defend themselves as well as Canadians. Will the minister finally commit to arming our customs agents?

**Hon. Elinor Caplan (Minister of National Revenue, Lib.):** First, Mr. Speaker, I did not say what the member said that I said, and therefore his credibility I think is suspect on all counts.

Second, Mr. Zaccardelli, an outside private expert, did a job hazard review for the Canada Customs and Revenue Agency. Everyone has determined that customs officers should not be armed because it is not a requirement of the job they do. They do an outstanding job. They are dedicated professionals and the member opposite should just stand up and say so.

[Translation]

**JUSTICE**

**Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ):** Mr. Speaker, appeal courts in British Columbia and Ontario, as well as the Superior Court of Quebec, have all ruled that preventing same-sex couples from marrying is unacceptable and discriminatory in a free and democratic society.

In light of the new ruling brought down by the Court of Appeal for Ontario in favour of the right of gays and lesbians to equality, will the Minister of Justice promise not to appeal this decision?

**Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, the member is referring to an important issue for society. We are well aware, as he just mentioned, that various decisions have been handed down in recent months. It will also be remembered that we have given the Standing Committee on Justice and Human Rights a mandate to conduct hearings across the country.

Incidentally, I would like to take this opportunity to thank the members of the Standing Committee on Justice and Human Rights, who have done excellent work. I am told that they have met and we expect their report shortly. Once the government has finished studying the whole situation and the rulings, we will make our position public.

\* \* \*

[English]

**FISHERIES**

**Mr. Jim Pankiw (Saskatoon—Humboldt, Ind.):** Mr. Speaker, for years the Liberals have known that the Indian only fishery regulations are discriminatory and illegal. Two parliamentary committees have recommended that the racist—

**Some hon. members:** Oh, oh.

**The Speaker:** Order please. The hon. member for Saskatoon—Humboldt has the floor.

**Mr. Jim Pankiw:** Mr. Speaker, two parliamentary committees have recommended that the racist regulations be scrapped and the B.C. court will soon rule on the matter.

By tabling Bill C-43, the government is undercutting Parliament, the courts and the livelihood of non-Indian fishermen. Why is the fisheries minister entrenching an Indian only, race based fishery scheme?

**Hon. Robert Thibault (Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, most of the Canadian population, certainly all of the members on this side of the House, want us to give aboriginals, the first people of this country, a fair economic chance and opportunity and we will do that.

## AGRICULTURE

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, the Minister of Agriculture knows that cattlemen indicated very clearly last week that interest-free loans simply will not cut it, yet a story that has just moved on the Canadian Press wire says that the federal government is set to present a mad cow aid package to beef farmers: interest-free loans to beef farmers, feedlot operators and renderers.

Could the Minister of Agriculture please confirm that this is the case and would he tell us what else is being planned by the federal department of agriculture to assist people in the beef industry?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, as I said in the House yesterday, we are looking at a number of things. Certainly we are working very diligently to get the border open, which is our first choice, but we also know that we need to do a combination of other things using existing programs, and yes, maybe looking at helping the industry through some sort of a loan program to help with cash flow through this situation that they are in as well. But we are looking at a number of issues, not just one specific one.

**Mr. Scott Reid (Lanark—Carleton, Canadian Alliance):** Mr. Speaker, the BSE scare has led to an American ban on all ruminants, not just beef but also sheep and lambs. This is no small issue. In 2002 alone, 148,000 head of sheep were exported to the U.S.A., but with this market shut down, prices are in steep decline.

During his press conference on June 4 and again in the emergency Commons debate, the agriculture minister failed to mention sheep even once. It is as if this industry does not exist in the minister's mind, so here is my question. When can we expect to see sheep and lambs included in the plan for piecemeal resumption of trade?

• (1500)

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, the hon. member knows full well that sheep are ruminants. The case of BSE was found in a cow, which is also a ruminant. In the rules and regulations if we change feed practices and getting our borders open to beef certainly includes any action that any country would take against any ruminant, and that is certainly the case from this side.

\* \* \*

[Translation]

## GOVERNMENT APPOINTMENTS

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the Minister of Foreign Affairs has refused to tell us who misled the Queen of Denmark about the departure of Ambassador Alfonso Gagliano from Denmark.

I would therefore ask him to have some respect for his department and for all the career public servants working there, who regret the way Canadian diplomacy is becoming a laughing stock.

I would ask him to rise to the level of his position and to tell us today who informed the Queen of Denmark that Ambassador Gagliano was leaving. He must answer that here in this House.

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, as I have already said in this House, Mr. Gagliano is our

## Points of Order

ambassador to Denmark and he remains our ambassador to Denmark.

\* \* \*

## PRESENCE IN GALLERY

**The Speaker:** I draw the attention of the hon. members to the presence in the gallery of His Excellency Dileita Mohamed Dileita, Prime Minister of the Public of Djibouti.

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

\* \* \*

[English]

## BUSINESS OF THE HOUSE

**Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance):** Mr. Speaker, it being Thursday, we would like to find out from the government what we have on our plate for the rest of the day, for tomorrow, of course, and what it has up its sleeve for next week. Will we see a comprehensive aid plan for mad cow disease before we leave this place for the summer?

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I usually answer about the legislative program in the House and that is what I will do now.

This afternoon we will continue with the business of supply, with votes scheduled for 8 p.m., pursuant to the arrangement made earlier.

The business that the government will put forward before the House tomorrow, pursuant to another agreement which I will be submitting to the House a little later this afternoon, will be Bill C-42, the Antarctic agreement, Bill C-44, respecting compensation for certain military personnel, and then Bill C-35, the military judges bill. If there is any time left, we will then consider Bill C-34.

The program for next week would be Bill C-7, first nations governance, Bill C-17, public safety, and Bill C-13 respecting reproductive technologies, as well as other legislation which has returned from committee, for instance, legislation such as the sex offender registry and bills like that.

\* \* \*

## POINTS OF ORDER

### ORAL QUESTION PERIOD

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, in response to a question from the member for Sackville—Musquodoboit Valley—Eastern Shore, the government House leader indicated incorrectly that the members of the New Democratic Party had voted against Bill C-24, the election financing act. In fact, the government House leader will know that all NDP members present last night voted for it, unlike the Liberals across the way of which 10 abstained. I just want to point that out and invite the government House leader to correct the record on this point.

*Speaker's Ruling*

•(1505)

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the hon. member is quite right. I mistakenly, as a result of seating changes, assumed in regard to the hon. member; therefore that would have made him a Tory member, and I certainly do apologize for that.

[*Translation*]

**Mr. Yvan Loubier:** Mr. Speaker, on a point of order, yesterday, when I asked the Minister of Indian Affairs and Northern Development about the Amo Ososwan school in Winneway, Témiscamingue, the minister claimed he was not aware of this file.

Consequently, I ask for the unanimous consent of the House to table the abundant correspondence between the minister, the department and Chief Mathias of Winneway about the school, the last letter of which was signed by the minister himself a few days ago. This proves that the minister misled the House and the public.

**The Speaker:** Is there unanimous consent for the hon. member to table these documents?

**Some hon. members:** Agreed.

**Some hon. members:** No.

[*English*]

## HEATING FUEL REBATE—SPEAKER'S RULING

**The Speaker:** I am now prepared to rule on the point of order raised on June 5, 2003, by the hon. member for St. Albert concerning multi-year funding of the heating fuel rebate. I would like to thank the hon. member for St. Albert for having raised this matter. I would also like to thank the hon. Minister of National Revenue for the information she provided to assist the Chair on June 11.

In raising this matter, the hon. member for St. Albert pointed out that the government paid out more than \$1.4 billion in heating fuel rebates during January 2001. As this is a somewhat complicated case, it will be helpful to provide the House with a fairly detailed chronology of the events that have led to the raising of the procedural point before us.

The government's intention to make rebate payments was first announced in the budget speech made in the House on October 18, 2000. As a result of the general election held during November 2000, the government initially funded these rebates by the use of Governor General's special warrants. These special warrants are used exclusively to fund government operations on an urgent basis when Parliament is dissolved. During periods of dissolution, it is impossible for the government to apply to Parliament for the approval of funding, and Governor General's special warrants provide a temporary means of overcoming this difficulty.

[*Translation*]

Members will find a more detailed account of the use of special warrants in the *House of Commons Procedure and Practice*, pages 747-48.

[*English*]

Once Parliament meets following a general election, any special warrants that have been issued must be submitted to Parliament for approval. The special warrants in the present case were tabled in the

House on February 12, 2001. It is not necessary to enter into every detail of the procedures concerning the use of Governor General special warrants, but I would draw the attention of hon. members to two points in particular. First, any funds obtained by the government through the use of such warrants must subsequently be approved by the House as part of the normal estimates process. The funds authorized by the special warrants on December 13, 2000 and January 9 and 23, 2001, were included in the Appropriation Act approved by the House on March 20, 2001.

Second, and this point was underlined by the hon. member for St. Albert, the funds approved in this way apply only to the fiscal year for which they are granted. The fact that funds are provided by a special warrant does not exempt them from the key principle of our financial procedure that funds are allocated on an annual basis and may not be expended after the end of the fiscal year for which they are approved.

Although the initial funds were approved for the fiscal year ending on March 31, 2001, the hon. member for St. Albert pointed out that in 2001-02, \$42.2 million were disbursed for heating fuel rebates and a further \$13 million during 2002-03.

At their meeting of May 12, 2003, an official of the Treasury Board indicated to the public accounts committee that further payments would be made during 2003-04. The hon. member for St. Albert noted that no legislative authority exists for the heating fuel rebate program and that the House has not been asked to approve any appropriation for that purpose since supply was passed for the fiscal year 2000-01.

[*Translation*]

An appropriation act gives authority only for a single year and is therefore not appropriate for expenditure that is meant to continue for a longer period or indefinitely. Ongoing programs must be established by particular legislative measures. Once Parliament has approved a program in this way, it then may be asked to appropriate funds on an annual basis.

•(1510)

[*English*]

At this point I would like to point out that an exception to this rule exists in the case of the Canada Customs and Revenue Agency. Section 60(1) of the Canada Customs and Revenue Agency Act reads:

Subject to subsection (4), the balance of money appropriated by Parliament for the use of the Agency that remains unexpended at the end of the fiscal year, after the adjustments referred to in section 37 of the Financial Administration Act are made, lapses at the end of the following fiscal year.

Accordingly, with respect to the Canada Customs and Revenue Agency, subject to the reservations in the act, appropriations are for two years rather than one as is usually the case. The hon. member for St. Albert drew to the Chair's attention to the fact that \$42.2 million was paid out in heating fuel rebates during 2001-02. Given the carry-forward provision just cited, there seems to be no reason to question the agency's authority to make these payments using funds originally appropriated for 2000-01.

However, the hon. member also pointed out that in testimony before the public accounts committee it was revealed that a further \$13 million in rebates were made during 2002-03. Clearly, no authority existed for the carry-forward of funds from the moneys provided by the special warrants. Any unused funds from that appropriation lapsed on March 31, 2002. It was also indicated to the public accounts committee that further payments relating to heating fuel are expected during the current fiscal year.

The hon. Minister of National Revenue indicated to the House in her statement on this issue that all of the payments made relative to heating fuel rebates were made as ex gratia payments. The Public Accounts, 2002, Vol. II, Part II at page 10.14 describe an ex gratia payment as "a discretionary payment, made as an act of benevolence in the public interest, free of any legal obligation, whether or not any value or service has been received".

As the hon. minister indicated, payments of this type do not require specific parliamentary authority. That is to say, they are not made as part of a legislated program, nor are they the object of a specific funding request made to Parliament. At the same time, it is quite clear that even with respect to ex gratia payments, the funds used must be properly authorized by Parliament. In the present case, the minister has told the House that the heating fuel rebates were paid using funds authorized as part of the Canada Customs and Revenue Agency Vote 1—Operating Expenditures.

[Translation]

The Chair concluded that in both 2001-02 and 2002-03, the rebates were simply paid out of the Vote 1 funds, all of which had been properly authorized. No other authorization is required for payments of this type. It seems reasonable to conclude that any further payments issued during 2003-04 or subsequent years will be made on the same basis. I am therefore satisfied that the point of order of the hon. member for St. Albert is not well founded.

[English]

However the Chair is troubled by the current case which is an example of a persistent problem that I have had occasion to comment on before, that is, the adequacy of information provided to Parliament regarding estimates. Committees have always been dependent on being provided with complete and accurate information concerning proposed public spending. In light of the size and complexity of modern government, this is all the more true.

The reports on plans and priorities and the performance reports that are now tabled annually were meant to provide such information. Yet difficulties persist and, some might argue, have grown even more acute. In this case, for example, to determine the source of the funds being used for the heating fuel rebate, members had to rely on the documents tabled before Parliament. If that documentation is inadequate, then members seeking clarification have no recourse except, as the hon. member for St. Albert did, to raise a point of order in the House.

The hon. minister's statement has clarified the situation but I believe all members would agree with the Chair that it would be preferable if members had available to them the opportunity to obtain this information without being obliged to take up the time of the House.

### Routine Proceedings

It may well be that those House committees that have special responsibility for the estimates process will want to have a closer look at the nature of the information provided to members by the estimates documents. It is, after all, hon. members who must take a large share of the responsibility for seeing to it that they receive the information they require.

#### ORAL QUESTION PERIOD

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, during question period I made a remark which may have been unparliamentary and for which I sincerely apologize.

● (1515)

**The Speaker:** I thank the hon. member.

**Mr. Gerry Ritz:** Mr. Speaker, I rise on a point of order. Earlier today we had a unanimous consent to move on to orders of the day. At that point we lost presentation of petitions.

I would seek unanimous consent to return to routine proceedings specifically for the petitions segment.

**The Speaker:** Is it agreed that we return to presentation of petitions?

**Some hon. members:** Agreed.

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## ROUTINE PROCEEDINGS

[English]

### PETITIONS

#### CANADIAN EMERGENCY PREPAREDNESS COLLEGE

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, I have several petitions, the first of which asks that the Canadian Emergency Preparedness College, which is essential to training Canadians for emergency situations, be reinstated.

#### FIREARMS REGISTRY

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, in the next petition, the petitioners call upon Parliament, the Department of Justice and the Government of Canada to call an immediate amnesty for all unregistered firearms or, in the absence of the amnesty, to scrap the firearms registry altogether.

#### CANADIAN FORCES

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, in the next petition, the petitioners are calling upon Parliament, the Department of National Defence and the Government of Canada to exercise their contractual right to cancel the supply chain project and by doing so ensure the long term employment of the employees at the Canadian armed forces.

*Routine Proceedings*

## CRIMINAL CODE

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, in the next petition, the petitioners are calling upon Parliament to refrain from including sexual orientation as an amendment to the hate propaganda section of the Criminal Code of Canada.

## MARRIAGE

**Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, in the final petition, the petitioners are calling upon Parliament to pass legislation to recognize the institution of marriage in federal law as being a lifelong union between one man and one woman to the exclusion of all others. That is the silent majority of Ontario speaking.

[*Translation*]

**Mr. Bernard Bigras:** Mr. Speaker, it is my pleasure, on behalf of the hon. member for Québec, to submit this petition concerning the protection of children affected by war. The petitioners ask Parliament for more efforts to protect children affected by war. According to UNICEF statistics, 2 million children have died and 6 million have been seriously wounded in armed conflicts during the past decade.

In addition, the petitioners ask that Canada refrain from joining in the warlike acts of powers that wish to dominate the world and that Canada make assistance to children affected by war one of its highest priorities.

There are some 8,000 signatures on this petition, which does not conform to the rules of this House. Therefore I ask for unanimous consent to present these petitions.

**The Speaker:** Does the hon. member for Rosemont—Petite-Patrie have unanimous consent to present these petitions?

**An hon. member:** Agreed.

**Some hon. members:** No.

[*English*]

## HEALTH

**Mr. James Lunney (Nanaimo—Alberni, Canadian Alliance):** Mr. Speaker, I have a huge petition here from some 27,000 Canadians. It is a very weighty matter. It is on the subject of natural health products.

Canadians are saying no to regulating our nutrients as drugs. They are concerned about natural health products being regulated as a subclass of drugs. They also call for the repeal of section 3 of the antiquated Food and Drugs Act and schedule A.

These are recommendations that my private member's bill, Bill C-420, addresses and that are badly needed. Nine ladies who were today because of the withdrawal of their natural health product that has helped them with bipolar disease, because Health Canada is restricting their product at the border, illustrates the need for this to be enacted. I hope the government is listening to the will of Canadians on this matter.

[*Translation*]

## MARIJUANA

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, I am pleased to present a petition on behalf of patients who wish to obtain marijuana for therapeutic purposes, and in particular on behalf of Johnny Dupuis and Nicole Massicotte of Duhamel. These people have done extraordinary work in getting over 600 people to sign this petition, across Quebec and Ontario in such places as Toronto, Montreal, Gatineau, Burlington, Milton, Oakland and Hamilton.

Their point is that many sick persons cannot get exemptions in order to use marijuana for therapeutic purposes such as pain relief, and others cannot get their exemptions renewed.

Consequently, the petitioners ask Parliament to pass legislation providing that the patient's physician alone would be authorized to prescribe the therapeutic use of marijuana and that the money needed for clinical research be made available.

On their behalf, I am pleased to present this petition to the House.

[*English*]

## CRIMINAL CODE

**Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Canadian Alliance):** Mr. Speaker, I am pleased to present a petition in which the petitioners point out their concern that the addition of sexual orientation as an explicitly protected category under section 318 and 319 of the Criminal Code of Canada could lead to individuals being unable to exercise their religious freedom as protected under the Charter of Rights and Freedoms.

They call upon Parliament to protect the rights of Canadians to be free to share their religious beliefs without fear of persecution.

• (1520)

## MARRIAGE

**Mr. David Anderson (Cypress Hills—Grasslands, Canadian Alliance):** Mr. Speaker, I have a petition signed by several hundred of my constituents in the riding of Cypress Hills—Grasslands who want to draw the attention of the House to the following: that marriage is the best foundation for families and for the raising of children; that the definition of marriage as being between a man and a woman is being challenged; and that this hon. House passed a motion in June 1999 that called for marriage to continue to be defined as the union of one man and one woman to the exclusion of all others.

The petitioners, therefore, call upon Parliament to pass legislation to recognize the institution of marriage in federal law as being a lifelong union of one man and one woman to the exclusion of all others.

This petition includes petitioners from communities as diverse as Morton Lake, Caronport, Chaplin, Swift Current, Leader, Richmond, Herbert, Mendham, Shamrock, Hodgeville, Assiniboia, Rockglen, Limerick and Maple Creek.

## STEM CELL RESEARCH

**Mr. Norman Doyle (St. John's East, PC):** Mr. Speaker, I have a petition signed by a number of people from various parts of Canada who say that non-embryonic stem cells, known also as adult stem cells, have shown significant research progress without the immune rejection or ethical problems associated with embryonic stem cells.

The petitioners call upon Parliament to focus its legislative support on adult stem cell research to find the cures and therapies necessary to treat the illnesses and diseases of suffering Canadians.

BILL C-250

**Mr. Reed Elley (Nanaimo—Cowichan, Canadian Alliance):** Mr. Speaker, it is my pleasure to rise in the House today to present a petition on behalf of Canadians who are concerned about Bill C-250 and are asking that Parliament take a good look at the legislation and halt the passage of Bill C-250 to ensure that religious freedom remains unfettered in Canada.

[Translation]

## PROTECTION OF CHILDREN

**Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ):** Mr. Speaker, after consulting with the clerks, I would like to table petitions bearing 8,000 signatures calling for the protection of children affected by war. I seek unanimous consent of the House to table these petitions.

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, we briefly looked at the petitions in question. They seem to comply with the criteria that we will probably adopt in a few days following the report tabled today. Given that these petitions will be in order shortly, we would be prepared to give our unanimous consent to table them.

**The Speaker:** Does the hon. member have the unanimous consent of the House to table these petitions?

**Some hon. members:** Agreed.

\* \* \*

[English]

## BUSINESS OF THE HOUSE

**Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, there have been consultations among all parties in the House and I believe you would find unanimous consent for the following motion. I move:

That, immediately after government orders are called on Friday, June 13, the House shall proceed to consider second reading of Bill C-42 and, after no more than one representative of each party has spoken for no more than five minutes each, the bill shall be deemed to have been read a second time, referred to a committee of the whole and reported without amendment, concurred in at report stage and read a third time and passed, and the House shall then proceed to consider and dispose of Bill C-44 in the same manner as provided for in this order for Bill C-42.

**The Speaker:** The House has heard the terms of the motion, is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed

(Motion agreed to)

## Supply

## GOVERNMENT ORDERS

• (1525)

[English]

## SUPPLY

## ALLOTTED DAY—INFRASTRUCTURE FUNDING

The House resumed consideration of the motion.

**Mr. Gurmant Grewal (Surrey Central, Canadian Alliance):** Mr. Speaker, I am pleased to rise on behalf of the constituents of Surrey Central to participate in the debate on the Canadian Alliance motion concerning gas taxes and infrastructure development needs.

In recent years I have witnessed the burden of gas taxes on my constituents. As oil prices have soared so has the government's take in gasoline taxes.

On average, taxes account for 42% of the total consumer price. To add insult to injury or fuel to the fire, the Liberal government collects GST on gasoline taxes. That is charging taxes on taxes. Taxes are neither goods nor services. How can the government charge GST on taxes? This practice is shameful.

In 2001 and again last year I moved a motion in the House calling upon the government to at least stop charging GST on federal and provincial gasoline taxes. Unfortunately, the Liberals have not shown any interest in that idea. The government continues to collect about 2¢, depending upon the province, on every litre of gasoline sold in Canada.

Every day B.C. motorists battle traffic congestion to get to work, daycare, shopping, school and so on. As the population of the Lower Mainland continues to swell, the need for roads and bridges becomes ever more apparent.

Last year the B.C. transportation minister estimated that the province's transportation infrastructure required \$10 billion worth of investment by the year 2012. That figure is well beyond the government's present ability to pay. Premier Campbell launched a \$600 million program for much needed improvements to roads in February, paid for in part by an additional 3.5¢ per litre gasoline tax. However, there is no room to add even one single extra penny at the pumps. Gas prices are already too high. The money to fund transportation improvements must come from somewhere else.

Hence, the B.C. government is soliciting bids for a 55 year lease of the Coquihalla Highway to a private firm in exchange for a one time payment of roughly \$500 million. The firm would initially be allowed to charge private autos \$13, up from the current \$10 per vehicle, and increase the amount over time.

The city of Surrey has immediate plans for road improvements, repaving and new traffic lights. However, these needed improvements come with a hefty price tag. While the city usually spends \$15 million annually on its streets and highways, this year the budget has almost doubled. Work will progress on the Fraser Highway which is going to be turned into four lanes, with sidewalks, a median and more traffic lights. In Surrey, 88th Avenue and 80th Avenue will be repaved.

### Supply

Provinces and municipalities have a crying need for more money to cover transportation infrastructure costs. This is especially true in urban areas which continue to grow. Transportation infrastructure is handling more traffic than it was designed for and the public is paying the price.

Look at how much time is wasted on the roads. It is almost criminal that the federal government continues to rake in millions of dollars in gas taxes while sending practically nothing back to the provinces.

• (1530)

The Liberals rake in \$4.7 billion in fuel tax revenue every year. In addition, they collect \$2.25 billion in GST on gasoline. The federal gas tax, including GST, cost an average Canadian \$221 last year. In 2001-02 the Liberals transferred a minuscule \$118 million to the provinces for highway and road development. That is 1.7% of the gross they have taken from the provinces.

In comparison, the U.S. government spends 84% of its gasoline revenues on road-related infrastructure. Our provinces even do better, spending 91% of the money they collect in gas taxes on transport-related infrastructure projects. Of the little money the Liberals do spend on transportation infrastructure, 99% of that small amount goes to provinces east of Ontario. Does the government not realize that there are roads outside of Quebec and Ontario?

Last November the Prime Minister's caucus task force on urban issues, after an 18 month study, rejected the idea of sharing fuel tax revenues as it was too complicated. While acknowledging cities needed more infrastructure cash, the task force claimed Ottawa needed the money more than the provinces. Can anyone imagine? Would it be that the government needed to use that money for more billion dollar gun registries? Or maybe more sponsorship contracts for Liberal friends? I cannot understand that.

The former finance minister, the member for LaSalle—Émard, claims that if he becomes Prime Minister he will share the federal gasoline tax with the cities. Call me a cynic, but why did the hon. member not deliver cash strapped cities a share of the gas tax during his nine year tenure as finance minister? Where was he for those nine years?

Members will recall that this is the same finance minister who in 1995 raised the gas tax from 8.5¢ per litre to 10¢ per litre as a deficit fighting measure. He then conveniently forgot to reverse the increase once the deficit was brought under control with the efforts of the official opposition. In 2001-02 alone this 1.5¢ per litre deficit fighting tax took \$705 million out of the pockets of hard-working Canadians.

The Canadian Alliance believes that taxes which are imposed for a specific purpose, like this deficit fighting tax, should be used for that purpose alone and removed when no longer required, as in this case. The former finance minister obviously does not subscribe to that view.

Even though the price of gas has fallen in recent months, it is still much too high. Retail prices this week were between 75¢ and 79.9¢ per litre in Vancouver. Canadians are spending considerably more to fill up their cars than a year ago. Yesterday's news does not bode well for the future. Oil prices surged to \$32.36 U.S. a barrel, the highest

close on the New York Stock Exchange since mid-March, a 63¢ increase per day.

What will the government do? Nothing. If we were to drive around, we would see gas prices at 55¢ per litre at 8 o'clock in the morning. At 10 o'clock, if we were to drive by, no new truck had come to provide new inventory for the gas station, but the price would go up. Oil companies are colluding and the government is doing nothing.

In closing, the government must do something about this. It must eliminate the deficit fighting tax and reduce taxes on gasoline. The government has no right to charge GST on taxes.

• (1535)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, gasoline prices are the purvey of the provinces not the federal government. The federal government is responsible for the issue of competition through the Competition Bureau. If the member is unhappy about prices, he can talk to the Government of British Columbia. We know that in fact that is a provincial responsibility and if it wants to freeze prices, it can.

Often there are other problems with the issue of taxes. The Government of New Brunswick learned this a few years ago when it decided to reduce the provincial tax on gasoline by 2%, it was immediately eaten up by the oil companies which raised prices.

The fundamental problem with the member's argument across the way is that his party wants to dedicate a portion of the tax. We know that municipal governments are corporations. They are created by the provinces. Hence, any revenue sharing program between the Government of Canada and municipalities would be subject to provincial control over municipalities.

This is something, at least on this side of the House, that we do not support. In fact, Quebec has legislation which prohibits municipal governments in the Province of Quebec from entering directly into fiscal relations with the Government of Canada. And again, they need provincial approval.

Clearly, we also have concerns. We have seen other cases with tripartite arrangements, however in this arrangement it would not be tripartite. This is simply an arrangement where the hon. member is asking us to turn over moneys to the provinces and hopefully they would dedicate and direct them for municipal purposes, particularly infrastructure.

I would like to ask the member, how does he reconcile this mechanics problem? There is clearly a difficulty here to deliver something which constitutionally would be very difficult.

**Mr. Gurmant Grewal:** Mr. Speaker, I will the hon. member where the difficulty is.

Wherever the hon. member for LaSalle—Émard goes and on whatever issue, he promises everything to everyone, but he does not know what his record is. When he was finance minister for nine year, he increased gasoline taxes from 8.5¢ to 10¢ and called it a deficit financing tax. But now, there is no deficit, so why is there a deficit financing tax? Why did he not eliminate it at the same time the deficit was eliminated? That is where the difficulty lies.

Another difficulty is that the government is greedy for taxes. It charges taxes on taxes. It charges GST, the most hated tax in Canadian history, on taxes. Those taxes, whether provincial or federal, are neither goods nor services. That is what GST is supposed to be, but it is being charged on taxes. Can members think of any country in the world where the government is charging taxes on taxes?

The weak Liberal government takes in \$4.7 billion in fuel taxes and on top of that it collects \$2.25 billion taxes in GST. Out of all this money, how much does it spend on infrastructure development? That is what the gas tax is for. It is to be spent on roads, bridges and infrastructure development. Do members know how much it spends? Just 1.7% of the money. Where does the remaining money go that is collected from gasoline taxes and GST? It goes to that big black hole. The Liberal government is mismanaging taxpayers' money.

If the hon. member really wants to find out where the difficulty is, it is with the government's mismanagement, greediness and arrogance.

The parliamentary secretary has said that it is a provincial problem. That is what the government always does on any federal issue, it transfers the responsibility to the provinces. Even in the case of mad cow disease, SARS and anything else, it will transfer the problem to the provinces.

In this case, with the facts and figures I have quoted, I will tell the hon. member to look into the facts and not simply transfer the responsibility but do something on that side. The government takes so much money away from the provinces, but it gives the provinces only 1.7%. That is where the difficulty is.

• (1540)

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, oddly enough this debate, this motion, brings me back to why I ran for Parliament in the first place. It was just such a motion in principle, or a move in principle, that the government of the day, the previous government, the Mulroney government, was attempting to bring in as the Charlottetown accord that prompted me to set aside what was at that time a very interesting career as a writer and on impulse to put my name in for the nomination locally, and after that to become a member of Parliament.

I was very fortunate, Mr. Speaker. I was reacting to the Charlottetown accord negatively. I went in and put my name in for the nomination, in the sort of sense that I wanted to become a politician, and a Liberal politician to make sure that the Liberals never supported something like the Charlottetown accord ever again.

The reason, Mr. Speaker, and why it relates to the motion, is that what the Charlottetown accord did is it transferred all kinds of federal powers to the provinces, and in so doing, also undertook to strike agreements with the provinces in these areas of jurisdiction whereby there would be a transfer of tax points and there would be cash subsidies to the provinces.

If you remember, Mr. Speaker, in the Charlottetown accord it proposed to transfer exclusive jurisdiction to the provinces in mining, in forestry, in housing, and in several other areas, tourism was another, recreation, and municipal and urban affairs. The reason why I was upset by that proposal—and I was one of the many, many

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Canadians who voted against the Charlottetown accord—is I felt that that proposal, had it passed, would have fatally damaged the ability of the central government, the government here in Ottawa, to maintain a sufficiently significant role in Canadian political life that Canada could stay together. I believe then and I believe now that the Charlottetown accord would have devolved so much power to the provinces that 11 years later we would not have a country.

My problem with this motion is it does precisely the same thing as the Charlottetown accord proposed to do with these various sectors that I mentioned. What it proposes to do is to take federal tax revenue in the form of GST and excise taxes on gasoline, and transfer that revenue, that tax collecting privilege shall we say, to the provinces. So instead of the federal government collecting \$4.8 billion in excise taxes plus I think it is \$1.1 billion in GST, it would allow tax room for the provinces to collect that same tax and then to spend it, along with the municipalities, on municipal infrastructure.

Now, Mr. Speaker, that is not just the thin edge of the wedge. That is giving away the ability of Canada to function, because we have all seen time and time again and have experienced in the last 10 years certainly with very, shall we say, right-wing governments in some key provinces, and rich provinces like Alberta and Ontario, where the governments of the day, in order to exercise an ideology based on tax cuts for personal spending, have taken advantage of the money that was transferred by the Mulroney government, primarily in the form of health care transfers but a lot of money. Instead of investing in health care themselves, they have relied on the federal funding, complained that it is not enough, and used the money that should have been used by the provinces on health care in order to cut personal income taxes. That is precisely the phenomenon that has occurred in Ontario. We get this thing happening all the time, Mr. Speaker.

• (1545)

When the federal government does not control and stipulate how transfers of federal money are to be spent by the provinces, the provinces usually rely either entirely on the federal transfer and back off and use the money that they should be putting in the program in some other way and what happens is the Ottawa government winds up losing control of how federal tax money will be spent. It ceases to have an effective voice in national programs across the country. We see that very much in the phenomenon that occurred in health care where, because so much was transferred in the ability of the provinces to raise their own money to finance health care, we get situations where the quality of health care in the provinces has deteriorated enormously.

Now on the case of roads and municipal infrastructure, this is entirely a provincial jurisdiction. Under the Constitution the provinces are required to spend themselves on roads and municipal infrastructure. What the Charlottetown accord would have done, however, it would have elaborated on the agreements so that there would have been an increased use of federal taxes to be acquired. The right to collect those federal taxes would have been acquired by the provinces to spend how they would.

### *Supply*

A country cannot be run like that. A country the size of Canada cannot be run like that. Mr. Speaker, do you know what would happen if this motion were to go forward and the federal tax collected of \$5.6 billion were transferred to the provinces to use how they would on roads and municipal infrastructure? I can tell you what would happen. I can tell you what would happen as it occurs right now in Quebec.

The Trans-Canada Highway is a road that was a national project that involved spending in provincial jurisdiction because the provinces are obligated to spend on the roads. But in order to have a single highway that crossed from one end of the land to the other, the federal government of the day put up the money to enable the provinces to build the Trans-Canada Highway.

Mr. Speaker, if you take the Trans-Canada Highway from New Brunswick to Montreal in Quebec, what you will find is that road is in a permanent state of incredible disrepair. I suggest to you, Mr. Speaker, that the reason why it is in a permanent state of disrepair is that the province of Quebec is confident, because it is the Trans-Canada Highway, a federal, national project, that it can count on the federal government to come in and give the province the money to maintain that road.

We hear the Canadian Alliance from time to time in question period, we hear the same theme repeated, where a section of the Trans-Canada Highway in British Columbia—I think it is on the British Columbia side of the border—is narrow and dangerous and a member opposite has repeatedly called upon the federal government to pay for its expansion. The reality is even though it is called the Trans-Canada Highway, it is a provincial road and theoretically the provinces who maintain the care and maintenance of that road should pay for its expansion.

I am not against the federal government investing money in something like the Trans-Canada Highway because it is a national project. It is an important national project because the Trans-Canada Highway not only unites us culturally, it unites us economically. The problem is if the federal government gives away the revenues to the provinces that it would normally spend on the provinces, the \$5 billion it has in the kitty as the result of the excise and GST taxes on gasoline, well then the provinces might not invest in a national project like the Trans-Canada Highway. They might consider it more important to pave the streets of Lethbridge or develop country roads.

Those are all important projects but it would be at the sacrifice of a national transportation responsibility that the federal government sees in the interests of all Canadians, because the Trans-Canada Highway crosses borders. It crosses provincial borders and it is one of those things, like the railways, that holds us together.

• (1550)

So I have to reject the motion, Mr. Speaker, because, and this is fundamental with me, I confess to be a Trudeau Liberal in that I believe that the only way we can keep this country together is to have a strong central government. If that strong central government does not have any money because it has passed its tax collecting power off to the provinces, it cannot keep this country together. To me, this motion strikes to the very heart of what we are as a nation.

I have sat here for 10 years in this chamber and I have heard repeatedly the arguments from the Canadian Alliance Party, formerly the Reform Party, and repeatedly from the Bloc Québécois, who have constantly harped on the idea that more spending power should be directly in the control of the provinces. That is the theme of the Canadian Alliance and the Bloc Québécois, and it is not a theme that is conducive to national unity. It goes the other way, Mr. Speaker, and marches in the direction of breaking this country up.

We cannot support a motion like this and I point out that Canadians cannot support it either, because this was actually put to the test with the Charlottetown accord in October of 1992. The previous government, the Mulroney government in my view fell over itself to try to give as much as it could to the provinces, and had it been in office for another term and had the Charlottetown accord passed, Mr. Speaker, I think the provinces would have been so powerful that the central government here in Ottawa would have been completely meaningless.

We cannot fool the people. We can have all the rhetoric in the world and say all these things about provincial rights, but in the end Canadians in every province know that it is in their interests to have a strong central government. One never knows when there might be a provincial government that is so foolish in its spending habits and its spending practices that it actually drives that province down economically, and that province may have to come to the federal government for rescue. I cite British Columbia, Mr. Speaker, where we had a New Democratic government for a number of years that managed to drive one of the richest provinces in the country onto its economic knees in a few short years, in a period of economic prosperity for the country.

I do not lay that blame with the Canadian Alliance, they are federal politicians, but I think Canadians want and need a federal government that has sufficient financial resources that when required can reach out to whatever province it is and help them in their hour of need. I cite mad cow disease. I cite SARS. I cite the crisis in agriculture that has occurred. I cite the problems in the Maritimes. All these problems have to do with the need of a particular area or region of the country for cash input. They need to be rescued with money. The problem is, Mr. Speaker, that the more a federal government gives away its ability to raise money to the provinces, the less it has the ability to come to the rescue of those regions and provinces that are in need.

Mr. Speaker, I reject this motion absolutely. I do not think it is a motion that is acceptable to Canadians. I do concede that it is a motion that is very much in keeping with Canadian Alliance philosophy, and that is fine, Mr. Speaker, because of course this is a place where we have differences of opinions. The one thing that I have come to know about the Canadian Alliance and the Bloc Québécois is that both parties are parties that look more to their provincial responsibilities than their overall federal responsibilities. That, I suggest to you, Mr. Speaker, is the reason why the Canadian Alliance is in one region of the country, the Bloc Québécois is in another region of the country, and why in effect we only have three national parties, parties that actually look to the full interests of the country, that look all the way across the country and are concerned about every part of the country.

One of the three parties is the NDP. The NDP especially are very, very aware that we have to have the money in the kitty in the federal government if we are going to bring in social programs that would be the standard across the country.

• (1555)

I would say the Conservatives, sometimes I despair of them because they begin to sound as though they favour provincial rights. There is a disturbing echo of the ideology of both the Bloc Quebecois and the Canadian Alliance in some of the things the Conservatives say, but I still believe they are a national party. However the true national party is this party. The party I represent on this side of the House is the majority, so obviously Canadians feel it is the national party of the land.

In a final note, if I really had my druthers, if I were Prime Minister, which is extremely unlikely and not a possibility at all, and I see there is a certain amount of accord on the opposite side, I would be so tempted to take those tax points back from the provinces, those that were given away under Mulroney, and increase the decision making ability of the federal government, particularly in health care, because it is simply a tragedy, the loss of control that has resulted from giving the tax points that we once had to the provinces.

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Mr. Speaker, I listened very carefully to the member's speech. I am in serious disagreement with one point. Provincial governments are democratically elected. Most people, whether the hon. member agrees with it, look primarily to the provincial government as the government that delivers the programs and services that mean something to them.

The other thing he implied in his speech is that the federal government does a better job of managing things. Let us take some exclusive areas of federal jurisdiction, such as the fisheries. We almost have more people involved in the fisheries today than we have fishers, and the fisheries are almost dead. Let us look at aboriginal policy, national defence, Air Canada and the air transportation system across the country. Let us look at our national parks. The roads are terrible. The drinking water on our reserves is pathetic. These are areas of exclusive jurisdiction of the federal government.

Why does the member and his party always knock the democratically elected provincial governments, with which most people feel far more comfortable than this four year elected dictatorship under the Liberal regime?

**Mr. John Bryden:** Mr. Speaker, I am not knocking the democratic process whatsoever but the reality is the municipalities look after their very local interests and provinces look after the regional interests. The difficulty is we have to have somebody with the money who will look after the national interests and come to the rescue when provinces or regions are in trouble.

I submit to the member a classic example that the roads are in dreadful shape in Saskatchewan. It is a crisis in Saskatchewan and the Saskatchewan government cannot afford to repair them. It is just a desperate situation.

I would submit to the member, if we followed the motion and gave the money to the provinces, on a provincially divided basis,

### *Supply*

does he think Alberta would come to the rescue of Saskatchewan and its roads? Does he think Ontario would spend in Saskatchewan to save the roads?

It is the same thing down in Nova Scotia. There are severe highway problems in Nova Scotia and recently, in the last few years I have been in the House, federal money went to improve highways in the corridor between Nova Scotia and New Brunswick. This was federal money. Because these are poorer provinces, they could not afford it.

What it all boils down to is we have a national government that does not only look at the national interests, and I talked about the Trans-Canada Highway, but that also can plunge in there and attend to the very local interests where those regions of the country cannot afford to look after themselves.

I am sorry, but the record of municipal and provincial governments is that there is always an element, and I do not say this disparagingly, of fiscal selfishness. In my own region, my own city of Hamilton looks to getting the cash to look after itself and it is not looking beyond its borders. That is the case.

Others have mentioned the fact that with this motion there would probably be internal civil war between the cities in the various provinces taking this money at the expense of the rural municipalities. As I say, if there is a poor region in the country that cannot afford or does not have enough cash to attend to an essential infrastructure, it would be helpless.

• (1600)

**Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Canadian Alliance):** Mr. Speaker, the hon. member who spoke said that he thought the federal government should not give away the ability or the right to tax. However, I would point to section 91 of the Canadian Constitution which states:

It shall be lawful for the Queen, by and with the Advice and Consent of the Senate, the House of Commons, to make Laws for the Peace, Order, and good Government of Canada, in relation to all Matters not coming within the Classes of Subjects by this Act assigned...to the Legislatures of Provinces.

Section 92 states:

In each Province the Legislature may [make certain] Laws in relation to Matters coming within Classes of Subjects next hereinafter enumerated.

Item 2 states:

Direct Taxation within the Province in order to raise money for a Revenue for Provincial Purposes.

The courts have provided that what this means is the provinces have the exclusive right to impose direct taxation to raise revenues for provincial purposes.

This has been challenged in the courts and upheld. The federal government is actually taxing the use of provincial jurisdiction. It is quite possibly an illegal tax. The government is coming in to individual provinces, like British Columbia, taxing the use of our highways, which is a provincial jurisdiction, and putting back a pittance.

*Supply*

Therefore why do we want the money left to the provinces to tax because: (a) it is their right; and (b) we would not mind if the federal government did it if it put some of the money back. Out of \$5 billion, it puts \$300 million for the whole country. It is shameful. It is criminal. Something should be done about it and that is what we are trying to do.

**Mr. John Bryden:** Mr. Speaker, the gasoline taxes we are talking about are federal taxes, the excise tax and the GST. If the member feels that a province ought to raise the provincial tax it charges on gasoline, it should do it: double it, triple it. It does not matter.

However do not ask the federal government to surrender a federal tax that we need in order to run the country, to guarantee the fuel supply. This argument that gasoline tax should be only used for roads ignores the fact that the money the federal government collects through excise tax is used to fund the military, to guarantee the supply of oil from the Middle East, to guarantee that we have the ability to create trade across the border.

The federal government has all kinds of obligations that indirectly impinge on where that oil comes from, how it is turned into gasoline and how it fuels the country. To suggest that the federal tax collected on gasoline should only be used for road infrastructure or infrastructure is that we can make the same argument that the provincial tax collected on gasoline should be used to subsidize the military. We need helicopters, we need all this kind of thing. Why is the provincial government not doing that? It is just crazy.

I will not go on any further. With all respect to my colleague, I do not think the answer merits any greater exposition.

[*Translation*]

**Ms. Jocelyne Girard-Bujold (Jonquière, BQ):** Mr. Speaker, I am surprised, shocked and upset by what the member across the way said. It was like a step back to the 1930s. It was all about federal supremacy and the servitude of the provinces. That is even lower than what Trudeau used to say.

That is not what we are talking about today. We are talking about an Alliance motion that seeks to remove the 1.5¢ that was levied in 1995 to cover the deficit. In 1998, the former Minister of Finance said that the objective had been reached. There is no reason for this tax still to exist.

We would agree if they stopped there. However, they are saying that it is conditional on the provinces allowing their jurisdictions to be trampled on and there being additional taxes.

From Quebec alone, the federal government collects \$4.7 billion in excise tax. What does it do with this money? Nothing. We do not know what it does with this money. It is a tax grab.

There have been negotiations in the past on infrastructure. There have been two agreements. Quebec was prepared to renew the agreement, but the government thought it did not have to do anything with the money it takes out of the taxpayers' pockets.

Is the hon. member from the Liberal party going to sit down with people and discuss facts or is he going to make things up?

• (1605)

[*English*]

**Mr. John Bryden:** Mr. Speaker, my reaction is simply this. I think the federal government, if it is ever going to see the Trans-Canada Highway repaired in Quebec, it will never be able to rely on the provincial government in Quebec because it will not do it simply because it has a little sign beside the road as one goes on the Trans-Canada Highway from New Brunswick. It is a little maple leaf, Trans-Canada Highway. I submit that if were it not for the fact that the federal government reserves the ability to fund infrastructure in the provinces, to make the decisions, the road would never be fixed.

I would also like to point out to the member who just spoke that in the Charlottetown accord one of the provisions in the accord was to devolve in the provinces labour market training. While the Charlottetown accord never passed, this government did devolve on Quebec labour market training, the exclusive jurisdiction on labour market training. What happened? After a couple of years under the provincial jurisdiction and it was a total mess. The member has to acknowledge that the province failed when it took the responsibility.

**The Acting Speaker (Mr. Bélair):** We are somewhat straying away from the subject. Resuming debate, the hon. member for Nanaimo—Cowichan.

**Mr. Reed Elley (Nanaimo—Cowichan, Canadian Alliance):** Mr. Speaker, I will be sharing my time with the member for Kootenay—Boundary—Okanagan.

It gives me a great deal of pleasure to join in today's debate on the official opposition supply day motion. I believe that the motion is a pertinent one for people living in all parts of Canada, whether they are located on one of our coasts, on the Prairies, or here in central Canada itself.

Every Canadian wants value for their money, whether it is the purchase of a new product or the use of their tax dollars. Although most Canadians would be surprised to come to this realization, the Liberals have not been investing federal gas tax dollars in our country's roads.

I find it ironic that the past finance minister and now the alleged prime minister in waiting, the member for LaSalle—Émard, could have implemented gas tax reforms long ago; unfortunately he only let Canadians down and did not bring in these changes when he could have.

How much money are we actually talking about? What is the real financial impact of the motion? According to the Canadian Taxpayers Federation, in the year 2001-02 Canadian motorists paid \$6.95 billion in gas taxes and GST on gas. The federal gas tax combined with the GST cost the average Canadian \$220.66 last year. This equates to 35% to 45% of a consumer's total at the pump. Conversely, U.S. gas taxes in total are roughly 25% of pump price.

Of all the gasoline taxes the federal government collects, only 2.51% is invested back into roads, roads that the businesses of my riding and every other riding in this country depend on. Roads affect us all, every business, every tourist and every commuter, and yet for all the wear and tear that is borne by the road system the federal government chooses to rip off the consumer and ignore this depleting resource.

I believe that a larger portion of the collected gas tax should be used to support this kind of infrastructure. While Ottawa spends a mere pittance of the gasoline taxes that it collects on road infrastructure, 91.6% of all provincially collected fuel taxes is invested into transport related infrastructure projects. In comparison to our neighbours to the south, 84% of the U.S. federal fuel taxes is earmarked for specific highway improvements.

I want to spend a couple of minutes talking about what my constituents of Nanaimo—Cowichan have clearly told me on this issue. Their concern over the feeling of being ripped off by paying too much in gas taxes and seeing little or no return into the infrastructure is becoming almost too much to bear.

Let me explain this a bit further. During the month of April, I noted the range of gas prices across Canada and specifically on Vancouver Island. I had heard from many of my constituents from Nanaimo—Cowichan who were as baffled as I was over the wide range of gas prices all across this country, this during a time when some of the big oil companies were posting record-setting profits for the first quarter of 2003 and the federal and provincial governments were reaping enormous tax windfalls. All hon. members need to remember who is paying for these corporate profits and the government windfall. All of these moneys are coming from the same pocket, the pockets of the consumers, our constituents.

Gas prices all across Canada vary a great deal. Although there is a wide range in each province, during April when I was specifically following this issue consumers in Ontario were paying as little as 60.7¢ per litre, in Alberta they were paying as low a price as 61.2¢, and on the B.C. lower mainland 65.7¢. This is the average price. Members may be surprised to learn that my constituents, the people living on Vancouver Island, in that time period were forced to pay from 77.9¢ to over \$1 per litre.

Given all the excuses for this price range that consumers have heard in the past, none of the reasons really ring true. I believe there is a very serious price discrepancy that is affecting each one of us every time we fill up our gas tank.

• (1610)

This government has been boasting about the Kyoto protocol. I note that the Minister of the Environment still has not produced a comprehensive plan for all Canadians to review, and this is several months after the signing of that protocol.

While the government is taking the vast majority of gas taxes and using it for virtually everything but infrastructure, I note that most people on Vancouver Island do not have easy access to convenient transit and rely heavily on their vehicles. In spite of this, they are paying among the highest prices in Canada for fuel and therefore paying an extraordinary amount in taxes, yet they are being forced to

### *Supply*

drive their vehicles on a deteriorating infrastructure. Something is not right here.

I have taken the time to write to all of the CEOs of the major petroleum companies in Canada. I have asked them to explain and justify from their perspective their company's position specific to the gas prices that my constituents have been forced to endure through no fault of their own. I believe that these CEOs need to explain the rationale of why the prices in one region of the country are so disproportionate to prices in another. I must say that, after months, to date I have not yet had the pleasure of one reply from any CEO.

In turn, I feel that the same question I have asked is equally applicable to the federal government. The federal government must account for its share of the price of gasoline through its taxes.

Frankly, my constituents are very upset about this matter. It is easy for the government to talk about transparency and accountability, but to date we have not really seen it. It would be nice to see the government walk the talk once in a while.

My colleagues from the Canadian Alliance, as well as members from other opposition parties, have noted many different facts in their presentations here today on this opposition supply day motion. Here are just a few that I would like to add to the debate.

Fact number one: Ottawa spends only a very small portion of its shared gas tax revenues on Canada's roads. Fact number two: in the last 10 years, and in spite of the influence that the prime minister in waiting has had over the federal budget, the federal excise tax on fuel has increased by 33%. Fact number three: Canadian gas taxes are twice the rate of the U.S. gas taxes.

These and many other facts are indisputable. It is undeniable that while huge sums of money have been raised from federal gas taxes, little goes toward the upkeep and maintenance of these roads. It has been estimated that Canada's roads require \$17 billion in infrastructure repairs.

Canadian Alliance policy states:

We will ensure that taxes which are imposed for a specific purpose should be used for that purpose alone, should be removed once no longer required, and not be allowed to be put toward general revenue.

Mr. Speaker, does that not make simple common sense to you?

In keeping with this policy, there is a Canadian Alliance solution. The Leader of the Official Opposition recently stated:

What we are proposing instead is that the federal government permanently vacate a portion of the federal gas tax—say three to five cents a litre—and allow provinces the option of collecting that revenue. In order to ensure that this money is not used for other purposes, the transfer of these revenues to provinces and on to municipalities would be conditional on signed agreements that these resources would be used for infrastructure.

### Supply

Some of our colleagues, indeed my last colleague from the Liberal Party who spoke, indicated that somehow this policy would be divisive across the country, that it would not be conducive to bringing the country together, that somehow the Canadian Alliance was a regional party that has no interest in the whole country. May I suggest that he is totally wrong and that he needs a little lesson in history? Unlike the Bloc Québécois, which came to the House with the idea of tearing the country apart, the slogan of the Reform Party, the predecessor of this party, was “the west wants in” and it wants in to this country to make it better. We believe that the sharing of revenues across the country from a tax that should be dedicated from gasoline taxes to repair infrastructure across the highways of the country is a way of keeping the country together and not tearing it apart.

Canadians are paying too much for gas, largely because of the excessive federal taxes the government has imposed on all consumers. The solution is simple: reduce gasoline taxes and strike an agreement with the provinces for the creation of a fund to be used by provincial and municipal jurisdictions for infrastructure and the repairing of the roads across our country.

• (1615)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I wish it were as easy as the hon. member suggests in terms of being able to do a reduction of a tax and hope that the provinces will in fact buy into it. The problem again is that municipalities—

**An hon. member:** A signed agreement.

**Mr. Bryon Wilfert:** The hon. member obviously already knows the answer.

The problem is that municipalities are corporations that are creatures of the provinces. I do not particularly like that term but that is the term they use. The fact is that any revenue sharing program between the federal government and municipalities would be subject to provincial control of municipalities. Again there is no guarantee the moneys are going to go where we want. In Quebec, for example, legislation prevents municipalities from entering into any direct relationship with Ottawa.

We have no assurance that revenues transferred would in fact go to municipalities, even in agreements. I would point out to the hon. member that we have agreements where we transfer moneys in health care. The difficulty is that the moneys do not necessarily go to regions within provinces where needed.

My own community would be a good example. It is the fastest growing community in Ontario and probably one of the fastest growing in the country and again it is not getting the dollars it needs because when the funds are transferred it is up to the provincial governments and they seem to know best.

I think what the member does want to say, or has said, is that the west wants in. Yes, that is why the government dedicated \$65 million to improvements on the Trans-Canada in Saskatchewan and \$202 million to Vancouver through the strategic infrastructure fund. I think those are the kinds of programs that get to cities.

Under the strategic infrastructure and national infrastructure programs we know they are municipally generated programs and they get to those cities. How can the member guarantee that they will get to the municipalities under the Alliance proposal?

**Mr. Reed Elley:** Mr. Speaker, again I want to follow up on what my hon. colleague from Ancaster—Dundas—Flamborough—Aldershot said, and now the member who has just spoken, about the need to have a government that truly listens to all the interests across the country.

I want to suggest that the government has done more to divide the country across the nation in the last 10 years than it has to bring it together.

Why would we have in this Parliament such a regionally divided House of Commons if the government has the ability to sit down and strike deals and agreements with the regional interests of the country to actually keep it together? If the government wants to truly be seen as a conciliatory kind of government that unites the country from coast to coast, it has to work very hard at sitting down with the provinces, with the municipalities and with the regional interests of the country to truly make something like this work.

There is no reason why it could not work, but unfortunately the government has created such a culture of distrust across the country between the provinces and the federal government that it is almost impossible to do something like this.

We need a government that will truly bring the country together, not one that continues to divide it.

• (1620)

**Mr. Bryon Wilfert:** Mr. Speaker, I have to take exception to the last comment made by the hon. member. The national infrastructure program is signed between the federal government and each individual province. I would ask the hon. member, if in fact we such distrust why since 1994 have we had three very successful national infrastructure programs in which we have come to agreements with each and every province?

The only difficulty, I would point out to the member, is that of course in each province the program may vary to a degree based on whatever that province wants, not necessarily what the cities in those provinces want. I can give examples in places like Saskatchewan, and in British Columbia back in the early 1990s under the NDP they had buses showing up in their cities that they had never ordered. I would ask the hon. member if that is not a good example of cooperation in terms of having to sign individual agreements.

**Mr. Reed Elley:** Mr. Speaker, I would agree that there has been a great deal of difficulty with the federal infrastructure program in terms of actually delivering the money to the provinces and then to the municipalities for the kinds of projects that municipalities really want.

I would certainly agree that when the NDP was the government in British Columbia there was a huge problem with this. I recall quite vividly that example that the parliamentary secretary used.

*Supply*

When I sat down with my local councils, one of their big concerns with the infrastructure program as it was being devolved from the federal government down to the provincial government to the municipal governments was that there was not any kind of agreement hammered out between the federal and provincial governments to streamline the actual requests so that municipalities got what they needed and did not get buses for Vancouver.

**Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Canadian Alliance):** Mr. Speaker, I am pleased to speak to the supply motion today and perhaps point something out to the Liberal members across the way. In November of this year there will be a coronation. The Liberal Party will be crowning a new king and, unless something very unexpected happens, it will be the former finance minister, the member for LaSalle—Émard.

What I would like to read to the House today is a portion of a transcript from the transport committee on December 4, 1996. The conversation was between myself, as a member of that committee, and the former minister of finance, the member for LaSalle—Émard, who will soon be the Prime Minister. Liberal members across the way might do well to listen and understand the position that was stated by the soon to be prime minister. We were talking about the concept of dedicated revenues with the gas fuel tax, the very thing we are talking about here again today. I addressed the former minister and said:

You yourself said today that the federal government spends about \$300 million a year on highway infrastructure, but from my province of British Columbia alone you take almost three times that in federal fuel taxes. The provincial governments have a role to play in that, but the role we have to look at is ours.

Now, I believe what you said is correct. We can't just suddenly say sorry, we're going to dump that, about \$5 billion altogether, into a dedicated fund. But we have to start. I think it is the right way to go. If the economy were better, then I would say yes, we have to transition fast. You're correct, the economy is very fragile, so we have to transition slow, but I still think it's the right way to go and we should try to start something along that line.

Would you agree we should at least examine the possibilities of starting something on that concept, even if out of the 10¢ it's 1¢ or 2¢?

The following is the response from the former minister, soon to be prime minister:

I must say I have probably a lot more difficulty with the concept of dedicated taxes having been the Minister of Finance for three years than I did when I was in opposition, because there is no doubt a certain warping of the mind occurs when you get this job.

My response was:

I always wondered what happened.

The former finance minister then went on to say:

Nonetheless, I think your question is a very valid one, and the way you put it is very good. The fact is it is really not something we could contemplate doing now, simply because I think the most important thing, and I know you agree, is to solve our fundamental financial problem and we really should not limit our flexibility at this time.

Now, you're suggesting that what we might do, given that problem, is to start very small and build on it, if I understand what you have just said.

I guess my answer to you...would be that you put the question well. there will come a time when we will have more flexibility and your suggestion is one we could perhaps consider. But I must say we would have to be generating, from my point of view, reasonably substantial surpluses before I would want to entertain the concept. Let me be very clear to you, because I think you've put the question in the proper tone, and that's the way in which I would want to respond.

I then said to him:

One of the things we've looked at, and it's been brought up by witnesses and we've examined it ourselves, is cause and effect. If you spend the dollar now, even though it's pretty hard to find that dollar out of all the commitments we have for our money, we might save an amount that is in excess of that dollar plus interest, as it impacts on our overall financial picture, by doing a relatively minor repair to something that will require major replacement. This is a very clear message that we have got from a lot of people.

I know you need every dollar you can get. I understand that. But by the same token, if \$1 collected causes \$3 worth of trouble, maybe we should be re-examining those things in all of these contexts, the dedicated funding for highways and a possible reduction to fuel taxes for the rail system.

• (1625)

The soon to be prime minister responded by saying:

The reason my original answer to your question was that we might be in a position - we're not in a position to examine it now, but we might be in a position - to examine it at a time when we're generating substantial surpluses is simply that you're not wrong when you say, look, if you spend a dollar now you might well save yourself \$5 down the road. It's not that you're wrong in that at all.

What I would really say to you, however—and I think this is going to be very important—is that there is going to be second stage of the financial debate in this country when we go beyond the deficit to start talking about the debt-to-GDP ratio, the debt as a percentage of our gross domestic product. At that point the argument you're bringing forth is going to become very important.

I'm sorry to take so long, Chairman, but I think [the member's] questions are very good. I guess it's a function of timing.

That was said on December 4, 1996. We are now in the year 2003. The deficit is gone. The fund for the fuel tax, a tax which was put on in order to help fight the deficit, is still there. We did not say then and we are not saying now that all that money should be turned over.

As I said earlier to the member who spoke from the Liberal side, there is a possibility that it is not even legal for the federal government to collect taxes on something that is a provincial jurisdiction. Section 92 of the charter states:

Direct Taxation within the Province in order to the raising of a Revenue for Provincial Purposes.

The courts have interpreted that several times to mean that the provinces have the exclusive right to impose direct taxation to raise revenue for provincial purposes. In other words, the federal government retains exclusive right to oppose direct taxation to raise revenues for federal purposes.

If the government is raising taxation to create highways inside the national parks, which was the question raised in question period today with regard to Banff National Park, then there may be some justification for something in proportion to that amount of highway that is on federal property and for which it is responsible, but all the rest is the responsibility of the provincial jurisdiction and, as such, taxes imposed on those who are using that provincial infrastructure should not go to the federal government.

I will stop with that. There have been many points of view expressed here today. However the government is cash crazy. It seems to want money from every source. It has never seen a tax it did not like. Once it starts one, no matter how temporary it was intended to be, it never gives it up. If it just simply gave up the amount that it has said in the past was put on specifically to deal with the deficit, the deficit which we no longer have, that would be a very good start.

*Supply*

•(1630)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I certainly would like to make a comment. With regard to the fact that this government is tax crazy, according to the hon. member, this is the government that brought in a \$100 billion tax cut over five years. This is the government that is eliminating the capital tax. This is the government that continues to pay down the national debt, the only G-7 state to do so, and eliminate the national deficit of \$42.5 billion.

On the question about what we do with tax dollars, we have made major investments in health care. In terms of infrastructure, even the member would be able to recognize that when we started the national infrastructure program, and now have come up with a 10 year program, and, in fact, brought in the strategic infrastructure program, we clearly have used tax dollars in conjunction with the priorities of the cities, towns and villages in Canada. They are the ones that direct what is going to be done, not the federal government and not the provinces.

The concern I have is that the member would turn that over to the provinces when it should be the cities, towns and villages that are the ones to do it.

The problem constitutionally is how to get a mechanism. I have not been able to get a mechanism established from any of the hon. members of the Canadian Alliance as to how they would do this given the fact that municipalities are corporations created by the provinces.

Therefore, with regard to any revenue sharing programs, we would almost have to go in and get them to come up with some kind of formula for some tax ability at the local level. If the member wants to really do this and empower the cities, the easiest way would be for the provinces, which have the ability, to give the municipalities more taxation power. I agree with that.

I do not understand why members of a party who believe in accountability on taxation, or at least they tell me they do, would rather have one order of government take money that it raised and have somebody else spend it with no accountability. I would like the member to respond to that.

**Mr. Jim Gouk:** Mr. Speaker, I am happy to respond to some of the drivel that came out of the hon. member on questions and comments.

I cannot believe the unmitigated gall and arrogance of the federal Liberal Party to suggest that it knows everything, that it has all the right answers and that my province of British Columbia cannot make a sound financial decision. I do not accept that at all and I can tell the member that the people of British Columbia do not accept it. I am sure the people of the other provinces would be equally insulted with those unrealistic remarks.

The member talked about how the government dealt with the debt and the deficit. It has dealt with the debt and the deficit. We have had 67 tax increases under the government.

The government has bragged about how it has dropped the EI premiums by 11¢ but it does not talk about how at the same time that

it lowered EI premiums it raised CPP premiums by 65¢. This is Liberal math. It is absolutely unbelievable.

The government says that we should at the provincial level give tax points to the municipal governments and yet the member says that it is absolutely wrong that we ask exactly the same thing from this level of government back to the provinces at a time when this government is gouging those provinces.

**The Acting Speaker (Mr. Bélair):** Please tie up debating taxes with infrastructure.

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Mr. Speaker, that was an excellent speech by my Canadian Alliance colleague from British Columbia who is an excellent MP.

The government has this 10 year infrastructure program. I come from Saskatchewan and, generally speaking, it seems to me that the federal government is invisible in that province with its programs. The government seems to fly right over the province.

My concern with the 10 year project that the government is talking about is whether there will be some equitable distribution of funding to the provinces from coast to coast with the program. Would my colleague comment on whether he has any knowledge about how this program will be administered? Will it be fair and equitable to all the regions and all the provinces of the country?

•(1635)

**Mr. Jim Gouk:** Mr. Speaker, I am not about to stand up and suggest for one moment that any program brought out by the Liberal government will be fair and equitable. The intention may be to start that way.

I am sure when the government passed Bill C-68, the firearms registry bill, it thought it would be fair and equitable. It was going to cost \$2 million but it has cost \$1 billion.

I shudder every time the government comes up with some new program. The program will run over the amount budgeted. It will not work the way the government says it will. It will go for patronage type, pork barrel projects where the government thinks it can buy a vote. In fact, that is usually what the government does with tax money. It does not look at it and ask where the infrastructure needs to be fixed. It looks at it and asks where that money can be used to buy a vote.

**Mrs. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, I will be splitting my time with my hon. colleague from Ottawa—Orléans. I am extremely pleased personally to add some detail to the extent to which the government is helping municipalities develop infrastructure investment.

The government's track record in this area is something of which we all can be very proud. The Government of Canada has long recognized that investment in infrastructure is vital to the quality of life of Canadians. It is vital to our economic growth and to our competitiveness as a nation.

*Supply*

All of this helps make the case with regard to cities and municipalities across Canada. One of the first steps the government did when it took office in 1993 was to put in place a \$2 billion municipal infrastructure program, the Canadian infrastructure works program. This was our largest new spending initiative as a government and we did this in a time of very severe fiscal constraints.

In 1997 the government extended a very successful program by providing an additional \$425 million. These resources helped involve partners, mainly the provinces and municipalities, in the Canada infrastructure works program. This program stimulated \$8.3 billion in infrastructure investment in over 17,000 local infrastructure projects. These communities spread right across Canada and they created jobs during a period of very slow economic growth.

The next federal investment and commitment to municipal infrastructure was made in budget 2000. That is when we introduced \$2.05 billion in the infrastructure Canada program. This is consistent with the priorities of Canadians. The program focussed on green municipal infrastructure, projects such as water and waste water treatment, solid waste management and it also went to improve the quality of our environment as well as contributing to our national goals of clean air and clean water.

Federal investments totalling \$1.1 billion have been announced providing funding for 1,500 green projects, again mostly water and waste water systems and to almost 900 projects to improve cultural, tourism, recreation and urban facilities. Local transportation has been invested in as well as social housing. These are particular issues in my community.

With resources from provincial and municipal partners, 2,400 projects which are worth more than \$4.4 billion are being undertaken. While there is no doubt that the infrastructure Canada program is having a very positive impact on municipal infrastructure, it has become increasingly apparent that this program may not be the best instrument when responding to very large scale strategic infrastructure needs across the country. This includes those located in Canada's major urban centres or answering the increasing trade pressure that is happening at key border crossings.

To deal with these large scale projects of regional and national significance, in 2001 the government introduced the Canadian strategic infrastructure fund with an initial \$2 billion investment in funding. In August of last year the government announced the key parameters in order to roll out this fund. Since that time the government has made firm commitments to a number of projects in cities, most notably new sewage treatment facilities in Halifax and St. John's and the expansion of the Vancouver Convention Centre. Money has gone to support urban transit in the city of Toronto. It has helped invest in ring roads around Edmonton and Calgary and it has added to the expansion of the Winnipeg floodway. There are more announcements to come in the coming months.

In the last Speech from the Throne, the Government of Canada committed to an additional 10 year involvement in public infrastructure. Budget 2003 confirmed this commitment and provided a down payment by way of an investment of \$3 billion to continue to address strategic and municipal infrastructure needs right across Canada.

● (1640)

In the budget allocation that just passed, the \$2 billion committed will go to the Canadian strategic infrastructure fund and will address the large scale infrastructure needs, including those located in Canada's major urban centres. The further \$1 billion committed will help meet smaller scale municipal needs.

I know that these investments will continue to make differences in cities, in municipalities, in rural and remote communities right across this country. We have a strong partnership with provinces, territories, municipalities and the private sector. We understand the different needs and priorities across the country. We understand that municipalities need to upgrade their basic infrastructure. That is why we are supporting Yellowknife in replacing sewer pipes and Trois-Rivières in repairing sewer systems and Ritchot by improving the drinking water treatment plant.

Cities and municipalities are places of constant evolution. The needs of those places evolve as populations grow. That is why we are helping Innisfail, Alberta upgrade its water system five years earlier than originally planned. This will allow its infrastructure to keep pace with the growth of the town. It is also why we are helping the residents of Cornwall, P.E.I. to improve their recreational facilities. This is to accommodate the changing needs in the surrounding area. This contributes to the quality of life and helps make those good places great places to live and to work.

We are also funding projects such as GO Transit in the Golden Horseshoe, Highway 30 in Quebec, and the Vancouver Convention Centre in B.C. In these projects we see a federal response to cities' needs to support environmental objectives in mass transit or the national trade corridor—and this applies directly to my riding, even though we are several hours drive from the border—and to support the tourism sector. These are key components of Canada's economy.

Our border infrastructure fund with \$600 million in funding is being used to help cities and municipalities respond to their evolving role in the Canadian economy. The importance of our trading relationship with the United States in a post-September 11 world has demanded new responses. We have to ensure that the key trade corridors work efficiently. When those corridors pass through border cities, we have to ensure that they do not imperil the safety of the residents of those cities. That is why we are supporting border infrastructure improvements in Windsor and Niagara Falls.

### Supply

The government's commitment to infrastructure is firm and longstanding. Through its numerous investments in municipal and strategic infrastructure, the government has shown a strong commitment to cities. This was a position and a commitment that the minister responsible for infrastructure reiterated late last month before hundreds of mayors and municipal officials in a meeting in Winnipeg.

Since 1993 the government has provided over \$12 billion in investments in the nation's infrastructure to address local and regional needs and to meet our national economic, social and environmental objectives.

Partnerships with provincial, territorial and municipal governments as well as with the private sector in these programs have reached over \$30 billion of investment in infrastructure right across the country. These partnerships are crucial, as we need to invest not only in light of our national priorities, but always with a view to local, regional and provincial priorities as well. I speak of this as a former regional and municipal councillor.

It is the kind of partnership that we have formed that has allowed investments in things like the Waterloo Research and Technology Park. It has allowed for a bridge to be repaired in Wellesley, the redevelopment of the Cambridge Riverside Silk Mills and the construction of a new Kitchener market. These are local priorities that were identified locally and we have helped make them happen through participation and through partnership by the federal government. We understand and we have a mechanism that responds to what municipalities and provinces tell us they need.

● (1645)

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, I listened to the member for Kitchener Centre talk about the infrastructure program that was introduced by the Liberal government in 1994. I know there are a lot of Liberals applauding across the country because they are the ones who seem to benefit the most from it.

In fact it was very interesting. The member talked about how good the infrastructure program is. Most people think of infrastructure as being things like roads, streets, airports, water and sewers, but there seem to be a lot of bocce courts that were funded under the Liberal government. In fact the fairness aspect seemed to be sorely lacking. I recall that the member from Winnipeg, Lloyd Axworthy who was a minister at the time, seemed to get about three times as much money in his riding as I did in my riding of Peace River, and there was no shortage of applications.

Would it not be better to move to a system that did away with the political interference with infrastructure programs that are paid out on a political basis? Would it not be better to give some structure to the municipalities so that they could count on a constant source of revenue such as the gas tax coming from the provinces and given up by the federal government? Would that not be a far better program to implement rather than the politically based infrastructure program we have seen in the past?

**Mrs. Karen Redman:** Mr. Speaker, I appreciate the attentiveness with which my hon. colleague listened to my comments.

I would also reach back into my past and tell him that I was a school trustee during the first Toronto infrastructure program, so I have seen it from several views. It seems to me that he is casting a little doubt on the faith that municipalities and provinces can identify what their local priorities are. I can say from experience that these bodies are very capable of expressing what concerns they need to have met. They are very capable of prioritizing those needs. Two budgets ago when we invested in the green enabling fund that was disbursed through the Federation of Canadian Municipalities, we on this side of the House demonstrated that we do recognize the value and the appropriate input that can be made by other levels of government.

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, I listened with great interest to the hon. member's speech and the facts do not play themselves out. I do not blame the hon. member; I think she has a canned speech.

I want to ask a question specifically on the Windsor gateway action plan. There was a government program set up between the federal and provincial governments, including a 60 day committee which took eight months. They deliberately kept the municipality out of the process so there was no partnership there.

Their recommendations are to work with two private proponents for a border crossing. They are not supporting the municipality's own border crossing, being the tunnel. They said they will work with the city to help do its own plan for the tunnel but will not provide funds for it, but they are going to provide funds for private corporations, the privatization of roads and services, with public money of \$300 million.

They also left out the ferry service. The ferry service is a proposal that actually works to get trucks carrying hazardous materials off city streets so the municipality does not have to police them.

My question quite specifically is why was the municipality left out of the process? Why, unlike the private proponents, is it not going to receive money for its actual programs?

● (1650)

**Mrs. Karen Redman:** Mr. Speaker, I guess there needs to be an acknowledgement that any time any level of government enters into a partnership, it does change who holds the levers of power. I would agree with my hon. colleague across the way that all options should be on the table. This is a very important initiative and everybody should have full participation.

I obviously do not know the level of detail to which he is speaking. I would say that in any municipal infrastructure program with which I have been involved, and I have certainly been at larger regional meetings that involved mayors from cities right across southwestern Ontario to talk about these very issues, they have been consulted with quite broadly.

[Translation]

**Mr. Eugène Bellemare (Ottawa—Orléans, Lib.):** Mr. Speaker, I am pleased to have this opportunity to address the motion put forth by the hon. member for Port Moody—Coquitlam—Port Coquitlam.

While I appreciate his concern, and commend him for bringing this matter to the attention of the House, I am unable to support his motion.

Does the hon. member not realize that there are many demands today on the government's scarce resources, not just his? I would hope that he realizes this, because it is important for the government to remain firmly committed to sound financial management and fairness in the tax system.

The government intends to continue to follow a balanced approach to managing the wide range of priorities and pressures facing it, as exemplified by measures in the 2003 budget, which I will discuss in a moment

Since the beginning of our mandate back in 1993, two of the government's ongoing priority areas continue to be sound financial management and fairness in the tax system. Balancing these two equally demanding commitments has been a challenge for the government. It would appear that my hon. colleagues opposite have not been paying attention to any of the tax measures our government has consistently introduced since 1993.

The government is fully aware that better economic performance for Canada tomorrow requires a more productive, innovative and sustainable economy today. Our tax system plays an important role in creating a stronger, more productive economy

An efficient tax structure can enhance incentives to work, save and invest. It can also support entrepreneurship and the emergence and growth of small businesses. In addition, a competitive tax system is critical in encouraging investment in Canada, which leads to greater economic growth and job creation.

That is why the government launched a five-year \$100 billion tax reduction plan—the largest in our history—which has strengthened the foundation for economic growth and job creation in this country, and helped low and middle income Canadians at the same time.

Need I remind hon. members that, in the course of preparing the 2003 budget, the Minister of Finance was advised by Canadians that his budget must be more than the tallying of accounts. The budget must reflect the sum of our values as well.

The budget the minister presented to this House in February meets this challenge in three arenas of national life:

First, it builds the society Canadians value by making investments in individual Canadians, their families and their communities.

Second, it builds the economy Canadians need by promoting productivity and innovation while staying fiscally prudent.

Third, it builds the accountability Canadians deserve by making government spending more transparent and accountable.

Just as important, the government is able to meet these challenges and pursue significant new investments, but without risking a return to deficits, because of our continuing commitment to sound financial management.

Exactly as I just explained, Mr. Speaker, we cannot support this motion because of the many demands on scarce government

### *Supply*

resources and because of our commitment to sound financial management.

Our commitment to fiscal responsibility is real and rigid—not just rhetoric—as demonstrated by the fact that we have already delivered five consecutive surpluses, a \$47 billion reduction in the federal debt, the \$100 billion tax reduction plan, and in our latest budget a \$34 billion investment in health care for Canadians.

In Budget 2000, the government introduced its five year \$100 billion tax reduction plan, the largest tax cut in history. The 2003 budget builds on the plan to further improve the tax system and enhance incentives to work, save and invest.

• (1655)

The plan continues to deliver growing tax relief—about \$24 billion this year, and \$30 billion in 2003.

Let me expand on this a bit. For example, 75% of the tax reduction plan was focused primarily on personal income tax deductions. Federal personal income tax reductions under this plan are 21% on average and 27% for families with children.

Key elements of this plan include: full indexation of the personal income tax system as of January 1, 2000; lowering personal income tax rates for all taxpayers; eliminating the deficit-reduction surtax; and substantially increasing tax support for students in post-secondary education.

We have also created a Canadian advantage in the area of business taxation. The government legislation a 7 point reduction in the general rate of corporate tax from 28% to 21%. For this year, the rate has already been reduced to 23% and will fall to 21% in 2004.

Honourable members will recall that we recently debated Bill C-28, the Budget Implementation Act, 2003, here in this chamber. That bill contains several measures that improve the tax system, many of which are directed at helping families with children.

There is no more important investment that we can make than in the opportunities we create for our children. Through this bill, the 2003 budget strengthens our long-standing commitment to Canadian children and families in several key areas.

First, annual assistance for children in low-income families is increased through the Canada child tax benefit to \$10 billion by 2007—with annual benefits increasing to \$3,243 for the first child, \$3,016 for the second child and \$3,020 for each additional child.

Second, in recognition of the fact that caring for children with severe disabilities imposes a heavy burden on families, a new indexed \$1,600 child disability benefit, effective July 2003, will provide additional assistance of up to \$1,600 annually to low and modest income families with a disabled child.

### Supply

Third, \$80 million per year is provided to enhance tax assistance for persons with disabilities, drawing on an evaluation of the existing disability tax credit and the input of a technical advisory committee.

The budget also adds to—and builds on—tax measures introduced in previous budgets to provide support to persons with disabilities.

More infirm children or grandchildren will now be able to receive a tax-deferred rollover of a deceased parent's or grandparent's RRSP or RRIF proceeds, and the list of expenses eligible for the medical expense tax credit is expanded to include, for example, certain expenses for the incremental cost of gluten-free food products for individuals with celiac disease.

Canada's high calibre workforce also deserves the support of a competitive tax system, a fact not overlooked by the tax reduction plan. The 2003 budget further improves the tax system through incentives to save and invest, to help small and medium sized enterprises and boost Canadian competitiveness.

For example, to promote savings by Canadians the budget increases registered retirement saving plan and registered pension plan limits to \$18,000 over four years and indexes these new limits.

● (1700)

However, I urge my hon. colleagues to remember that any new tax measures must be done in concert with our commitment to sound financial management. We have to ask ourselves, what other commitment would we have to give up to pay for the proposal before us today? As the minister said in his budget speech, we will not go back into deficit.

I am unable to support this motion and I encourage other hon. members to follow suit.

[*English*]

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, I will be splitting my time with the member for Regina—Lumsden—Lake Centre.

It is a pleasure for me to rise today as the finance critic for the Canadian Alliance to take part in the supply day motion put forward by our party.

This is a very important issue for us. We know there is a need for infrastructure spending, infrastructure projects, especially in the municipalities. A lot of that takes place in major cities across the country. We know there is deteriorating infrastructure, whether it be water and sewer projects or highways.

My colleague from Saskatchewan knows the highway system in his province needs a lot of work, and it is difficult for a rural province to maintain that infrastructure. Therefore there is a need for funding to do just that.

A case has been well made for the fact that we have a deteriorating infrastructure across Canada. As I said earlier, when we think infrastructure, we think of primary infrastructure needs such as water and sewer, roads, airports, the type of thing that would enable municipalities to build upon. We do not think of infrastructure in terms of the cultural aspect such as bocce courts or recreation to that extent. There needs to be some basic infrastructure spending.

How can that be achieved by the municipalities that really do not have a source of revenue? After all, in terms of jurisdiction they are a creation of the provinces, and the provinces could certainly direct more money to them, but in many cases there is a pretty heavy load on them already. There is a ready source available for this and that is why we have identified the excise tax on gasoline.

This past year, excise tax on gasoline raised over \$4.7 billion. Some people might think this is a tax on gasoline and therefore all that money goes back into the highway system or into the roads system across the country. That simply is not true. In fact only \$190 million of that goes back at all. The rest goes into general revenue and essentially is a cash cow for the government.

Members of the Canadian Alliance think there is a need to establish some kind of formula that would allow our municipalities to participate, but we are respectful of the jurisdictional nature of this. We do not want the federal government bypassing the provinces and sending it directly to them.

The member for Kitchener Centre spoke about how great the infrastructure program was, which was introduced by the Liberal government in 1994 after being out of office for 10 years. The difficulty with that type of infrastructure program was it was political in nature. The Liberals took advantage of the situation. We noticed that ridings represented by Liberal members received a lot more money than any other ridings across the country, and yet there was a huge need all across Canada. As I pointed out, my riding of Peace River received approximately one-third as much money as the riding in Winnipeg which was represented by the minister of foreign affairs at the time, Lloyd Axworthy. That was pretty consistent across the board.

We have to move away from this formula of picking winners and losers depending on who one voted for in an election. We need to establish some kind of formula that will allow municipalities with deteriorating infrastructures to have some kind of dedicated source of revenue.

There is currently 10¢ a litre excise tax on fuel and it raises about \$4.7 billion. That tax room should be given up by the federal government and given over to the provinces. Then the provinces can dedicate that money to infrastructure to the municipalities. If the provinces had already have paid for that need, they would realize it as a gain or would not have to exercise that tax themselves in their jurisdiction. They would have that choice. It is a source of revenue that could be dedicated to the provinces and then ultimately to the municipalities if the government had enough courage to do so.

● (1705)

What do I mean when I say “enough courage to do so”? I mean that the federal government would have to forgo \$4.7 billion in revenue. I think we need to explain where that comes from. That comes out of revenue which this year will be about \$180 billion.

We have seen in the budget introduced on February 18 that the Liberal government likes to spend. To be exact, it is on a spending spree like we have not seen since the Trudeau days. We think part of it is that the Prime Minister wants to leave and buy himself a legacy, much the way a person would buy oneself some kind of degree from some university down in the deep south, where if enough money is paid they will give out a piece of paper. It seems to me, by the way, that a person who has to buy himself a legacy after 40 years has not been doing very much.

In my view I think the government has a lot of room to forgo that \$4.7 billion. Some of that money might come from the Solicitor General's department. I think the gun registry program would be a good place for us to look for it. As well, the Minister of Finance has given a directive to all departments to look for ways that they can go through a program review to cut a billion dollars in expenditures. We think there is a lot more to be cut.

In fact, I would look to the Solicitor General's department. The overrun on the gun registry has been almost a billion dollars in itself and is probably approaching \$2 billion. There is a good place to start.

It means that the federal government has to live with \$4.7 billion less than it is currently living with. We realize that is a tough time for people who like to tax and to spend other people's money, but I do not think it would be that difficult. I think a program review is the right way to go. We believe that a lot more money than that can be realized just from cutting waste and inefficient spending and changing priorities for government spending. Let me talk about a few of them.

In the waste department, we have seen the scandals at HRDC and the billion dollars that seem to be lost there. We know that the advertising contract scandal continues to bubble. In fact it is raised almost daily in the House of Commons.

**An hon. member:** The Prime Minister's museum.

**Mr. Charlie Penson:** Yes, the Prime Minister has the new museum in his riding and it goes on and on.

But there are other areas. There are what we consider to be misdirected priorities. Business grants would be one of them. The NDP used to have a saying: corporate welfare. The NDP wanted to cancel corporate welfare. In my view corporate welfare is still alive and doing very well. Quite frankly, the Canadian Alliance has a problem with corporate welfare too. We think that if Canadians want to buy shares in Bombardier, General Electric, Pratt & Whitney or all of these companies, let them buy shares. They can do that, but why should the Government of Canada be giving these huge companies taxpayers' money?

The government has a very funny program called Technology Partnerships Canada. The government calls it a repayable contribution. Now what is the world is that? At one time the government used to just give them the money through grants, but it had to dress this up somehow because the public was catching on and did not want the government doing that. So now they call it a repayable contribution.

### *Supply*

What is that? We have not seen much on the repayable part since that TPC program went into effect in 1995. In fact, there has been only a 2% return on investment for the Government of Canada. We think there is a lot of room for the government to find the resources it needs to put into this kind of program, but it does mean that the government has to slap its fingers and it has to discipline itself. The government has to cut back on spending. We think there are a lot of areas where that can be done.

Who would be the winners in all of this? The taxpayers are taxpayers whether they pay municipal tax, provincial tax or federal tax. It is all the same person we are talking about here, but we do know that in rural and urban municipalities there is a decline in infrastructure. It is old and it needs to be replaced and those are huge capital expenditures. We think a source of revenue that could be derived which is predictable and non-political is the way to go. Giving up tax points means that the government then has to honour that. If the government gives up these tax points and tells the provinces that the 10¢ a litre fuel tax is theirs, it cannot move back in and put another tax on it if it is given up. I think this is the way to go. We just need a government that can control itself and get control of its spending and there is room indeed to fund the program we are talking about. I certainly hope it does take place.

● (1710)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, the hon. member's points were very interesting except that he maybe inadvertently left out a couple of things. Let me point out that dated April 16, 2003, Alberta will see another \$43.2 million directed toward 43 new community initiatives through the Canada-Alberta national infrastructure program.

What does the Alberta Urban Municipalities Association president say about the national infrastructure program? He states that Alberta's "infrastructure needs are always great in our member municipalities" and says:

The Infrastructure Canada-Alberta Program provides a welcome funding boost to support important infrastructure-related projects. The funding support offered by [this program] allows our member municipalities to take on needed infrastructure improvements. Infrastructure is a high priority for municipal districts and counties.

In fact, I have congratulated the Alberta government by telling it that it is the best in terms of how it approved these projects along with the federal government and municipalities at the table. What is interesting, of course, is that here is an example of the Alberta association of municipalities saying that this is a workable project and Alberta has benefited by \$43 million as recently as April.

I did not hear the hon. member say this about the benefits. I would like him to respond to that.

**Mr. Charlie Penson:** Mr. Speaker, that is a very strange question. Of course the municipalities are going to welcome it. When Alberta is not used to getting anything from the federal government, \$43 million is like money from home. If the government were to give the Alberta municipalities' association a choice of taking it through this kind of program with all of the political aspects or having a dedicated source of revenue through some kind of thing like the excise tax on fuel, I am sure the response from those same officials would be that they would rather have a dedicated source that is predictable and there all the time rather than these knee-jerk programs that come from the government to buy votes.

### Supply

In Alberta I think the Liberals are still clinging on to a couple of seats in Edmonton and it would be interesting to find out where these grants went to. I know that the past experience is that they had been very politically motivated. I am not saying that Edmonton West got it, but there is a pretty good chance, I think, that this is the way it works. It has worked like that in the past and I am sure that given a choice, given their druthers, people would like to have a dedicated source that is non-political in nature.

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Mr. Speaker, I am going to bring a Saskatchewan perspective to this discussion and probably one from Manitoba as well. I remember that a few years ago the president of Agricore United was appalled at the huge amount of money that the federal government was extracting out of the agricultural communities of Manitoba and Saskatchewan because of their high dependency on transportation and the use of gasoline and diesel fuel. It was a huge amount, a disproportionate amount, and virtually nothing ever came back to those rural transportation systems.

I know that feeling. Where I come from, when the people talk about a national infrastructure program they think of pork barrel politics, helping out Liberal friends, or spending east of Ontario. That is what the people in my part of the world tend to think. They are very suspicious of any federal government program.

I have a question for the member from Alberta who gave such a good speech on this topic. Is it preferable on a user pay principle to give the taxing power back to the provinces, which I think under the Constitution is where it should be under section 92, direct taxes, or is it better to let some big federal bureaucracy dominated by Liberals decide how infrastructure money is allocated across the country?

• (1715)

**Mr. Charlie Penson:** Madam Speaker, I certainly agree with the member for Prince Albert. Even on rail transportation, rail basically pays the excise tax on fuel and there are a lot of bulk commodities shipped out of the west. The prices that consumers and people who ship products are charged is reflective of that. Their prices are higher because that excise tax is figured into it.

As I said, there is \$4.7 billion raised from the excise tax per year and only \$190 million ever goes back to anyone. That is distributed across the whole country and probably not too much of it in the member's riding of Prince Albert.

**Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance):** Madam Speaker, it is a pleasure to rise today to speak to the Canadian Alliance motion, which reads as follows:

That, in the opinion of this House, Canada's infrastructure needs should be met by a regime of stable funding; and that accordingly, this House call on the government to reduce federal gasoline taxes conditional on an agreement with provinces that, with the creation of this tax room, provinces would introduce a special tax to fund infrastructure in provincial and municipal jurisdictions.

As I address this motion, I want to bring just a few facts to the attention of the House and to those Canadians who are following this debate.

Currently the federal gasoline excise tax is 10¢ per litre. In 2001-02, the federal government collected \$4.7 billion in revenue. Some people believe that the gasoline tax is a dedicated tax for roads, or that it used to be. In reality, the Canadian federal gasoline excise tax

has always gone to general revenue. The original purpose of the tax was to increase the government's bottom line and discourage consumption.

In 1975, it was finance minister John Turner who introduced the gasoline excise tax as a measure to "encourage immediate conservation". Subsequent increases were instituted as revenue raising measures to control the deficit and the debt, the most recent of which came in the 1995 budget, which I will quote from:

To help meet the deficit targets, the budget announces increases in taxes on business and an increase of 1.5 cents per litre on the excise tax on gasoline.

The Liberal government has bragged for years about having eliminated the budget deficit, but it has remained all too happy to continue to collect the excise tax to fatten its own spending sprees. It should be noted that under the former finance minister's watch, Canadian consumers have been and continue to be gouged at the pump by a tax that has outlived its purpose.

Here are a few facts that illustrate how the Liberals have been ripping off Canadians on the gasoline excise tax. Motorists, as I mentioned before, have paid \$4.7 billion in excise taxes in the year 2001-02. They paid \$2.25 billion in GST on the gasoline in that same period of time. So they paid a total of \$6.95 billion in federal gas taxes and GST on gasoline in the year 2001-02.

One of the most interesting parts of this little list of facts is the fact that \$329 million of that total amount of taxes paid to the federal government is GST on the excise tax. That is a tax on a tax. That is the Liberal way of tax fairness. That is the Liberal brand of honesty. Not only does the government continue to collect a tax that has outlived its stated purpose, but it adds insult to injury by taxing the tax. That gives the taxpayer a double whammy and the government does it with this little tax called GST.

The GST, as it is commonly known, is properly the goods and services tax. It is a tax carried on by the government in spite of its campaign pledge to scrap the GST. It is a tax placed on consumer spending. It is designed to tax spending on the purchase of material goods. It taxes things like boats, cars, furniture, clothes and food and just about anything we can carry home and some things that we cannot.

The GST also taxes service charges. Repair services of all kinds fall into this category. Again it is a tax on services received by a consumer. It taxes something that is being used by the consumer but at least the consumer is receiving something to his or her benefit, and in a sense that benefit, or at least the expenditure for that benefit, is being taxed.

What benefit is the consumer receiving for meeting the demand of paying an excise tax? It is tax on a tax. How can that be fair? How can it even be legal? Or is it? And if so, why should it be? Why has the public not already revolted on this inequity alone? Does the government think this kind of taxpayer abuse is being fair? Does it think it is being honest? I do not think so.

• (1720)

Many people think that gasoline taxes, especially federal ones, are supposed to be dedicated to roads and highways. As I mentioned earlier, this is a misconception. However, the concept of having this tax designated to highways and infrastructure is one that is well received by the public.

According to a July 2002 survey conducted by the City of Regina, 85% of the respondents strongly agreed that fuel taxes should be spent on highways, streets and roads. Almost 88% of the respondents believed that municipal governments should receive a portion of the fuel tax collected. It is no secret that municipalities across the country, including the City of Regina, have struggled to meet their ever increasing infrastructure demands.

According to the recent City of Regina brief to the Province of Saskatchewan, it stated:

Simply put, cities do not have sufficient revenues to meet the costs of services and infrastructure expected within a city. Cities also have expenditure pressures, particularly for the capital funding necessary to deal with an aging infrastructure.

So the obvious question then becomes, what shall we do? Our motion today, in part at least, attempts to address the issue of the ever expanding infrastructure needs facing Canadian municipalities. It presents a strong suggestion of what we could do. Our leader, the member for Calgary Southwest, has stated:

What we are proposing instead is that the federal government permanently vacate a portion of the federal gas tax, say three to five cents a litre, and allow provinces the option of collecting that revenue. In order to ensure that this money is not used for other purposes, the transfer of these revenues to provinces and on to municipalities would be conditional on signed agreements that these resources would be used for infrastructure.

I hope people understand that this is suggesting that the excise tax be lowered. The lowering of that amount would be designated for the provinces to claim that tax, or they could leave it as a deduction if they wanted to.

What we are proposing is supported by many of the individuals and organizations as evidenced by the following comments which were also in that Regina brief. The Canadian Taxpayers Federation stated:

Gasoline taxes are a user fee and should be earmarked primarily for roadway and highway maintenance and improvement. In many cases the tax take far exceeds roadway expenditures. In particular, the federal government has reaped the revenue windfall, but has provided only token support for roadway spending. This must change.

Harry Kitchen wrote an article entitled "Municipal Finance in a New Fiscal Environment". He stated:

Of the alternatives that are generally viewed as possible supplements to—not substitutes for—property taxes, access to a municipal fuel tax would make considerable economic and political sense, especially in large urbanized areas with severe traffic congestion.

One of the problems that we face out in the real world, especially in Saskatchewan, is that the burden for infrastructure and schools falls heavily to those who own property. Property taxpayers are burdened because that is the only area that the municipalities have control over and property taxes continue rise.

Transport Canada stated:

Canada's public road network extends about 900,000 kilometres. Only about 15,000 km are owned and maintained by the federal government, mostly minor roads

### *Supply*

in parks and on other government property. Some 231,000 km of the national network are owned by provinces and territories...The remaining 655,000 km are owned and maintained by municipal governments, including streets and arterials in towns and cities, as well as the extensive sub-network of rural access roads.

We believe in fiscal responsibility and accountability. Our motion would achieve both these ends and assist our communities in a real and dependable way. I would urge all members of the House to support this motion to give the needed financing to our municipalities in order to support, renew, and maintain the infrastructure so necessary in our communities.

• (1725)

**Mr. Larry Bagnell (Yukon, Lib.):** Madam Speaker, it is a pleasure to talk about infrastructure. I believe that I am splitting my time.

We have very great and special needs for infrastructure in the north. The Association of Yukon Communities has made this case eloquently over the years. We have many more roads per capita and tough economic and environmental situations which make infrastructure costly and the needs very great. We were of course delighted in 1993 when the Government of Canada, which was not normally involved in infrastructure, presented the first federal-municipal-provincial-territorial infrastructure program.

It had great success in Yukon. Every single municipality received funding. There was another fund that went along with it for first nations and many excellent projects were funded under that program. They were funded so well that the program was extended in Canada with another \$425 million. After that the Association of Yukon Communities, the Federation of Canadian Municipalities, and all the municipal associations of the country lobbied for a further extension of the program because it was so successful. It served people right across the country and addressed the needs that were identified by the people and municipalities.

In 2000 the second round of municipal infrastructure was started with \$2.65 billion over six years. Of that, \$600 million was for the strategic highway infrastructure. Highways are very important in our area for both resource development and tourism. The great Alaska highway has received funds under that strategic highway infrastructure program.

In 2001 yet another infrastructure program was started by the federal government. The municipal programs for water and sewers in our area were also used for recreation and roads. However, across the country, over and above these programs that all these municipalities could apply for, there were some big projects that needed to be funded. They could not be funded under the original program because they would have taken all the money. A special program was set up, the strategic infrastructure program in 2001, with \$2 billion to fund these huge projects. This would have a great effect on the provinces and territories, and on Canada as a whole without taking it out of the municipal infrastructure-type projects.

### *Supply*

Many of us lobbied for this infrastructure funding to continue. We were delighted in the last budget when 10 more years of commitment by the federal government was made for infrastructure. Another \$3 billion was added to that: \$2 billion to double the size of the strategic infrastructure fund, and \$1 billion for new municipal projects.

On top of that, there are a lot of other projects and programs, some of which I will mention briefly, that also contributed to infrastructure but did not necessarily have infrastructure in the name or were not the common programs about which people are talking about today. For example, the green municipal fund that has been so successfully delivered by the Federation of Canadian Municipalities is something for which I lobbied to continue and increase the funds because it was so successful and quite often it was related to infrastructure or assisted infrastructure.

When we had the tight budget year, when there were few things extra that could be funded, I was delighted that that fund was actually increased. Municipalities are using that very well across the country. It is delivered very efficiently by the Federation of Canadian Municipalities.

I have always been a big supporter of and have lobbied for infrastructure. We need money for highways, so I am delighted with any mechanism that will bring more money for highways. I would like even more than what the Alliance is asking for in this motion. Coming from rural Canada I want to speak for rural Canada and remind people that in rural Canada we have more miles of road per capita, and therefore more needs and sometimes more difficult conditions.

● (1730)

Whatever formula is used must take that into account because if rural people, with all these roads to maintain, happen to go into a big centre to purchase their gas then how will they get a fair share. All this would have to be worked out.

Having worked as a federal executive for many years I am familiar with how the Financial Administration Act works. This is another example where Canadians who are watching and the many seniors who are out there watching, who are so important to us, must be made aware. The Government of Canada takes all the money in from various sources of revenue, taxes and income tax, and then it decides what is important and needed. It does not match the revenues to the expenditures because it would not make much sense if it got less revenue one year and it could not pay enough for a certain area. It takes all the revenues and decides what is most in need and it provides the money that way. That is the way that Canada has financed itself for many years.

I wish to compliment the Tory member for St. John's East who made an excellent list of how allocated taxes have not worked in the past and do not work. If all the money is taken because there is a big year in a set area, then there is no money left for health, farmers, defence or even roads if they are not directly related.

I did want to put a plug in for my old alma mater too, for the great work that the municipal associations have done across Canada in lobbying for infrastructure. Most provinces have one major one but some of them have a rural one and an urban one. They all work very hard. The presidents and boards of directors are all volunteers and

put in endless hours to help local communities, and the executive directors are very professional and have done a superb job in the nation.

I wanted to also point out that in the north we have a problem that increases infrastructure costs because of permafrost. Because of global warming we have entire communities and administrations whose buildings are changing. Some areas depend on ice roads for the economy and those cannot be put in at the same time or there may be a lot of open water and the economic drivers cannot get across. There is study going on in this area, but once again, it is another infrastructure cost.

I would like to commend the Government of Canada for its work on the national infrastructure guide through NRC. It is studying best practices in Canada as they relate to infrastructure so that municipalities, some of which are very small, several hundred people, can share the information and have savings such as the case I talked about concerning ice bridges.

I wish to make another point that relates to the north. These projects cannot be set up so that they are just for big cities or projects that are designed in a big manner for people from the south or non-rural areas to consider. Every municipality except one in Yukon has less than 3,000 people and most of them have less than 1,000 people. We cannot have huge project limits like \$10 million as a minimum in a town that has 100 people. It does not make a lot of sense so we must be very regionally sensitive.

A couple of weeks ago I was at an Association of Yukon Communities meeting and it wanted to ensure that programs were not bundled into those big amounts. It passed a resolution stating that the Association of Yukon Communities and FCM's northern forum should address the issue of bundling that would restrict small and northern communities from meeting the criteria of infrastructure programs.

I want to commend the finance committee and the Government of Canada for recently recognizing that in the north per capita funding does not work because there are so many more miles of road per person and so few taxpayers, and so many difficult infrastructure problems. The government has altered the allocation of moneys to recognize those important needs of northern infrastructure which is important for both municipalities but also for economic development, and for that I am very thankful.

● (1735)

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Madam Speaker, I listened quite intently to the member for Yukon. He waxed eloquent about all the good things he thinks the government is doing but I think he should address a few fundamental questions for us to clearly define where he stands. Perhaps he could say specifically whether he supports the motion presented by the Canadian Alliance to have some sort of an agreement with the provinces to vacate the tax room and allow them to have more stable funding for infrastructure.

I would like to ask him specifically, does he agree with the Canadian Automobile Association, the Canadian Taxpayers Federation and other groups that say that spending about 5% of the revenue raised by the gas tax on infrastructure is simply unfair, it is way too low and it must be raised? That is the genesis of the motion we are presenting today.

Does he believe that the percentage of the amount raised by the gas tax spent on infrastructure is too low? If he does agree that it is too low, does he see the Alliance motion as a way in which to establish stable funding for infrastructure and of increasing the amount that is actually utilized of the gas tax money that is raised?

**Mr. Larry Bagnell:** Madam Speaker, I always appreciate debating with my colleague, which happens quite often on the industry committee. We have a great time. We often agree actually, but in this case there definitely is no agreement.

I mentioned specifically that I am in favour of much more money for roads, perhaps more than the Alliance is proposing. However, as I explained in detail, and as the member for St. John's East explained this morning, that type of mechanism specifically does not work.

I am also very against transferring a lot of the powers and resources of the federal government to the provinces as the Bloc and the Alliance have talked about in many areas. It is one of the reasons I ran for politics. I believe in a strong federation, as the Bloc member said this morning, where everyone should cooperate and coordinate and work together.

I find it very interesting that the proposals coming from my colleagues whom I have such great camaraderie with right beside me, that so many of them are spend, spend, spend. This item would increase either our income tax or the national debt because it is an extra expenditure. It does not come from nothing.

They want to spend more on farmers, on defence and on health care and those are all great. I am in favour, but coming from me that is natural as a Liberal. But when the taxes and the national debt are increased to pay for all these initiatives, there has to be a right-wing party somewhere in Canada that the people can vote for in the hopes of cutting taxes and cutting the national debt. I think those are admirable objectives, but hopefully there would be a good right-wing party that could offer these platforms consistently so that the people who like those things, which is a fair assumption, could vote for them.

• (1740)

**Mr. Brian Masse (Windsor West, NDP):** Madam Speaker, I think that we do have a right-wing party being the Alliance and the Liberal Party and that is why the member for LaSalle—Émard has basically tried to steal this idea, I believe in many respects.

It is interesting the government's record on municipal infrastructure is certainly not there. The concern I have with the motion is that we still do not have sustainable long term funding. That is part of the problem. There could be ebbs and flows depending upon the tax ratio and the price of gasoline, all those things.

In the current budget there is a 10 year plan that provides only \$50,000 per municipality. I would like to ask the member for Yukon who sits on the industry committee, what could he provide his community for \$50,000 per year?

### *Supply*

**Mr. Larry Bagnell:** Madam Speaker, I would like to thank the member for his comments and for mentioning the member for LaSalle—Émard. In many budget speeches he talked about how allocating taxes does not work. Millions and millions of dollars have been put into infrastructure by the federal government since 1993, which I outlined in my speech. I do not remember hearing in those early times from the NDP that this would be a good expenditure and perhaps the member could write me a letter and show me how he was promoting that in 1993.

I am very happy that the Liberal government members in Quebec, when they put their budget in about an hour ago, recognized that local governments do not have the resources they need. They are going to work out financing with them after having had their funding cut for so many years.

**Ms. Aileen Carroll (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.):** Madam Speaker, I am extremely grateful to the hon. member for Port Moody—Coquitlam—Port Coquitlam for his motion today. I am grateful for three reasons.

First, he is asking the House to address an extremely important issue. The state of this country's infrastructure is critical to the future of all Canadians. It affects our ability to work effectively, grow economically, compete internationally, and to live comfortably and safely. Whether we are speaking of the concrete that makes our roads and streets, or the glass fibre cables that connect our information highways, we are speaking of the infrastructure that helps Canada work. Anything that is that important to this country is extremely important to the government.

The second reason I am grateful to my hon. friend is that his motion makes a proposal that is not uncommon these days. More and more we are hearing suggestions for "simple solutions to the challenges facing infrastructure in Canada today", suggestions such as the federal government should give up tax revenues to the provinces and cities, or the federal government should make more tax room for the provinces and cities. By addressing this suggestion today, we are very helpfully addressing an issue that has been on the minds of many commentators and pundits across the country.

The third reason I am grateful for this motion is it gives me the opportunity to explain two things. It allows me to explain why the hon. member's suggestion is not workable and it allows me to explain why the hon. member's suggestion is not necessary. These two points will comprise the substance of my remarks this afternoon.

First, why would it not work? Let us quickly review the motion. It suggests that the government:

—reduce federal gasoline taxes conditional on an agreement with provinces that, with the creation of this tax room, provinces would introduce a special tax to fund infrastructure in provincial and municipal jurisdictions.

If we were to read this motion carefully, we would realize that what we have here is no "simple solution" to the challenges of the infrastructure or any other problems. In fact, what we have here is a solution so complex and so intricate that to seriously suggest it is tantamount to suggesting a renegotiation of the Constitution.

### Supply

Under the Constitution municipal revenue raising powers are derived from provincial powers. The provinces have access to all the major tax bases, including fuel taxes. The motion even acknowledges this provincial authority. Remember that it says "conditional on an agreement with the provinces".

● (1745)

[Translation]

But let us look at what the motion does not say. Does it say by what proportion the federal government ought to reduce gasoline taxes? No. Does it say what proportion of this new kind of tax room would be allocated to provincial and municipal infrastructure expenditures? No. Does it envisage different needs in urban and rural areas? No.

How are we supposed to obtain the answers to these questions? I guess we will have to negotiate.

[English]

Clearly it is true that Ottawa and the provinces can come to agreement. They have done so in the past and they will do so again in the future, but to get 10 provincial leaders in the same room to agree on the same rate of tax to be spent on the same types of infrastructure programs, provincial and municipal, rural and urban, would be an astounding accomplishment. Add to these negotiations the voices and views of municipal leaders from across the country and suddenly the chances of finding a satisfactory resolution would surpass the astounding and transform into the miraculous.

There is, I dare say, a greater chance of Canada's parties of the right uniting under one banner than there is of this motion ever becoming a reality. That is how unrealistic it is. There is another reason the motion is unworkable and that has to do with the principles of good management and common sense, two key principles that guide the government. One of the hallmarks of the government has been its ability to put this country's fiscal house in order while at the same time targeting spending to the priority of Canadians.

[Translation]

This motion would help tie the hands of the government. Excise taxes on gasoline are an important source of general revenue for the government. Federal taxes, including gasoline taxes, go into the Consolidated Revenue Fund.

This fund finances a wide range of federal programs which benefit all Canadians, and which are important to them, such as old age pensions, national defence and transfer payments to provinces for health care and post-secondary education.

This motion essentially amounts to establishing a designated fund, something the government has always opposed.

[English]

Dedicating tax revenues to specific programs limits the flexibility of governments to respond to changing priorities and can result in some programs being overfunded while others suffer shortfalls. As well, making budgetary and long term investment decisions under a program funded by earmarked taxes is difficult as revenues from these taxes fluctuate from year to year.

The third reason for avoiding earmarking revenues to certain activities is that all potential spending initiatives, including infrastructure, should be evaluated independently of tax sources and examined as competing priorities.

Indeed, what if we did come to an agreement with the provinces, an agreement which I assure the House would only be realized after a good deal of blood, sweat and tears? What if, having lived with the agreement for a few years, we realized it was not enough or, what if, after 10 years or so we found that our provincial infrastructure funding pools were in surplus while other priorities were wanting? Would we ask the provinces to go back to the table for yet another round of negotiations? Such are the perils of earmarked funds such as the motion suggests.

As hon. members know, there are many demands today on government's scarce resources. Because of this it is important that the government remain firmly committed to sound financial management.

The government intends to continue to follow a balanced approach to managing the wide range of priorities and pressures it faces. I assure the House that a wide range of priorities includes infrastructure. Indeed, it is my confidence in the government's commitment to infrastructure which brings me to my second and final argument that the motion is not necessary.

Earlier this year the Government of Canada confirmed its long term commitment toward infrastructure by announcing a \$3 billion investment in budget 2003. This \$3 billion represents a significant down payment for the 10 year federal commitment toward infrastructure. This latest investment brings the Government of Canada's commitment to community infrastructure to more than \$12 billion since 1993. This in turn is generating more than \$30 billion in total infrastructure investments.

Since 2000 the Government of Canada has set up numerous infrastructure initiatives, each targeting different types of projects in different types of communities.

● (1750)

[Translation]

For example, the Canada Strategic Infrastructure Fund targets large-scale projects, while the Canada Infrastructure Works Program supports upgrading of services in communities across the country. Other infrastructure programs concentrate on roads, affordable housing, green spaces and cultural areas, as well as the crucial Border Infrastructure Fund.

Thanks to these investments, the federal government is already meeting needs. These expenditures are predictable and stable; they are not subject to the ups and downs of the economy or the market.

These expenditures will improve the quality of life of all Canadians and will stimulate economic growth in all communities in the country, by ensuring that we have top-notch public infrastructure.

[English]

Our friends opposite would suggest that by merely striking an agreement and throwing some tax dollars at a problem, we can find a solution. The government knows this suggestion is neither simple nor workable.

This is a problem that needs more than money; it needs vision, the kind of vision the government offers. It needs an integrated approach to economic, social and environmental issues that is key to the long term sustainability of our cities. It needs solutions that will be found in the partnerships of federal, provincial and municipal governments.

The government does not pretend to have all the answers, but I can say that none of the answers to the challenges facing Canada's infrastructure are found in the motion. Therefore, it is with respect that I tell hon. members that I am unable support it.

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Madam Speaker, I want to ask my hon. friend a couple of questions.

First, is she satisfied with the percentage of the revenues that the government collects from the gas tax and puts back into roads and highways? Is she satisfied with it? The Canadian Automobile Association is not. The Canadian Taxpayers Federation estimates that 2.5% of the amount the feds collect in gasoline taxes was invested in roads. Is she satisfied with that or not?

Second, the motion states in part that "Canada's infrastructure needs should be met by a regime of stable funding" and that "this House call on the government to reduce federal gasoline taxes, conditional on agreement with the provinces". Could she explain how the motion which I just quoted is different from a statement made by the member for LaSalle—Émard, the leadership candidate she is supporting? He stated:

We simply must change the ways cities receive at least some of their funding. If access to a portion of the gasoline tax ends up being the preferred mechanism of municipal leaders, the federal government will be at the table with the provinces offering to vacate tax room.

Would the member please explain to me how those two things are different in substance?

**Ms. Aileen Carroll:** Madam Speaker, I did not know I would be asked two questions and I did not write them down, but I believe I understood the first one in that there are critics of the 2.5% amount coming from the taxes assigned to roads. I just finished discussing this. I said that there was no conviction on the part of the government that a designated portion would meet the needs in a fluctuating situation. As such, tying it down further or assigning another specific amount will not meet the demands.

The ability to be flexible, of money flowing into a general revenue pot from which an assignment due to priorities can be made, is a far better method of governing, particularly in our fiscal environment.

As to the remarks of the hon. member for LaSalle—Émard, I am certainly very keen and frequently listen and pay much attention to the suggestions that he and other candidates put forward for discussion. It is one method he is considering. He comes from a strong background as the former finance minister. I am sure he will engage the country in discussions such as this.

### Supply

As I speak today, the position of the government is as I have described. It is from that position that I respond to the hon. member.

• (1755)

**Mr. Brian Masse (Windsor West, NDP):** Madam Speaker, herein lies the interesting part of today's debate. It is the fact that the former finance minister has talked about a similar plan, either stealing it or at least borrowing it, and it does not deal with the sustainability element because there are ebbs and flows and a number of different things. The heart of the matter does at least try to acknowledge the fact that there is efficient infrastructure. People cannot get away from that.

In the last budget we have an amount that works out to be about \$50,000 per municipality. What can a municipality do for \$50,000? Is that sufficient or should more money be put in? When will that happen?

The current finance minister is at least now saying that it is a down payment, a very small down payment, probably about a 5% down payment on a home. The FCM has declared that it needs \$57 billion in a deficit. I think under the current budget for the 10 years, it would take until the year 2193 to actually achieve that target.

When will the municipalities receive the proper financial support? It is hard to criticize when at the same time the tools are in front of the government and the member for LaSalle—Émard for 10 years never did give the financial support. When municipalities will receive their fair deal?

**Ms. Aileen Carroll:** Madam Speaker, I just finished debating this subject. I advised that the latest investment we have made of \$3 billion is toward a 10 year federal commitment. This brings the government's commitment to community infrastructure to more than \$12 billion since 1993.

The municipalities are aware of what has been committed. There is therein a stability and not the fluctuation that might occur with the designation from the fuel tax.

As far as questions that hon. members wish to have directed to the member for LaSalle—Émard, I am unable to answer on his behalf. I would say that when the member for LaSalle—Émard is in the House that those questions be directed to him. I am sure he would be more than delighted to answer the member.

**Mr. John Cummins (Delta—South Richmond, Canadian Alliance):** Madam Speaker, it is a pleasure for me to address this important issue today. It is important for a variety of reasons, and probably for me the most compelling reason is the fact that the municipality in which I live is impacted greatly by transportation problems caused by federally mandated facilities. Let me be more specific.

The first facility would be the Vancouver port at Roberts Bank in the municipality in which I live. This facility has a huge source of truck traffic. The port has grown dramatically in the last few years, especially since the completion of the container port.

### Supply

When the container port was completed, it was estimated it would take about 10 years before it reached capacity. The fact of the matter is that happened in about three years, and there are now plans on the board to increase the size of the container terminal. With increased size, comes increased truck traffic and that truck traffic goes both ways. Trucks haul containers to the port as well as haul containers away from the port. All that traffic at some point traverses the municipality in which I live.

The second port facility that is worth noting is the Surrey-Fraser docks, located in the western end of the Surrey municipality adjacent to the Delta municipality.

Before I go any further, I should tell you, Madam Speaker, that I will be sharing my time with the member from Edmonton.

The Surrey-Fraser dock facility on the Fraser River is a busy port. Traffic there has grown immensely in the last few years, and all that is business which is good for Canada. Vancouver port officials tell us that every container arriving at the Vancouver terminal brings \$1,000 of revenue into Canada. Much of that revenue is enjoyed by the province of British Columbia with a small amount enjoyed by the municipality of Delta. However Canada as a whole does benefit from this trade. The difficulty is the federal government is not paying its share for the roads needed to service these two ports.

In addition to these two ports, it should also be noted that traffic directed to the Vancouver airport, the second largest and second busiest airport in Canada, moves through the constituency of Delta—South Richmond.

These three major federal facilities cause huge traffic problems, not only in the municipality of Delta but also in the lower mainland of British Columbia. The federal government has not come close to paying its fair share of the revenues required to build infrastructure and to service those port facilities. The federal government seems to believe that its responsibility ends at the port gate, but that is not the case. Somebody, somewhere, has to provide the road infrastructure required to allow those ports to continue to grow and the revenue from them to continue to grow as well.

I will give the House an example of the type of problems caused in North Delta. In the area where I live the major road servicing the Surrey-Fraser docks is essentially a residential street but literally thousands of semi-trailers traverse that residential street on Route 2 in any one day. That truck traffic is continuous. They not only carry containers but they may carry dangerous cargo. We do not know. If there were an accident on that road, it is possible that serious harm could befall the residents of the area because the residential area is being used as a major artery to service the port.

• (1800)

The federal government has a responsibility for it. That port is federally mandated. All Canadians enjoy the benefits and wealth that come from the port's existence. In fact we encourage it. It is good for British Columbia and it is good for Canada to have that port, busy as it is, service not only Canada but North America as well.

What is the amount of money that the feds are spending? We are told that federal spending on roads and transfers to provinces totalled \$118 million. Two and a half per cent of the amount that the feds collect in gasoline taxes was invested in roads. Only 1.7% of the

amount that the feds collect in gasoline taxes and GST is invested in roads. That is a pitiful sum when we consider the revenues that are accruing to the federal government from these ports alone.

There should be federal money dedicated to improving the infrastructure in the lower mainland for the reasons given.

If we look back at 1965, when the Trans-Canada Highway as built, Ottawa paid 50% of the costs. Granted the Trans-Canada Highway was important to national unity. However I suggest that just as important as the highway was to national unity when it was built, an appropriate infrastructure in the lower mainland of British Columbia, which I represent, is just as important if we are to continue to see business develop based on the ports and the airport.

One of the further difficulties is the fact that the gasoline taxes continue to rise. In 1975 when Finance Minister Turner introduced the first federal excise tax on gasoline, it was 10¢ a gallon or 2.64¢ a litre. Today the taxes plus the GST average 14.79¢ a litre. That is 4.6 times the level that was paid when the federal gasoline taxes were introduced.

That is just unacceptable. That is a huge chunk of cash. It is a windfall profit for the federal government but the federal government is ignoring its obligation to make a substantial contribution to the infrastructure which services these federal facilities in my riding.

That is the key issue that has to be addressed. If there are federally mandated facilities, the federal government's responsibility does not stop at the port gate. It does not stop at the entrance to the airport. It must consider the transportation infrastructure that is necessary to allow that federally mandated facility to continue.

We just cannot haul huge rents out of the Vancouver airport or take huge tax dollars out of the Vancouver port without turning some of that money back into the infrastructure.

The money that is collected even now does not find its way into western Canada. In fact, 99% of federal transfers to provinces for road and highway development was spent east of Ontario. We have needs as well. I want to remind the House of our solution.

I want to quote the Leader of the Canadian Alliance. He said:

What we are proposing instead is that the federal government permanently vacate a portion of the federal gas tax, say three to five cents a litre, and allow provinces the option of collecting that revenue. In order to ensure that this money is not used for other purposes, the transfer of these revenues to provinces and on to municipalities would be conditional on signed agreements that these resources would be used for infrastructure.

I think that is a good suggestion.

• (1805)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Madam Speaker, the hon. member says that the money from the infrastructure program does not reach western Canada. In British Columbia alone there was \$2 million for the Vancouver Convention and Exhibition Centre, as an example, promoting economic support and growth in that area. The fact is that the UBCM, the Union of British Columbia Municipalities, has been a long-time supporter of this program.

*Supply*

Yes, one of the difficulties is of course that we have to make agreements with each of the provinces. If the hon. member is not happy with some of these agreements maybe he should talk to the governments of the day, but the fact is that we are getting money into cities and communities because they are municipally driven. We did not propose the Vancouver exhibition. We did not propose to put money in Kitimat or in Kamloops. It was the governments of those municipalities that put forth sewer, water, bridge and other projects that they believe are important.

There is one thing I want to make clear. The opposition continues to say long term funding, and yes, we now have long term funding. We have a 10 year program which the Federation of Canadian Municipalities asked for. We have delivered. We have put our first down payment on this and we are going to leverage that.

I would like the member to respond. How can he say with a straight face that the moneys are not going to western Canada when western Canada has benefited? This is not an east-west or north-south issue. It is a Canadian issue. We have embraced the national infrastructure program. It is only in the last couple of weeks that our friends across the way have even been able to spell the word infrastructure. I am delighted that they have finally come to the table.

**Mr. John Cummins:** Madam Speaker, the facts are simple and very direct: 99% of federal transfers to provinces for roads and highways are spent east of Ontario. That is a given. The issues the member mentioned about the piddling amounts for other matters in British Columbia just do not rate on the Richter scale when we look at the amounts of money that are spent elsewhere.

Just as an example, I now have on my desk a stack of announcements by Liberal members from the Maritime provinces, a stack that is so thick, and again, I have only been collecting them since October. These are moneys spent on harbours in the Maritime provinces and yet we cannot get money for dredging in the Lower Fraser River, which is extremely important not only to keep the water flowing in the river but to prevent flooding of a large part of the lower mainland that is protected by dikes. The money is simply not being spent there.

The issues I mentioned, the Vancouver port, the Surrey Fraser docks and the international airport in Vancouver, are federally mandated facilities and all the government does is take money out of those facilities, bring it into the big general pot here in Ottawa and then spend it elsewhere. Some of that money has to come back to support infrastructure in British Columbia. It has to. There is just no question about it. Fairness requires it, but there is also a dramatic need, for a variety of reasons, that this money should be spent in British Columbia where it is earned.

• (1810)

**Mr. Bryon Wilfert:** Madam Speaker, it again goes back to the fact that on the infrastructure programs on a per capita basis moneys are allotted to the provinces based on population. Again we have situations where they are municipally driven. The Kicking Horse Pass is a good example, with \$62.5 million to improve the bridge there.

The fact is that moneys are invested. They are invested in communities across the country because they are municipally driven. Again, the difficulty I have with the Alliance motion is the fact that

on faith it makes assumptions about the provinces. What about the issue of where the provinces are in terms of their gas revenues? We do not see any issue there with regard to moneys being matched. We do not see anything in terms of that because what has happened is that in some cases the provinces, and I will only use Ontario because that is the one I know, have cut back. It has cut back the municipalities. It has continually cut back.

If it were not for the federal government there would be no infrastructure program. If it were not for the government we would not have the kinds of projects across the country that have benefited British Columbia. That is what is important. Without the program, without the vision, which sat dormant, as I said, for nine years under the Conservative government, we would be in worse shape today than ever, and it is because of the decision of the Prime Minister that we went ahead. I keep hearing about the member for LaSalle—Émard. The fact is that the member for LaSalle—Émard and the current Minister of Finance have continued to support this national infrastructure program and that is where—

**The Acting Speaker (Ms. Bakopanos):** There is no time left, but I will permit the hon. member a minute to give a response.

**Mr. John Cummins:** Madam Speaker, the issue being debated here is the amount of money the government is spending on roads. The fact of the matter is, as I stated before, that 99% of federal transfers to provinces for road and highway development was spent east of Ontario. Nothing is coming west. That is the issue here. There are huge moneys taken out of British Columbia every year on federal excise taxes on gas. There are huge moneys taken out of British Columbia every year on taxes on the harbour, on Vancouver Port, on Surrey Fraser docks and on the federal airport. These are federally mandated facilities. Huge revenues accrue to the federal government for those facilities and virtually nothing comes back in infrastructure support. That is simply wrong.

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Madam Speaker, it is my pleasure today to speak to the motion introduced by the Canadian Alliance. At the outset I do want to compliment my colleague, the member for Port Moody—Coquitlam—Port Coquitlam, for his work on this issue. He has certainly been a leader in this area. That is why we in the caucus affectionately call him “James the Greater”.

Interestingly, I am also partly responsible for this file as I am the industry critic. The government has actually deemed it necessary to place infrastructure within the industry portfolio, where it is administered by the regional development agencies, frankly something I as the industry critic question since it is once removed from Transport Canada, the decision making body where it should be. Second, these agencies do not have a good record in terms of fiscal accountability and transparency and frankly have a history of wasting taxpayers' money, but that is another debate for another day.

The Canadian Alliance does believe that government has a role to play in funding Canada's infrastructure. We have always believed that. We remain steadfast to that principle. We do, however, believe that responsibility for infrastructure lies primarily with the provinces and the municipalities, those levels of government that are closer to the people and closer to the decisions on infrastructure that have to be made.

### Supply

The Canadian Alliance would therefore reduce federal gasoline taxes conditional on an agreement with the provinces that they would use this tax room to fund infrastructure in provincial and municipal jurisdictions. We would also continue and expand upon investments in border infrastructure and other areas of primary federal responsibility, for instance in the Detroit-Windsor area where a lot of needs for infrastructure need to be addressed.

I want to present some facts here. Each year Ottawa collects approximately \$4.5 billion in gasoline taxes, yet the research that we and other agencies such as the Canadian Automobile Association and the Canadian Taxpayers Federation have done shows that only 5% or less than 5% of the total excise tax on gasoline is returned to Canadians in the form of federal highway funding. This is simply unacceptable. It is a practice that the government must stop if it is going to address infrastructure needs.

In comparison, and this addresses some of the comments made by the Parliamentary Secretary to the Minister of Finance, just over 75% of the money provincial governments collect from fuel taxes is spent on roads. For example, the Province of Nova Scotia collects approximately \$215 million annually from fuel taxes and its annual budget for highways is \$180 million, 83% of their fuel tax budget. The federal government collects approximately \$130 million in road fuel taxes a year in Nova Scotia, but under the current funding arrangement only 4% of that amount is reinvested in Nova Scotia.

We are currently struggling with the whole issue of tourism in Canada, particularly with the SARS crisis. The better part of tourism and trade takes place via roads. Roughly 90% of all trips between Canada and the U.S. are made by car.

Trade is also an issue. Approximately 65% of Canada's trade with the U.S. relies on trucking, particularly in areas such as Windsor and Detroit. Almost every province, in their submissions to the recent Canada Transportation Act review, cited the importance of border crossings as an integral part of a seamless transportation system and an important part of increasing trade and productivity.

The decline of highway capital expenditure in Canada has been identified as contributing to the Canadian productivity slowdown and the differential between our productivity levels and the productivity levels in the United States. Several western cities have experienced or are experiencing booms in industry and population. Road, sewer and water infrastructure are essential in both stabilizing and sustaining such growth. I can comment on my own riding. In the southern and western parts of the riding, phenomenal growth is occurring. Obviously that puts more demands on the basic infrastructure needs.

I must say that I was quite heartened by the example set by the member for LaSalle—Émard and I was hoping for the Liberal response today to follow it, because he has done one of his flip-flops. Now he has come around and endorsed the Canadian Alliance position. I want to quote from his recent speech to the Federation of Canadian Municipalities. He said:

We simply must change the way cities receive at least some of their funding. If access to a portion of the gasoline tax ends up being the preferred mechanism of municipal leaders, the federal government will be at the table with the provinces offering to vacate tax room.

It sounds rather familiar, does it not? It sounds like the former minister of finance has flip-flopped again and endorsed another Alliance position.

• (1815)

The former finance minister is not alone in his support of the Canadian Alliance. The member for Charleswood—St. James—Assiniboia stated in the House on December 18, 1994:

Mr. Speaker, I rise today to urge the government to give serious consideration to increasing support to our national highway system. Currently of the \$5 billion collected as federal fuel tax, only about 10% of the revenue is invested in the Canadian highway system. This is simply not enough.

The Canadian Alliance has consistently supported a policy of investment in infrastructure. We believe in the concept of providing tax room to the provinces in order to upgrade urban infrastructure and provincial highways.

Infrastructure spending was a major plank of the Liberals' original red book campaign in 1993 in which they pledged to create jobs with the \$2 billion infrastructure fund. It was and continues to be an invasion of provincial jurisdiction using the federal spending power.

If I can comment on my own province, it was used, frankly, to upgrade luxury boxes at hockey arenas instead of addressing the basic road and sewer needs that Alberta and other provinces desperately needed.

An agreement with the provinces to free up tax room would enable us to reduce our reliance on federal bureaucrats to deliver the current infrastructure program. The funds would instead be directly allocated to the provinces.

I hope all members of the House recognize that the current system is not working, that the percentage of the amount of the fuel tax collected currently by the federal government is far too low. It is unacceptable and needs to be changed and addressed.

Second, this viable alternative put forward by the Canadian Alliance in our motion today by the member from Port Moody is also endorsed by the member for LaSalle—Émard. I have yet to hear a member from the government side explain how the policy position put forward by the former finance minister differs from the Canadian Alliance motion put forward today. In fact they cannot do so.

The current finance minister, in a leadership debate on Saturday, had a very strong policy disagreement with the former finance minister. The former finance minister has changed his position and has now agreed with our position. When he votes on this issue I assume he will be supporting the motion if he follows through on the policy position he has put forward.

I wonder how the other Liberal members will vote based on the fact that a vast majority of them actually support the member.

I hope all members of the House will address the infrastructure needs of the municipalities and communities across Canada, which seek stable infrastructure funding so they can address their needs, by endorsing the motion put forward by the Canadian Alliance today.

• (1820)

**Mr. Bryon Wilfert (Parliamentary Secretary to the Minister of Finance, Lib.):** Madam Speaker, the hon. member wants to hear a Liberal on this side address that issue so I will address it head on.

I will quote from the speech by the former minister of finance at the FCM. I want the member to tell me how this is the same as the Canadian Alliance. He said:

Many cities have suggested that having access to a portion of the revenues generated by the gas tax would be of significant help in making their budgets more reliable and predictable.

If access to a portion of the gas tax ends up being the preferred mechanism of municipal leaders, the federal government will be at the table with the provinces offering to vacate gas tax room, provided that:

—which is what they are leaving out—

—the provinces create a way for municipal governments to reap the resulting revenue; and the provinces agree that those funds will be truly incremental to cities; and the full amount that we vacate from the gas tax flows to cities in a way that lets them model that revenue stream five years or ten years down the road.

Clearly, that is not what is in the Canadian Alliance position.

The difficulty I have with the Canadian Alliance members' position is that not only have they just come to the realization that there are infrastructure needs in Canada, but I am surprised to hear that they think the member for LaSalle—Émard, who has had nothing to do with this debate, endorses their position.

Let us look at another fallacy. The hon. member across the way suggests that Alberta is not getting its fair share. In this current program, \$508 million will go into infrastructure programs across the province of Alberta, ranging from roads, sewers, tourism, recreation facilities, et cetera. These are all municipally generated. They are not imposed by the Government of Canada, Heaven forbid. It is the cities and the member's own city.

I might point out his own situation. The member may have forgotten this, but under the strategic infrastructure program, the ring roads in both Calgary and Edmonton will be getting \$150 million. Who asked for those ring roads? It was not the federal government. The member should check with the mayors in Edmonton and in Calgary. The fact is this is what is being proposed. We thought it would be good, the Alberta government thought it would be good and we proposed it.

Let us get rid of the myth that we embrace the notion where we will just turn over a portion of the federal gas tax to the provinces and they will be really good and do the right thing by the cities. If they had done the right thing by the cities in the first place, we would not have needed a national infrastructure program because they would have taken care of the needs in their own provinces as under the Constitution.

• (1825)

**Mr. James Rajotte:** Madam Speaker, I am so surprised by those questions and comments from such an intelligent member on the other side of the House that I am not sure where to start, but I will try.

### Supply

First, with respect to the member for LaSalle—Émard, the fact is that he endorses this policy initiative proposed by Canadian Alliance. At the end of the quote that the former minister of finance put forward are conditions where he can walk away from his policy position later and say that he did not get complete agreement with the provinces on these 10 items of detail, therefore it will not work. That is what it is. However the quote reads:

If access to a portion of the gasoline tax ends up being the preferred mechanism of municipal leaders, the federal government will be at the table with the province offering to vacate tax room...

That is substantially the same as the motion put forward by the Canadian Alliance today.

The basic principle is the following. If we want to fund infrastructure across Canada, we can do it in a couple of ways. We can do it with the government coming along every year and deciding it will spend \$100 million this year, \$2 billion next year and zero the year after. It will look at all the projects and decide politically which ones are the best, but it will decide about the first infrastructure. There may be some real needs with Anthony Henday Drive in Edmonton, but the government actually thinks money is needed for luxury sky boxes at the Skyreach Centre because that is a determination it makes politically, which is an absolutely wrong decision. That is one way we can do this, which is a completely unacceptable way.

The second way, which is a better way, is for the federal government, which has a taxing power, to provide a stable source of revenue for the provinces and municipalities so that they can address their infrastructure needs which they know best.

The people of Edmonton and the surrounding communities know their infrastructures best, whether it is 23rd Avenue or Anthony Henday Drive, better than the federal government any day of the week, and those are the ones who deserve a stable source of funding, which is what this motion is trying to achieve.

**The Acting Speaker (Ms. Bakopanos):** If the House will indulge the Chair, may I recommend, because there is only three minutes left for debate, that we take two questions for the hon. member. Is there agreement?

**Some hon. members:** Agreed.

**Mr. Larry Bagnell (Yukon, Lib.):** Madam Speaker, I would just like the member, with whom I debate all the time in the industry committee, to tell me that he believes it is better to transfer the money to the province of Quebec for the municipalities than for us to give it directly in the agreements we have now.

In the previous decade, time and time again the Government of Quebec downloaded items on to the municipalities so that their water, sewer and roads fell below standards. It stopped that and actually asked the municipalities to put up money instead of getting grants from the province. In 2000 it stopped taking money from the municipalities but it stopped paying its grants in lieu on utilities of about \$400 million. So it was \$386 million over three years and then \$400 million thereafter.

*Supply*

If this is the type of treatment the municipalities would get from the province, why would we transfer the money to the province then to the municipality and not directly to the municipalities through the infrastructure program, which is what we are doing right now?

**Mr. James Rajotte:** Madam Speaker, that is a very good question because it highlights a policy difference between this party and the centralist Liberals who think Ottawa knows best on everything.

The facts have shown that the provinces put a higher proportion of their fuel taxes into infrastructure than the federal government has done over the last umpteen years.

I will stand with any province in this country, whether it is Quebec, Alberta, B.C. or Ontario, that they know the infrastructure needs of their own province, their own communities and their own municipalities better than any federal government that has ever existed in the history of this country. That is my position.

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Madam Speaker, I just want to make a brief comment and ask my colleague to comment on it.

Does he not agree with me that the Liberals are just sucking dollars out of Canadians' pockets through this gas tax and then not reinvesting it into the infrastructure?

In my communities of Maple Ridge, Mission, Agassiz and Harrison Hot Spring there is a great need for those infrastructure dollars to remain with the province so there can be long term stable funding for infrastructure programs.

Does the hon. member not agree with me that this government just uses these gas taxes to line its coffers and dole out more cash to its political pals in order to buy votes?

**Mr. James Rajotte:** Madam Speaker, my colleague is absolutely right. When we look at it, the federal excise tax raises about \$4.7 billion and the government spends about \$100 million or so in infrastructure. If we look at the percentage, 2.5%, according to the Canadian Taxpayers' Federation, of the amount that the federal government collects in gasoline taxes was invested into roads. If we add in the GST, it is 1.7%. That is completely unacceptable and a practice that has to be stopped.

The provinces, municipalities and communities need stable funding through a motion. I implore members on all sides of the House to adopt the Canadian Alliance motion and provide those communities with the funding that they need.

• (1830)

[Translation]

**The Acting Speaker (Ms. Bakopanos):** It being 6:30 p.m., it is my duty to interrupt the proceedings and put forthwith all questions necessary to dispose of the business of supply now before the House.

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

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Speaker:** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Speaker:** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Speaker:** In my opinion the nays have it.

*And more than five members having risen:*

[English]

**The Acting Speaker (Ms. Bakopanos):** Pursuant to order made on Wednesday, June 11, the recorded division stands deferred until 8 p.m.

\* \* \*

[Translation]

### MAIN ESTIMATES 2003-04

#### CONCURRENCE IN VOTE 25—TRANSPORT

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

That Vote 25, in the amount of \$266,201,000, under TRANSPORT—Department—Payments to VIA Rail Canada Inc., in the Main Estimates for the fiscal year ending March 31, 2004, less the amount voted in Interim Supply, be restored.

**Mr. Marcel Proulx (Parliamentary Secretary to the Minister of Transport, Lib.):** Mr. Speaker, I am pleased to have the opportunity to stand in this House today to speak to VIA Rail's funding requirements for the next fiscal year. As colleagues know, the Standing Committee on Transport took the decision to reduce VIA Rail's funding request by \$9 million based on concerns that VIA Rail could not, in the committee's view, explain why it needed more money than last year.

As well, as many of our colleagues are aware, the Minister of Transport came before the Standing Committee on Transport this past Monday afternoon to discuss the impact of the proposed reductions and to address the concerns of the committee members. There was much in that speech that I would like to reiterate tonight, as I think it is important that all our colleagues have the benefit of that information.

[English]

In addition, the Minister of Transport recently tabled in the House of Commons two reports that speak to VIA's operating performance and financial requirements for the next five years. I refer specifically to VIA Rail's annual report for 2002 and the summary of VIA Rail's corporate plan for 2003-07.

VIA's corporate plan summary and its annual report contains information that addresses the standing committee's concerns and demonstrates that VIA is accountable to Canadian taxpayers.

Moving people and goods efficiently, safely, securely and in an environmentally respectful way is vital to our economy. As Canada's national passenger rail service, VIA Rail has an important role to play providing safe, high quality, efficient passenger service to Canadians. Moving people out of their cars and onto trains is one solution to the problem of congestion which we see each and every day in and around our cities and on our major highways. Not only is congestion a personal frustration but it also slows down our business.

[*Translation*]

Passenger rail also gives Canadians a convenient and economical choice—whether travelling for business or pleasure.

And, for many Canadians in northern and remote parts of the country, rail provides an invaluable lifeline, especially where no other transportation options are available.

The Government of Canada is dedicated to passenger rail and its revitalization—not only as a viable transportation option that is central to our identity as Canadians, but also as one that makes good economic and environmental sense.

A strong passenger rail system also contributes to building stronger communities. Passenger rail provides a vital link for the movement of people, encouraging business development and growth. VIA Rail connects some 450 communities with services that run across the country.

The Standing Committee on Transport was concerned that VIA could not explain why it needed more funding for the current year than for last year. The Main Estimates identify \$266.2 million for 2003-04, compared to \$255.7 million for 2002-03. The government provides funding for VIA Rail in the form of an operating subsidy and a capital budget.

VIA's operating subsidy has been fixed since 2000 at \$171 million per year and, as such, VIA cannot request more than \$171 million for its operational requirements. Further, VIA cannot transfer funding from its capital budget to cover operating requirements without government approval.

I will speak more about VIA's capital budget in a few moments. Before doing so, I think it is important for us to review VIA's operating performance over the last year and compare this performance to a decade ago before VIA underwent major rationalization.

More Canadians are using the train today than ever before. In 2002, VIA Rail carried 116,000 more passengers than in 2001 and over half a million more passengers than in 1990. As a result of this growth and improved yields per customer, VIA's passenger revenues grew by \$17 million to reach \$270 million in 2002. In fact, revenues have grown steadily over the past decade enabling VIA to steadily improve the cost-effectiveness of its services.

• (1835)

[*English*]

VIA's total operating funding requirement is now 63% lower than in 1990. It was as a result of this demonstrated growth and improved cost effectiveness that government decided in 2000 to fix VIA Rail's

### *Supply*

operating subsidy at \$171 million per year for 10 years compared to \$410 million in 1990.

VIA's cost recovery ratio now stands at 64.5% for the entire network, including the regional and remote services. This is an increase of 123% since 1990. Similarly, government funding per passenger mile has been reduced from 45.6¢ in 1990 to 15.8¢ in 2002.

In January 1998 the Standing Committee on Transport reviewed passenger rail service in Canada. At that time, the committee carried out public consultations and made 11 recommendations in its report, "The Renaissance of Passenger Rail in Canada", in June 1998. The committee's report stated unanimously that the status quo was not acceptable.

The report concluded that government support, particularly in explicit long term policy commitment, was required to provide for a sustainable system of passenger rail in Canada.

[*Translation*]

The committee's first recommendation stated, and I quote:

That the government define and commit to long-term support, not less than 10 years, for passenger rail objectives in Canada, including the route network, level of service and long-term stable funding to allow stakeholders to recapitalize rolling stock and infrastructure and enhance passenger rail services.

Further, the committee's fourth recommendation stated:

That the government commit to stable funding for passenger rail in the amount of \$170 million annually.

[*English*]

The government tabled its response in October 1998, broadly agreeing with the report's findings. The government committed to revitalize passenger rail operations in Canada by providing long term financial support for passenger rail, protecting truly remote passenger rail services and better defining access arrangements for passenger rail in the absence of an agreement with rail infrastructure owners.

[*Translation*]

To this end, in addition to stabilizing VIA's annual operating subsidy at \$171 million, as recommended by the committee, the government announced in April 2000 that it would provide VIA with an additional \$401.9 million in capital funding over the next five years to allow the company to address urgent capital requirements related to rolling stock, infrastructure, health and safety, and to provide for modest growth in services.

These funds are being invested in new locomotives, in new Renaissance cars for additional capacity, in the installation of waste retention tanks on existing fleet, in track upgrades and in the refurbishment of passenger stations. The government and VIA are continuing to implement this initiative.

### Supply

VIA has already made improvements as a result of this funding. The company began operating 21 new high-speed locomotives in December 2001. It purchased 139 new passenger cars some of which are already in operation on the corridor. It has completed the refurbishment of several stations across the country, including Prince George, Thompson, Kitchener, Brantford, Toronto, Oshawa, and so on and new stations in London and west Ottawa.

The corridor fleet has been fitted with waste retention systems. And VIA has completely refurbished the existing Rail Diesel Cars that are used on the regional and remote services on Vancouver Island and in northern Ontario.

I understand that I am quickly running out of time. However, I would like to say that for 2003, VIA has also planned track infrastructure improvements of \$7.6 million.

This provides a brief outline of the impact of a reduction in the amount VIA is asking for.

As members of the House will see from the Corporate Plan, VIA has to plan its expenditures over rolling periods of five years. Like other companies, VIA needs certainty that the requested funds will be available when needed to cover its contractual commitments.

In conclusion, the restoration of the funding requirements requested in the main estimates will help ensure that the investments announced in 2000 will continue to bear fruit for the benefit of Canadians across the country.

• (1840)

[English]

**Mr. Jim Gouk (Kootenay—Boundary—Okanagan, Canadian Alliance):** Madam Speaker, I am pleased to respond to the request for the restoration of the money that the all party transport committee saw fit to reduce VIA Rail by.

I heard the hon. parliamentary secretary start off tonight by saying that he was proud to rise on this. Frankly, I find that very difficult to believe. The parliamentary secretary is a decent sort of person. I actually feel a great deal of sympathy for him. He is in a very tough role. He has to support the minister even though the minister is totally out to lunch on this issue.

I would like to raise two points tonight, one of them being VIA's funding, just to clarify some of the things that the parliamentary secretary felt he had to say, and also the role of committees in scrutinizing estimates.

First, I just want to ensure that people are clear. What is at stake tonight is \$9 million of VIA's budget. There is a misconception out there that somehow this actually affects its entire budget of \$266 million. It is \$9 million, or 2.9%, of its budget.

A hundred seventy million dollars a year is the annual amount of taxpayer money that the government gives to VIA Rail to operate in Canada. That is in addition to the \$401.9 million the government committed to VIA Rail for capital expenditures in the year 2000.

The committee's job is to find out if it is justified in giving the money that the various agencies want.

VIA came before the Standing Committee on Transport and informed it that its ridership is up. The parliamentary secretary himself said that. VIA had more riders last year than it ever had before. How did that work out in its bottom line? Exactly like the parliamentary secretary said. Its revenues were up as well. As a result, its operating deficit was \$154 million.

As we have already both agreed, VIA's subsidy for operating, which cannot be moved over into the capital expenditures, was \$170 million which meant it had \$16 million left over. Taxpayer money was given to VIA to operate at \$170 million, but it only needed \$154 million of that money. What did it do with the money? Did it return it? Did it actually save the taxpayer a small amount of money and give that money back? No, it did not. Somehow it managed to squish that over, play with the figures, fudge on it a bit, called it corporate profit that it was reinvesting, even though it lost \$154 million, and blew that money on some other part of its operation.

That is one of the things the committee looked at when VIA came before it to explain why it was asking for this money.

What VIA is actually looking for is not only to get the \$170 million again, which is \$16 million more than it needed last year, but it wants another \$10.5 million on top of that. That is absolutely unacceptable. VIA did not justify the increased funds and, frankly, neither did the minister.

What did VIA do? There was one project I know it undertook last year. Perhaps that is where a chunk of this money went.

VIA Rail went out and hired a PR firm by the name of Hill and Knowlton. It sent this PR firm out to British Columbia to lobby communities to request the minister to have VIA Rail expand its service to operate on what is known as the southern route from Calgary to Vancouver. What is interesting is there already is a train that operates on that, run by the private sector, formerly run by VIA Rail. This private sector company bought it from VIA Rail.

Therefore VIA Rail wants to have these communities, which it paid this company to go out and lobby, say that they wanted VIA to come back and operate on the same track a private sector company operated, the private company that purchased the business from VIA Rail in the first place. To be kind, that is pretty tacky. Perhaps that is where a bit of the money has gone.

• (1845)

The private rail company that we are talking about in British Columbia is called the Rocky Mountaineer. The minister, when he came before the committee, said that in the past VIA Rail did not compete with the Rocky Mountaineer because the Rocky Mountaineer was a tourism service and VIA Rail was a passenger service. Rocky carries tourists and VIA carries passengers who have to go from point to point.

While the minister was discoursing on a separate part of some of the conversation with members at committee, he said that VIA's ridership might be down in this coming year. He explained why. He said because of SARS and other problems there were less tourists coming to Canada, and of course less tourists meant less riders on VIA Rail.

*Supply*

I naturally seized on this because it kind of conflicted with what he had said in the past. I asked him if he was saying then that passengers who VIA Rail primarily carried were tourists. I said that I had always maintained that.

My position is who would ride on the train outside of the corridor? Outside of commuter rail, who will ride any distance on the rail simply to get from point A to point B? It is expensive, it takes a long time and a lot of it is carried on at night. For example, it costs more to go from Edmonton to Vancouver on the highly subsidized VIA Rail than it does the highly taxed airline. People can fly cheaper than if they take VIA Rail. VIA Rail takes 16 times as long, and contrary to what a lot of people think, it is not environmentally friendly. Commuter rail is, where there is high density movement of traffic. However to go from Edmonton to Vancouver by rail is less fuel efficient than flying on an airplane.

The minister acknowledged, yes, that very few people would actually get on the train to go any distance to get from point A to point B. He said that they did it for the rail experience. That begs this question. Why then do Canadian taxpayers have to subsidize a tourism experience?

Let us look in terms of the actual value of what VIA Rail provides. The minister said that even if VIA Rail went in the southern route, it would not be competition with the Rocky Mountaineer because Rocky Mountaineer was a high end tourist attraction. It provided a wonderful, fancy, high end product while VIA Rail provided a more straightforward service. Therefore it was completely different, appealing to a different set of clients and therefore not in competition.

VIA Rail from Vancouver to Edmonton goes 24 hours without stopping. An upper berth, the cheapest thing someone can get, costs \$619.53. The Rocky Mountaineer is \$729.00 but VIA Rail is so heavily subsidized. In fact I suggested to the minister that if Rocky Mountaineer got VIA Rail's subsidy, for the amount of passengers the Rocky Mountaineer carried, it could pay every passenger \$1,700 to ride on its rail system.

I will move on rather quickly because there is a lot that needs to be said tonight.

The minister has moved to overturn the committee's recommendation to restore the \$9 million.

Committees are charged with the responsibility of reviewing the spending requests of various government departments and agencies. What the minister is saying is that review is a waste of time. Unless the committee rubber stamps whatever the government wants, the government will simply overrule those recommendations.

First, it means the whole committee process is a waste of time and money. Second, it means there is no real scrutiny of the spending of taxpayer money. In fact the Liberal government in the past quite clearly suggested better scrutiny by MPs might have prevented the billion dollar overrun of the firearms registry.

The transport committee was simply doing its job. The minister's response has been essentially that he does not want us to do our jobs; he wants us to do what he tells us. The transport committee did not ignore its responsibility when it voted to support reducing VIA Rail's

increased funding request. We stood up for those who elected us to come here and represent them. I hope other members of the House will not ignore their responsibilities and those who elected them when they vote on the restoration of funds tonight.

• (1850)

A vote against this motion is a vote in support of the committee review of estimates, and a vote of support for Canadians who look to us to ensure that all expenditures are necessary and appropriate. The additional \$9 million for VIA Rail does not meet that test.

This is a chance for Parliament to say that we occasionally do some meaningful work in here and the government will not overturn what Canadians have sent us here to do.

[*Translation*]

**Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ):** Mr. Speaker, it is a great pleasure for me to speak to this aspect of supply. It has been all the more of a pleasure because in order to prepare my comments for this evening, I had the opportunity to reacquaint myself with the transport file.

Our usual transport critic is the member for Argenteuil—Papineau—Mirabel, but he is busy tonight. He is attending a committee meeting and asked me to replace him here. I myself come from the Quebec City and Saguenay region; as such I can attest to how important it is for people who live in the regions, particularly in the Gaspé, the Lower St. Lawrence and also in the Quebec City-Windsor corridor, to have efficient and viable train service.

First, I would like to congratulate VIA Rail management. When I was a member of the transport committee from 1993 to the late 1990s, I remember having listened to VIA Rail representatives in committee on several occasions.

Of course, we cannot forget that VIA Rail is a crown corporation, and that a large part of its budget is provided by taxpayers. As parliamentarians, we have the duty to ensure that the money paid out by the people we represent, through income tax and other taxes, is well spent.

I remember asking questions of the VIA Rail representatives on several occasions in committee. At that time, they were asking us to give them the money they needed to manage the business effectively and to give them some leeway. VIA Rail guaranteed that it would be able to make improvements to the quality of service thanks to more modern equipment that would allow it to be more reliable and punctual. By doing so, if it provided better service, it could attract more clients, which translates into higher revenues.

So, if we give VIA Rail the funding it needs, it will become more and more independent, or should I say less and less dependent on taxpayer dollars. That is the challenge.

### Supply

I will be mentioning some people who do not necessarily share my political views, people who do not necessarily hold the same political opinions as the hon. members of the Bloc Québécois. I will begin with someone who is currently the chairman of the board of VIA Rail, Mr. Jean Pelletier. As the lead administrator on the board of VIA Rail, Mr. Pelletier is responsible for seeing that the money entrusted to him by the taxpayers is well spent. He has to make decisions.

I will come back in a moment to the way he was treated by the Liberal members of the Standing Committee on Transportation. We know who Jean Pelletier is. We will not bury our heads in the sand; Jean Pelletier was once the current Prime Minister's chief of staff; he was appointed to his position by the Prime Minister. It is a political reward. I could go further with this, but I should mention the inappropriate way he was treated by the supporters of the hon. member for LaSalle—Émard, a leadership candidate and an aspiring Prime Minister. I will come back to this.

• (1855)

I would also like to congratulate Mr. Marc LeFrançois, who is the CEO of VIA Rail. The fact that I mention this has nothing to do with the fact that he originally comes from my riding. He is a son of the Côte-de-Beaupré, from L'Ange-Gardien, in fact. Since 1993, he has been working with his team. I am not trying to say that it was he alone, in his office at VIA Rail headquarters in Montreal, who made these decisions. It was a collegial process, a team effort. Still, I am able, as someone who was Bloc Québécois transportation critic for eight years, to appreciate what has been done at VIA Rail, and what will be done if the necessary funding is made available.

I do not want to overwhelm you with statistics, Mr. Speaker, but I do want to point out that in the last 12 years, VIA Rail has reduced its annual operating costs by \$73.4 million, which is a 15% reduction. The company has increased its annual revenues by \$128 million, an increase of 90%. It now makes twice as much revenue per train, at a lower cost. It offers service that has to be called excellent, much better than it ever was.

During this period, the government's annual contribution to operating expenses—I talked earlier about how the more funds were provided by users, the less taxpayers have to contribute—decreased by \$256 million, or 65%. The company's revenue-expenditure ratio has improved by 123%.

The purpose of the vote we are discussing tonight is to provide additional funds to VIA Rail so it can fulfill its obligations and, among other things, provide services.

It is unfortunate that the Liberal members of the Standing Committee on Transport tried to draw in-existent conclusions. VIA Rail committed funds to renovating the Renaissance cars acquired from Bombardier Europe. This is necessary in order to respect Transport Canada's requirements with regard to washrooms, suspension and so forth. The cost of these renovations was higher than expected.

The Chair is indicating that I have only two minutes left, so I will try to conclude as fast as I can.

Some Liberal members are upset with Jean Pelletier and also about the rapid rail project along the Quebec City-Windsor corridor.

I can say that, for those of us in the Quebec City region, this is a priority. We want this high tech rapid rail service to stop in Quebec City. The region has expressed this wish on numerous occasions.

Sales increased by 10% in 2002. Therefore, according to the Liberal members, since VIA is making more money, it needs less from the government. The Minister of Transport came to tell the committee that he is asking cabinet for an additional capital investment for VIA of over \$20 million. This money will be used to finish renovations on the 136 Renaissance cars purchased in Europe by Bombardier.

In conclusion, since I am getting the signal that I have only a minute left, I am asking my colleagues to promote a means of passenger transportation that is as economical as it is ecological. It is a shame that I do not have enough time because I could give lengthy illustrations on the ecological and environmental advantages. It is better to have rail transport than to have each individual use autoroutes 20 and 40 to go to Montreal in their individual vehicles given the greenhouse gas emissions.

We have to be consistent with our decision to ratify the Kyoto protocol. We have to make sure that VIA Rail, which has made improvements in its management, gets these supplementary budgets. I am not saying that everything is perfect because the world is not perfect. There is still room for improvement. Nonetheless, I want to make a case for VIA Rail to obtain these supplementary budgets so that it may provide railway cars that are worthy of the 21st century to the 30 million people who live in Canada.

• (1900)

[English]

**The Deputy Speaker:** I want to remind members to never take for granted that the Chair will recognize them. Members would be better advised to stand and be recognized. The hon. member for Perth—Middlesex.

**Mr. Gary Schellenberger (Perth—Middlesex, PC):** Mr. Speaker, thank you for the advice.

I rise here this evening to speak on VIA Rail. The people of Perth—Middlesex are interested in seeing the VIA Rail service improved because it is such an essential part of life in the riding from both a tourism and an industrial perspective.

Perth—Middlesex is right in the thick of Canada's railroad heartland, the Windsor-Montreal corridor. Many municipalities in our area are very concerned about upgrades to VIA Rail. Cities and towns in southwestern Ontario such as Stratford, Kitchener and Windsor have had various meetings and are quite interested in high speed rail service and upgrades to be made, primarily because of the tourism sector and commuting to jobs.

Private sector railroads have done very well in our area. Through the little town I live in it is only a 50 mile run, but a private railroad took over from CN quite a number of years ago and has turned it into a very profitable enterprise, so I have a vested interest in closely monitoring the process of funding for VIA Rail.

*Supply*

As I watch the process unfold, some initial questions come to mind. Will this proposed \$9 million increase in spending result in better service for my constituents? Will it meet the regulations in Kyoto? Will it help cut down on greenhouse gases? I would think it should.

The transport committee did not seem to think so or did not think the \$9 million was needed. According to this committee, the folks from VIA Rail were never able to justify the increase in spending. The minister says he can. I do not know who to believe, but I know I am not very impressed with this process. I have watched what has happened in various committee processes and a lot of the time the recommendations brought down by the committees are ignored by this government.

I also know that I am not interested in scoring cheap political points by investigating the issue of the shadow government or the infighting between different camps in the Liberal Party, although I do think it is awful for government institutions to be used as battlegrounds to settle old scores in the Liberal Party of Canada.

We have a Minister of Transport allegedly threatening members with job losses in their home ridings if they do not support the spending increase and the government House leader trying to have the committee's recommendations thrown out as illegitimate. What is the actual benefit to the Canadian public in increasing the budget of VIA Rail by this proposed \$9 million? What programs will be hurt because these moneys are earmarked for the VIA Rail increase?

We are told that passenger numbers and revenues are up, so if this is the case then why does VIA need more money, not less? Something is not adding up here. Why are the Prime Minister and his Minister of Transport willing to walk all over the findings of their own parliamentary committee? Why do they want this money put into VIA Rail so badly?

These are the issues and questions the House should be addressing. I have always been concerned that there is a lot of time spent in committee with a lot of good points brought forward. I have listened this evening to statistics and dollar figures and various issues mentioned. I have listened to how a private rail service in B.C. running from Vancouver to Calgary may have competition from VIA Rail again, a private company that originally bought out VIA Rail. Again, that is a terrible type of competition.

● (1905)

All the hon. members of this House first came to this chamber wanting to help people, wanting to do some good. It seems to me that some members of this current government would be well advised to take a refresher course in why they became members. It was not to settle old scores within the Liberal Party of Canada.

**Mrs. Bev Desjarlais (Churchill, NDP):** Mr. Speaker, I am pleased to have the opportunity to speak on the issue of the \$9 million going back into VIA Rail. I will acknowledge that one of the few times I made the mistake of not going to a committee meeting, the committee made what I saw as a horrendous mistake in suggesting that VIA Rail have its \$9 million cut, and for a variety of reasons.

My colleague from the Conservatives has asked why VIA Rail needs this money and said it will possibly be giving some

competition to a private company. He asked why, if passenger numbers are up and revenues are up, it needs the dollars. He does not have the advantage of having been on the transportation committee for the number of years that I have been there, and he probably does not have the advantage of having VIA Rail service in his riding like I do in one of what I consider probably the few remote areas that VIA Rail still serves. It is an absolute need that VIA Rail passenger service is there because there is no other land access into these communities.

I live in the Churchill riding in Manitoba. We have rail service from Winnipeg all the way up to Churchill and along that way we do not have a tourism train on the line. There is great tourism all along the way and up to Churchill, but the bottom line is that along that route are communities that do not have any access other than rail. It brings us back to the early days of the nation, when the train was there to bring the nation together. Over time we have had roads put in place so people maybe do not see the same need for rail service. Quite frankly, I think that because we have coast to coast rail service, although we do not have it in as many areas as we used to, we have an advantage going into the future, the advantage of a nation that already has those tracks in place. When we are trying to put in place good environmental transportation processes we have the rail service and I think we have to maintain it.

VIA Rail still operates much along the lines of a crown corporation. In Bill C-26, an act that was to come before Parliament, which our transportation committee wanted to travel on but was not able to, there were going to be some changes to VIA. The bottom line is there is a real need for VIA Rail. There is a need throughout the country, but especially in communities in which it is the only access.

Like a lot of services, when there are not huge populations travelling on that service it is more costly to operate, but quite frankly I think the people in those remote communities deserve that right of access, the same way those who got the additional highway right of access throughout the country have it, paid for by taxpayers' dollars in a good many instances. I believe that Canadians are willing to support VIA Rail passenger service into those areas and also to continue supporting VIA Rail service throughout the country.

I just want to mention one of the other issues that I think was important in restoring this funding to VIA Rail. A number of cars were purchased from the U.K. to be used by VIA Rail. It seemed like a steal of a deal, but they did not meet the same safety standards and the same stress and strength requirements for the cars. They did not meet the needs of accessibility for the disabled. Some changes had to be made to the cars as a result of security and the placement of certain facilities within the cars. As a result, it has become an endeavour that is a bit more costly than was intended and that is part of the cost, I believe, for this need for the additional dollars for VIA Rail. Quite frankly I am willing to put additional dollars into VIA Rail if it means accessibility for the disabled, if it means safe cars on the tracks and if it means improved security. I think there is a need to do this.

### Supply

•(1910)

Throughout the VIA Rail system there is a variety of different cars, some old, some new, and some quite old. Some of the quite old ones end up going into those remote communities. It would be great to have even newer cars and better service in those areas, but what has had to happen is a decrease in that service as dollars became tight and companies were not able to continue there. There have been cuts. I want to see those cuts end and I want more improved service.

My colleague from the Alliance mentioned the Rocky Mountaineer, a privatized company. I have had the pleasure of riding on the Rocky Mountaineer and it is a great service. It is a great service, but it is also not the most cost affordable service if one has to travel by train on a regular basis. If people are on holiday and it is a tourism type of thing where they are going to get on the train and enjoy the mountains, it is great, there is no question about it, but it certainly is not accessible to people on an everyday basis. It is not affordable. I appreciated the service and thought it was great, but for the most part it is a tourism service.

If Rocky Mountaineer or another private company were to expand and go into purely tourism areas along the passenger rail line, I would see it like taking the cream off the milk. They will take the cream and that is all they are going to look after. They will leave the rest. Then someone else has to figure out how we are going to support the rest of the system. In my riding, the rest of the system is the communities for which that is their only land access. It is their only affordable access to get out of those communities and to get supplies for our fishermen in the area: by getting access to the trains going along there. Sometimes there is cargo aligned with the passenger train just to have the accessibility for the fishermen to get their fish stocks out to market. That is the reality of what happens in other parts of Canada when we get outside the urban areas.

It is extremely important that as a nation we continue to support VIA Rail and we continue to be willing to put the additional dollars into areas of remote access service. Quite frankly, there are areas of Atlantic Canada that lost rail service.

**An hon. member:** We sure did.

**Ms. Bev Desjarlais:** And at a time when our nation is looking at improving itself from the environmental perspective and meeting Kyoto requirements, now more than ever we should be supporting rail transportation.

I listened to my colleague, again from the Alliance, who somehow suggested that it was more environmentally sound to have a short-haul plane in the air rather than having rail transportation. I do not know where he is getting his information from, but anything I have seen over the course of the last number of years does not prove that out. I am not opposed to short-haul air flights. I just do not think they are the be-all and end-all.

I think this country, this nation, can support a variety of transportation services and I think we should make them available so that travellers do have a choice. A lot of people coming to our country want to be able to hop on a train and go throughout the country because they prefer rail transportation. They are used to it in their countries and they want the same here.

I know I only have a few short minutes, but I just want to mention a wonderful experience I had as a caucus member. A few years back our caucus made a decision that we were not going to have our caucus retreat in just one little area of the country. We made a decision to do our retreat on the train and travel from coast to coast. It was an extremely wonderful experience to see our nation, each and every province along the way and experience it by rail. What I also saw, and I had my eyes opened because I did not travel by rail very often, were numerous people throughout this nation using rail transportation. Yes, I want to see a lot more people doing it, but there were a lot of people using rail transportation. There were students travelling to and from school, students who wanted to do that as part of their holidays. There were families travelling together where someone did not have to sit in the driver's seat and miss half the vacation. They could be together and enjoy our nation. For that reason alone, it is worthwhile to support VIA Rail.

I for one also very much support improved rail transportation, higher speed rail transportation between—and I know this will shock members because it is not my area of the country—the densely populated areas in Ontario and Quebec. To me it makes sense. We need to get that traffic off the roads if at all possible. If people want to travel by road, they should be able to do that, but if they want to travel by rail and not have to put up with the hectic traffic on the road, they should be able to do that as well.

•(1915)

I want to emphasize my support and that of our caucus for ensuring that those dollars go back into VIA Rail. In the future we will support VIA Rail as a public-run corporation for the benefit of all Canadians and all travellers.

[*Translation*]

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Mr. Speaker, I would like to congratulate the NDP member for Churchill for her excellent speech. She gave an accurate description of the facts that we see in outlying regions.

I am happy to have an opportunity to talk about the importance of re-establishing the funding requested by VIA Rail, as laid out in the main estimates for 2003-04.

In April 2000, the Government of Canada made an historic announcement to maintain national rail travel by investing \$401.9 million in major capital projects by VIA Rail to modernize the corporation and make it more attractive and reliable for Canadians. This investment was to be made over a five-year period, from 2000 to 2005.

This investment was in addition to the commitment made by the Government of Canada to provide VIA with long-term, stable funding of \$171 million per year over the next ten years, until 2010.

The reason VIA has had good budgets in recent years is because of the whole support team, the VIA Rail team, with people like Jean Pelletier, Marc LeFrançois, and all of the employees. It is not just because of the president. The president relies on employees to budget during the year.

*Supply*

Since this announcement, the House approved the main estimates for VIA Rail for fiscal 2000-01, 2001-02, and 2002-03. The capitalization plan for \$401.9 million is part of the funding approved for 2000-01. A reduction in the funding requested for the current fiscal year will have a significant impact on the ongoing implementation of this investment, depriving Canadians from all regions of improved passenger rail service.

I want to touch briefly on the scope of the benefits resulting from this investment.

The 2000 announcement preceded the renaissance of passenger rail service in Canada. It was made in response to recommendations made by the Standing Committee on Transport, which asked the government to provide long-term stable support to meet the objectives for passenger rail service in Canada.

The new money was to be spent in key areas such as renewing the rail fleet, modernizing train stations, improving infrastructure, signalling along the Quebec City-Windsor corridor and implementing an environmental waste management system for the current fleet.

This five-year investment demonstrated the government's long-term commitment to maintaining a national passenger rail service, a service that linked the country from the Atlantic to the Pacific, from the Great Lakes to Hudson's Bay, a truly Canadian service.

It must also be kept in mind that VIA Rail has been trying for some years to improve its service in Abitibi-Témiscamingue, or in other words that part of its route that runs from Montreal to La Tuque and Senneterre. The train stops at Senneterre, but VIA Rail has been doing its level best to improve its service to the Val-d'Or to Rouyn-Noranda sector and Northern Ontario. They are currently being blocked by Canadian National. As hon. members may know, VIA Rail leases the track in certain sectors, but at present CN is charging VIA too much for using its tracks, and thus is blocking the plans for Senneterre—Val-d'Or and Val-d'Or—Rouyn-Noranda.

We all know that our national railways have always made a contribution to the building of this nation. Here in Canada rail is a vital link, not only geographically, but also historically. It is also vital for our very identity as Canadians. The investment of \$401.9 million is helping to strengthen those ties by providing Canadians with a revitalized VIA Rail service, a truly Canadian service.

Canada has many transportation challenges facing it, one of the greatest of which is to provide Canadians with a safe, economical and ecological alternative to automobile travel between cities. This is a promise other countries have already kept, particularly in Europe and Asia.

One excellent solution to the congestion we see daily on our city and suburban streets and our highways is to encourage people to leave their cars behind and take the train. Rail travel can also help us reduce the greenhouse gas emissions in Canada because it is far less polluting than the automobile. Since over one-quarter of our emissions are from transportation, any measure we can adopt to encourage a more environmentally friendly option will be welcome.

For many Canadians in the north or in distant regions of this country, rail transportation is essential, particularly in places where there are no other options.

● (1920)

The hon. member for Churchill, from the NDP, said a while ago that the remote regions were important. The transportation system has to be efficient for the whole population.

For 20 years, VIA Rail has offered travellers economical, high quality, safe and reliable transportation.

In recent years, VIA Rail has done excellent work to reduce and control its costs, while maximizing its revenues, providing high quality service and relying on the inherent market forces of passenger rail service as one of the safest and most efficient means of transportation.

In the past 10 years, VIA Rail has worked hard to support the government's efforts to put its financial house in order. Its success is due to the whole VIA Rail team, as I was saying, from the president to the passenger service agent on the platform.

VIA Rail has considerably reduced its operating costs and increased its revenues. VIA Rail now produces twice the revenue with each train and does it at lower cost, offering what is arguably the best service in its history.

The figures attest to this. Since 1990, VIA Rail has worked hard to cut over \$250 million from its annual budget, and it has done so while continuing to improve its services and add new products.

In 2002, its revenues were more than \$270 million, \$17 million more than the previous fiscal year. It achieved this despite the fact that government funding to VIA was at an all-time low, at 63% of 1990 levels.

Last year, VIA Rail had over four million passengers and registered 948 million passenger miles, for its best performance in a decade.

These figures testify to the enormous potential for future growth. However, this potential can only be properly tapped with the help of this significant and urgent investment in operating funds announced in 2000. That is why it is essential to re-establish the funding requirements for VIA Rail as set out in the Main Estimates.

The \$401.9 million investment, along with the annual \$171 million in subsidies to VIA Rail, put a stop to the deterioration of passenger rail service and gave VIA Rail the means it needed to operate safely and efficiently in the coming years.

### Supply

VIA's capital investment program responds to the growing demand for a modern, efficient, coast-to-coast passenger rail service. It will provide modern equipment, better infrastructure, better station facilities, improved safety and environmental practices—all as part of a truly modern network of services linking communities across the country, provided CN allows VIA to use its tracks at a lesser cost.

VIA has purchased 139 ultra-modern, state-of-the-art passenger cars, expanding its total fleet by one third. The first new passenger cars were introduced on the Enterprise, the Montreal-Toronto overnight service, in June 2002.

VIA is also undertaking a complete overhaul and refurbishment of rail diesel cars used on Vancouver Island and in northern Ontario. The refurbished equipment will dramatically improve the reliability and comfort of these services.

Infrastructure improvements have already been made on rail lines between Montreal and Ottawa. These improvements will shorten the trip between Montreal and Ottawa by 25 minutes. The trip can now be made in 1 hour and 35 minutes.

VIA's capital investment program produces results for Canadians across the country. Improved facilities, better infrastructure, and new equipment will have a dramatic impact across VIA's entire network.

By ensuring the continuity of the capital investment plan, Canadians will enjoy better access to trains across the network, more frequent, faster services, refurbished stations, and modern, comfortable equipment.

The Government of Canada, as most other countries, uses public funds because it owes it to the taxpayer, who has been subsidizing passenger rail service for many years, to do its best to make good on their investment by providing them with an attractive method of transportation that they will want to use.

This new major investment will provide the country with a national passenger rail service that is worthy of the 21st century, and one that all Canadians will be proud of.

Restoring the levels of funding requested in the main estimates will ensure that the promises made to Canadians in 2000 will be kept.

• (1925)

[English]

**Mr. Brian Fitzpatrick (Prince Albert, Canadian Alliance):** Mr. Speaker, in addressing this transportation issue, there is an observation that I want to make. The government calls itself Liberal, but quite often when we peel back liberalism, what we have is a new form of socialism. I know that the member from P.E.I. would like that kind of talk. It means more government, more central planning, more spending, more bureaucracy, more interference in the economy, and more interference in the day-to-day lives of Canadians. That is the Liberal way more often than not.

The transportation sector is a good sector to look at when we look at the Liberal way. Anything that the Liberal government puts its hands on, it seems to turn it to rock. The airline industry in this country is in a shambles with the government's interference and the way it dealt with that area. Air Canada, the one airline that the

government has been most active in getting involved with and helping out, is an absolute disaster.

I hear Liberals on the other side of the House talk as if, when they spend money, it is free money. That is a totally false concept. There are independent economists who have looked at government spending and in this country estimate that the cost to the private sector for every dollar extracted by the Liberal government is \$2 in economic output. We lose two dollars for every dollar the government collects. We had better get some real value when the government spends money because I do not see it.

There is a cost of working this money through the bureaucracy, from the CCRA right through the bureaucracy, until it gets out the other end. Some people have estimated that 34¢ out of every tax dollar is absorbed in that system alone too. So this is no minor issue.

VIA Rail receives a huge subsidy from the government, a half a million dollars a day. It is competing against private sector bus lines and small short line rails throughout the system. It is also competing against this troubled airline industry. I have small air services in my riding in Prince Albert and I have talked to these individuals. This Liberal way has been absolutely disastrous for them. The \$24 air security tax has been a killer. The Nav Canada burdens that are being imposed on these individuals are just killing those businesses and driving them out of business. This is the Liberal way. It likes to crowd out healthy, promising businesses and replace them with government-run systems.

I want to make it clear that commuter service in this country works fairly well where we have high density populations with all of the arguments about environmental concerns, deficiency, and viability. We do not need the government to do this. This is happening without the government. A confused commuter service, with this bloated VIA Rail, is really off the mark.

Obviously one of the solutions of this VIA Rail thing would be to do what the government once did. I believe it was Mr. Young, when he was the minister, who took the bull by horns with CN. CN was an albatross for this country because we were constantly subsidizing it and it provided lousy service. It had been in and out of taxpayers' pockets for years. He privatized CN and turned into probably the most successful rail system in North America, or probably the world. It was a shining example of the private sector. It provided better service and a better network than the government owned operation.

It still bothers me that the government is subsidizing an inefficient service that people are not choosing to use, except for the odd person who wants to take a holiday at the expense of everybody else at a huge subsidy.

• (1930)

There are lots of other ways to travel across this great country besides rail but we have to subsidize it because members on that side have some warm and fuzzy feeling about the railroad. They have probably read Pierre Berton's book *The Last Spike* and think that because it is VIA Rail the government has to stay in there and hold the thing together.

VIA Rail only serves a very small fraction of the country. People who travel across the country use motor vehicles, the buses and the airlines. It is a big country but VIA Rail only serves a small slice of it. At a half a million dollars a day we have to really wonder on a cost benefit analysis why we do not wake up to the fact that the plug should be pulled on this service. We should use that money for much more important things such as improving the infrastructure of our roads and highways across the country.

Even the gas tax motion that we debated earlier ties in with this. The government's priorities on spending and using tax dollars and so on in so many areas is an absolute disaster. It is really unfortunate. On random polls, the Liberals seem to have 40% to 50% of the people's vote. I wish a lot of people would wake up and realize what the government's policies are doing to our economy and the future of this nation.

Nine million dollars is a small matter. However, I want to emphasize that we elected 301 members of Parliament. The people entrusted us with the job. Those folks on the committee studied and looked hard at VIA Rail and came up with a proposal that would reduce the spending by \$9 million and what happened? The elected elite dictatorship bureaucracy that runs this place walked in and found ways to override what that committee decided to do.

Government would be much better served to listen to what the committee members are suggesting and recommending. We would get better public policy and better government. But there are those in that elite element in government who believe they have to have control, and that it has to be centralized control. They have to plan everything. They are going to find the ways to waste our taxpayers' dollars and regulate us into the ground. They just do not want to let that go.

It is really dangerous if they see some Liberal backbenchers on the committees get a little bit of insight on positive ways of developing good policy. It bothers them that the door might open a bit and the whole system might come crumbling down upon them, which would really be good if it happened.

I congratulate the member from the Kootenays. I listened to his speech and I know what he has had to say on transportation issues and the VIA Rail. He is right on the mark. I wish some of my Liberal friends would spend more time listening to common sense like that instead of looking down and reading their notes and papers, or whatever it is that they do.

• (1935)

**Mr. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, I am delighted to talk about railways this evening.

I voted for the extra \$9 million for VIA in committee, as it was in the original estimates, and I will be voting for it again. My reasons are simple. First, it is for capital upgrades, new cars, and for fixing up the stations. I am a big fan of the railroads and we have been playing catch up with the quality of the railroads in Europe and Japan for many years. We are doing a very good job and I want that to continue.

That could have been the end of my speech but I have nine and a half minutes left, so I will use the rest of the time to demonstrate

### *Supply*

seven principles which I believe should be followed in legislation in Parliament. I will then finish off with a very exciting rail project.

In a situation like this there are seven principles that should be followed. I am glad I have an attentive audience in the far corner that wants to hear these seven principles.

First, a number of things have nothing to do with leadership. There are all sorts of people in the House who in their shenanigans attribute everything to leadership and potential leadership. This is no exception. There are people outside the House doing that too. It does not make any sense. There are three candidates running for leadership and never once has any of the three candidates suggested to me what their position is on something or what the position is that I should take. I have already explained the position I took on this and why, and it is totally different from that of other representatives who have the same leadership favourite. It is just fantasy speculation and it should be cleared up because it is going to go on for another six months.

The second principle is that the government in general should avoid competition and subsidizing competition to private business. I think the member for Kootenay—Boundary—Okanagan made this point very well. Where that actually is the case, I agree.

Principle number three is that spending should be responsible. In the first vote we had on this, some members voted against the increase, and although I did not, I support what they did. They did what they felt they had to, and should do, because they were trying to be responsible based on the information they had at the time. They did not feel they had sufficient information to justify the added expense. They did not feel that the questions had been answered sufficiently. Based on that, as they were going to make a responsible decision on expenditure of money, they did what they felt they should do. That is perfectly reasonable because all parliamentarians should be responsible in the expenditure of money.

Principle number four is that committees should have some effect on whatever they are dealing with or they should not be tasked with dealing with it. People's time should not be wasted if they are going to be asked to do something and then it is ignored. For instance, if committees are going to look at estimates and have some valid input, then that input should be taken into account and should have some effect.

In this particular case it had an effect. The department and the minister, to his credit, realized that they did not have the information and that was the reason people voted against it. In a very unusual situation he came back to committee, not once but twice, to explain things, to give more information to committee members which they needed before they could make their decision.

Principle number five is witnesses, especially those who are responsible for expenditure of government funds, should have that information with them to answer the questions. If they do not have it themselves they should have the people with them who can answer those questions.

### Supply

• (1940)

Principle number six is that when estimates are brought forward, obviously they have been developed with great thought and detail by experts in the crown corporation or the government department. That has to be respected and a very careful analysis has to be carried out before they are changed.

If something is going to be cut, the last principle is not to ask for a cut without asking what effect it will have. I do not want members of any committee I am on to ask for something to be cut without asking what the ramifications will be to that particular operation, to the government or the people involved. We have to know what effect a cut is going to have.

In summary of the process here, a number of committee members, not myself but other members, felt they did not have enough information and they suggested a cut. The minister came back and explained what the money was for, certainly to my satisfaction. The government had no choice but to bring in the option, as in the vote tonight, for people to vote to reinstate that amount. This is the only mechanism that could be used. Therefore, those committee members who are now convinced by the new information they have heard have a choice to make that vote.

Finally, in my riding there is a very exciting railway, the White Pass, that has been there since the gold rush. Riding on the narrow gauge is probably the most exciting trip in Canada and I hope everyone will take the trip up through the mountains.

Also on this topic, I mentioned in committee that there is a railway in Alaska and a railway in Canada that goes to northern B.C. and there is an opportunity to join the two railways. This probably would be the most exciting project in North America since Confederation. The minister says we have to dream dreams in this area and I hope I can have the support of the whole House for \$6 million for a feasibility study for such a project.

**Mr. Greg Thompson (New Brunswick Southwest, PC):** Mr. Speaker, this is an interesting evening talking about VIA Rail and the amount of money requested by the minister as opposed to a reduction that has been agreed upon by unanimous vote of the committee to reduce the budget by \$9 million.

Later tonight we will have a confidence vote on this because the minister has said that this will not stand. He wants full funding which would amount to approximately \$266 million. The committee reduced it from \$266 million to \$257 million. I am just rounding that off. What is a million among friends, as the Liberals would say. It is a reduction of \$9 million or about 2.95%.

This is typical of the government. We have all party committees and this all party committee was unanimous in its decision to reduce the budget. That not being good enough for the minister, he decided to take it back to the House of Commons and then force all the Liberal members to get up and support his position to overturn the all party committee. This is typical of the heavy handedness of the government.

One of the reasons the committee chose to reduce the minister's budget by \$9 million was simply because he never explained the need for an increase. In other words, the government does not have a

plan of action to spend the \$266 million. In fact if he had a plan, the committee would have approved it.

We can talk about the politics that are playing out within the Liberal Party on the committee, the Prime Minister's loyalists versus the member for LaSalle—Énard who is the next Prime Minister in waiting. I guess that is a reality being played out at the committee level. The fact of the matter is the committee made that decision. That is why we have committees. Members use their best judgment, and the minister has come into the House and has used his heavy hand.

That is the same heavy hand that his predecessor used in the House, a man by the name of Doug Young who was transport minister at one time. I just want to remind members of a story. I think we have an understanding of the need for rail service in the country. We know it is not cheap to have a transportation system in a country as big and diverse geographically as Canada.

However the Conservative government restored VIA Rail in Atlantic Canada when it came to office in 1984. The promise made by the Mulroney government at that time was, use it or lose it. In Atlantic Canada we used the rail service. We had a direct route from southern New Brunswick right through to Quebec. In fact the line used to come right through from Saint John to McAdam, New Brunswick, almost in a straight line as the crow flies. It was the shortest route to central Canada, with the line across the State of Maine and into to Sherbrooke, Quebec, and on to Montreal, Ottawa and so on.

People like myself, and the member for Saint John who fought tooth and nail for VIA Rail before she came to this place, had the best rail service we ever had during the period between 1984 and 1993. In fact VIA Rail built a new terminal in Saint John, New Brunswick to service its clients, the customers.

When Doug Young came to office, he took a hatchet to it to get even with the member who won the seat for the Conservatives in Saint John, in fact one of only two members in the House at the time. He put Saint John, New Brunswick on the chopping block. We have never had rail service since.

• (1945)

Since the days of Sir John A. Macdonald, members of Parliament have in their back pockets a VIA Rail pass that allows us to travel between their constituencies and Ottawa. That is just a little perk that members of Parliament are given. However none of us in Atlantic Canada, in the southern part of New Brunswick can use it.

If I get on the VIA Rail line today in New Brunswick, thanks to Doug Young I have to go from St. Stephen, New Brunswick to Saint John, New Brunswick by bus to get to Moncton, then get on the train. If I use that route, after 12 hours of travel, I am further from Ottawa than when I left home. Does that make any sense? That is the Liberal way: destroy services in rural areas.

*Supply*

The weakness in the budget the minister has presented is no attention has been paid to the rural areas of New Brunswick. What he did was take his ham hand, the toughness that he sometimes displays against his own members, and basically warned his own member in Thunder Bay, Ontario, who happens to be the chairman of the committee. He said that if he did not do things his way, he might lose the contract the government has issued to a company in his riding to restore rail cars.

That is the threat the minister uses over his own members. Is there any wonder the committee would vote against the request for an extra \$9 million? Some of the promises he made at the committee, \$9 million simply would not cover. The fact of the matter is he does not have a plan to spend the money. If he did have a plan to spend the money, he would have looked at those regions of Canada that badly need service, those regions that he, his predecessor and the government he represents, the Liberal government, took away in the first place.

We will not be supporting the minister's request for extra money because he has no plan for spending the \$257 million that he presently is getting. It would be a mistake by the House to give him that extra \$9 million. Let the actions of the committee and the vote on the committee stand. That is why we have them.

When the government whip is running around at committees to ensure there is full attendance on these various committees, we can now understand why government members are reluctant to attend their own committee meetings. Because the government will come right back to the House and overturn decisions that have been made democratically at that committee.

If we want to reform this place and turn it around so members do mean something when judgments are made and decisions are made, let us start right here tonight and say no to the Minister of Transport on the request for that extra \$9 million.

●(1950)

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, I feel somewhat badly following the hon. member who made an eloquent defence of VIA Rail and an eloquent defence of committees of the House, except I have to beg to differ as to what we should do about it.

It seems to me that those of us who want to defend passenger rail Canada and defend the role of VIA Rail should be the people who are least inclined to support a reduction in the funding for VIA Rail. The member might see it differently, and people of goodwill can disagree as to what the best way of dealing with this is.

I and the NDP take a different view on this. Because we support passenger rail and because we are not of the same mind as the Alliance members, who think there is something evil about VIA Rail because it is publicly owned, we cannot see our way to supporting even a committee decision that calls for a reduction in funding for VIA Rail.

I also want to point out that the decision of the committee, although it is portrayed as unanimous, was not unanimous in the sense that the NDP member on the committee was not present for that vote. Had she been present, it would not have been unanimous. That is one of the reasons why we are here tonight. We want to make

it clear that we did not support the decision by committee to pass a motion to reduce the VIA Rail budget by \$9 million.

I find this somewhat uncomfortable because I have often argued in the House, and I make no bones about it, that decisions of committees should be more respected than they are. We all know we do not always agree with every committee recommendation that comes forward, and we need to be honest about that. I am sure some of the people in the Alliance, who were making the argument about respecting the judgment of committees a few minutes ago, are probably not making the same argument with respect to the decision that was taken by the justice committee this afternoon. They probably will not get up in the House tomorrow and ask the government to respect the decision of the justice committee in the same way they now ask the government to respect the decision of the transport committee. It all depends on whether one agrees or not, although overall I would still argue that more respect should be paid to the decisions of committees.

I listened with interest to my Conservative friend and I would agree that Doug Young is certainly a villain when it comes, not just to passenger rail but to rail in general. I think particularly of the privatization of CNR.

The darkest day that I remember for VIA Rail did not come under the transport ministry of Doug Young. It came under the leadership of Brian Mulroney in the fall of 1989 with a decision that was implemented on January 15, 1990, which was the biggest single decimation of VIA Rail that we had ever seen in this country.

For the member to get up and talk as if everything was just hunky-dory until 1993, I am sorry. I was not going to talk about this, but I have been provoked by the very selective memory of the member from New Brunswick who seems to think that between 1984 and 1993 there was no damage done to VIA Rail. In fact in the fall of 1989 I was at the transport committee when that announcement was made by Ron Lawless. On January 15, 1990 the then transport minister Benoît Bouchard also should have gone down on the list of villains, when it comes to the history of rail in this country.

**An hon. member:** Thanks for defending the Liberals.

**Mr. Bill Blaikie:** It is not a question of defending Liberals; it is a question of lumping Liberals and Conservatives together when it comes to VIA Rail. We could go back and talk about Jean-Luc Pepin in 1981, another villain when it comes to the history of VIA Rail.

The fact of the matter is we in the NDP cannot see ourselves being in favour of a reduction in the funds going to VIA Rail because we know that in passenger rail lies the future in terms of meeting our Kyoto accord commitments.

●(1955)

We know that remote communities need to be served by passenger rail. We also know VIA Rail has some problems in terms of updating and refurbishing equipment to meet judgments that have been made, and appropriately so, with respect to access for disabled persons, with that various kinds of equipment that it has, particularly new equipment which it bought that does not meet certain specifications.

*Supply*

This extra money could be spent on a whole variety of things and I for one would not like to see VIA Rail denied this \$9 million.

It may be that the Minister of Transport and VIA Rail did not have an adequate enough plan or an adequate enough explanation when they came before the committee. Fair enough. Let the committee follow that. However I certainly would not want to see a reduction in VIA Rail funding as the appropriate response to that lack of information.

I see I have only one minute left. My how time goes fast when I am having fun talking about rail transportation.

There is another thing I could not resist. I listened to the member from the Alliance who went on and on about the duties of the private sector versus the public sector.

Mr. Speaker, do you remember the bad old days when Air Canada was publicly owned and the transport sector was regulated? Do you remember all that good service from one city to another, when the planes flew on a regular basis, the food was decent and the service was decent? Do you remember those terrible days when the public sector was in charge?

Now the private sector is in charge. Now we have privatized Air Canada and things are just great. Is it not wonderful when the private sector is in charge of air transport in this country? It has done such a wonderful job. Can anyone imagine if the same people who are running Air Canada were running our health care system? It would be unbelievable.

To listen to this kind of ideological claptrap from the Alliance puts me in a foul mood indeed.

[*Translation*]

**The Deputy Speaker:** It being 8 p.m. it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

• (2000)

[*English*]

\* \* \*

**SUPPLY**

## ALLOTTED DAY—INFRASTRUCTURE FUNDING

The House resumed consideration of the motion.

**The Deputy Speaker:** The House will now proceed to the taking of several recorded divisions, namely the opposition motion standing in the name for Port Moody—Coquitlam—Port Coquitlam, and all the motions relating to the main estimates standing in the name of the hon. President of the Treasury Board.

Call in the members.

• (2025)

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

*(Division No. 195)***YEAS**

## Members

Anderson (Cypress Hills—Grasslands)  
Cadman  
Day  
Elley  
Gallant  
Gouk  
Grey  
Hill (Prince George—Peace River)  
Jaffer  
Lunney (Nanaimo—Alberni)  
McNally  
Pankiw  
Rajotte  
Reynolds  
Schmidt  
Spencer  
Strahl  
White (North Vancouver)— 35

Burton  
Cummins  
Duncan  
Fitzpatrick  
Goldring  
Grewal  
Harris  
Hilstrom  
Lunn (Saanich—Gulf Islands)  
Martin (Esquimalt—Juan de Fuca)  
Moore  
Penson  
Reid (Lanark—Carleton)  
Ritz  
Sorenson  
Stinson  
Vellacott

**NAYS**

## Members

Adams  
Anderson (Victoria)  
Assadourian  
Bachand (Saint-Jean)  
Bakopanos  
Beaumier  
Bellemare  
Bertrand  
Bigras  
Blaikie  
Bonin  
Bourgeois  
Brown  
Byrne  
Calder  
Cardin  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cotler  
Cuzner  
Davies  
Desrochers  
Dhaliwal  
Doyle  
Drouin  
Easter  
Eyking  
Folco  
Frulla  
Gagnon (Champlain)  
Gaudet  
Girard-Bujold  
Godin  
Graham  
Guay  
Harb  
Hearn  
Jackson  
Jordan  
Karygiannis  
Keys  
Knutson  
Laliberte  
Lastewka  
Leung  
Lincoln  
Loubier  
Macklin  
Malhi  
Manley  
Marcil  
Masse  
McDonough

Allard  
Assad  
Augustine  
Bagnell  
Barnes (London West)  
Bélangier  
Bergeron  
Bevilacqua  
Binet  
Blondin-Andrew  
Boudria  
Bradshaw  
Bryden  
Caccia  
Caplan  
Carroll  
Catterall  
Charbonneau  
Coderre  
Comartin  
Cullen  
Dalphond-Guiral  
Desjarlais  
DeVillers  
Discepolo  
Dromisky  
Duplain  
Efford  
Finlay  
Fournier  
Fry  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gauthier  
Godfrey  
Goodale  
Guarnieri  
Guimond  
Harvey  
Hubbard  
Jennings  
Karetak-Lindell  
Keddy (South Shore)  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lalonde  
Lee  
Lill  
Longfield  
MacAulay  
Mahoney  
Maloney  
Marceau  
Marleau  
Matthews  
McGuire

McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
Nystrom  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Paradis  
Patry  
Perron  
Peterson  
Picard (Drummond)  
Pillitteri  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Rocheleau  
Roy  
Sauvageau  
Schellenberger  
Scott  
Simard  
St-Hilaire  
St. Denis  
Stewart  
Telegdi  
Thibeault (Saint-Lambert)  
Tirabassi  
Torsney  
Valeri  
Wayne  
Wilfert

McLellan  
Ménard  
Mitchell  
Myers  
Neville  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paquette  
Parrish  
Péris  
Peschisolido  
Phinney  
Pickard (Chatham—Kent Essex)  
Plamondon  
Proulx  
Redman  
Regan  
Robinson  
Rock  
Saada  
Savoy  
Scherrer  
Shepherd  
Speller  
St-Julien  
Steckle  
Stoffer  
Thibault (West Nova)  
Thompson (New Brunswick Southwest)  
Tonks  
Ur  
Wappel  
Whelan  
Wood— 180

#### PAIRED

##### Members

|                        |                 |
|------------------------|-----------------|
| Bennett                | Bulte           |
| Chamberlain            | Comuzzi         |
| Crête                  | Dion            |
| Duceppe                | Gagnon (Québec) |
| Laframboise            | Lancôt          |
| Martin (LaSalle—Émard) | Pettigrew       |
| Tremblay               | Venne— 14       |

**The Speaker:** I declare the motion lost.

\* \* \*

● (2030)

[*Translation*]

#### MAIN ESTIMATES, 2003-04

##### CONCURRENCE IN VOTE 25—TRANSPORT

The House resumed consideration of Vote No. 25, under Transport.

**The Speaker:** The next question is on the motion to restore Vote No. 25 under Transport.

[*English*]

Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Ms. Marlene Catterall:** Mr. Speaker, I believe you would find consent in the House that those who voted on the previous motion be recorded as voting on this motion, with Liberals voting yes with the addition of the member for Charleswood—St. James—Assiniboia, and with the member for Hamilton West abstaining on the vote.

#### Supply

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

**Some hon. members:** Agreed.

**Mr. Gerry Ritz:** Mr. Speaker, Canadian Alliance members this evening will be voting no on this motion with the exception of the member for Delta—South Richmond.

[*Translation*]

**Mr. Michel Guimond:** Mr. Speaker, the members of the Bloc Québécois will be voting in favour of this motion.

[*English*]

**Mr. Gerald Keddy:** Mr. Speaker, members of the Progressive Conservative Party vote no.

[*Translation*]

**Mr. Yvon Godin:** Mr. Speaker, the members of the New Democratic Party will be voting in favour of this motion.

[*English*]

**Mr. Jim Pankiw:** I will vote no, Mr. Speaker.

**Mr. Réginald Bélair:** Mr. Speaker, in the next votes please record me as voting in favour of the government.

[*Translation*]

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

(*Division No. 196*)

#### YEAS

##### Members

|                      |                                  |
|----------------------|----------------------------------|
| Adams                | Allard                           |
| Anderson (Victoria)  | Assad                            |
| Assadourian          | Augustine                        |
| Bachand (Saint-Jean) | Bagnell                          |
| Bakopanos            | Barnes (London West)             |
| Beaumier             | Bélair                           |
| Bélangier            | Bellemare                        |
| Bergeron             | Bertrand                         |
| Bevilacqua           | Bigras                           |
| Binet                | Blaikie                          |
| Blondin-Andrew       | Bonin                            |
| Boudria              | Bourgeois                        |
| Bradshaw             | Brown                            |
| Bryden               | Byrne                            |
| Caccia               | Calder                           |
| Caplan               | Cardin                           |
| Carroll              | Castonguay                       |
| Catterall            | Cauchon                          |
| Charbonneau          | Chrétien                         |
| Coderre              | Collenette                       |
| Comartin             | Cotler                           |
| Cullen               | Cuzner                           |
| Dalphond-Guiral      | Davies                           |
| Desjarlais           | Desrochers                       |
| DeVillers            | Dhaliwal                         |
| Discepola            | Dromisky                         |
| Drouin               | Duplain                          |
| Easter               | Efford                           |
| Eyking               | Finlay                           |
| Folco                | Fournier                         |
| Frulla               | Fry                              |
| Gagnon (Champlain)   | Gagnon (Lac-Saint-Jean—Saguenay) |
| Gaudet               | Gauthier                         |
| Girard-Bujold        | Godfrey                          |
| Godin                | Goodale                          |
| Graham               | Guarnieri                        |
| Guay                 | Guimond                          |
| Harb                 | Harvard                          |
| Harvey               | Hubbard                          |

*Supply*

Jackson  
Jordan  
Karygiannis  
Knutson  
Laliberte  
Lastewka  
Leung  
Lincoln  
Loubier  
Macklin  
Malhi  
Manley  
Marcil  
Masse  
McDonough  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
Nystrom  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Paradis  
Patry  
Perron  
Peterson  
Picard (Drummond)  
Pillitteri  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Rocheleau  
Roy  
Sauvageau  
Scherrer  
Shepherd  
Speller  
St-Julien  
Steckle  
Stoffer  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 175

Jennings  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lalonde  
Lee  
Lill  
Longfield  
MacAulay  
Mahoney  
Maloney  
Marceau  
Marleau  
Matthews  
McGuire  
McLellan  
Ménard  
Mitchell  
Myers  
Neville  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paquette  
Parrish  
Péric  
Peschisolido  
Phinney  
Pickard (Chatham—Kent Essex)  
Plamondon  
Proulx  
Redman  
Regan  
Robinson  
Rock  
Saada  
Savoy  
Scott  
Simard  
St-Hilaire  
St. Denis  
Stewart  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

Martin (LaSalle—Émard)  
Tremblay

Pettigrew  
Venne— 14

**The Speaker:** I declare the motion carried.

The next question is on opposed Vote No. 1.

CONCURRENCE IN VOTE 1—JUSTICE

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

Motion No. 1

That Vote 1, in the amount of \$433,972,000, under JUSTICE—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

[*English*]

**Ms. Marlene Catterall:** Mr. Speaker, I believe you will find consent in the House that those who voted on the previous motion be recorded as voting on the motion now before the House, and on Motion No. 3 and Motion No. 4, with Liberals voting yes.

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

**Some hon. members:** Agreed.

**Mr. Gerry Ritz:** Mr. Speaker, Canadian Alliance members will be voting no on these motions.

[*Translation*]

**Mr. Michel Guimond:** Mr. Speaker, the members of the Bloc Québécois will be voting in favour of Motions Nos. 1, 3 and 4.

● (2035)

[*English*]

**Mr. Gerald Keddy:** Mr. Speaker, members of the Progressive Conservative Party will vote no.

**Mr. Yvon Godin:** Mr. Speaker, members of the NDP will vote no.

**Mr. Jim Pankiw:** I will vote no, Mr. Speaker.

**Mr. Stan Keyes:** Mr. Speaker, I rise on a point of order. As it was made clear, I had abstained from the last vote. I want to make it clear that I will be voting with my government on these particular motions.

(The House divided on Motion No. 1, which was agreed to on the following division:)

(*Division No. 197*)

**YEAS**

## Members

Adams  
Anderson (Victoria)  
Assadourian  
Bachand (Saint-Jean)  
Bakopanos  
Beaumier  
Bélanger  
Bergeron  
Bevilacqua  
Binet  
Bonin  
Bourgeois  
Brown  
Byrne  
Calder  
Cardin  
Castonguay  
Cauchon

Allard  
Assad  
Augustine  
Bagnell  
Barnes (London West)  
Bélair  
Bellemare  
Bertrand  
Bigras  
Blondin-Andrew  
Boudria  
Bradshaw  
Bryden  
Caccia  
Caplan  
Carroll  
Catterall  
Charbonneau

**NAYS**

## Members

Anderson (Cypress Hills—Grasslands)  
Cadman  
Doyle  
Elley  
Gallant  
Gouk  
Grey  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lunney (Nanaimo—Alberni)  
McNally  
Pankiw  
Rajotte  
Reynolds  
Schellenberger  
Sorenson  
Stinson  
Thompson (New Brunswick Southwest)  
Wayne

Burton  
Day  
Duncan  
Fitzpatrick  
Goldring  
Grewal  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lunn (Saanic—Gulf Islands)  
Martin (Esquimalt—Juan de Fuca)  
Moore  
Penson  
Reid (Lanark—Carleton)  
Ritz  
Schmidt  
Spencer  
Strahl  
Vellacott  
White (North Vancouver)— 40

**PAIRED**

## Members

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lancôt

Chrétien  
Collenette  
Cullen  
Dalphond-Guiral  
DeVillers  
Discepola  
Drouin  
Easter  
Eyking  
Folco  
Frulla  
Gagnon (Champlain)  
Gaudet  
Girard-Bujold  
Goodale  
Guarnieri  
Guimond  
Harvard  
Hubbard  
Jennings  
Karetak-Lindell  
Keyes  
Knutson  
Laliberte  
Lastewka  
Leung  
Longfield  
MacAulay  
Mahoney  
Maloney  
Marceau  
Marleau  
McGuire  
McLellan  
Ménard  
Mitchell  
Myers  
Neville  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Paradis  
Patry  
Perron  
Peterson  
Picard (Drummond)  
Pillitteri  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Rock  
Saada  
Savoy  
Scott  
Simard  
St-Hilaire  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 165

Coderre  
Cotler  
Cuzner  
Desrochers  
Dhaliwal  
Dromisky  
Duplain  
Efford  
Finlay  
Fournier  
Fry  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gauthier  
Godfrey  
Graham  
Guay  
Harb  
Harvey  
Jackson  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lalonde  
Lee  
Lincoln  
Loubier  
Macklin  
Malhi  
Manley  
Marcil  
Matthews  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paquette  
Parrish  
Péric  
Peschisolido  
Phinney  
Pickard (Chatham—Kent Essex)  
Plamondon  
Proulx  
Redman  
Regan  
Rocheleau  
Roy  
Sauvageau  
Scherrer  
Shepherd  
Speller  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

## NAYS

### Members

Anderson (Cypress Hills—Grasslands)  
Burton  
Comartin  
Day  
Doyle  
Elley  
Gallant  
Goldring  
Grewal  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lill  
Lunney (Nanaimo—Alberni)

Blaikie  
Cadman  
Davies  
Desjarlais  
Duncan  
Fitzpatrick  
Godin  
Gouk  
Grey  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lunn (Saanich—Gulf Islands)  
Martin (Esquimalt—Juan de Fuca)

Masse  
McNally  
Nystrom  
Penson  
Reid (Lanark—Carleton)  
Ritz  
Schellenberger  
Sorenson  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 51

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

## [Translation]

### CONCURRENCE IN VOTE 1—TREASURY BOARD

#### **Hon. Lucienne Robillard (President of the Treasury Board, Lib.) moved:**

#### Motion No. 3

That Vote 1, in the amount of \$151,617,000, under TREASURY BOARD—Secretariat—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

(The House divided on Motion No. 3, which was agreed to on the following division:)

### (Division No. 199)

## YEAS

### Members

Adams  
Anderson (Victoria)  
Assadourian  
Bachand (Saint-Jean)  
Bakopanos  
Beaumier  
Bélangier  
Bergeron  
Bevilacqua  
Binet  
Bonin  
Bourgeois  
Brown  
Byrne  
Calder  
Cardin  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cullen  
Dalphond-Guiral  
DeVillers  
Discepola  
Drouin  
Easter  
Eyking  
Folco  
Frulla  
Gagnon (Champlain)  
Gaudet  
Girard-Bujold  
Goodale  
Guarnieri  
Guimond  
Harvard  
Hubbard

McDonough  
Moore  
Pankiw  
Rajotte  
Reynolds  
Robinson  
Schmidt  
Spencer  
Stoffer  
Thompson (New Brunswick Southwest)  
Wayne

## PAIRED

### Members

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lancôt  
Pettigrew  
Venne— 14

Allard  
Assad  
Augustine  
Bagnell  
Barnes (London West)  
Bélaïr  
Bellemare  
Bertrand  
Bigras  
Blondin-Andrew  
Boudria  
Bradshaw  
Bryden  
Caccia  
Caplan  
Carroll  
Catterall  
Charbonneau  
Coderre  
Cotler  
Cuzner  
Desrochers  
Dhaliwal  
Dromisky  
Duplain  
Efford  
Finlay  
Fournier  
Fry  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gauthier  
Godfrey  
Graham  
Guay  
Harb  
Harvey  
Jackson

*Supply*

Jennings  
Karetak-Lindell  
Keys  
Knutson  
Laliberte  
Lastewka  
Leung  
Longfield  
MacAulay  
Mahoney  
Maloney  
Marceau  
Marleau  
McGuire  
McLellan  
Ménard  
Mitchell  
Myers  
Neville  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Paradis  
Patry  
Perron  
Peterson  
Picard (Drummond)  
Pillitteri  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Rock  
Saada  
Savoy  
Scott  
Simard  
St-Hilaire  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 165

Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lalonde  
Lee  
Lincoln  
Loubier  
Macklin  
Malhi  
Manley  
Marcil  
Matthews  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paquette  
Parrish  
Péric  
Peschisolido  
Phinney  
Pickard (Chatham—Kent Essex)  
Plamondon  
Proulx  
Redman  
Regan  
Rocheleau  
Roy  
Sauvageau  
Scherrer  
Shepherd  
Speller  
St-Julien  
Steckle  
Telegdi  
Thibault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

*NAYS*

## Members

Anderson (Cypress Hills—Grasslands)  
Burton  
Comartin  
Day  
Doyle  
Elley  
Gallant  
Goldring  
Grewal  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lill  
Lunney (Nanaimo—Alberni)  
Masse  
McNally  
Nystrom  
Penson  
Reid (Lanark—Carleton)  
Ritz  
Schellenberger  
Sorenson  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 51

Blaikie  
Cadman  
Davies  
Desjarlais  
Duncan  
Fitzpatrick  
Godin  
Gouk  
Grey  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lunn (Saanich—Gulf Islands)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Moore  
Pankiw  
Rajotte  
Reynolds  
Robinson  
Schmidt  
Spencer  
Stoffer  
Thompson (New Brunswick Southwest)  
Wayne

*PAIRED*

## Members

Bennett  
Chamberlain

Bulte  
Comuzzi

Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

Dion  
Gagnon (Québec)  
Lancôt  
Pettigrew  
Venne— 14

## CONCURRENCE IN VOTE 5—TREASURY BOARD

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.) moved:**

Motion No. 4

That Vote 5, in the amount of \$750,000,000, under TREASURY BOARD—Secretaria—Government Contingencies, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

[English]

(The House divided on Motion No. 4, which was agreed to on the following division:)

(Division No. 200)

## YEAS

## Members

Adams  
Anderson (Victoria)  
Assadourian  
Bachand (Saint-Jean)  
Bakopanos  
Beaumier  
Bélanger  
Bergeron  
Bevilacqua  
Binet  
Bonin  
Bourgeois  
Brown  
Byrne  
Calder  
Cardin  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cullen  
Dalphond-Guiral  
DeVillers  
Discepola  
Drouin  
Easter  
Eyking  
Folco  
Frulla  
Gagnon (Champlain)  
Gaudet  
Girard-Bujold  
Goodale  
Guarnieri  
Guimond  
Harvard  
Hubbard  
Jennings  
Karetak-Lindell  
Keys  
Knutson  
Laliberte  
Lastewka  
Leung  
Longfield  
MacAulay  
Mahoney  
Maloney  
Marceau  
Marleau  
McGuire  
McLellan  
Ménard  
Mitchell  
Myers  
Neville

Allard  
Assad  
Augustine  
Bagnell  
Barnes (London West)  
Bélair  
Bellemare  
Bertrand  
Bigras  
Blondin-Andrew  
Boudria  
Bradshaw  
Bryden  
Caccia  
Caplan  
Carroll  
Catterall  
Charbonneau  
Coderre  
Cotler  
Cuzner  
Desrochers  
Dhaliwal  
Dromisky  
Duplain  
Efford  
Finlay  
Fournier  
Fry  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gauthier  
Godfrey  
Graham  
Guay  
Harb  
Harvey  
Jackson  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lalonde  
Lee  
Lincoln  
Loubier  
Macklin  
Malhi  
Manley  
Marcil  
Matthews  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Nault  
O'Brien (Labrador)

O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Paradis  
Patry  
Perron  
Peterson  
Picard (Drummond)  
Pillitteri  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Rock  
Saada  
Savoy  
Scott  
Simard  
St-Hilaire  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood — 165

O'Reilly  
Pacetti  
Paquette  
Parrish  
Péric  
Peschisolido  
Phinney  
Pickard (Chatham—Kent Essex)  
Plamondon  
Proulx  
Redman  
Regan  
Rocheleau  
Roy  
Sauvageau  
Scherrer  
Shepherd  
Speller  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

## NAYS

### Members

Anderson (Cypress Hills—Grasslands)  
Burton  
Comartin  
Day  
Doyle  
Elley  
Gallant  
Goldring  
Grewal  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lill  
Lunney (Nanaimo—Alberni)  
Masse  
McNally  
Nystrom  
Penson  
Reid (Lanark—Carleton)  
Ritz  
Schellenberger  
Sorenson  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 51

Blaikie  
Cadman  
Davies  
Desjarlais  
Duncan  
Fitzpatrick  
Godin  
Gouk  
Grey  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lunn (Saanich—Gulf Islands)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Moore  
Pankiw  
Rajotte  
Reynolds  
Robinson  
Schmidt  
Spencer  
Stoffer  
Thompson (New Brunswick Southwest)  
Wayne

## PAIRED

### Members

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lanctôt  
Pettigrew  
Venne — 14

**The Speaker:** I declare Motions Nos. 1, 3 and 4 carried.

The next question is on opposed motion No. 2.

[Translation]

### CONCURRENCE IN VOTE 1—PRIVY COUNCIL

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

Motion No. 2

## Supply

That Vote 1, in the amount of \$102,156,000, under PRIVY COUNCIL—Department—Program expenditures, grants and contributions, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

[English]

**Ms. Marlene Catterall:** Mr. Speaker, I believe you will find consent that those who voted on the previous motion be recorded as voting on this motion before the House and on Motion Nos. 5, 6, 7, 8, and the motion to concur in main estimates, with Liberal members voting yes.

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

**Some hon. members:** Agreed.

**Mr. Gerry Ritz:** Mr. Speaker, Canadian Alliance members will be voting no on those motions.

[Translation]

**Mr. Michel Guimond:** Mr. Speaker, the members of the Bloc Québécois will vote no on these motions.

[English]

**Mr. Gerald Keddy:** Mr. Speaker, members of the Progressive Conservative Party vote no.

[Translation]

**Mr. Yvon Godin:** Mr. Speaker, the members of the New Democratic Party vote no on these motions.

[English]

**Mr. Jim Pankiw:** Mr. Speaker, I will vote no.

(The House divided on Motion No. 2, which was agreed to on the following division:)

(Division No. 198)

## YEAS

### Members

Adams  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes (London West)  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Calder  
Carroll  
Catterall  
Charbonneau  
Coderre  
Cotler  
Cuzner  
Dhaliwal  
Dromisky  
Duplain  
Efford  
Finlay  
Frulla  
Godfrey  
Graham  
Harb  
Harvey  
Jackson  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan

Allard  
Assad  
Augustine  
Bakopanos  
Beaumier  
Bélangier  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Caccia  
Caplan  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cullen  
DeVillers  
Discepolo  
Drouin  
Easter  
Eyking  
Folco  
Fry  
Goodale  
Guamieri  
Harvard  
Hubbard  
Jennings  
Karetak-Lindell  
Keyes  
Knutson  
Laliberte

*Supply*

|                           |                              |
|---------------------------|------------------------------|
| Lastewka                  | Lee                          |
| Leung                     | Lincoln                      |
| Longfield                 | MacAulay                     |
| Macklin                   | Mahoney                      |
| Malhi                     | Maloney                      |
| Manley                    | Marcil                       |
| Marleau                   | Matthews                     |
| McGuire                   | McKay (Scarborough East)     |
| McLellan                  | McTeague                     |
| Minna                     | Mitchell                     |
| Murphy                    | Myers                        |
| Nault                     | Neville                      |
| O'Brien (Labrador)        | O'Brien (London—Fanshawe)    |
| O'Reilly                  | Owen                         |
| Pacetti                   | Pagtakhan                    |
| Paradis                   | Parrish                      |
| Patry                     | Péric                        |
| Peschisolido              | Peterson                     |
| Phinney                   | Pickard (Chatham—Kent Essex) |
| Pillitteri                | Pratt                        |
| Proulx                    | Provenzano                   |
| Redman                    | Reed (Halton)                |
| Regan                     | Robillard                    |
| Rock                      | Saada                        |
| Savoy                     | Scherrer                     |
| Scott                     | Shepherd                     |
| Simard                    | Speller                      |
| St-Julien                 | St. Denis                    |
| Steckle                   | Stewart                      |
| Telegdi                   | Thibault (West Nova)         |
| Thibeault (Saint-Lambert) | Tirabassi                    |
| Tonks                     | Torsney                      |
| Ur                        | Valeri                       |
| Wappel                    | Whelan                       |
| Wilfert                   | Wood— 138                    |

*NAYS*

## Members

|                                     |                                  |
|-------------------------------------|----------------------------------|
| Anderson (Cypress Hills—Grasslands) | Bachand (Saint-Jean)             |
| Bergeron                            | Bigras                           |
| Blaikie                             | Bourgeois                        |
| Burton                              | Cadman                           |
| Cardin                              | Comartin                         |
| Dalphond-Guiral                     | Davies                           |
| Day                                 | Desjarlais                       |
| Desrochers                          | Doyle                            |
| Duncan                              | Elley                            |
| Fitzpatrick                         | Fournier                         |
| Gagnon (Champlain)                  | Gagnon (Lac-Saint-Jean—Saguenay) |
| Gallant                             | Gaudet                           |
| Gauthier                            | Girard-Bujold                    |
| Godin                               | Goldring                         |
| Gouk                                | Grewal                           |
| Grey                                | Guay                             |
| Guimond                             | Harris                           |
| Heam                                | Hill (Prince George—Peace River) |
| Hilstrom                            | Jaffer                           |
| Keddy (South Shore)                 | Lalonde                          |
| Lill                                | Loubier                          |
| Lunn (Saanich—Gulf Islands)         | Lunney (Nanaimo—Alberni)         |
| Marceau                             | Martin (Esquimalt—Juan de Fuca)  |
| Masse                               | McDonough                        |
| McNally                             | Ménard                           |
| Moore                               | Nystrom                          |
| Pankiw                              | Paquette                         |
| Penson                              | Perron                           |
| Picard (Drummond)                   | Plamondon                        |
| Rajotte                             | Reid (Lanark—Carleton)           |
| Reynolds                            | Ritz                             |
| Robinson                            | Rocheleau                        |
| Roy                                 | Sauvageau                        |
| Schellenberger                      | Schmidt                          |
| Sorenson                            | Spencer                          |
| St-Hilaire                          | Stinson                          |
| Stoffer                             | Strahl                           |
| Thompson (New Brunswick Southwest)  | Vellacott                        |
| Wayne                               | White (North Vancouver)— 78      |

*PAIRED*

## Members

|                        |                 |
|------------------------|-----------------|
| Bennett                | Bulte           |
| Chamberlain            | Comuzzi         |
| Crête                  | Dion            |
| Duceppe                | Gagnon (Québec) |
| Laframboise            | Landtôt         |
| Martin (LaSalle—Émard) | Pettigrew       |
| Tremblay               | Venne— 14       |

*[Translation]*

## CONCURRENCE IN VOTE 10—CITIZENSHIP AND IMMIGRATION

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.) moved:**

## Motion No. 5

That Vote 10, in the amount of \$120,219,000, under CITIZENSHIP AND IMMIGRATION—Immigration and Refugee Board—Program expenditures, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

(The House divided on Motion No. 5, which was agreed to on the following division:)

*(Division No. 201)**YEAS*

## Members

|                              |                           |
|------------------------------|---------------------------|
| Adams                        | Allard                    |
| Anderson (Victoria)          | Assad                     |
| Assadourian                  | Augustine                 |
| Bagnell                      | Bakopanos                 |
| Barnes (London West)         | Beaumier                  |
| Bélair                       | Bélangier                 |
| Bellemare                    | Bertrand                  |
| Bevilacqua                   | Binet                     |
| Blondin-Andrew               | Bonin                     |
| Boudria                      | Bradshaw                  |
| Brown                        | Bryden                    |
| Byrne                        | Caccia                    |
| Calder                       | Caplan                    |
| Carroll                      | Castonguay                |
| Catterall                    | Cauchon                   |
| Charbonneau                  | Chrétien                  |
| Coderre                      | Collenette                |
| Cotler                       | Cullen                    |
| Cuzner                       | DeVillers                 |
| Dhaliwal                     | Discepolo                 |
| Dromisky                     | Drouin                    |
| Duplain                      | Easter                    |
| Efford                       | Eyking                    |
| Finlay                       | Folco                     |
| Frulla                       | Fry                       |
| Godfrey                      | Goodale                   |
| Graham                       | Guarnieri                 |
| Harb                         | Harvard                   |
| Harvey                       | Hubbard                   |
| Jackson                      | Jennings                  |
| Jordan                       | Karetak-Lindell           |
| Karygiannis                  | Keys                      |
| Kilgour (Edmonton Southeast) | Knutson                   |
| Kraft Sloan                  | Laliberte                 |
| Lastewka                     | Lee                       |
| Leung                        | Lincoln                   |
| Longfield                    | MacAulay                  |
| Macklin                      | Mahoney                   |
| Malhi                        | Maloney                   |
| Manley                       | Marcil                    |
| Marleau                      | Matthews                  |
| McGuire                      | McKay (Scarborough East)  |
| McLellan                     | McTeague                  |
| Minna                        | Mitchell                  |
| Murphy                       | Myers                     |
| Nault                        | Neville                   |
| O'Brien (Labrador)           | O'Brien (London—Fanshawe) |
| O'Reilly                     | Owen                      |
| Pacetti                      | Pagtakhan                 |
| Paradis                      | Parrish                   |

Patry  
Peschisolido  
Phinney  
Pillitteri  
Proulx  
Redman  
Regan  
Rock  
Savoy  
Scott  
Simard  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

Péric  
Peterson  
Pickard (Chatham—Kent Essex)  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Saada  
Scherrer  
Shepherd  
Speller  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 138

### NAYS

#### Members

Anderson (Cypress Hills—Grasslands)  
Bergeron  
Blaikie  
Burton  
Cardin  
Dalphond-Guiral  
Day  
Desrochers  
Duncan  
Fitzpatrick  
Gagnon (Champlain)  
Gallant  
Gauthier  
Godin  
Gouk  
Grey  
Guimond  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lill  
Lunn (Saanich—Gulf Islands)  
Marceau  
Masse  
McNally  
Moore  
Pankiw  
Penson  
Picard (Drummond)  
Rajotte  
Reynolds  
Robinson  
Roy  
Schellenberger  
Sorenson  
St-Hilaire  
Stoffer  
Thompson (New Brunswick Southwest)  
Wayne

Bachand (Saint-Jean)  
Bigras  
Bourgeois  
Cadman  
Comartin  
Davies  
Desjarlais  
Doyle  
Elley  
Fournier  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gaudet  
Girard-Bujold  
Goldring  
Grewal  
Guay  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lalonde  
Loubier  
Lunn (Nanaimo—Alberni)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Ménard  
Nystrom  
Paquette  
Perron  
Plamondon  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Sauvageau  
Schmidt  
Spencer  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 78

### PAIRED

#### Members

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lancôt  
Pettigrew  
Venne— 14

### CONCURRENCE IN VOTE 1—PUBLIC WORKS AND GOVERNMENT SERVICES

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

Motion No. 6

### Supply

That Vote 1, in the amount of \$1,840,511,000, under PUBLIC WORKS AND GOVERNMENT SERVICES—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

(The House divided on Motion No. 6, which was agreed to on the following division:)

### (Division No. 202)

### YEAS

#### Members

Adams  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes (London West)  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Calder  
Carroll  
Catterall  
Charbonneau  
Coderre  
Cotler  
Cuzner  
Dhaliwal  
Dromisky  
Duplain  
Efford  
Finlay  
Frulla  
Godfrey  
Graham  
Harb  
Harvey  
Jackson  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Leung  
Longfield  
Macklin  
Malhi  
Manley  
Marleau  
McGuire  
McLellan  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paradis  
Patry  
Peschisolido  
Phinney  
Pillitteri  
Proulx  
Redman  
Regan  
Rock  
Savoy  
Scott  
Simard  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

Allard  
Assad  
Augustine  
Bakopanos  
Beaumier  
Bélanger  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Caccia  
Caplan  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cullen  
DeVillers  
Discepolo  
Drouin  
Easter  
Eyking  
Folco  
Fry  
Goodale  
Guarnieri  
Harvard  
Hubbard  
Jennings  
Karetak-Lindell  
Keyes  
Knutson  
Laliberte  
Lee  
Lincoln  
MacAulay  
Mahoney  
Maloney  
Marcil  
Matthews  
McKay (Scarborough East)  
McTeague  
Mitchell  
Myers  
Neville  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Parrish  
Péric  
Peterson  
Pickard (Chatham—Kent Essex)  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Saada  
Scherrer  
Shepherd  
Speller  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 138

*Supply*

## NAYS

## Members

|                                     |                                  |
|-------------------------------------|----------------------------------|
| Anderson (Cypress Hills—Grasslands) | Bachand (Saint-Jean)             |
| Bergeron                            | Bigras                           |
| Blaikie                             | Bourgeois                        |
| Burton                              | Cadman                           |
| Cardin                              | Comartin                         |
| Dalphondu-Guiral                    | Davies                           |
| Day                                 | Desjarlais                       |
| Desrochers                          | Doyle                            |
| Duncan                              | Elley                            |
| Fitzpatrick                         | Fournier                         |
| Gagnon (Champlain)                  | Gagnon (Lac-Saint-Jean—Saguenay) |
| Gallant                             | Gaudet                           |
| Gauthier                            | Girard-Bujold                    |
| Godin                               | Goldring                         |
| Gouk                                | Grewal                           |
| Grey                                | Guay                             |
| Guimond                             | Harris                           |
| Hearn                               | Hill (Prince George—Peace River) |
| Hilstrom                            | Jaffer                           |
| Keddy (South Shore)                 | Lalonde                          |
| Lill                                | Loubier                          |
| Lunn (Saanich—Gulf Islands)         | Lunney (Nanaimo—Alberni)         |
| Marceau                             | Martin (Esquimalt—Juan de Fuca)  |
| Masse                               | McDonough                        |
| McNally                             | Ménard                           |
| Moore                               | Nystrom                          |
| Pankiw                              | Paquette                         |
| Penson                              | Perron                           |
| Picard (Drummond)                   | Plamondon                        |
| Rajotte                             | Reid (Lanark—Carleton)           |
| Reynolds                            | Ritz                             |
| Robinson                            | Rocheleau                        |
| Roy                                 | Sauvageau                        |
| Schellenberger                      | Schmidt                          |
| Sorenson                            | Spencer                          |
| St-Hilaire                          | Stinson                          |
| Stoffler                            | Strahl                           |
| Thompson (New Brunswick Southwest)  | Vellacott                        |
| Wayne                               | White (North Vancouver)— 78      |

## PAIRED

## Members

|                        |                 |
|------------------------|-----------------|
| Bennett                | Bulte           |
| Chamberlain            | Comuzzi         |
| Crête                  | Dion            |
| Duceppe                | Gagnon (Québec) |
| Laframboise            | Lanctôt         |
| Martin (LaSalle—Émard) | Pettigrew       |
| Tremblay               | Venne— 14       |

## CONCURRENCE IN VOTE 1—FISHERIES AND OCEANS

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

Motion No. 7

That Vote 1, in the amount of \$1,034,353,000, under FISHERIES AND OCEANS—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

(The House divided on Motion No. 7, which was agreed to on the following division:)

*(Division No. 203)*

## YEAS

## Members

|                      |           |
|----------------------|-----------|
| Adams                | Allard    |
| Anderson (Victoria)  | Assad     |
| Assadourian          | Augustine |
| Bagnell              | Bakopanos |
| Barnes (London West) | Beaumier  |
| Bélaïr               | Bélangier |
| Bellemare            | Bertrand  |
| Bevilacqua           | Binet     |

## Blondin-Andrew

|                              |                              |
|------------------------------|------------------------------|
| Boudria                      | Bonin                        |
| Brown                        | Bradshaw                     |
| Byrne                        | Bryden                       |
| Calder                       | Caccia                       |
| Carroll                      | Caplan                       |
| Catterall                    | Castonguay                   |
| Charbonneau                  | Cauchon                      |
| Coderre                      | Chrétien                     |
| Cotler                       | Collenette                   |
| Cuzner                       | Cullen                       |
| Dhaliwal                     | DeVillers                    |
| Dromisky                     | Discepola                    |
| Duplain                      | Drouin                       |
| Efford                       | Easter                       |
| Finlay                       | Eyking                       |
| Frulla                       | Folco                        |
| Godfrey                      | Fry                          |
| Graham                       | Goodale                      |
| Harb                         | Guarnieri                    |
| Harvey                       | Harvard                      |
| Jackson                      | Hubbard                      |
| Jordan                       | Jennings                     |
| Karygiannis                  | Karetak-Lindell              |
| Kilgour (Edmonton Southeast) | Keyes                        |
| Kraft Sloan                  | Knutson                      |
| Lastewka                     | Laliberte                    |
| Leung                        | Lee                          |
| Longfield                    | Lincoln                      |
| Macklin                      | MacAulay                     |
| Malhi                        | Mahoney                      |
| Manley                       | Maloney                      |
| Marleau                      | Marcil                       |
| McGuire                      | Matthews                     |
| McLellan                     | McKay (Scarborough East)     |
| Minna                        | McTeague                     |
| Murphy                       | Mitchell                     |
| Nault                        | Myers                        |
| O'Brien (Labrador)           | Neville                      |
| O'Reilly                     | O'Brien (London—Fanshawe)    |
| Pacetti                      | Owen                         |
| Paradis                      | Pagtakhan                    |
| Patry                        | Parrish                      |
| Peschisolido                 | Péric                        |
| Phinney                      | Peterson                     |
| Pillitteri                   | Pickard (Chatham—Kent Essex) |
| Proulx                       | Pratt                        |
| Redman                       | Provenzano                   |
| Regan                        | Reed (Halton)                |
| Rock                         | Robillard                    |
| Savoy                        | Saada                        |
| Scott                        | Scherrer                     |
| Simard                       | Shepherd                     |
| St-Julien                    | Speller                      |
| Steckle                      | St. Denis                    |
| Telegdi                      | Stewart                      |
| Thibeault (Saint-Lambert)    | Thibault (West Nova)         |
| Tonks                        | Tirabassi                    |
| Ur                           | Torsney                      |
| Wappel                       | Valeri                       |
| Wilfert                      | Whelan                       |
|                              | Wood— 138                    |

## NAYS

## Members

|                                     |                                  |
|-------------------------------------|----------------------------------|
| Anderson (Cypress Hills—Grasslands) | Bachand (Saint-Jean)             |
| Bergeron                            | Bigras                           |
| Blaikie                             | Bourgeois                        |
| Burton                              | Cadman                           |
| Cardin                              | Comartin                         |
| Dalphondu-Guiral                    | Davies                           |
| Day                                 | Desjarlais                       |
| Desrochers                          | Doyle                            |
| Duncan                              | Elley                            |
| Fitzpatrick                         | Fournier                         |
| Gagnon (Champlain)                  | Gagnon (Lac-Saint-Jean—Saguenay) |
| Gallant                             | Gaudet                           |
| Gauthier                            | Girard-Bujold                    |
| Godin                               | Goldring                         |
| Gouk                                | Grewal                           |
| Grey                                | Guay                             |
| Guimond                             | Harris                           |
| Hearn                               | Hill (Prince George—Peace River) |

Hilstrom  
Keddy (South Shore)  
Lill  
Lunn (Saanic—Gulf Islands)  
Marceau  
Masse  
McNally  
Moore  
Pankiw  
Penson  
Picard (Drummond)  
Rajotte  
Reynolds  
Robinson  
Roy  
Schellenberger  
Sorenson  
St-Hilaire  
Stoffer  
Thompson (New Brunswick Southwest)  
Wayne

Jaffer  
Lalonde  
Loubier  
Lunney (Nanaimo—Alberni)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Ménard  
Nystrom  
Paquette  
Perron  
Plamondon  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Sauvageau  
Schmidt  
Spencer  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 78

**PAIRED**

## Members

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lanctôt  
Pettigrew  
Venne— 14

## CONCURRENCE IN VOTE 1—AGRICULTURE AND AGRI-FOOD

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

Motion No. 8

That Vote 1, in the amount of \$431,379,000, under AGRICULTURE AND AGRI-FOOD—Department—Operating expenditures, in the Main Estimates for the fiscal year ending March 31, 2004, be concurred in.

[*English*]

(The House divided on Motion No. 8, which was agreed to on the following division:)

(*Division No. 204*)

**YEAS**

## Members

Adams  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes (London West)  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Calder  
Carroll  
Catterall  
Charbonneau  
Coderre  
Cotler  
Cuzner  
Dhalival  
Dromisky  
Duplain  
Efford  
Finlay  
Frulla  
Godfrey  
Graham  
Harb

Allard  
Assad  
Augustine  
Bakopanos  
Beaumier  
Bélangier  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Caccia  
Caplan  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cullen  
DeVillers  
Discepola  
Drouin  
Easter  
Eyking  
Folco  
Fry  
Goodale  
Guarnieri  
Harvard

Harvey  
Jackson  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Leung  
Longfield  
Macklin  
Malhi  
Manley  
Marleau  
McGuire  
McLellan  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paradis  
Patry  
Peschisolido  
Phinney  
Pillitteri  
Proulx  
Redman  
Regan  
Rock  
Savoy  
Scott  
Simard  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

**Supply**

Hubbard  
Jennings  
Karetak-Lindell  
Keyes  
Knutson  
Laliberte  
Lee  
Lincoln  
MacAulay  
Mahoney  
Maloney  
Marcil  
Matthews  
McKay (Scarborough East)  
McTeague  
Mitchell  
Myers  
Neville  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Parrish  
Péric  
Peterson  
Pickard (Chatham—Kent Essex)  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Saada  
Scherrer  
Shepherd  
Speller  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 138

**NAYS**

## Members

Anderson (Cypress Hills—Grasslands)  
Bergeron  
Blaikie  
Burton  
Cardin  
Dalphond-Guiral  
Day  
Desrochers  
Duncan  
Fitzpatrick  
Gagnon (Champlain)  
Gallant  
Gauthier  
Godin  
Gouk  
Grey  
Guimond  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lill  
Lunn (Saanic—Gulf Islands)  
Marceau  
Masse  
McNally  
Moore  
Pankiw  
Penson  
Picard (Drummond)  
Rajotte  
Reynolds  
Robinson  
Roy  
Schellenberger  
Sorenson  
St-Hilaire  
Stoffer  
Thompson (New Brunswick Southwest)

Bachand (Saint-Jean)  
Bigras  
Bourgeois  
Cadman  
Comartin  
Davies  
Desjarlais  
Doyle  
Elley  
Fournier  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gaudet  
Girard-Bujold  
Goldring  
Grewal  
Guay  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lalonde  
Loubier  
Lunney (Nanaimo—Alberni)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Ménard  
Nystrom  
Paquette  
Perron  
Plamondon  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Sauvageau  
Schmidt  
Spencer  
Stinson  
Strahl  
Vellacott

*Supply*

Wayne

White (North Vancouver)— 78

## PAIRED

## Members

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lanctôt  
Pettigrew  
Venne— 14

**The Speaker:** I declare Motions Nos. 2, 5, 6, 7 and 8 carried.

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.)** moved:

That the main estimates for the fiscal year ending March 31, 2004, less the amounts voted in interim supply, be concurred in.

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

*(Division No. 205)*

## YEAS

## Members

Adams  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes (London West)  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Calder  
Carroll  
Catterall  
Charbonneau  
Coderre  
Cotler  
Cuzner  
Dhaliwal  
Dromisky  
Duplain  
Efford  
Finlay  
Frulla  
Godfrey  
Graham  
Harb  
Harvey  
Jackson  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Leung  
Longfield  
Macklin  
Malhi  
Manley  
Marleau  
McGuire  
McLellan  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paradis  
Patry

Allard  
Assad  
Augustine  
Bakopanos  
Beaumier  
Bélangier  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Caccia  
Caplan  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cullen  
DeVillers  
Discepolo  
Drouin  
Easter  
Eyking  
Folco  
Fry  
Goodale  
Guarnieri  
Harvard  
Hubbard  
Jennings  
Karetak-Lindell  
Keyes  
Knutson  
Laliberte  
Lee  
Lincoln  
MacAulay  
Mahoney  
Maloney  
Marcil  
Matthews  
McKay (Scarborough East)  
McTeague  
Mitchell  
Myers  
Neville  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Parrish  
Péric

Peschisolido  
Phinney  
Pillitteri  
Proulx  
Redman  
Regan  
Rock  
Savoy  
Scott  
Simard  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

Peterson  
Pickard (Chatham—Kent Essex)  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Saada  
Scherrer  
Shepherd  
Speller  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 138

## NAYS

## Members

Anderson (Cypress Hills—Grasslands)  
Bergeron  
Blaikie  
Burton  
Cardin  
Dalphond-Guiral  
Day  
Desrochers  
Duncan  
Fitzpatrick  
Gagnon (Champlain)  
Gallant  
Gauthier  
Godin  
Gouk  
Grey  
Guimond  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lill  
Lunn (Saanich—Gulf Islands)  
Marceau  
Masse  
McNally  
Moore  
Pankiw  
Penson  
Picard (Drummond)  
Rajotte  
Reynolds  
Robinson  
Roy  
Schellenberger  
Sorenson  
St-Hilaire  
Stoffler  
Thompson (New Brunswick Southwest)  
Wayne

Bachand (Saint-Jean)  
Bigras  
Bourgeois  
Cadman  
Comartin  
Davies  
Desjarlais  
Doyle  
Elley  
Fournier  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gaudet  
Girard-Bujold  
Goldring  
Grewal  
Guay  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lalonde  
Loubier  
Lunney (Nanaimo—Alberni)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Ménard  
Nystrom  
Paquette  
Perron  
Plamondon  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Sauvageau  
Schmidt  
Spencer  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 78

## PAIRED

## Members

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lanctôt  
Pettigrew  
Venne— 14

**The Speaker:** I declare the motion carried.

**Hon. Lucienne Robillard** moved that Bill C-47, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 2004, be read the first time.

(Motion deemed adopted and bill read the first time)

**Hon. Lucienne Robillard** moved that Bill C-47, an act for granting to Her Majesty certain sums of money for the Public Service of Canada for the financial year ending March 31, 2004, be read the second time and referred to committee of the whole.

**The Speaker:** Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

[*Translation*]

**Ms. Marlene Catterall:** Mr. Speaker, I believe if you seek it you would find unanimous consent that the members who voted on the previous motion be recorded as voting on the motion now before the House, with Liberal members voting yes.

[*English*]

**The Speaker:** Is it agreed that the vote taken on the last vote be applied to this one?

**Some hon. members:** Agreed.

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

(*Division No. 206*)

#### YEAS

##### Members

|                              |                          |
|------------------------------|--------------------------|
| Adams                        | Allard                   |
| Anderson (Victoria)          | Assad                    |
| Assadourian                  | Augustine                |
| Bagnell                      | Bakopanos                |
| Barnes (London West)         | Beaumier                 |
| Bélair                       | Bélangier                |
| Bellemare                    | Bertrand                 |
| Bevilacqua                   | Binet                    |
| Blondin-Andrew               | Bonin                    |
| Boudria                      | Bradshaw                 |
| Brown                        | Bryden                   |
| Byrne                        | Caccia                   |
| Calder                       | Caplan                   |
| Carroll                      | Castonguay               |
| Catterall                    | Cauchon                  |
| Charbonneau                  | Chrétien                 |
| Coderre                      | Collenette               |
| Cotler                       | Cullen                   |
| Cuzner                       | DeVillers                |
| Dhaliwal                     | Discepola                |
| Dromisky                     | Drouin                   |
| Duplain                      | Easter                   |
| Efford                       | Eyking                   |
| Finlay                       | Folco                    |
| Frulla                       | Fry                      |
| Godfrey                      | Goodale                  |
| Graham                       | Guarnieri                |
| Harb                         | Harvard                  |
| Harvey                       | Hubbard                  |
| Jackson                      | Jennings                 |
| Jordan                       | Karetak-Lindell          |
| Karygiannis                  | Keyes                    |
| Kilgour (Edmonton Southeast) | Knutson                  |
| Kraft Sloan                  | Laliberte                |
| Lastewka                     | Lee                      |
| Leung                        | Lincoln                  |
| Longfield                    | MacAulay                 |
| Macklin                      | Mahoney                  |
| Malhi                        | Maloney                  |
| Manley                       | Marci                    |
| Marleau                      | Matthews                 |
| McGuire                      | McKay (Scarborough East) |
| McLellan                     | McTeague                 |
| Minna                        | Mitchell                 |

Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paradis  
Patri  
Peschisolido  
Phinney  
Pillitteri  
Proulx  
Redman  
Regan  
Rock  
Savoy  
Scott  
Simard  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

Anderson (Cypress Hills—Grasslands)  
Bergeron  
Blaikie  
Burton  
Cardin  
Dalphond-Guiral  
Day  
Desrochers  
Duncan  
Fitzpatrick  
Gagnon (Champlain)  
Gallant  
Gauthier  
Godin  
Gouk  
Grey  
Guimond  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lill  
Lunn (Saanich—Gulf Islands)  
Marceau  
Masse  
McNally  
Moore  
Pankiw  
Penson  
Picard (Drummond)  
Rajotte  
Reynolds  
Robinson  
Roy  
Schellenberger  
Sorenson  
St-Hilaire  
Stoffler  
Thompson (New Brunswick Southwest)  
Wayne

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

#### Supply

Myers  
Neville  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Parrish  
Péric  
Peterson  
Pickard (Chatham—Kent Essex)  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Saada  
Scherrer  
Shepherd  
Speller  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 138

#### NAYS

##### Members

Bachand (Saint-Jean)  
Bigras  
Bourgeois  
Cadman  
Comartin  
Davies  
Desjarlais  
Doyle  
Elley  
Fournier  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gaudet  
Girard-Bujold  
Goldring  
Grewal  
Guay  
Harris  
Hill (Prince George—Peace River)  
Jaffier  
Lalonde  
Loubier  
Lunney (Nanaimo—Alberni)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Ménard  
Nystrom  
Paquette  
Perron  
Plamondon  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Sauvageau  
Schmidt  
Spencer  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 78

#### PAIRED

##### Members

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lanctôt  
Pettigrew  
Venne— 14

**The Speaker:** I declare the motion carried. Accordingly I do now leave the chair for the House to go into committee of the whole.

*Supply*

(Bill read the second time and the House went into committee thereon, Mr. Kilger in the chair)

• (2040)

**The Chair:** House in committee of the whole on Bill C-47.

(On clause 2)

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, I would like to ask the President of the Treasury Board if the bill is in its usual format?

[*Translation*]

**Hon. Lucienne Robillard (President of the Treasury Board, Lib.):** Mr. Speaker, the form of the bill is substantially the same as that of bills approved in previous years.

[*English*]

**The Chair:** Shall clause 2 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 2 agreed to)

**The Chair:** Shall clause 3 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 3 agreed to)

**The Chair:** Shall clause 4 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 4 agreed to)

**The Chair:** Shall clause 5 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 5 agreed to)

[*Translation*]

**The Chair:** Shall clause 6 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 6 agreed to)

**The Chair:** Shall clause 7 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 7 agreed to)

[*English*]

**The Chair:** Shall schedule 1 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Schedule 1 agreed to)

**The Chair:** Shall schedule 2 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Schedule 2 agreed to)

**The Chair:** Shall clause 1 carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Clause 1 agreed to)

**The Chair:** Shall the preamble carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Preamble agreed to)

**The Chair:** Shall the title carry?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

(Title agreed to)

(Bill reported)

[*Translation*]

**Hon. Lucienne Robillard** moved that the bill be concurred in at report stage.

**The Speaker:** Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

**The Speaker:** I declare the motion carried.

(Motion agreed to)

[*English*]

**The Speaker:** When shall the bill be read a third time, by leave now?

**Some hon. members:** Agreed.

**Hon. Lucienne Robillard** moved that the bill be read a third time and passed.

[*Translation*]

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that the vote just taken on the motion at second reading stage be applied to the motion concerning third reading stage.

[*English*]

**The Speaker:** Is it agreed that the vote on second reading apply to third reading of the bill?

**Some hon. members:** Agreed.

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

*(Division No. 207)*

## YEAS

## Members

Adams  
Anderson (Victoria)  
Assadourian  
Bagnell  
Barnes (London West)  
Bélair  
Bellemare  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Calder  
Carroll  
Catterall  
Charbonneau  
Coderre  
Cotler  
Cuzner  
Dhaliwal  
Dromiskiy  
Duplain  
Efford  
Finlay  
Frulla  
Godfrey  
Graham  
Harb  
Harvey  
Jackson  
Jordan  
Karygiannis  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Leung  
Longfield  
Macklin  
Malhi  
Manley  
Marleau  
McGuire  
McLellan  
Minna  
Murphy  
Nault  
O'Brien (Labrador)  
O'Reilly  
Pacetti  
Paradis  
Patry  
Peschisolido  
Phinney  
Pillitteri  
Proulx  
Redman  
Regan  
Rock  
Savoy  
Scott  
Simard  
St-Julien  
Steckle  
Telegdi  
Thibeault (Saint-Lambert)  
Tonks  
Ur  
Wappel  
Wilfert

Allard  
Assad  
Augustine  
Bakopanos  
Beaumier  
Bélangier  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Caccia  
Caplan  
Castonguay  
Cauchon  
Chrétien  
Collenette  
Cullen  
DeVillers  
Discepola  
Drouin  
Easter  
Eyking  
Folco  
Fry  
Goodale  
Guarnieri  
Harvard  
Hubbard  
Jennings  
Karetak-Lindell  
Keyes  
Knutson  
Laliberte  
Lee  
Lincoln  
MacAulay  
Mahoney  
Maloney  
Marcil  
Matthews  
McKay (Scarborough East)  
McTeague  
Mitchell  
Myers  
Neville  
O'Brien (London—Fanshawe)  
Owen  
Pagtakhan  
Parrish  
Péric  
Peterson  
Pickard (Chatham—Kent Essex)  
Pratt  
Provenzano  
Reed (Halton)  
Robillard  
Saada  
Scherrer  
Shepherd  
Speller  
St. Denis  
Stewart  
Thibault (West Nova)  
Tirabassi  
Torsney  
Valeri  
Whelan  
Wood— 138

## NAYS

## Members

Anderson (Cypress Hills—Grasslands)  
Bergeron  
Blaikie  
Burton

Bachand (Saint-Jean)  
Bigras  
Bourgeois  
Cadman

## Supply

Cardin  
Dalphond-Guiral  
Day  
Desrochers  
Duncan  
Fitzpatrick  
Gagnon (Champlain)  
Gallant  
Gauthier  
Godin  
Gouk  
Grey  
Guimond  
Hearn  
Hilstrom  
Keddy (South Shore)  
Lill  
Lunn (Saanich—Gulf Islands)  
Marceau  
Masse  
McNally  
Moore  
Pankiw  
Penson  
Picard (Drummond)  
Rajotte  
Reynolds  
Robinson  
Roy  
Schellenberger  
Sorenson  
St-Hilaire  
Stoffler  
Thompson (New Brunswick Southwest)  
Wayne

Comartin  
Davies  
Desjarlais  
Doyle  
Elley  
Fournier  
Gagnon (Lac-Saint-Jean—Saguenay)  
Gaudet  
Girard-Bujold  
Goldring  
Grewal  
Guay  
Harris  
Hill (Prince George—Peace River)  
Jaffer  
Lalonde  
Loubier  
Lunnay (Nanaimo—Alberni)  
Martin (Esquimalt—Juan de Fuca)  
McDonough  
Ménard  
Nystrom  
Paquette  
Perron  
Plamondon  
Reid (Lanark—Carleton)  
Ritz  
Rocheleau  
Sauvageau  
Schmidt  
Spencer  
Stinson  
Strahl  
Vellacott  
White (North Vancouver)— 78

## PAIRED

## Members

Bennett  
Chamberlain  
Crête  
Duceppe  
Laframboise  
Martin (LaSalle—Émard)  
Tremblay

Bulte  
Comuzzi  
Dion  
Gagnon (Québec)  
Lanctôt  
Pettigrew  
Venne— 14

**The Speaker:** I declare the motion carried.  
(Bill read the third time and passed)

\* \* \*

## WAYS AND MEANS

## INCOME TAX ACT

**Hon. John Manley (Deputy Prime Minister and Minister of Finance, Lib.)** moved that ways and means motion to introduce an act to amend the Income Tax Act (natural resources) be concurred in.

**The Speaker:** Pursuant to order made earlier this day, the House will now proceed to the taking of the deferred recorded division on Motion No. 7 under ways and means proceedings.

**Ms. Marlene Catterall:** Mr. Speaker, I believe you will find consent in the House that those who voted on the previous motion be recorded as voting on the motion now before the House, with Liberal members voting yes.

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

**Some hon. members:** Agreed.

**Mr. Gerry Ritz:** Mr. Speaker, Canadian Alliance members will be voting yes on this motion.

*Supply*

[Translation]

**Mr. Michel Guimond:** Mr. Speaker, the members from the Bloc Québécois vote no to this motion.

[English]

**Mr. Gerald Keddy:** Mr. Speaker, Progressive Conservative members will vote yes.

[Translation]

**Mr. Yvon Godin:** Mr. Speaker, the members from the NDP vote no to this motion.

[English]

**Mr. Jim Pankiw:** Yes, Mr. Speaker.

[Translation]

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

*(Division No. 208)*

## YEAS

## Members

|                                  |                                     |
|----------------------------------|-------------------------------------|
| Adams                            | Allard                              |
| Anderson (Victoria)              | Anderson (Cypress Hills—Grasslands) |
| Assad                            | Assadourian                         |
| Augustine                        | Bagnell                             |
| Bakopanos                        | Barnes (London West)                |
| Beaumier                         | Bélair                              |
| Bélanger                         | Bellemare                           |
| Bertrand                         | Bevilacqua                          |
| Binet                            | Blondin-Andrew                      |
| Bonin                            | Boudria                             |
| Bradshaw                         | Brown                               |
| Bryden                           | Burton                              |
| Byrne                            | Caccia                              |
| Cadman                           | Calder                              |
| Caplan                           | Carroll                             |
| Castonguay                       | Catterall                           |
| Cauchon                          | Charbonneau                         |
| Chrétien                         | Coderre                             |
| Collenette                       | Cotler                              |
| Cullen                           | Cuzner                              |
| Day                              | DeVillers                           |
| Dhaliwal                         | Discepola                           |
| Doyle                            | Dromisky                            |
| Drouin                           | Duncan                              |
| Duplain                          | East                                |
| Efford                           | Elley                               |
| Eyking                           | Finlay                              |
| Fitzpatrick                      | Folco                               |
| Frulla                           | Fry                                 |
| Gallant                          | Godfrey                             |
| Goldring                         | Goodale                             |
| Gouk                             | Graham                              |
| Grewal                           | Grey                                |
| Guarnieri                        | Harb                                |
| Harris                           | Harvard                             |
| Harvey                           | Hearn                               |
| Hill (Prince George—Peace River) | Hilstrom                            |
| Hubbard                          | Jackson                             |
| Jaffer                           | Jennings                            |
| Jordan                           | Karetak-Lindell                     |
| Karygiannis                      | Keddy (South Shore)                 |
| Keyes                            | Kilgour (Edmonton Southeast)        |
| Knutson                          | Kraft Sloan                         |
| Laliberte                        | Lastewka                            |
| Lee                              | Leung                               |
| Lincoln                          | Longfield                           |
| Lunn (Saanich—Gulf Islands)      | Lunney (Nanaimo—Alberni)            |
| MacAulay                         | Macklin                             |
| Mahoney                          | Malhi                               |
| Maloney                          | Manley                              |
| Marcil                           | Marleau                             |
| Martin (Esquimalt—Juan de Fuca)  | Matthews                            |

|                           |                                    |
|---------------------------|------------------------------------|
| McGuire                   | McKay (Scarborough East)           |
| McLellan                  | McNally                            |
| McTeague                  | Minna                              |
| Mitchell                  | Moore                              |
| Murphy                    | Myers                              |
| Nault                     | Neville                            |
| O'Brien (Labrador)        | O'Brien (London—Fanshawe)          |
| O'Reilly                  | Owen                               |
| Pacetti                   | Pagtakhan                          |
| Pankiw                    | Paradis                            |
| Parrish                   | Patry                              |
| Penson                    | Péric                              |
| Peschisolido              | Peterson                           |
| Phinney                   | Pickard (Chatham—Kent Essex)       |
| Pillitteri                | Pratt                              |
| Proulx                    | Provenzano                         |
| Rajotte                   | Redman                             |
| Reed (Halton)             | Regan                              |
| Reid (Lanark—Carleton)    | Reynolds                           |
| Ritz                      | Robillard                          |
| Rock                      | Saada                              |
| Savoy                     | Schellenberger                     |
| Scherrer                  | Schmidt                            |
| Scott                     | Shepherd                           |
| Simard                    | Sorenson                           |
| Speller                   | Spencer                            |
| St-Julien                 | St. Denis                          |
| Steckle                   | Stewart                            |
| Stinson                   | Strahl                             |
| Telegdi                   | Thibault (West Nova)               |
| Thibeault (Saint-Lambert) | Thompson (New Brunswick Southwest) |
| Tirabassi                 | Tonks                              |
| Torsney                   | Ur                                 |
| Valeri                    | Vellacott                          |
| Wappel                    | Wayne                              |
| Whelan                    | White (North Vancouver)            |
| Wilfert                   | Wood — 178                         |

## NAYS

## Members

|                      |                                  |
|----------------------|----------------------------------|
| Bachand (Saint-Jean) | Bergeron                         |
| Bigras               | Blaikie                          |
| Bourgeois            | Cardin                           |
| Comartin             | Dalphond-Guiral                  |
| Davies               | Desjarlais                       |
| Desrochers           | Fournier                         |
| Gagnon (Champlain)   | Gagnon (Lac-Saint-Jean—Saguenay) |
| Gaudet               | Gauthier                         |
| Girard-Bujold        | Godin                            |
| Guay                 | Guimond                          |
| Lalonde              | Lill                             |
| Loubier              | Marceau                          |
| Masse                | McDonough                        |
| Ménard               | Nystrom                          |
| Paquette             | Perron                           |
| Picard (Drummond)    | Plamondon                        |
| Robinson             | Rocheleau                        |
| Roy                  | Sauvageau                        |
| St-Hilaire           | Stoffer — 38                     |

## PAIRED

## Members

|                        |                 |
|------------------------|-----------------|
| Bennett                | Bulte           |
| Chamberlain            | Comuzzi         |
| Crête                  | Dion            |
| Duceppe                | Gagnon (Québec) |
| Laframboise            | Lanctôt         |
| Martin (LaSalle—Émard) | Pettigrew       |
| Tremblay               | Venne — 14      |

**The Speaker:** I declare the motion carried.

[English]

It being 8:45 p.m., this House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 8:41 p.m.)





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Thursday, June 12, 2003

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