



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Monday, April 19, 2004**

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**Speaker: The Honourable Peter Milliken**

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## HOUSE OF COMMONS

Monday, April 19, 2004

The House met at 11 a.m.

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*Prayers*

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### PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

**The Acting Speaker (Mr. Bélair):** The hon. member for Esquimalt—Juan de Fuca is not present to move the motion for second reading of Bill C-428, an act to amend the Canada pension plan, as announced in today's Order Paper and Notice Paper. Pursuant to Standing Order 94, since this is the second time this item has not been dealt with on the dates established by the order of precedence, the bill will be dropped from the order paper.

• (1110)

SUSPENSION OF SITTING

**The Acting Speaker (Mr. Bélair):** Accordingly, the sitting of the House will be suspended until noon.

(The sitting of the House was suspended at 11:13 a.m.)

SITTING RESUMED

The House resumed at 12 p.m.

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### GOVERNMENT ORDERS

• (1200)

[*English*]

#### BUDGET IMPLEMENTATION ACT, 2004

The House resumed from April 1 consideration of the motion that Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004, be read the second time and referred to a committee.

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, it is my pleasure to rise and address Bill C-30. I want to start by reminding the House how hard Canadian taxpayers work to make their money. I think it is appropriate to talk about this given that we are talking about how the government spends a lot of the money that people make and work very hard for.

I want to begin by reminding the House that in the last number of years the government has driven spending to record heights. I know

for a fact that we have never seen spending this high in the history of the country. Today in Canada the government spends more money per capita than it has ever spent in the history of the country. There is a tremendous amount of money that is being spent, supposedly on behalf of taxpayers.

I also want to point out that today in Canada the big problems that face this country are as big as they have ever been or, in many cases, bigger than they have ever been.

I have been here for ten years. I came here in 1993. At that time, I can tell members, the issue of health care was not nearly as big a problem as it is today. Despite the fact that this government and this Prime Minister have said that health care is his number one priority—and the government has talked about all the spending announcements it has made for health care—the problem has only become worse. Today people are waiting on waiting lists for all kinds of vital surgery and treatment. Despite the fact that the government has said this is its number one priority, the situation has only gotten worse and worse.

When I came here in 1993, the military was in a lot better shape than it is today, despite the fact that the government has said that it is a big priority. The Prime Minister made a big deal of going to speak to our troops in the last couple of weeks. His claim is that the military is a top priority for him. If that is the case, why are our troops so overstretched and under-equipped?

We must remember that he was the finance minister for nine years. He has been the Prime Minister for a number of months now, and certainly he was preparing to be prime minister for a long time, but the situation with respect to the military has only gotten worse in the decade that the Liberals have been in power.

When it comes to an issue like student debt, I can tell members that many of us in this place have children who are going to university. I have a son who is in university and many people are in the same boat. Over the last while many of us have had student organizations in our offices talking to us about the problem of student debt and the fact that not only are students going into debt, but there is just not the capacity in universities and colleges these days to accommodate all the people who want to go to university. As a result, we have universities placing very high standards on allowing people into university. A lot of people who do not have great marks cannot get in, and those from low income families probably cannot afford to get into university.

*Government Orders*

The Prime Minister has said that this is a top priority for him, but he has been here for nine years. He was here for ten years, nine of them as finance minister. Now he is the Prime Minister, but we are actually in worse shape today when it comes to the issue of accessibility to higher education than we were when the Liberals came to power ten years ago.

I could go on and on about the areas where there has been an actual decline, where the ability of people to have access to government services has gone down over the last ten years. Why is that? I want to argue that it is because this Prime Minister has no vision. He has absolutely no vision when it comes to addressing the big problems that face the country today. Frankly, I think we saw that reflected in the recent budget and of course Bill C-30 has to do with implementing the particular provisions of that budget.

• (1205)

I will argue that the government has done a terrible job of addressing these big priorities. I want to argue that taxpayers who pay 50% of their incomes to taxes—the average family pays something like 48% of its income to taxes these days—deserve better. When taxpayers pay half of their incomes to various levels of government, including a federal government that taxes way too much, they expect to get services when they need them.

They expect their military to have proper equipment and to have enough troops to address some of the hot spots in the world that Canadians have typically addressed and to fill the role as peacekeepers that they typically have filled in the past.

They expect that when it is time for their children to go to university those children will actually be able to get in: that there will be a spot for them in university and that tuitions will not be so high that they will be in debt for the rest of their lives. This is what people expect and it is not an unrealistic expectation.

I think I have laid out what some of the problems are and now I want to talk about what the government has been doing to address these things. Has it come up with some visionary plan to address an issue like health care? No. It says it is going to do that, but down the road. It will get together with the premiers down the road, and by the way, the government says, it will probably be after an election, so we should re-elect the government and then it will address that problem.

What about the military? The government has no plan for the military. In fact, in the budget all it had was some spending for particular missions that our troops are involved in right now in Afghanistan and in Haiti, but it has no plan to address the problems of the military, even though we all know how important that is, especially these days when we are fighting a war on terror.

When it comes to the issue of student debt, I think everyone would agree it had some very impractical ideas in the budget, things that really do not come close to addressing the issues of student debt, accessibility and all the problems that face higher education today. The budget did not address those things.

What about initiatives since the budget? What kinds of initiatives has the government undertaken? We know that in the first two weeks of the fiscal year it came up with about \$1 billion that it wanted to spend, basically on pork barrelling, on funnelling money into the ridings of Liberal ministers and candidates in a blatant attempt to try

to buy votes. Was this for high priority things like hospital beds or more money for the military? No. In one case, it was money for an archeological dig in a Liberal minister's riding.

I am not going to argue that if we have money left over those kinds of things are not important. They are important, but we do not have money left over. We are seriously underfunding all kinds of very important things today, including, again, health care, higher education and the Canadian military.

Let us consider this. Instead of taking that \$1 billion the government just spent on all kinds of pork barrelling, why not leave it in taxpayers' pockets? Why not allow the people who work so hard in supporting their families to keep more of that money?

Mr. Speaker, you have probably heard me say this before, and forgive me if I have already gone through this, but I always like to ask this question. What would people do if someone came to them and said they were going to be given \$1,000, but the only proviso was that they had to spend the money in a way that would benefit their families? My question is, would they give that money to the Minister of Human Resources and Skills Development to spend on their behalf to look after their families? It is more likely that they would say no. They would say that they know what their family's priorities are. They know that their son needs braces or they have to pay the bill to get their son into hockey, or their daughter into ballet or whatever it is, because families have a much better sense of their priorities than the government does.

Whenever the government is preparing to make a spending decision, it should ask itself, is this the best possible way to spend the money or should it be given back to taxpayers in the form of lower taxes so they can decide for themselves what their priorities are?

Today a lot of people have trouble paying medical bills. If parents have a sick child and do not have a great drug plan, they are going to be spending a tremendous amount of money out of their own pockets to look after things.

• (1210)

Whenever there is a question of whether this is a high priority item, why not leave that money in the pockets of taxpayers? I can guarantee the taxpayers will make better decisions about how to spend that money to benefit their families than a bureaucrat in Ottawa, or a politician. This pork-barrelling exercise of the last couple of weeks is a perfect example. We are typically seeing money going into all kinds of individual Liberal ridings to start to grease the wheels for an election campaign. Frankly, that is wrong and it should not happen. In fact not only is it wrong, it is exactly the same way Jean Chrétien used to operate.

The Prime Minister worked for 13 years to knock Jean Chrétien off and get him out of here. The expectation was he would come in and do things differently. However, he is doing things exactly the same. Jean Chrétien spent a bunch of money at the end of a fiscal year to buy a couple of Challenger jets. At the beginning of a fiscal year, this Prime Minister spends a bunch of money on things like archeological digs, because it is in a riding, or on some shelving for a library.

*Government Orders*

Again, those are well and good and they are fine things. Are they a higher priority than health care, or education or ensuring that our troops have proper equipment when they are putting their lives on the line? I do not think so. Those things are critical, and I think the Canadian public wants to see their hard-earned tax dollars go toward these vital projects.

I want to talk for a moment about the government's record when it comes to overall spending.

Right now down the hall a public accounts committee hearing is going on. To me this underlines not only how terrible the government has been when it comes to managing money, but in some case how corrupt it has been. We are in a situation where down the way we have a number of members of Parliament who right now are asking questions of executives from advertising agencies who were the recipients of \$100 million in commissions for work that in many cases was never done or work that was of questionable value, to put it mildly.

I want to argue that this is a perfect example why the government cannot continue to come to the public and ask for more money. It is paying the public for suckers. It is basically saying that Canadians should give it their tax dollars and that it will take that money and line the pockets of a bunch of Liberal-friendly advertising firms. By the way, some of that money found its way back into Liberal Party coffers.

It is time for that to come to an end. When the government brings down a budget where it proposes to spend a bunch more money over and above last year, \$4 billion more this year if I remember correctly, then we say no. What the government should do is go through the current envelope of spending, find where the waste and corruption are and get rid of that. Then at some point down the road, when it has gone through every department, when it has found all the waste and gets rid of the corruption, it might be justified to come to the public and say that it wants to have more money for a particular project.

Right now the whole country is watching as the advertising scandal unfolds in the room just down the hall. I think that is the most powerful possible argument there can be for not giving the government a bunch more money to spend on all kinds of projects that in many cases are simply not of very high priority. In fact in some cases they are completely wasteful and are things that the money should not be spent on at all.

It is not just the advertising scandal that saw \$100 million paid out in commissions for things like delivering a cheque for public works to Canada Post. There are many other examples.

I mentioned the Challenger jets. That was \$100 million situation where at the end of the fiscal year the government went mad and decided to buy a couple of jets, even though our troops in Afghanistan did not have proper equipment.

• (1215)

I could point to the firearms registry of \$1 billion, heading for \$2 billion. This is a situation where the government basically made the choice at some point that the best possible way to protect the public was to pour money into a database that would record where the shotguns of duck hunters were. It was supposed to cost \$2 million. It

is now on its way to \$1 billion and, according to many sources, it will hit \$2 billion.

I would argue that the government has made a terrible calculation when it comes to using that money to protect the public. It has not put the money where it should go in a way that will protect the public. I would argue that when money went missing in Human Resources Development, that boondoggle demonstrated that the government was not capable of managing the public's money very well. This was a situation where an internal audit showed that the government had no idea where money had gone when it came to particular grants and that kind of thing.

Has the government learned any lessons from that? No, it is doing exactly the same thing right now in spending \$1 billion in the first two weeks of the fiscal year on all kinds of pork-barrelling and handing out grants to friends. That has to end and the only way that will end ultimately is not to just change chairs on the *Titanic*. It is to elect a new government.

I want to argue that my leader and the Conservative Party could make some positive changes. Those guys have had their chance. They have been here for 10 years and all we have seen is mismanagement, waste and in some cases, I am sad to say, outright corruption. That has to end.

That is where the new Conservative Party can make some very positive changes. We are advocating that the government be much more careful with taxpayer money and that we trim wasteful spending. We would get rid of the firearms registry. We would get rid of the huge amount of discretionary spending that is used by Liberal ministers to reward friends. All the grants and outright gifts to friends has to come to an end. Huge bureaucracies for crazy programs like the firearms registry have to come to an end.

We have to take the savings and put it into things that really do make a difference in the lives of people like cutting the waiting list for surgery, ensuring that students are not in debt up to their ears when it comes to higher education and of course properly funding our military and ensuring that it has the equipment it needs when it takes on dangerous missions around the world.

My time has just about come to an end. I will simply wrap up by asking the public to consider what we have discussed. We are in a situation where an election will be soon. The two parties will trot out their election platforms, which is fine. However, one thing we will not find on an election platform is this government talking about its records when it comes to spending. I think we will find that the Liberals will try to dodge that issue.

I move:

That the motion be amended by replacing all the words after the word "That" with:

"this House declines to give second reading to Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004, since the principle of the bill fails to address the government's record of wasteful spending and does little to tackle the real priorities of Canadians".

**The Acting Speaker (Mr. Bélair):** The amendment is in order.

*Government Orders*

●(1220)

**Mr. Rick Casson (Lethbridge, CPC):** Mr. Speaker, I want to pose a question to my colleague. He has touched on a couple of issues that are of real importance to Canadians. One is the funding of secondary education, in particular the student debt load that we see many students taking on today to get through universities and colleges. The government has come up with a couple of ideas in the budget. One is a savings plan for low income families, which I think is fine. However, it is only for \$2,000. We know full well that it costs a lot more than that to go to university. The other is because the government feels it costs more to go to university, it will just let the students go into debt more. I just find almost outrageous that it would consider that as a plan to get more people into university.

Therefore, could the member give us his thoughts on what really could be done to help student debt load?

He also has talked about national security and the fact that the government, through the firearms registry, claims that Canadian citizens are safer somehow. That is the real crime behind the billion dollars wasted on it. As well, safety and security of the citizens of a country should be the primary concern of a government. The government has failed, not only in the armed forces but in other aspects of security in Canada which need to be addressed. Could the member also touch on this?

**Mr. Monte Solberg:** Mr. Speaker, let me declare off the top that I have a son in university, so I know about this firsthand. It is a very expensive proposition to fund a student. I happen to be in a situation where I can help my son out a lot. However, a lot of people are not in that situation and they have to take on student debt. It is particularly difficult for people at the low end of the income scale. In fact studies show that if students are from low income families, they are far less likely to go to university or college, due in part that it is so expensive.

What do we do about it? Frankly, there are a couple of things. First, it is appropriate for students to bear some of the cost of their education. I am certainly not in the camp that advocates completely free education for students. I think students pick up about a third of the cost right now.

The issue here is twofold. First, there has to be an agreement with the provinces that the money which comes from the federal government ends up going toward post-secondary education. Right now we have a block transfer of funds. That money is what people call fungible, which means if that money goes to the provinces for things like health care and education, the provinces do not necessarily have to spend it on those things. They have their other priorities. Therefore, we need to come to some kind of an agreement with the provinces that any money that comes from the federal government should go toward these things which are clearly priorities in the minds of Canadians.

The other side of it is this. What can we do through tax policy to help parents so they can ensure money goes toward their student's education? Maybe we have to consider all kinds of different tax proposals such as if people are in a situation where they pay for their children's education, they get some more tax breaks to make it more viable for them to do that. Those are a couple of things at which we should look.

Other people have talked about other things such as remissions, where basically if students complete their studies successfully, some of their student debt is forgiven. There is merit to that idea. However, these things all cost money. It boils down to priorities.

That is why we have to eliminate the waste. If we are to fund these things, firearm registries that do no good have got to go because that money is vital for the types of things about which we are talking.

When it comes to some of the things the member has touched on, again, it boils down to priorities. If we are to ensure safe streets and safe borders, that means that we have to go through our spending with a fine tooth comb. We have to go to a government, which has driven spending up by 40 some per cent in seven years, and say that there is waste and mismanagement. We will go through this and we will find it because this government has done a terrible job.

I have touched on the sponsorship program, the Challenger jets, HRDC and all the things the government has done, including the billion dollars in spending over the last couple of weeks. These are examples of where the government can trim back, find savings and reallocate those toward things that actually make a difference in people's lives.

●(1225)

**Hon. David Pratt (Minister of National Defence, Lib.):** Mr. Speaker, I was listening to the hon. member's comments over the course of the last 15 or 20 minutes and I was struck by how many inaccuracies there were in his comments with respect to the Canadian Forces.

The hon. member is giving the impression that Canadian Forces in places like Afghanistan do not have the right equipment. I can say without hesitation, having been to Afghanistan, that our troops probably have the best equipment in that theatre of operations.

The same applies to Haiti. We do not take second place to anyone in that theatre of operations either. I have not been to Bosnia recently so I do not know what is happening there, but we do have some 600 troops still in Bosnia. I would fully expect that they are equipped to the same level as our troops in Haiti and Afghanistan.

Regarding the neglect of the forces that the hon. member speaks about, I really do not know where he is coming from because frankly, if he had been paying attention over the last few months, he would have known that we moved on the maritime helicopter project, a project that cost \$3.1 billion. In fact, we moved on the MGS system for \$700 million, we moved on the fixed wing search and rescue aircraft for another \$1.3 billion, and just last week the government announced the joint supply ship at \$2.1 billion, for a total of over \$7 billion in capital equipment moving forward for the military.

*Government Orders*

The hon. member mentioned that we do not have a plan. When I was in the position of chair of the defence committee, we put together a report which indicated that the government should do a defence and foreign policy review. The government has decided to do precisely that. That report had the support of the hon. member's colleague, the hon. member for Lakeland. He signed off on that report. We are in the process of putting together a strategic plan which should be available over the course of the next number of months.

I would ask the hon. member, why does he feel it is appropriate to provide all of this false information to the Canadian public with respect to what is happening with the Canadian Forces.

**Mr. Monte Solberg:** Mr. Speaker, of course the member for Lakeland signed off on it, precisely because the government did not have a plan. It wanted to ensure that it did have a plan, so it signed off on this report so the government would actually go ahead and produce this paper so that there would be a plan. I guess what the minister is acknowledging right now is that it does not have a plan at this point, but that at some point down the road it will, once this paper is done.

He asked me about equipment. I have been to Bosnia. I was there just a little over a year ago. I rode around in an Iltis jeep. It was so rusted out we could see the ground underneath through the floorboards. If we had hit a mine with that, there would be nothing left of anybody. The Iltis jeeps are still in Afghanistan, or were until very recently. I think they are still there. In fact, the Iltis jeep is one of the jeeps that we lost one of our soldiers in precisely because it is like a tin can. The jeeps are so worn out, it is unbelievable.

I do not know if the minister remembers the images of Sea King helicopters lying on their sides on the deck of a frigate not very long ago as they prepared to go across the water to Afghanistan. The government cancelled the EH-101 contract in 1993 when it came to power 10 years ago. It was going to replace it. To this day, 10 years later, we do not have helicopters to replace the Sea Kings.

The minister says, coincidentally by the way, as we get closer to an election, that the government is going to do all these things in the future, that it is going to have some ships, that those submarines that are still getting fixed a couple of years after we bought them are going to be fixed pretty soon, and that there is more equipment coming down the road. Well, the government has had its chance. It has been 10 years. Why has it not done anything?

[*Translation*]

**The Acting Speaker (Mr. Bélair):** The hon. chief government whip on a point of order.

\* \* \*

**BUSINESS OF THE HOUSE**

**Hon. Mauril Bélanger (Deputy Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, discussions have taken place between all chief whips and they have reached an agreement. I believe that you would find unanimous consent for the following motion:

That pursuant to Standing Order 45(7), the recorded division scheduled for Tuesday, April 20, 2004 on Bill C-25 be taken at 3:00 p.m. rather than at the end of Government Orders.

● (1230)

**The Acting Speaker (Mr. Bélair):** Does the House give consent to move the motion?

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

(Motion agreed to)

**Hon. Mauril Bélanger (Deputy Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, likewise, discussions have taken place between all parties as well as with the member for Peace River concerning the recorded division on Bill C-246 scheduled for Wednesday, April 21, 2004. I believe you would find consent for the following motion:

That the recorded division on Bill C-246 scheduled for Wednesday, April 21, 2004 take place on Tuesday, April 20, 2004 at 3:00 p.m.

[*English*]

**The Acting Speaker (Mr. Réginald Bélair):** Is there unanimous consent to adopt the motion?

**Some hon. members:** Agreed.

(Motion agreed to)

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**BUDGET IMPLEMENTATION ACT, 2004**

The House resumed consideration of the motion that Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004, be read the second time and referred to a committee, and of the amendment.

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, I am very pleased to enter the debate on Bill C-30.

I listened to the member for Medicine Hat and others. Normally the member for Medicine Hat, being on the finance committee and vice-chair, is quite lucid on these topics. I heard something about the budget, but I did not hear much about Bill C-30.

Bill C-30 is an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004. It deals with a number of the very specific ways and means to implement some of the very specific recommendations in the budget. The budget is followed at a later date with the estimates, which gets into departmental spending in a very specific way. We had the debate on the budget itself not too long ago in this chamber.

I am very excited about this particular bill because it implements a number of key provisions of the budget that was tabled by the Minister of Finance on March 23. One of them is the first down payment on the cities agenda, which will cause municipalities to be exempt from the GST, effective immediately. In fact, I think it was effective last month. That is the first phase of a new deal for cities that will be a real deal. As our Prime Minister announced just last week, he is hoping, and he will strive, to have a new arrangement with the provinces, the cities and the communities by the end of this year.

*Government Orders*

What does the elimination of the GST mean for cities? That is what is being enacted in Bill C-30. For a city like Toronto, where I come from, it means another \$50 million each and every year for the City of Toronto. That is a fairly tidy sum of money. What can that money be used for? It can be used for a number of different priorities at the city level. It can be used to fight crime. It can be used to better fight fires. It can be used to put up affordable housing. It can be used to invest in public transit and improve the environment in the City of Toronto. Fifty million dollars a year in perpetuity is a very good start and I know that in working with the provinces and the municipalities in the months to come, there will be another arrangement.

The Prime Minister and the Minister of Finance have talked about a sharing of the excise tax on fuel. I am sure it will be something along those lines that will give more stable and secure funding for municipalities and communities. In the Province of Ontario, our municipalities, communities, and towns have been starved of funding by the former Harris and Eves government. It cut taxes, devolved responsibilities to the municipalities, the towns and the cities, but did not follow that up with the resources necessary to implement that agenda.

That is why we have to work with the provinces, the cities, the towns and communities to cut a new deal. This will be quite an earth shattering and revolutionary approach to better relations between the different orders of government.

The member for Medicine Hat seemed to forget the tax cuts that were implemented in the year 2000. There was a \$100 billion tax cut, the largest tax cut in Canadian history. It is true that the last year of that package is being delivered this year. In fact, in this fiscal year, it is a \$30 billion tax cut. The government will have to consider what further it does with cutting taxes.

As chair of the finance committee, we will be asking Canadians that question: What should follow the \$100 billion tax cut? Should we have more tax cuts? If we do have more tax cuts, at what should they be directed? Should they be directed at reducing personal income taxes? Should they be directed at reducing corporate income taxes? Should they be directed at reducing the GST, et cetera, et cetera? That will be a very useful dialogue and debate that we will have.

Against all that, the government has a number of very serious priorities to deal with, the biggest priority being health care. That is where I found the comments of the member for Medicine Hat again slightly at variance with the reality of the situation.

• (1235)

In 2003 the government, along with the premiers and the territorial leaders, signed the health accord putting \$35 billion into our health care system through the CHST. That was recently topped up by another \$2 billion per year.

What does that mean? That means that over the next few years our contributions to the provinces and territories under the CHST will increase somewhere in the vicinity of 8% per year, when the economy is targeted to grow at around 3% or maybe 5%, somewhere in that range. That is a very sizeable contribution to health care, and that is only the start.

The Prime Minister has indicated that he will be meeting with the first ministers this summer. He has said they are not going to leave the room until they come up with a new deal on a sustainable health care system. That is vitally important.

I do not know about members opposite or Canadians in general, but when I go into an acute care hospital in my riding of Etobicoke North or into any nearby acute care hospital, I see elderly patients occupying acute care beds. Some may ask, what is the problem with that? There is no real problem in one sense. Those patients will not be put out on the street if they cannot be put into home care or put into lower cost alternative care, but why are we housing elderly patients in expensive acute care hospital beds? That might not be the best care for the patients because they may prefer to be in a slightly different environment such as their own home where they could be cared for by a nurse or by their family.

Why is it that after so many years of debate and discussion in Canada we still have this problem? We do not have the capacity in terms of long term care, extended care, home care and homemaker programs. We have been talking about this for years. Let us get on with it. Let us provide lower cost alternatives. Let us provide care levels that are appropriate for patients. While we are at it, why not deal with the huge cost pressure that is emerging, not only in terms of technology, but also in terms of prescription drugs? We need to look at this question in a much more fulsome way.

Collectively, we need to make some capital investments in capacity building. We cannot fool ourselves any longer. If we keep saying we need to have lower cost programs, then we have to build those programs. That might mean some one off spending up front. The provinces and the federal government and other orders of government need to work together to get the job done.

We have been talking for years about health education, health promotion, and lifestyle issues, but we have not been investing enough in those programs. We need to do some front end investment in those types of programs. If we do not deal with these types of issues, then we are not going to have a sustainable health care system.

A report recently came out that was commissioned by the Department of Finance. It was reassuring to some extent and indicated that the problem may not be as severe as we thought. However, the reality is that, given the demographics of our country, we do have more older people. I am going to be one of those at some point in time. In fact, some people may argue that I am one of those now. However, Canada has an aging population and we need to deal with that.

That is why we need to have a sustainable health care system. That is why we need to have a discussion with the premiers and the territorial leaders about how to get there. I look forward to that. That is really where we need to go. We need to provide sustainable, secure and stable health care funding to the provinces, but we cannot simply throw more money at it. We have to have a well managed system for the benefit of all Canadians.

*Government Orders*

The budget that was tabled by the Minister of Finance recently put into play more resources for public health. The member for Medicine Hat probably forgot that or maybe it was just a slip of his memory. Perhaps he is one of those individuals getting on in years as well. The government put another \$400 million in new money into public health.

• (1240)

What will that new money do? It will provide a much more coordinated approach to the tracking and dealing with diseases such as the SARS outbreak that we had last summer. I think we handled it as well as we could but, unfortunately, there were different agencies and groups. This will bring that together in a cohesive whole, not necessarily in one building but in terms of a network and consolidating that expertise so that we are prepared for these viruses, epidemics and flus as they come into Canada. Hopefully we will not have them again but we have to be realistic and be prepared.

There also will be more money for municipalities for immunization programs, which is a very important feature.

Something often gets lost in this whole debate about our fiscal performance. We recognize that with the sponsorship program we have had some challenges that the government is dealing with. We will be centralizing and tightening up on the comptrollership function and we will be spending more money on internal audits.

When our government came into power in 1993 we had a \$42 billion deficit and a lot of programs had to be cut. We tended to cut administration rather than programs. Programs affect Canadians on the front lines so we had to cut administration.

In hindsight I suppose the government might have said that maybe it had cut back too much of the administration, that maybe it should have left the comptrollership general's office there and all these accountants running around adding things up and making sure the controls were good. I suppose with the benefit of hindsight we could have done that but we wanted to make sure Canadians got the benefits of federal programs. However in this whole debate I am absolutely amazed that we take our eye off the ball and lose the big picture.

I want to remind members opposite here today of some of the big picture items. When we travel abroad and meet members of parliament from around the world, when they come here to Ottawa their first question is how we did it. They want to know how in Canada we dealt with the \$42 billion deficit in four years, that we are paying down debt, that we have such low interest rates and that the Canadian economy has generated so many jobs since 1993, in fact two million plus. Those are good questions which I think Canadians should be asking themselves.

The United States has had good economic performance until more recently. The economic performance in Canada has been equally strong. In fact, if we factor in job creation, there has been more job creation in Canada on a per capita basis by a long shot compared with the U.S. economy.

The U.S. economy has had some economic growth but with no jobs. In Canada we have had two million new jobs while at the same time paying \$56 billion against the debt. What does that mean? It means Canadian taxpayers are saving \$3 billion a year, each and

every year moving forward. This is what we call an annuity. It is \$3 billion into the future forever and the more we pay down we will be able to add to that.

What are the \$3 billion being used for? They are being used for a variety of things. They are being used to put more money into health care, into post-secondary education and into national defence. I think my colleague, the Minister of National Defence, was very right in clarifying some of the defence expenditures over the last few years. Since December 2003 our government has put \$7 billion more into our national defences.

The opposition goes on and on about \$15 here or \$20 there. We are talking about \$7 billion into our national defence. Some of the members opposite say that was money already announced before. Well I am sorry, it is new money since December. They can talk about when it was announced, whether it was in the budget or whether it was announced again, but big deal. I think it is helpful when the Prime Minister or the Minister of National Defence visits our troops and talk about the realities.

• (1245)

I have been reading some of the press clippings and the troops are really excited about the new supply ships. They are also happy that we will not be taxing them when they go to dangerous areas. Not only will that be in areas like Afghanistan, it will also be areas like Bosnia and Haiti. When our troops go to those regions they will not have pay any income tax, which is a good thing.

I think the members opposite need to get their facts straight when they enter these debates.

We are debating Bill C-30 which would implement certain provisions of the budget. I am absolutely amazed that no one has talked about equalization because it is a big part of Bill C-30.

Equalization is a complicated program. What it achieves largely is to make sure that services and programs are available to Canadians in equal ways and forms no matter where they live in Canada. Therefore some of the have provinces transfer money through equalization to the so-called have nots.

There is a contentious issue. Let us take Newfoundland, for example. In the last few years we know that Newfoundland has come upon new resources in terms of its petroleum and natural gas wealth. The question on the table is that if Newfoundland is suddenly the beneficiary of new provincial revenues as a result of these newly developed resources, should it be penalized in terms of its equalization payment, which is moving money from the have provinces to the have not provinces?

*Government Orders*

That is a very fundamental question but I think that on balance we have to deal with it. I am perhaps using a poor analogy but if we are helping a family member, because that is what we are, a community, a family, and then suddenly the family member gets a job or has a new form of income, is it not realistic to say that we will reduce the amount that we were paying that family member? I think it is eminently reasonable. I suppose the debate would get into some of the details of that but I think in rough terms that is precisely the issue that some of the premiers have raised. Frankly, I think Canadians would be more inclined to agree with the government's approach on that.

The bill also entertains a number of provisions with respect to the Canada pension plan. This is an area that I find interesting and troubling in a sense. Many in my riding say that because people are getting old and the demographics are changing, the Canada pension plan will not be there for them.

I want to tell Canadians and those members in the House today that because of the actions of our government just a few years ago, where we did a complete review of the Canada pension plan with the objective of putting the plan on a sound actuarial footing, the last report by an independent actuary said that the Canada pension plan was actuarially sound until the year 2050. That was based on all the assumptions in terms of age, demographics, benefits and contributions, which is based on the package that we have implemented today.

Therefore Canadians should not be concerned about the viability of the Canada pension plan, and Bill C-30 would implement measures with respect to that.

The member also talked about high government expenditures. I think what the member for Medicine Hat perhaps forgot to point out was that we are now at a level of the lowest government expenditure in relation to GDP. In other words, if we look at federal government expenditures in relation to the size of the economy, today we are spending back to the levels of the mid-1950s.

I am sure some members in the NDP will argue that we should be spending more but I am of the school that says that we should spend when we can afford to spend. We know we have a lot of debt still to pay down and we know we have a lot of priorities. However for the member of the Conservative Party to argue that expenditure is out of hand, that is not aligned with the facts. Federal government spending, in relation to the size of the economy, is at a low; around the levels of the early 1950s. I think we should clarify that.

• (1250)

I certainly will be supporting Bill C-30 and I encourage my colleagues to do the same.

**Mr. Deepak Obhrai (Calgary East, CPC):** Mr. Speaker, I listened with interest to the hon. member's speech. I know he was a deputy minister and that finance is his portfolio. It is good to see his propaganda for the new Prime Minister and telling Canadians what great managers they are.

I know the member is a very sincere and honest gentleman but let me ask him a question. He said that when we get visitors from outside the country they want to know how we did it. The member should tell them that the Liberals are experts at putting their hands in

the wallets of Canadians. They do it on the backs of Canadians' hard-earned tax dollars. They have, of course, perfected the art of spending wastefully.

This year did the member ever receive any money on behalf of the federal government that was spent in his riding? I see the Liberal members of Parliament have been doling out taxpayer money in their ridings so they can get re-elected. The guy they want to call a Liberal, the turncoat member, presented a \$50,000 cheque to a riding in Nova Scotia on April 5 to buy bookshelves for the local library.

The member just stood and said that the Liberals were great managers of taxpayer money. My question is a simple one. Did you ever dole out any money this year into your riding?

**The Deputy Speaker:** Before we hear the response, I want to remind members in the House, especially after a two week recess, that all inquiries or interventions must be made through the Chair. I know that is a practice we will want to sustain and maintain in the hours and days ahead.

**Mr. Roy Cullen:** Mr. Speaker, on the first point of the member for Calgary East of people visiting Canada, I certainly would not say what he suggested I should say to them because that would be a lie. It would be untrue.

What I would say to them is that if they were to look at Canada's levels of personal income tax since 1993, the personal income taxes of the average Canadian two parent family with two children have been reduced by the federal government by 27%. In fact, since this government has been in power, we have taken one million poor people off the income tax rolls. This government came up with a Canada child benefit, which has now reached \$9 billion a year, to help poor and middle income Canadians.

With respect to the member's second question, I am very proud to say that I have fought for and have been able to secure some federal funding in my riding in a couple of very key areas. In my riding in the last year and a half there have been about 12 murders; gang related, drug related violence. I have been able to secure funding from the national crime prevention program. We are helping young people by giving them an alternative to gangs, drugs and violence. What does that mean? That means that we can set up after school programs. It means we can set up a program called Breaking the Cycle which tries to help young people who want to extricate themselves from gangs and are troubled with peer pressure. This program is helping them get out of gangs and into a more constructive role in life.

I am also very proud that I have fought for money for a very fine institution in my riding, Humber College, to help with co-op programs and a number of training related programs to help people prepare themselves for the new economy. Yes, I am very proud to say that I have fought for and very successfully have been able to bring some federal dollars into my riding to help with some of the priorities of my citizens.

*Government Orders*

•(1255)

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, it was incredible to hear some of the comments from the hon. member for Etobicoke North with regard to municipalities. He painted the picture that the government is making a lot of investment, that this will solve the problems and that there is a new deal. It really is more like a raw deal because what we are seeing is that another layer of bureaucracy will be added before the municipalities will get the cash and the actual infrastructure improvements they deserve.

I should know because the Windsor-Detroit border is in the area which I represent, formerly as a city councillor and now as a member of Parliament. The first thing I hear Americans say when they come here as tourists or to visit family members is, “Why has your government not invested the proper money to fix the border? Why have we been sitting here in traffic for two hours? We are not coming back. We do not want to go through this again because of the lack of facilities on the Canadian side and the traffic congestion”.

It brings up an important point that is really being missed. I think the member mentioned “earth shattering” practices about the government's plan to roll out money from the GST or the gasoline tax for roads and infrastructure. That has been going on for a decade. Municipalities, through the Federation of Canadian Municipalities, AMO, and other groups across the country, have been submitting petitions. Councils have been passing resolutions appealing on hands and knees for funds because not just the Conservative government of Ontario but the federal Liberal government of the last 10 years have cut back the grants.

I want to ask a specific question about the GST rebate. The very insulting thing about this is the context in which it is being put. Municipalities derive income from property taxes, so they tax people. They tax people to get their revenue. From that, they were paying another tax on a tax. The municipalities do not have to pay the GST for the first time this year, but they should never have had to pay it in the first place. I want the hon. member to explain why municipalities were paying the GST in the first place, because it was a tax on a tax.

Also, why did the government not give back the 10 years of funding that it stole from the municipalities in the first place and put it into roads and infrastructure to build this country?

**Mr. Roy Cullen:** Mr. Speaker, the member for Windsor West has a number of facts mixed up and confused.

First, with regard to the GST, the government has taken a very broad view of to whom the GST should apply. In the Department of Finance there is a list of 1,000 representations of what should not be subject to the GST. In the first phase, municipalities were subjected to the GST and now they will not be. That is a very positive thing.

For the member to suggest there will be huge amounts of bureaucracy, I guess he is saying that he would do something with the municipalities with the gas tax and would not work with the provinces. Then the provinces would claw it back, just like they did, unfortunately, with the Canada child tax benefit in the province of Ontario. This government has learned from that. With respect to the gas tax, the government will be working with the provinces and finding a way to make sure the money actually gets to the

municipalities, such as the announcements we have made over the years on infrastructure which the member conveniently forgot about.

In the last five years there has been some \$9 billion of federal money for municipal and provincial infrastructure. As the member well knows, some of that was announced quite recently with respect to Windsor and the border and the infrastructure. If he missed that press release, I would be happy to send it over to him. If he studies it carefully he will see that our government, working with the province and the city of Windsor, will streamline the infrastructure to ensure that the traffic moves back and forth across the border. I think the member is a little devoid on the facts on that one.

•(1300)

[*Translation*]

**Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ):** Mr. Speaker, I am pleased to participate in this debate on budget implementation. As you are aware, and I am sure the hon. member for Glengarry—Prescott—Russell is aware, this is a bill to amend eight acts, including the Canada Pension Plan, the Income Tax Act, the Excise Tax Act, the Excise Act, the Fiscal Arrangements Act and, of course, the Employment Insurance Act.

As we know, employment insurance has been an indelible blot on this government's record, and I will speak about that later. I am sure that it will be an issue in the riding of Glengarry—Prescott—Russell, where I just might do some door-to-door canvassing with my friend, the hon. member for Argenteuil—Papineau—Mirabel, although it is not our highest priority, as the hon. member will understand.

Let us begin at the beginning. We will spare no effort to keep the major social issues front and centre. This is a budget that has not failed to disappoint in areas where expectations were extremely high, in terms of social programs, health care financing, the expected amendment to the Canada Health Act and parental leave.

I will speak about the issue of rail transportation later, but for now I will say that the government was expected to follow up on Bill C-26. When there was a real government leader in this House, Bill C-26 was a high priority. We were very surprised to learn, without any explanation, that the bill did not outlast the former House leader.

Let us begin at the beginning. First, there is health. We know that all our fellow citizens are concerned about health. We know that the provincial premiers, no matter what their political stripe, have carried out a campaign for reinvestment in health. That campaign is not the idea or the sole idea of the Bloc Québécois or the Parti Québécois. All the premiers—the Liberals in Ontario, the Conservatives in the Maritimes, the New Democrats in the West, and Gordon Campbell in British Columbia—have asked the federal government to shoulder its responsibilities and increase health transfer payments to 25% of the actual cost of maintaining a viable system.

*Government Orders*

This is all the more important since there is a consensus. The Romanow report asked that transfer payments be increased to 25% of what it costs the provinces to provide these services. As we know, this measure was deemed so important by the premiers that, in recent months, the provinces have run a campaign in all the major dailies in Canada and in Quebec to ensure that the message is heard.

This is why, within a few days, it was believed in the various provincial capitals that the \$2 billion announced in 2003 would be a recurrent amount. This would have been a reasonable measure. Of course, even if this had been the case, the provinces would still have received much less than the 25% they are asking for. As we know, the federal government is currently contributing, through transfer payments, 16% of health care costs.

There is a paradox in the Canadian policy, at a time when health is the major challenge for public administrations. We know that this is because people are living longer. It is not rare, in our activities as members of Parliament, to meet with people who are 100 years old or more. About a month ago, I read in a magazine that there are over 100,000 Canadians who are one hundred years old or more. Today, we are no longer talking about the third generation, but the fourth generation.

• (1305)

Individuals, in the House and outside it, who pay attention to what are known as the determinants of health have a good chance of living to 76 or 80 years of age; for example, these individuals eat a healthy diet, do not smoke, do not drink excessively and exercise to some extent. We hope the Speaker will be as or even more fortunate; however, the health care system must still be able to rise to these new challenges.

The major challenge facing health care is home care. There are, in fact, two major challenges facing health care: Home care—how will we keep people in their communities longer? Second, palliative care—how will we assist people at the end of their lives?

These are clearly provincial responsibilities, but they cannot be adequately managed if the federal government continues to under invest in health. What is most disappointing to the Bloc Québécois—and I am certain that my NDP and Conservative Party colleagues agree—is that we had every right to expect the federal government to provide appropriate funding so the provinces can meet the needs of the public.

What we are seeing instead is troubling, to say the least. The government wants to make health care a tool for nation building. In his speech in Toronto, the Prime Minister said again that, during the next election campaign, he would make health a major issue. If this is true, if the Prime Minister, who is a member from Montreal, wants to make health a dominant theme in the next election campaign, I hope that his first responsibility as member for LaSalle—Émard and Prime Minister, is to make a substantial investment.

I want to express a second wish: that the Ontario Liberal caucus will get through to the Prime Minister and that the members from Ontario, Quebec and all the provinces will make him understand that he has a responsibility to intervene with regard to reinvestment.

That is not what is happening. Instead of ensuring that the provinces, which are the primary caretakers of the health care

system, have sufficient resources to maintain a viable system, the federal government is engaged in nation building. It is multiplying its interventions in areas outside its jurisdiction.

I will give you some examples. First of all, the federal government wants to set up a Canada public health agency, as if public health were its responsibility. Are you aware, Mr. Speaker, that in each of the provinces there are people responsible for public health? Even in Quebec, in what were the regional boards and are now the health and social services agencies, there are people with responsibility for public health in each of the areas in which these agencies have been set up.

Public health is, when it comes down to it, seeing that our fellow citizens' lives are lived in the best health conditions possible. This involves of course such issues as epidemics, cardiovascular and sexually transmitted diseases, diet and mobility. Health can be assessed according to a number of factors, but there is one thing that is certain: responsibility for it must lie with the provincial governments, along with the municipalities.

What explanation can there be for the federal government's desire to set up a Canada public health agency? So much so that the Prime Minister has appointed, in addition to the health minister, a parliamentary secretary responsible for the Canada public health agency. This is one more example, if one were needed, of the fact that what interests the federal government is not people's health, not the well being of our fellow citizens.

• (1310)

What the federal government wants to do with health is to make it into a media opportunity, a high-profile opportunity for political gain, and that is what is of concern to us. If the federal government were really concerned about people's health, it would have increased transfer payments for health.

Now for another example of federal interference in health. Imagine, they want to have an immunization strategy. They have established the Canada health infoway, the Canada health research institutes and a strategy on diabetes. Bit by bit, file by file, they are nibbling away at the sovereignty of the provinces, in order to achieve nation building.

**Mr. Mario Laframboise:** Without paying.

**Mr. Réal Ménard:** As my colleague from Argenteuil—Papineau—Mirabel has said, the federal government is multiplying its intrusions into health but not putting the corresponding funding into it.

There is something even more serious. On a number of occasions I have spoken with the Minister of Health, the member for Papineau—Saint-Denis, a Montreal riding. The health minister is behaving as if the provinces, the main stakeholders as far as health is concerned, were not accountable themselves to our fellow citizens. It is as if there were no mechanisms for accountability.

*Government Orders*

The logic the federal government has been using since the Romanow report was tabled is to say that, even if it does not provide health funding, the provinces are accountable to it. Even if, with the exception of National Defence, veterans affairs, aboriginal affairs, and epidemics, the federal government has no valid jurisdiction for intervening in health, it would like to hold the provinces accountable.

Even Mr. Couillard, MNA for Mont-Royal and health minister in Jean Charest's government, who is not—as everyone knows—a Bloc Québécois activist, had harsh words for the federal government. I would like to quote him. I remind the House that he is a minister in Jean Charest's government, one of the most spineless governments the National Assembly has ever known. Addressing the federal Minister of Health, he declared in the National Assembly:

It is not right for an organization that is somewhat of a minority shareholder at 16% to assume the right to oversee and audit health care systems in Canada when it does not make a firm financial commitment.

Ottawa provides 16% of health care funding.

Mr. Philippe Couillard, Quebec's health minister and MNA for Mont-Royal, has finally acknowledged that the Bloc Québécois is right in the battle we are waging.

We agree that the health care system needs to be reviewed. So true is it that it needs to be looked at in a whole new light and changes taking place in the health care system accepted, that seven of the ten provinces have formed working groups to rethink the health care system.

In Quebec, this exercise was directed by the former PQ health minister, Mr. Clair. This resulted in the Clair report in 2001, which made a number of suggestions to regionalize the health care systems and establish family medicine groups that would group doctors together in some communities in order to provide services seven days a week, 24 hours a day. This is a reminder that in the health care system, family doctors were once closer to the communities than they may be at present.

● (1315)

Nevertheless, we do not need the federal government to come in and tell us how to reorganize our health care system. We do not need the federal government to come in and evaluate in real time how long it takes to get access to certain health care systems. The contribution the federal government should make is a massive reinvestment in the health care system.

As for the way each province organizes its health care system, the choice is up to each one. In Quebec—I do not know the other province's situations as well—it must be realized that there are four areas of accountability by which our fellow citizens can determine how the available health resources are being spent.

First, there is a patient advocate in the Quebec health care system. When people are in a health care institution, they can make official complaints if things are not as they would wish. My friend, the hon. member for Abitibi—Baie-James—Nunavik, knows that in the Quebec health system there is a patient advocate who listens to citizens' complaints. It is not up to the federal government to intervene in this sector.

Second, the regional boards, which have become the health and social service agencies, submit annual reports in which they explain what resources have been used, what goals were pursued and what objectives were attained and implemented.

Third—and this is an accountability measure as real as any in Ottawa—there is the National Assembly's parliamentary committee on health, social services and social affairs.

The fourth area of accountability is, of course, question period in the National Assembly, where the opposition parties—the Parti Québécois and the ADQ—can ask the government questions about the way in which the money allocated to health care is used.

Moreover, in 1995, the then prime minister, Jean Chrétien, set up and chaired a National Forum on Health. Its report was presented in 1997. One of the recommendations made by this forum was to establish a \$300 million fund to sustain and improve the health care system. When the provinces' use of this money was evaluated, it was found that the province of excellence, the province that best used the health funding, was Quebec, of course. We can see how dark the future will be if the federal government does not live up to its responsibilities in the field of health.

Since I have two minutes left and the hon. member for Argenteuil—Papineau—Mirabel is with me here in the House, I would like to take a moment to say how disappointed we are that the federal government did not choose to reinstate Bill C-26.

I represent the riding of Hochelaga—Maisonneuve. There is a rail line that runs right through a residential area. Can you imagine my fellow citizens, the residents of Déséry, Darling, Wurtele and Bercy streets, having to put up with CN's round the clock operations? Trains pass three times daily, including at night. For years now, we have been calling upon the government to give more powers to the Canadian Transportation Agency to mediate community complaints.

Former Bill C-26, which was not welcomed by the railways, could have given our fellow citizens some real clout when it came to seeking quality of life for their community. Despite the study carried out by the Standing Committee on Transport, the government was vile, irresponsible and unfeeling enough not to make sure the bill got passed.

But it will not go unnoticed, because in Montreal, as in other parts of Quebec, the opportunity of the coming election campaign will be used to make an issue of the increased power that must be given to the Canadian Transportation Agency. Because federally regulated transportation companies are behaving like barons of industry, and not respecting people's quality of life, we will be sure of the support of our fellow citizens.

I am not angry, merely passionate about this. I have learned there is a difference. But rest assured, former Bill C-26 will be an issue in the coming election campaign.

● (1320)

[*English*]

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, the member and I have had the pleasure of serving on the health committee together, so I am not surprised that many of his interventions in the House have been related to health.

*Government Orders*

Virtually every budget that we have had since 1994 when we came here has had an element of health in it. The Canada Health Act includes the five principles: comprehensiveness, portability, being publicly funded, being accessible, and universality. I want to comment on universality.

I have learned that in the province of New Brunswick, in fact, pharmacare is available to seniors only if they are collecting the guaranteed income supplement. It is a prerequisite that they have to be at that level of income whereas in other provinces it is obviously different: to effectively be in poverty is not a criteria for pharmacare.

Recently the government has made some indications with regard to discussions with the provinces on future incremental funding for the health system, indications that there may be some strings attached to additional moneys. For instance, if additional moneys were to flow, pharmacare and home care are areas that would be required in terms of where the application of those additional funds might go. I know that the member is quite interested in this.

From the perspective of universality, though, I wonder if the member would care to comment on whether or not we have effectively protected the principles of the Canada Health Act, particularly universality as it pertains to seniors or others who need pharmacare and home care.

[*Translation*]

**Mr. Réal Ménard:** Mr. Speaker, the situation is misunderstood and misconstrued, causing people to think that the federal government will be the one to protect health and social services.

Even the Canada Health Act, which as we all know includes the five principles of health care: comprehensiveness, universality, portability, transparency and a publicly funded system, has not stopped the federal government from drastically cutting its share of funding for health.

We must face the fact that, no matter what province we come from and no matter how the provinces provide public health services, not one province, from Newfoundland to British Columbia, has not suffered from the federal government's withdrawal from health.

Its withdrawal was not subject to negotiations. The provinces learned shortly before the budgets were tabled, if not when the budgets of successive finance ministers were read, that funding would be cut, with the resulting potential destabilization of provincial public funding. That is the first point.

Second, with regard to pharmacare, the national forum chaired by Prime Minister Chrétien tabled its report in 1997. It asked the federal government to consider helping to implement a national pharmacare program.

Quebec's health minister, Jean Rochon, was responsible for implementing such a program under the Parizeau and Bouchard governments. Our public pharmacare program is funded by users and the Quebec government. If this model can serve as an inspiration for English Canada, we would certainly support this, and all the better. However, in our opinion, it is not honourable, proper or truthful to say that the Parliament of Canada will protect health care because there is a Canada Health Act. The existence of this

legislation has failed to stop the Liberals from drastically cutting health transfer payments since 1994.

•(1325)

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, first, I want to congratulate the hon. member for Hochelaga—Maisonnette for his presentation on health. I would also like to take this opportunity to ask him a question.

In the latter part of his speech, he raised the issue of noise pollution in railway yards. This is more or less the Liberals' way of settling disputes, and it goes against common sense. It is the case in health: they are not investing the money needed to solve the problems. In a case as pathetic as that of noise pollution in railway yards, those who are listening to us must realize that no provincial law or municipal bylaw can regulate activities on federal land, and railways and railway yards are located on federal land.

Since Canada was first created, this Parliament has never adopted any standard to force railway companies to regulate themselves or to act reasonably as regards noise. This creates very stressful situations, and people get sick. The noise level generated by night work in railway yards is twice the level of the world standard.

I would like the hon. member to take this opportunity to explain more thoroughly why it was so important to give to the Canadian Transportation Agency the power to regulate the private industry, which is not subjected to any provincial or municipal standard on noise pollution.

**Mr. Réal Ménard:** Mr. Speaker, that is a very good question. It takes me a little by surprise, but it is a very good question.

My colleague, who has served on the Standing Committee on Transport, knows that the CPR, to give only one example, acts like it was above the law.

For example, in Hochelaga—Maisonnette, in the centre of my riding, a rail line begins at Sherbrooke Street and goes right to the Port of Montreal, which is, of course, included in my riding. To meet the economic imperatives of just-in-time delivery of merchandise, and thus support economic development, the quality of life of our citizens has been given short shrift, so that that goods can be shipped around the clock.

That means that my constituents who live near the railway on Wurtele, Dézéry and Frontenac streets—even if it is 2 a.m. and they have to get up at 6—are exposed to noise, vibration, and noise pollution, not to mention the material damage that may occur. Dust and soot drift down all over. It is impossible to open the windows. I have heard some horror stories.

The railroad will not be expropriated, naturally, but Bill C-26 would have helped the parties learn to coexist. Houses will not be moved either. However, there has to be an agreement to end earlier.

I want to give an example. Trains are stopping in residential neighbourhoods and can be stationary for five or six minutes. They get turned off, with all the vibrations this means for the public. This is unacceptable. This harks back to the 19th century of Émile Zola. It is no longer acceptable in 2004 for such things to happen.

I know that, along with the member for Argenteuil—Papineau—Mirabel, we will make this an issue in the next federal election. We will not stop until the government takes appropriate action. At one time, the Liberals had a real government House leader. I know that the hon. member for Glengarry—Prescott—Russell would have made Bill C-26 a priority. How is it that this bill has not been reinstated? It should have been. It would have been possible to come to an agreement rapidly, at least on this aspect of the bill.

If the government committed to introducing a bill in the next few days, I am certain that all the opposition parties would cooperate with all diligence to ensure its adoption, because this is a matter of quality of life and respect for individuals. Economic development cannot mean disrespect for individual quality of life.

Consequently, there is no word grand enough or powerful enough to express just how incensed the member for Argenteuil—Papineau—Mirabel and I are to see that the government has abandoned people living along the railroad.

• (1330)

[*English*]

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I want to talk about health care.

Let me say first that I received an e-mail this morning which I found quite saddening. Members may have seen it. The five year old son of the member for Châteauguay, our colleague, has passed away. I want to note that, and I am sure that all members would agree that our hearts are with the family at this very difficult time.

I do not believe that the measure of the success of a country is its economic success. Rather, I believe that the measure is the health and well-being of its people. Health care has been the number one issue on the agenda of the Parliament of Canada and the Government of Canada ever since I can remember.

When I came here as a member in 1993, one of the first important initiatives undertaken was the establishment of the National Forum on Health. This process went on for a substantial amount of time. The best people, the best resources in the country, were consulting with Canadians, with the experts and with those who were familiar with the system as it existed and with the options and opportunities as they presented themselves in regard to continuing to improve our health care system in Canada.

I am very careful to remember that the ultimate position or opinion of the National Forum on Health was that there was enough money in the system. It did not say that we needed to have more money pumped in; it said that we were not spending it wisely, that we were not being efficient in using it. This led to a whole new range of thinking about how to get the resources that are within our health care system dedicated and focused to being flexible or responsive enough for the needs of Canadians.

### *Government Orders*

That leads, then, to this whole discussion about federal and provincial responsibility and jurisdiction. The member for Hochelaga—Maisonneuve raised it, I think, and he often talks about the provincial responsibilities and how the federal government seems to be just getting in the way. But there are certain things that transcend jurisdictional responsibilities. There are certain things that transcend partisanship. I believe that health care is one of those matters. As far as Canadians are concerned, there is only one payer of taxes, and that taxpayer does not care which level of government collects tax dollars. What they care about is that those dollars are being used wisely and effectively to provide the services that Canadians require.

As I mentioned earlier in a question and comment session, it is under the Canada Health Act that the principal responsibilities of the Government of Canada lie in terms of protecting and defending the principles of our health care system. Very briefly, I will describe them.

There is universality. This means that health care is going to be available to all in Canada regardless of whether they are citizens or have landed status or, indeed, are refugees. People who are on our shores are going to have accessibility. Health care is going to be universally available to all those who are in Canada. That is our value.

Comprehensiveness is the next item. This means that the full range of medically necessary services is going to be there for all those in Canada.

Finally, there is portability. This is an area that I have some concern about. Portability says that no matter where one is in Canada, no matter which province or territory, one will get health care service. I think that is very important.

Health care that is publicly funded and administered is the next principle. It means that in Canada we do not get an invoice every time we get health care services. It means that as we pay our taxes we are putting into the resources of the country so as to be able to sustain a health care system to provide for the needs of Canadians, or so we will have it when we need it.

• (1335)

As an example, 75% of the health care costs in the average person's lifetime will be incurred in the last two years of life. Imagine if we had a system which said that when we go for health care, we pay. If we are healthy throughout life, we are not going to incur many health care costs, but every one of us is going to eventually get to that point where we hit what is called the "resource intensity" requirements: the best specialists, the best medication and the best equipment. That is when expensive health care kicks in. It is usually in the last couple of years of life.

Who could afford it? It would bankrupt most people. That is exactly what happens in the United States for millions of Americans who do not have health insurance. They go bankrupt at that time when there are high resource intensity waits for the services required. The costs are prohibitive, sometimes as much as \$20,000 or \$30,000 a month in terms of the effective value of that service.

*Government Orders*

Having health care publicly funded means that the costs are smoothed out. It basically insulates all of us from the big hit of paying those costs for health care when we need it. It is there and is accessible.

The final point is accessibility. A country like ours is very diverse. We have a high population concentration in urban centres and a very high concentration of our population within 100 kilometres of the American border, but all Canadians do not live in urban centres and in proximity to the American border. Every Canadian must have reasonable accessibility.

I know that one of the biggest problems we have with the Canada Health Act right now is that some of the definitions are so broad and general. I really think that they have to be looked at. We need to define what is medically necessary and to have it understood. "Medically necessary" is not a defined term under the Canada Health Act—that I am aware of—but it should be so that Canadians' expectations with regard to what they get from the health care system are in there.

Members have heard and Canadians are aware that in certain provinces pharmaceuticals are being delisted. They are not being covered by pharmacare. In certain jurisdictions, medical and vision care are both being provided generally under health care to low income seniors, but in other communities they are not.

In New Brunswick and, I believe, in Labrador, seniors cannot get pharmacare unless they are collecting the guaranteed income supplement, which means they are the poorest of the poor.

That is not universal. That is not accessible. It certainly would not represent portability. I do not understand—and I guess we as parliamentarians have to ask these questions—how it is that these principles have been manipulated by some provinces in terms of trying to balance priorities on an individual basis.

When I came to Parliament, we had transfers to the provinces under two main envelopes. One was under the established program financing, which covered health care and post-secondary education. The second aspect was on the social programs under the Canada assistance plan, the CAP program, which was our contribution of 50¢ on the dollar with regard to matters such as welfare and social assistance.

That system was getting to be onerous. The funding amounts were provided in two forms. One was cash and one was what is called tax points. There are very few people in Canada and, I suspect, very few people in the House who totally understand tax points, other than the concept being that it is the taxing authority that has been transferred from the federal government to other jurisdictions to make up the cash.

What was happening when I became a member of Parliament was that the cash component was starting to shrink in terms of transfers. Let us look at what happens if the government does not have any cash, or if the taxing authority is basically transferring all of what is necessary. For instance, I think that in Quebec at the time the health care transfer with regard to the tax points actually was getting to the point where no cash had to be transferred. If the federal government has no cash to withhold in the event that a province would not respect the five principles of the Canada Health Act, which has

happened from time to time, then there is no lever for the federal government to use to compel a province to provide the medically necessary services that are expected under the principles of the Canada Health Act.

• (1340)

That is when we changed to what is now called the Canada health and social transfer. I must admit there was a lot of confusion when we arrived at that point. Everyone said that it had been calculated a certain way in the first place. Now we have the Canada health and social transfer, and it is not three parcels but one. One has to wonder why that happened.

I remember looking at it somewhat carefully. It appeared to me that the principal advantage of bundling the transfers to provinces under one computation was that the cash transfer for post-secondary education and the Canada assistance plan components for social services was available to be withheld under the whole umbrella. Basically we could absolutely ensure that the federal government had cash that it could withhold in the event that the Canada Health Act was not being respected. It was a very interesting change in the policy.

Since then we have continued to debate about the existence or the non-existence of tax points and whether they are real. Some have even gone so far as to say that they have no value or they should not be included or that the federal government is only transferring so much cash, and why not just reverse it. I have a feeling many people would argue that the whole point of transferring tax points to the provinces was probably not one of the federal government's finest hours. This has led to a lot of confusion.

Notwithstanding that, we now find ourselves in a situation where health care continues to be the number one priority of Canadians, and Canadians should know it is the number one priority of their government.

Health care has been in every budget since I first came here in 1993. Every budget cannot deal with every aspect of each subject, but this has been a building situation. When we look at what has happened in terms of funding, whether it be one time specific in certain areas, such as MRI machines or for other specific purposes, the question again comes up about federal and provincial responsibility. I often wonder if we will ever get out of this dialogue about whether someone is encroaching in someone else's jurisdiction. I understand what the responsibilities of the provinces are under the Constitution. Now we have to ask ourselves if we are making some significant shifts in terms of the activities of the Government of Canada.

When we look at something we started right back in 1994, moneys from the federal government were put together in partnership with provincial and regional governments to do infrastructure programs such as sewers, bridges, roadways and the like. This was not federal jurisdiction per se.

If the country's infrastructure is eroding, a number of consequential and detrimental things will occur. If the economy is not good, then generally people are not working. If people are not working, chances are that is affecting the safety and security of their communities. Chances are that is affecting their ability to have a job.

*Government Orders*

In our society everything we do plays a role. I would argue, as I said at the beginning of my speech, that the measure of success of a country is not the measure of success economically. Rather it is the measure of the health and well-being of its people. Any government has to look at the condition of its people, particularly as it relates to their health.

Now we are talking about conditional funding. For instance, if the federal government were to inject another \$2 billion, which is the number suggested, that is conditional funding. Two areas have come up with regard to this, and that is pharmacare and home care.

I recently did some work on a seniors project. I tabled 17 motions in the House on February 2 dealing with seniors. The most startling one to some was my proposal for a guaranteed annual income for seniors. Seniors' poverty is an important issue that has not been given the priority or attention it should be given.

• (1345)

Among the other motions I put forward, two had to do with pharmacare and home care. On the pharmacare side, as I mentioned earlier, there is an inconsistency across the country in the availability and accessibility of pharmaceuticals. This is so important. If we put it in context, we spend as much in health care costs on pharmaceuticals as we do on doctors and nurses. Doctors and nurses and drugs in our health system are the same. That is how our health care system has moved. Therefore, we have to reassess as we get these dramatic shifts.

I know it is extremely important that people understand how much it costs with regard to pharmaceuticals and whether there is a system in place to ensure that the pharmaceutical industry is meeting the needs and that we are getting, as the Auditor General reminds us of, value for money. I am not so sure sometimes when I see the new and improved or the change in a formula which has basically no effective change in the value of a drug.

The other part has to do with home care. I am really concerned about the situation that many families find themselves in these days under the umbrella of our health care system delivered by the provinces. It has to do with home care, specifically from the standpoint that we understand people have circumstances where they do not need full nursing home care, medical care and attention on a constant basis, but that it might be limited to as little as a couple of hours a day.

When we think about it, it is either full time care in a nursing home, which can cost somewhere around \$2,000 to \$3,000 a month to be in a regulated nursing home environment, as opposed to a couple of hours a day. What happens to all the people who need more than two hours a day, who have supervisory requirements where they can get themselves in trouble or they need help to do some basic things but it is not constant? There is an enormous hole in the middle of the home care system which can only be filled by who? By family members. It usually turns out that it is family members and it is more often than not women versus men. Women are being required to withdraw from the paid labour force to provide care for an infirm or disabled elderly loved one.

How is it that we can provide important subsidies to the nursing home industry, yet we cannot provide the same effective level of subsidies to care givers?

About three or four years ago Motion No. 30 passed in this place to establish a care giver tax credit. That was my motion. It was only a modest amount of about \$500, but we now have in the Income Tax Act a care giver benefit.

I believe an important contribution we can make to the health and well-being of Canadians, particularly our seniors, is to look seriously at enhancing and enriching the care giver credit so our seniors will be able to have the care, if necessary, beyond what home care can provide. At the same time we cannot continue to shift the burden on to families to provide the care that they need.

What we have to do is look very carefully at our home care model and in fact tie some funding to home care so we can provide some flexible options for families in that middle, between full time nursing home care and a couple of ours a day.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, it sounded like the hon. member has all the answers to the problems. As his party is in government, it should do it.

First, the Conservative government brought in the drug patent legislation that caused drug prices to triple. What did the Liberal government say in 1993? It said that it would change it. I remember Mr. Tobin saying that it was an outrage and that it would cost families far too much money for drugs and prescriptions. Instead of changing it, the government enhanced the legislation to give pharmaceutical companies the patent protection for an even longer time.

If the member is really serious about the cost of pharmacare, his party should change it.

My second comment is about caregivers. I brought a bill forth in 1998 to allow caregivers, those people who care for people in a palliative care situation, be it a child or another relative, to take a year off work with job protection and employment insurance while they provided care for that person, whether it was palliative care or serious rehabilitative care. In the case of a couple having a child, one of the parents can take a year off work on maternity or paternity leave. The government, kicking and screaming, put in a six week program this year, for which we are grateful. At least it is a start. Will the hon. member at least admit that it goes nowhere near enough?

In the Ottawa *Citizen* today there is a story about Sharon Ruth and her daughter. It is a classic example of a woman who is not working outside the home but needs assistance right now so she can care for her daughter who has cancer, and I hope her daughter will recover from it.

Those are just a few of the points I have for the hon. member. I would interested in hearing his comments.

*S. O. 31*

•(1350)

**Mr. Paul Szabo:** Mr. Speaker, as the member is aware, we have had these debates for some time on pharmacare, on drugs and on patented medicine. This is an issue which keeps coming in and out of our lives. It dies down and then it comes back again.

If Parliament is concerned about the shifting burden of our health care system in pharmacare costs versus the human resources costs, we should debate this. Why is there no debate? Why are we not raising it? We have the tools to do this and get the facts on the table. Perhaps that is what should be done by way of either an emergency debate or possibly a motion from one of the parties for a day long debate within the House. I agree.

With regard to providing some sort of leave program for caregivers, that is precisely one of the motions I put forward on February 2. However, it would be under the employment insurance scheme and would provide full benefit. In addition, I added the proviso, and I think the member will agree, that during that period of time those caregivers would not be penalized in terms of their Canada pension plan credit. When they withdraw from the paid labour force, they lose the opportunity to continue to participate in earning pensionable years. I think that is really important. I agree very much though with regard to providing that relief to family members who provide care.

The member will recall that the motion I put forward was for those who provided care in the home to preschool children, the chronically ill, the aged or the disabled. It was a petition I gave in this place for about three years, which probably amounted to a couple of hundred times.

When families take care of their loved ones who are in need, that benefits us all. It relieves the stress and it relieves the utilization, the demand on the limited resources that we have. It may be a better model for some. I think the member is nodding that he agrees. We need to continue to build the flexibility and the options for Canadians to provide care to their family members when that care is necessary.

**Hon. Grant Hill (MacLeod, CPC):** Mr. Speaker, the member opposite is very interested in health care, and I give him credit for his speech. There are just two things on which I want to query him.

First, health care transfers have been reduced by his government by \$25 billion over five years and only recently have those funds started to be put back in. I do not think that he should overlook that.

Second, he talks about the breaking of the Canada Health Act. One province breaks the portability provisions of the Canada Health Act every day and has since I was practising as a physician. People leave that province, go to another province and cannot be paid the physician's fee. That breaking of the Canada Health Act is something to which his government does not pay any attention. Why not?

•(1355)

**Mr. Paul Szabo:** Mr. Speaker, with regard to the transfers, and I accept the member's numbers, Canada came through a very difficult period of time in the mid and late 1990s to get its fiscal house in order. There is no question that every Canadian had to step up, as did every government department and service.

However to get our fiscal house in order and to pay down \$52 billion of debt, an additional \$3 billion each and every year had to be put back. It means that restoration of that funding is occurring.

I do not disagree with the member. It would be nice to be able to do all things at all times but when we are faced with a situation that is unsustainable and that would put us in a hole that we could never get out of, it would not be fiscally responsible.

With regard to portability, the member is a medical doctor. The member, I am sure, is aware of many cases where one could argue that one of the pillars of the Canada Health Act has been violated by certain provinces. I would say that if pharmacare is not available to some Canadians unless they are collecting a guaranteed income supplement and in another province they can collect it no matter what their incomes, where is that in terms of the universality, accessibility or even the portability? If I move from one province to another and find out that service is no longer available, that is not portable either.

Maybe the member has again raised for us the importance of determining whether or not the Canada Health Act and its five principles are being defended to the greatest extent they should be and whether or not we have the definitions in there, for instance the definition of medically necessary, which I believe is not in the Canada Health Act but should be.

**The Deputy Speaker:** Given the hour, I will proceed to statements by members. That way we will not have someone taking the floor for what might amount to one minute.

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## STATEMENTS BY MEMBERS

[English]

### CANADIAN CANCER SOCIETY

**Mr. Janko Perić (Cambridge, Lib.):** Mr. Speaker, the Canadian Cancer Society is a national organization of volunteers dedicated to the eradication of cancer and the enhancement of the quality of life of people living with cancer.

Each April during Daffodil Month, Canadian Cancer Society volunteers step up their efforts to raise donations and organize special events like the Great Ride 'n' Stride, which is also being held in my riding of Cambridge later this month.

The society is the largest charitable group supporting cancer research. This year alone, the society is contributing almost \$49 million to leading edge projects across the country through its partnership with the National Cancer Institute of Canada.

I join all members of the House in encouraging Canadians to support their local Cancer Society volunteers and help eradicate cancer.

### HOLOCAUST MEMORIAL SERVICE

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, yesterday I had the privilege of attending the first annual Holocaust Memorial Service at the Jewish Community Centre in Saskatoon, one of many events held to remember the six million people who perished during this awful time in our history and to salute those who survived.

Like others the world over, I wish there had never been a Holocaust to remember, but there was. With anti-Semitic crimes, like the destruction of a Jewish school library in Montreal still present today, the memorial's theme of "Strengthening Through Memory" is even more important.

Genocide, whether in the form of the Jewish Holocaust, or more recently in Rwanda and the former Yugoslavia, is a part of our history that must never be repeated.

Hate has no place in our society and I thank Congregation Agudas Israel for helping to promote that message.

\* \* \*

● (1400)

[Translation]

### SHORT FILM MONTH

**Hon. André Harvey (Chicoutimi—Le Fjord, Lib.):** Mr. Speaker, April is short film month at the Fernand-Séguin screening room of Cinémathèque québécoise. A selection of Quebec's best short films of last year are being shown there.

The short film has been a very fashionable format for some time. New digital technologies have had a profound impact on the popularity of this artistic genre and it did not take long for Quebec artists to grasp the potential of these new tools.

Short film month features documentary films and fiction from varying viewpoints and on topics ranging from ethics to the perception of reality.

The film library is also taking this opportunity to showcase the visionary Festival Regard sur le court métrage du Saguenay, which is regarded as a pioneer for having anticipated how important short film would become.

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### PAVILLON DES ARTS ET DE LA CULTURE DE COATICOOK

**Hon. David Price (Compton—Stanstead, Lib.):** Mr. Speaker, on Friday I had the great pleasure of showing my constituents the relevance of the budget recently tabled by my colleague, the Minister of Finance.

On behalf of my colleague, the Minister of Canadian Heritage, I announced some good news to the people who work at the Pavillon des arts et de la culture de Coaticook.

As part of the Arts Presentation Canada program, the Minister of Canadian Heritage delivered on an announcement made in the most recent federal budget. Our government has provided \$15,000 in financial support for this important cultural centre.

*S. O. 31*

This money will help the Pavillon des arts et de la culture de Coaticook achieve its goal of familiarizing people from the region with the situations of francophones in other provinces and countries. A series of performances by artists from Ontario, New Brunswick, and British Columbia, as well as from France and Belgium, will be given at the pavilion.

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[English]

### NATIONAL VOLUNTEER WEEK

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, in recognition of National Volunteer Week, I am very pleased to recognize some individuals who have had a very positive influence on my riding of Etobicoke North.

Mary Harker has played an active role in Etobicoke North for over 20 years. She is currently a member of the local Community Police Liaison Committee. She is also a member of the board of directors with the Rexdale Legal Clinic and she is involved with a local elementary school breakfast program.

Walter McIntyre is a local pastor who volunteers whenever needed. He initiated an organization called Hoops Unlimited, a basketball program for the youth of Etobicoke designed to keep them off the streets and away from drugs, gangs and violence.

Osman Ali is the executive director of the Somali-Canadian Association of Etobicoke. He works with his group to make Etobicoke North a better place for all residents.

Nidhan Singh Banwait is the president of the South Asian Seniors Association. He is helping to improve the quality of life for all.

Ernestine Von Marle operates a shelter in Etobicoke North for women who are escaping abusive situations.

I wish to recognize all the volunteers of Etobicoke North and I wish to thank them for their contributions.

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### DALAI LAMA

**Mr. Deepak Obhrai (Calgary East, CPC):** Mr. Speaker, on behalf of Canadians, it gives me great pleasure and honour to welcome to Canada His Holiness, the 14th Dalai Lama.

The Dalai Lama has inspired millions around the world with his teachings of non-violence and peaceful coexistence. The world recognized this great man's contribution to humanity by awarding him the Nobel Prize in 1989. I personally was exposed to the great teaching of the Tibetan monks through reading Dr. Lobsang Rampa's books.

The Dalai Lama is the political and spiritual leader of the Tibetan people. His struggle to bring dignity and human rights to his people must be recognized and supported.

The Dalai Lama has shown courage, compassion and, most of all, exemplary leadership through the hard times he and his people have faced and continue facing.

We are honoured with his presence in Canada.

*S. O. 31*

[*Translation*]

### ETHNIC COMMUNITIES

**Mr. Bernard Patry (Pierrefonds—Dollard, Lib.):** Mr. Speaker, I and all Canadians deplore the unspeakable crime perpetrated in early April on the United Talmud Torah School in Montreal.

Hate-motivated behaviour, such as the vandalism at the mosque in Pickering, the arson at a mosque in Mississauga, and all other similar acts aimed at ethnic or religious groups, must be denounced unequivocally, as it expresses a total refusal to accept difference.

In a society such as ours, where the respect of rights and freedoms takes precedence over all other values, and where our democratic freedoms are protected by the fundamental values of Canadian society, these unacceptable actions must be unequivocally denounced.

These are attacks on society as a whole, because they imperil the security, quality of life and personal safety of each and every one of us. Those who have been the victims of such attacks deserve the esteem, compassion and affection of us all. Our sorrow at such actions must be expressed.

More than ever, this is a time when we must work at intercultural dialogue and promote the benefits of a multi-ethnic society.

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• (1405)

### MARC-ANDRÉ NIQUET

**Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ):** Mr. Speaker, today I have the honour to congratulate a resident of my riding, Marc-André Niquet, of Pierreville, who won out over all the other men of the Star Académie. Right from the start of the competition, his immense talent and charisma set him apart, as did his wonderful performances.

Thank you, Marc-André for all the exciting moments you have given us. You are a fine example of determination and perseverance, and living proof that a person can achieve his dream if he believes in it enough and puts all the necessary energy into achieving it.

In closing, I would like to express my admiration to Marc-André's parents, Pierre and Diane, and his sisters Marie-Pier and Stéphanie for their unconditional support. I also wish to thank the numerous volunteers, the sponsors, the support committee headed up by Robert Letendre, Chantale Courchesne, the Paulhus family, Manon Tousignant, Chalifoux dairies, MNA Michel Morin, Bertrand Allard, the mayor of Pierreville, and all his council members, for their generous contribution.

Marc-André, you are a new star in the sky and the light of your talent will shine throughout the francophonie. May this be the beginning of a long and successful career.

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[*English*]

### HOLOCAUST MEMORIAL DAY

**Ms. Marlene Catterall (Ottawa West—Nepean, Lib.):** Mr. Speaker, yesterday on Parliament Hill and across Canada, Canadians

gathered in solidarity on our first national Holocaust Memorial Day, Yom ha-Shoah.

I want to congratulate the member for Charlesbourg—Jacques-Cartier; the government House leader, the member for Brossard—La Prairie; members of the House from all parties; and senators who made it possible for the bill to establish Holocaust Memorial Day to pass unanimously and quickly.

The Jewish community is again under attack with the desecration of sacred places and even the burning of a school library. We are painfully reminded that the evil of hatred and the horrible acts it generates are not in the past. They can be turned against any group at any time and when they are we must speak out and say “never again”.

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### ALZHEIMER'S DISEASE

**Mr. Darrel Stinson (Okanagan—Shuswap, CPC):** Mr. Speaker, in British Columbia, 1 in every 13 people suffer from Alzheimer's or a related dementia.

At the Vernon Curling Club in my riding of Okanagan—Shuswap, the Alzheimer's charity curling funspiel raised \$35,000. The Vernon Curling Club, Prestige Inn and Scotiabank sponsored the event.

The money raised will support programming offered for patients and families suffering with Alzheimer's and benefit Okanagan chapters of the society, including Salmon Arm, Kelowna and Vernon.

I would like to thank all those who volunteered, especially the Vernon merchants and the community, for their time and effort toward this worthy cause.

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[*Translation*]

### MARIA LABRECQUE DUCHESNEAU

**Mr. Gérard Binet (Frontenac—Mégantic, Lib.):** Mr. Speaker, I would like to tell hon. members about a very interesting initiative.

Maria Labrecque Duchesneau, who is a member of the organization called Au coeur des familles agricoles, is suggesting to our government that it establish a Good News Day.

I think that this original idea has some merit. The arguments put forward by Mrs. Duchesneau are very relevant.

In a column published in *La Terre de chez nous*, Mrs. Duchesneau points out that as soon as we wake up, we are bombarded with information that is depressing to say the least: war atrocities, concerns about the future and so on.

I invite my colleagues to give serious thought to establishing a Good News Day. This would provide an opportunity to forget for a moment the precariousness of the human condition and instead to reflect on the things that remind us that life is truly beautiful.

*S. O. 31*

[*English*]

#### HOLOCAUST MEMORIAL DAY

**Ms. Judy Wasylycia-Leis (Winnipeg North Centre, NDP):** Mr. Speaker, yesterday was a moment of great historical significance for this country. It was the first ever national Holocaust Memorial Day held on the occasion of Yom ha-Shoah.

For me it was a particularly emotional moment to see an idea which had come from the Winnipeg Jewish community actually come to fruition. It became a reality thanks to the work of members of all parties in this house, particularly the member for Charlesbourg—Jacques-Cartier.

It was an emotional moment for me to be at the ceremony at the Etz Chayim synagogue in Winnipeg. It was also a moment of great significance for the member for Halifax who was in Halifax for the ceremony and for our leader, Jack Layton, who was here in Ottawa for the official national Holocaust Memorial Day service.

We were all reminded yesterday of the need to honour and respect the six million Jews who died in the Holocaust, as well as the survivors of the Holocaust and to rededicate ourselves to ending growing anti-Semitism in our society today and conflicts everywhere in the world, including Rwanda and the Balkans.

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• (1410)

[*Translation*]

#### HOLOCAUST MEMORIAL DAY

**Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ):** Mr. Speaker, yesterday for the first time, we marked Holocaust Memorial Day—Yom ha-Shoah. Indeed, on November 7, Bill C-459 received royal assent after being unanimously passed by the House.

The Shoah is the culmination of a degrading policy to exterminate clearly identified groups, including Jews of course, but also Gypsies and homosexuals. During their domination, the Nazis and their allies imprisoned, tortured and killed six million people.

The Shoah is also an episode that could have been avoided, had it not been for the complicit silence of the populations of the time and the indifference of democratic governments, which should have acted sooner to stop Hitler and his servile followers.

Unfortunately, the lessons of the Shoah were not fully learned, as we were reminded with the 1994 genocide in Rwanda, where 800,000 people were massacred over a period of 12 weeks.

In light of the resurgence of anti-Semitism all over the world, it is everyone's duty to fight intolerance, racism and anti-Semitism everywhere and always. Let us hope that this first Holocaust Memorial Day will allow us to reflect on this and, more importantly, will convince us to take immediate action.

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#### ORGAN DONATION

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, April 19 to 25 marks National Organ and Tissue Donation Awareness Week.

In 2000, Annik Presseault, one of my constituents, died in tragic circumstances, but because of the fact that she had signed her donor card prior to this unfortunate event and advised her family of her wishes, eight Canadians continue to live because of her gift.

Some 4,000 Canadians are on waiting lists for the gift of life.

As we enter National Organ and Tissue Donation Awareness Week, I encourage all Canadians to do as Annik Presseault did by completing and signing their donor cards.

The gift of life is one that has the greatest rewards of all and Annik gave that gift.

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[*English*]

#### SPONSORSHIP PROGRAM

**Mr. Ken Epp (Elk Island, CPC):** Mr. Speaker, in the past two weeks I spoke with hundreds of my constituents at two trade fairs in my riding. What is their number one issue? It is the blatant misuse and abuse of their hard-earned taxpayer dollars in the shameful ad scam scandal.

At first the Prime Minister feigned outrage and anger at this, but the President of the Treasury Board is trying to make Canadians believe it is no big deal. He challenged the Auditor General's number of \$100 million, and then backtracked. He cited Ernst and Young, and then backtracked. He promised details on Mr. Chrétien's unity slush fund, and then backtracked. Obviously, the Liberals want to keep Canadians in the dark until the election, but they want to be seen as clean and transparent.

I say the time for truthfulness and honesty is now. Election or no election, Canadians deserve better.

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#### HOLOCAUST MEMORIAL DAY

**Mr. Bryon Wilfert (Oak Ridges, Lib.):** Mr. Speaker, yesterday Canadians were able to commemorate our first national Holocaust Memorial Day. Yom ha-Shoah has been commemorated by communities and governments across Canada for many years, but was formally recognized as Holocaust Memorial Day by Parliament last year.

As members may know, "Shoah" is the Hebrew word for "whirlwind", the whirlwind of hatred that swept six million Jews to their deaths under the Nazi sponsored policy of hatred and genocide during the second world war.

Yom ha-Shoah provides an opportunity for all Canadians to be educated on the universal lessons of human rights and to reaffirm our commitment to protect Canadians from those who would commit crimes of violence, racism and hate.

It is my hope that on Yom ha-Shoah, Canadians of all religious and cultural backgrounds would take a moment to recognize this day and reflect on what religious and racial hatred can do to an individual, a community and a country.

*Oral Questions***HEPATITIS C VICTIMS**

**Hon. Grant Hill (MacLeod, CPC):** Mr. Speaker, the treatment of hepatitis C victims from tainted blood still haunts the federal Government of Canada.

I will summarize the sorry events. One, the blood system infected about 10,000 Canadians with hepatitis C. Two, the federal government agreed to compensate only those with infection from transfusion between 1986 and 1990. Three, the expert in this area, Judge Horace Krever, asked that there be help given to everyone infected. Four, the federal government refused, while some provinces agreed to give compensation to every victim.

Of the \$1.1 billion set aside, only about one-third has been used. There is money available for the forgotten victims.

Fairness suggests Judge Krever's recommendation be followed. When will every victim of tainted blood from hepatitis C be helped?

\* \* \*

• (1415)

**ATLANTIC CANADA TOURISM**

**Hon. Shawn Murphy (Hillsborough, Lib.):** Mr. Speaker, thanks to the marketing efforts of the Atlantic Canada tourism partnership, millions of potential visitors are reading about the Atlantic provinces in publications around the world.

The partnership invests approximately \$100,000 in media relations annually. As a result, in 2003 it generated media coverage worth an estimated \$11.7 million.

The ACTP brings together the Atlantic Canada Opportunities Agency and the tourism departments and tourist industry associations of New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island.

Atlantic Canada has a great story to tell. Thanks to ACTP, it is a story that we are sharing with millions around the world. As a result, this coverage will encourage more visitors to explore our Atlantic provinces.

We are all very proud of our rich Atlantic Canadian heritage and traditions. We are very pleased to be able to share them with visitors from around the world.

**ORAL QUESTION PERIOD**

[English]

**GOVERNMENT ADVERTISING**

**Mr. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, the last time the government had an advertising plan, \$100 million was lost or stolen and Canadians are still trying to find out the truth. Yet this weekend we learned of a PCO plan to give the government another \$120 million for an advertising program.

Why is the Prime Minister preparing to hand out another \$120 million in advertising money when the investigation on the first scandal still is not over?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, in fact the article was in error. There is no \$120 million advertising strategy. The \$120 million is the average price spent in the last three years on advertising activities government wide.

On March 15 I introduced a moratorium on all new government advertising, other than on emergency and safety issues, until June 1. We look forward over the next year to having a substantial reduction of about 15% in the advertising budget.

**Mr. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, the Prime Minister did tell us that advertising would be cut and Communication Canada would be disbanded. What we are finding out through the PCO plan is it is just being moved to another department, one more under the direct central control of the Prime Minister.

Is this not just the beginning of another Liberal scheme that will funnel money to advertising firms?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, quite to the contrary, government advertising informs Canadians on issues of health and safety, produces government notices and deals with issues that are important to Canadians in terms of services that they need and deserve.

As I announced on March 15, the government advertising budget and new placements were frozen until June 1, and for the next three years going forward there will be a 15% per year reduction in advertisement placement spending.

**Mr. Stephen Harper (Leader of the Opposition, CPC):** Of course, Mr. Speaker, this advertising, this information just happens to be the same as the government's own election platform.

[Translation]

This government now wants to waste another \$120 billion on partisan advertising. The Privy Council plan targets several government priorities—as the minister has already said—the same priorities the Prime Minister mentioned in his speech on Friday.

Will the Prime Minister explain this curious coincidence?

[English]

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the issues made recently by the Prime Minister in his speech were the same issues raised in the Speech from the Throne, the same issues raised in the government's budget and the same issues that are of importance to Canadians.

I wonder if the hon. member would like to tell Canadians which of the government priorities in advertising for their benefit he would like to cut, such as anti-tobacco use, health and safety. These are issues that are of critical importance to Canadians. They need to know what services are available from the Government of Canada to address them.

*Oral Questions***GOVERNMENT SPENDING**

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, I think the wing of government he would like to cut off is the Liberal Party.

It is a new Prime Minister and the same old Liberal pre-election pork-barrelling. It is the first two weeks of the fiscal year and the government has already handed out a billion dollars in loot bags to its buddies, including a quarter of a million dollars in a minister's riding for an archeological dig. Grandma cannot get a hospital bed but she is welcome to go to that minister's riding and dig for spoons.

Exactly when did the Prime Minister morph into Jean Chrétien?

• (1420)

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, I would refer the hon. gentleman to today's edition of the *Saskatoon StarPhoenix* which deals with this issue in its editorial and condemns the opposition for its ridiculous accusations.

**Mr. Monte Solberg (Medicine Hat, CPC):** Maybe, Mr. Speaker, it is not such a bad idea. Maybe the Liberals will uncover more ideas from the 1970s, more ideas like handing out pork to their buddies.

The Prime Minister coveted the Prime Minister's job for 13 years. Yet when he got there, why is it that the only thing he could do was parrot the ideas of Jean Chrétien, ideas like handing out pork to their buddies?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, included in the list that the opposition is referring to is for example \$20 million being provided by the Government of Canada over the next six or seven years to support the operation of the largest science project ever undertaken in this country at the synchrotron facility in Saskatoon.

The accusations of the opposition also include such things as \$1 billion for Canadian farmers to help them deal with BSE.

\* \* \*

[Translation]

**EMPLOYMENT INSURANCE**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, while campaigning in the Lower St. Lawrence and the Gaspé, the Prime Minister stated that seasonal work is a priority for his government, but did not offer any solutions to the unemployed who today are demonstrating in the streets of Forestville. The Liberals are using the same strategy they did in 2000. They make promises to the unemployed before the election, but they let them down afterwards.

Will the Prime Minister finally realize that 6 out of every 10 people who lose their jobs are not eligible for employment insurance, and that changes are needed now?

[English]

**Hon. Paul Bonwick (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Student Loans), Lib.):** Mr. Speaker, the hon. member knows that quite simply that is not the truth.

The hon. member will recognize that the Prime Minister has been fully engaged in solutions to address this, as has the minister, not the least of which, of course, is the appointment of a task force. In that

regard, there will be some very timely recommendations coming forward and I am sure the minister will act as he sees fit.

[Translation]

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Exactly, Mr. Speaker; the Prime Minister tells us that a Liberal committee will consider the issue. Well, a committee of this House, the Standing Committee on Human Resources Development, has issued a unanimous report.

Why is it that the Prime Minister, who says he wants to wipe out the democratic deficit, does not apply the solutions that have already been agreed to unanimously? Unanimously—that means that the Liberals voted in favour, as well, back in 2001. The solutions are well known. The answers are well known. The unemployed are still waiting, while promises upon promises are being made and nothing gets done.

[English]

**Hon. Paul Bonwick (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Student Loans), Lib.):** Mr. Speaker, the member would lead the House to believe that the Prime Minister has done nothing. I would suggest that there has been over \$2 billion redirected as a result of the Prime Minister.

The Prime Minister has taken this issue very seriously. He has been very clear in his instructions in cooperation with the Minister of Human Resources and Skills Development, and when the appropriate recommendations come forward, they will act.

[Translation]

**Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la Mitis, BQ):** Mr. Speaker, while he toured the North Shore, Jean Lapierre, the Prime Minister's Quebec lieutenant, urged those who want to see thorough changes in the employment insurance system to trust the government.

How can the government keep telling people to trust it when the same promises were made to the same people before the last federal election, by at least two government ministers and many MPs and candidates? How can we trust a government that has not kept its promises even though it has had three years to do so?

[English]

**Hon. Paul Bonwick (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Student Loans), Lib.):** Mr. Speaker, this is simply not true. The hon. member would suggest that the program is not working. The member should recognize that 88% of paid employees that become eligible to collect EI actually get an opportunity to do so. Facts are what are necessary, not rhetoric from the Bloc.

[Translation]

**Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la Mitis, BQ):** Mr. Speaker, the 88% who become eligible are part of the 40% who receive benefits. There are still 60% who do not receive benefits. He ought to quote the correct figures instead of misleading the public. We have had enough of that.

*Oral Questions*

How can the government justify the fact that, even though it has had a unanimous committee report in hand since 2001, it has not acted? Where was the person answering our questions? Probably in another committee. Although the necessary changes to employment insurance have been recommended, the government has done nothing to honour the commitment it made to the jobless.

• (1425)

[English]

**Hon. Paul Bonwick (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Student Loans), Lib.):** Mr. Speaker, there is just no need for this type of rhetoric. The fact remains that the Prime Minister and the Minister of Human Resources and Skills Development have remained very committed to making the necessary changes that need to be made in order to address some of the challenges that not only Quebecers, but people all across this country, are facing.

The minister has stated time and time again, as the recommendations come forward he is not opposed to making changes to the act. The Prime Minister has clearly stated that he is going to support the necessary initiatives to address these challenges. It is time for fact, not rhetoric.

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**GOVERNMENT ADVERTISING**

**Hon. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, welcome to son of ad scam. We are barely through the first sponsorship scandal and now we are into the prospect of the Liberals spending another \$100 million, this time not to save the country, but to save the Liberal Party.

I want to ask the Deputy Prime Minister, why does she think it is appropriate for Canadian taxpayers to pay to save the political derrière of the Liberal Party?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, we have a further question on this issue of \$120 million advertising strategy which simply does not exist.

What I have said before to the House is that there has been a moratorium since March 15 on new placement of government ads until June 1. That in itself will lead to a reduction next year. In addition to that, there is a 15% reduction equalling about \$12 million in this coming year of the overall advertising budget, together with a new competitive process for an agency of record and vastly revamped criteria to ensure competitiveness and transparency.

**Hon. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, we agree that the government does not appear to have a strategy, or if it does, it is a pretty chaotic one.

The minister claims that there is no such advertising proposal on the table. Can he tell us in the House today that there will be no government funded advertising on behalf of the Liberal Party before the election is called? Can he give us that commitment now?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the government advertising policy, as set out under the new criteria, has been followed largely in the past but is being strengthened immensely during this moratorium period to ensure that the people of Canada know the public services

that are available, that there are public notices for hearings and such. If there are medical or safety emergencies, Canadians can be told about them.

Going forward, there is a highly competitive and transparent process for all advertising which relates to the policy initiatives of the Government of Canada.

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**CITIZENSHIP AND IMMIGRATION**

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, a few weeks back the immigration minister made a big to-do about changing the way people get appointed to the Immigration and Refugee Board.

She boasted, “I’ve now swept away the old appointment system at the IRB”. Here we are a month later and guess what? She has just appointed a new IRB member and reappointed three others under the same old system.

Why can the Liberals not be trusted to keep their word?

**Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, I can assure the hon. member that making changes to the appointment process of the IRB is extremely important. It is also very important that we continue the process. We currently have delays and we are trying to speed them up. We do not want further delays. Some people have been reappointed for a one year period in order to keep the system working and decrease the backlog.

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, here is what the minister told Canadians weeks ago: “The government is now delivering on its commitment”. She called her announcement back then a mighty wind of change.

The former chair of the IRB said it was all Liberal hot air. The former chair of the IRB said that nothing had changed. He called Liberal IRB appointments “the continued plaything of political deception”.

The minister told Canadians the system had been fixed. Why do we now find out that it is still the same old patronage system?

**Hon. Judy Sgro (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, I would like to invite the member to sit in on a few of these hearings and look at what the new test is all about.

It is extremely important that the people who do the interviews have the proper skills, and that we enhance them in any way that we possibly can while they are making life and death decisions on people who want to stay in Canada. The hon. member should just watch and see what is happening.

•(1430)

### LIBERAL PARTY OF CANADA

**Mr. Loyola Hearn (St. John's West, CPC):** Mr. Speaker, the ethics commissioner has said that the rules are clear. All federal full and part time appointees on government tribunals, agencies or boards, should not engage in any political campaign activities. If they wish to engage in such activities, they should resign.

In light of this, how can the Prime Minister justify breaking his own conflict of interest rules by permitting federal board appointee Norm Whalen to head up the Liberal campaign in Newfoundland and Labrador?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, I would like to inform the House that the named individual has resigned from the board on which he was serving.

**Mr. Loyola Hearn (St. John's West, CPC):** Mr. Speaker, once again we see Liberals acting when they are caught.

The Prime Minister should have known about this quite some time ago. Mr. Whalen not only heads up the Liberal campaign, he raised \$100,000 for the Prime Minister's leadership campaign and sat on the board.

Why does the Prime Minister turn his head for a measly \$100,000?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, let me make it absolutely clear. Not only has Mr. Whalen resigned from the board on which he was sitting, but another named individual has also stepped down.

It is fair to say that Mr. Wilson is making more widely available and more widely known to all interested parties the rules that he has promulgated in relation to participation on boards and political activities.

We should applaud these two individuals who have chosen to do the right thing and step down.

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[Translation]

### SOFTWOOD LUMBER

**Mr. Sébastien Gagnon (Lac-Saint-Jean—Saguenay, BQ):** Mr. Speaker, the Minister of Industry came to Lac-Saint-Jean—Saguenay to say that the softwood lumber crisis had led to only 200 jobs being lost in our region. This is quite simply unbelievable.

Is the Minister of Industry not seeking to play down the impact of the softwood lumber crisis on Lac-Saint-Jean—Saguenay, when everyone knows that this crisis affected 2,948 direct jobs?

**Hon. Hélène Scherrer (Minister of Canadian Heritage, Lib.):** Mr. Speaker, in fact, the Minister of Industry was in Lac-Saint-Jean—Saguenay quite recently. In recognition of the difficulties still facing many communities as a result of the softwood lumber crisis, the program has been extended to March 31, 2005.

### Oral Questions

In Lac-Saint-Jean—Saguenay, 39 projects have been approved to date, for total contributions of over \$4.69 million, allowing 150 new jobs to be created and 334 to be maintained.

**Mr. Sébastien Gagnon (Lac-Saint-Jean—Saguenay, BQ):** Mr. Speaker, the softwood lumber crisis has cost Quebec 10,219 direct jobs, including 2,948 in Lac-Saint-Jean—Saguenay, and the situation continues to get worse.

Is the minister aware that the loss of 3,000 jobs in Lac-Saint-Jean—Saguenay is equivalent to the loss of 30,000 jobs in greater Montreal alone?

**Hon. Hélène Scherrer (Minister of Canadian Heritage, Lib.):** Mr. Speaker, I think that the minister is well aware of the problem. This is one of the reasons why she went to meet people in the Saguenay, sat down with the local stakeholders and committed to seeking solutions with them.

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### GENETICALLY MODIFIED ORGANISMS

**Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ):** Mr. Speaker, yesterday, while Europe was putting into force its rigorous regulations on labelling and GMOs, Canada adopted a voluntary standard on the labelling of GMO products.

How can the minister explain that, contrary to what is being done in close to 40 countries, the federal government did not side with Quebec and Canadian consumers but rather preferred the report of the Canadian General Standards Board, which is proposing voluntary labelling of GMOs?

[English]

**Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.):** Yes, Mr. Speaker, the Canadian government does take very seriously the health and safety of Canadians. That is why we have worked with this standards branch in order to bring in a standard that in fact allows Canadians access to the information they need to make decisions on the food they eat.

[Translation]

**Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ):** Mr. Speaker, close to 90% of Quebecers want to know what they are eating. Yet, Canada is accommodating the industry, at the expense of greater transparency, as demanded by consumers.

How can the Minister of Agriculture claim that the new voluntary labelling standard for GMOs will help meet consumers' wishes for mandatory labelling?

[English]

**Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.):** In fact, Mr. Speaker, Canadians can have the assurance that the food they eat is not only some of the highest quality but some of the safest food in the world.

We managed, through these groups, to have a number of groups come together. It was due to the recommendation of all the different groups that came together that we have a voluntary labelling system that allows Canadians the opportunity to know what is in their food.

*Oral Questions*

●(1435)

**GOVERNMENT CONTRACTS**

**Mr. Vic Toews (Provencher, CPC):** Mr. Speaker, public servants say that in the mid-1990s the finance department orchestrated a sole sourced advertising contract to the Prime Minister's friends at Earncliffe. The contracts were wired to favour his friends at Earncliffe.

My question is for the Prime Minister. Will he now admit that he knew about questionable contracting practices for years while he was finance minister and did nothing about it?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, everything that is on the record with respect to that particular issue would indicate that the former minister of finance and his office constantly argued for more competition, not less.

**Mr. Vic Toews (Provencher, CPC):** Mr. Speaker, the Prime Minister and the government promised to get to the bottom of the sponsorship scandal. Now the government is blaming everyone from Chuck Guité to the Auditor General herself.

Public servants say that the Prime Minister's friends at Earncliffe were favoured with contracts from the Department of Finance. The records are clear on that point.

Why should Canadians believe that the Prime Minister knew nothing about the favours that his friends at Earncliffe received?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, the record in fact does not show what the hon. member alleges.

The various memos have been referred to in the House. Those memos indicate, first of all, that the minister's office argued for more competition, not less, and that those same members of the minister's staff argued for more competition sooner, not later.

**Mr. Jason Kenney (Calgary Southeast, CPC):** Mr. Speaker, that is ridiculous because what the Prime Minister's buddies at Earncliffe got were wired contracts where they were the only firm to bid on them because the tender was arranged that way.

How can the Prime Minister expect anybody to believe that he will get to the bottom of the current Liberal sponsorship scandal when back in 1994-95 he was breaking the rules of the finance department to make sure that tax dollars went to his political friends at Earncliffe?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, again the hon. gentleman is simply not dealing with the facts. The evidence that is before the public accounts committee would indeed indicate that the competition was open and overseen by the Department of Public Works, not the Department of Finance.

**Mr. Jason Kenney (Calgary Southeast, CPC):** Well, is that not funny, Mr. Speaker, because we now know that the Department of Public Works objected all the way along to the way the finance minister and his office were breaking the rules to benefit his political friends at Earncliffe. I am sure the minister has heard of a certain Warren Kinsella who said that complaints were received by the Department of Public Works. They were investigated and it was found that many of the complaints about the conduct of the finance minister's office were "well founded".

Why did the current Prime Minister and former finance minister break the rules to benefit his Liberal buddies at Earncliffe?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, one very important fact seems to escape the hon. gentleman. The fact is that the contractual relationship between Earncliffe and the Department of Finance began in September of 1993, before the minister of finance was the minister of finance.

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[Translation]

**THE ENVIRONMENT**

**Mr. Gérard Binet (Frontenac—Mégantic, Lib.):** Mr. Speaker, between now and September, Canada will have to decide whether or not to add chrysotile asbestos to the PIC procedure of the Rotterdam Convention.

During recent consultations, stakeholders in my region objected to the inclusion of chrysotile asbestos to this procedure.

My question is for the Minister of the Environment. Does Canada intend to yield to the pressures of the European Union and Chili in signing this convention?

**Hon. David Anderson (Minister of the Environment, Lib.):** Mr. Speaker, my department, like the Department of Natural Resources and the Department of Foreign Affairs and International Trade, has now completed its consultation process. I can assure the hon. member that we will now review all the information available, while taking into account our domestic and international policies regarding chrysotile asbestos and our objectives under the Rotterdam Convention.

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●(1440)

[English]

**ABORIGINAL AFFAIRS**

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, in what may be the most expensive pre-election photo op in Canadian history, aboriginal leaders were summoned today and treated to a whole new array of vapid Liberal platitudes; no talk of meaningful sharing of land and resources, only vague promises about who gets to deliver their woefully inadequate social programs.

Will the government admit that all it has offered aboriginal people today is the right to manage their own poverty instead of having INAC manage their poverty for them, and what it really wanted was a pre-election photo with aboriginal leaders providing the backdrop?

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, it is so sad that the NDP thinks it has the answer. When the aboriginal people were celebrating this event today with the Prime Minister, aboriginal leader after aboriginal leader said that it was a great opportunity that Canada was asking them for solutions, not the NDP.

This new partnership, for the first time in history, with 70 aboriginal people, will take steps forward in housing, in education and in health care to remove that tragic gap between aboriginal people and the rest of Canadians.

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#### EMPLOYMENT INSURANCE

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, the Liberals pride themselves on whisking away \$50 billion in EI surpluses but laid off workers cannot pay their rents on a failed program and empty Liberal promises that we have heard today.

Hundreds of workers in B.C. have been laid off as a result of the avian flu but still there is no action and no word from the government to even waive EI so that workers can get the help that they need immediately.

Why has the minister refused to take action so at least the workers can get the money they are entitled to under EI? Why will they not take that action?

**Hon. Paul Bonwick (Parliamentary Secretary to the Minister of Human Resources and Skills Development (Student Loans), Lib.):** Mr. Speaker, quite the contrary. The member knows full well that the minister is fully engaged in this file. Not only is she fully engaged in this file, but the parliamentary secretary and the department have been reviewing the situation on an ongoing basis.

I should inform the hon. member that clearly the departments at the local level have been working with the various stakeholders in British Columbia to address the situations as they come forward. As problems arise, they will be addressed. The member has the commitment of the minister and the department on that.

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#### GOVERNMENT CONTRACTS

**Mr. Leon Benoit (Lakeland, CPC):** Mr. Speaker, seven months ago the government said that it had cancelled the billion dollar relocation contract with Royal LePage because, like the sponsorship contracts, proper procedure had not been followed.

Now the Parliamentary Secretary to the Minister of Public Works tells the House that the contract has been re-tendered and that new bids have been received and are being re-evaluated. This is simply not true.

New bids have not been received and in fact the request for proposals has not even gone out yet.

Is the government intentionally misleading Canadians about this contract or is it that it has simply lost another billion dollars of taxpayer money?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the member is correct. The new tenders have not gone out yet but they are about to go out. The reason they are being re-tendered is that one of the previous competitors in the open process made a complaint to the CITT which found some fault with or some question about the process. In an overabundance of caution, the government decided to re-tender the contract.

#### Oral Questions

Those requests for tenders will be issued shortly.

**Mr. Leon Benoit (Lakeland, CPC):** Mr. Speaker, the Minister of Public Works has admitted that what the parliamentary secretary told the House and Canadians on April 2 was not true.

Why did the parliamentary secretary mislead the House and Canadians on this issue?

**Hon. Stephen Owen (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, what has happened here is very straightforward. It is as a result of the competitive, transparent processes with rights to appeal that exist in the contract tendering process.

Exactly what should have happened is happening in this case to resolve any doubts over the awarding of the contract. It is about to be re-tendered.

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#### CANADA POST

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, we now have more facts as to how far the Liberal regime of corruption extends into the federal bureaucracy.

Let us take the Prime Minister's former cabinet colleague and Canada Post boss, André Ouellet. His brother-in-law was hired in 1996, a nephew in 1997, a niece in 1998, a son-in-law in 1998, a niece in 2000 and another niece in the year 2000.

Were members of the Ouellet clan the best people for the job or the best Liberals for the job?

● (1445)

**Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.):** Mr. Speaker, the opposition party obviously just does not get it when it comes to processes.

A process is in place. A complete audit is going on into the sponsorship and advertising programs at Canada Post. I would stress for the hon. member that there is also an audit being done right now on the managerial part of Canada Post.

Once that is done, which is expected to be concluded by the end of May, we will have a report by the independent auditor at Canada Post and we will have a full picture of exactly what went on there.

**Mr. Rahim Jaffer (Edmonton—Strathcona, CPC):** Mr. Speaker, I wonder if there is a geneology study being done as well.

The Ouellet clan was not hired because Canada needed a few good letter carriers. They were hired because Liberals had a few good desk jobs. It is nepotism run wild.

Mr. Ouellet has defended his decision to redirect millions to Liberal ad firms and now he defends the practice of hiring his family.

The Prime Minister has promised to root out corruption. Will he start here by putting an end to this blatant nepotism?

**Hon. Stan Keyes (Minister of National Revenue and Minister of State (Sport), Lib.):** Mr. Speaker, I am just appealing to the hon. member to let due process take its course.

*Oral Questions*

The hon. members in the opposition would like to stand in their places and start pointing fingers and making accusations when it might be just found to be completely irresponsible on their part.

The opposition is obviously mixing, in this particular case, apples with oranges, just like it is trying to mix the Progressive Conservatives with Reform Party members and coming up with the Alliance. It just will not work.

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[*Translation*]

**INDIAN AFFAIRS**

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, Quebec and the Cree Nation signed the peace of the Braves, an agreement to settle outstanding disputes once and for all. Now the Cree are ready to sign a similar agreement with Ottawa, but are unhappy with the fact that the federal government is negotiating in bad faith.

What is the minister waiting for to enter into this agreement with the Cree, while respecting the nation-to-nation approach as Quebec has done?

[*English*]

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, the minister is working very closely with the Cree to come to an agreement on this claim.

[*Translation*]

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, according to Ted Moses, relations between the federal government and the Cree Nation are at an all-time low. The government of Quebec has settled its disputes with the Cree, and today Hydro-Quebec has come to an agreement with them as well.

Why does the Prime Minister not follow the Quebec government's example and negotiate a final agreement with the Cree, based on a nation-to-nation approach?

[*English*]

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, that is the exact approach the minister is taking. He is working with Chief Moses.

When we come up with a claim agreement, in any claim, and this would explain an answer to a number of claims, there has to be a settlement that is reasonable for the aboriginal people and reasonable for the rest of Canadians in the situation.

\* \* \*

**RCMP PENSION FUND**

**Mr. Kevin Sorenson (Crowfoot, CPC):** Mr. Speaker, for almost a year the RCMP commissioner knew about the misappropriation of moneys from the RCMP pension funds. In fact, it was that commissioner who shut down the initial probe into the possible fraud and abuse of authority within the force. Only after the scandal was made public in the media was the Ottawa police service called in to investigate.

My question is for the Minister of Public Safety. Are the Ottawa police investigating the commissioner's conduct as well as the misappropriation of funds?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, let me reassure everyone in the House that there is no conduct on the part of the commissioner that needs to be investigated.

However the Ottawa police service has been requested by the RCMP to investigate any possible wrongdoing in relation to its pension plan.

I think all hon. members should know that the RCMP did conduct an internal audit into the administration of the plan. In fact there were some irregularities that were highlighted because of that internal audit.

Again, I want to reassure everyone that no funds—

● (1450)

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

**Mr. Kevin Sorenson (Crowfoot, CPC):** Mr. Speaker, the RCMP commissioner's job is to defend and protect past and present members of the force, not to run defence for this scandal plagued government across the way.

The mismanagement of pension funds strongly suggests that the RCMP commissioner has betrayed members of the force and, in so doing, has failed to do his job.

Does the investigation include the conduct of the commissioner of the RCMP?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, the hon. member can yell as loudly as he wants but it does not change the facts of this case. No funds are missing from the RCMP's pension plan.

An internal audit was undertaken and some irregularities were identified. The Ottawa police service is investigating whether any wrongdoing took place. It is pretty straightforward.

\* \* \*

**NATIONAL DEFENCE**

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, my question is for the Minister of National Defence.

I wonder if the minister would describe for the House and for Canadians the significance of the defence announcements that were made last week in New Brunswick and in British Columbia.

**Hon. David Pratt (Minister of National Defence, Lib.):** Mr. Speaker, I was very pleased to join the Prime Minister in Gagetown last week for some very important announcements.

The Prime Minister gave what was probably the most comprehensive statement on defence ever made by a Prime Minister, certainly in recent memory. Equally important was the announcement with respect to the tax exemptions for members of the Canadian Forces serving in places like Haiti and Bosnia. Also important was the announcement on our continuing commitment to Afghanistan.

There were a number of other announcement with respect to joint support, for instance the largest—

**The Speaker:** The hon. member for Langley—Abbotsford.

\* \* \*

#### AGRICULTURE

**Mr. Randy White (Langley—Abbotsford, CPC):** Mr. Speaker, the avian flu has created a serious economic crisis. Over 19 million birds are scheduled to be slaughtered and the flu is still spreading.

The government says that it will pay the cost of the birds they are killing but will the government help compensate for the cost of neutralizing the manure, shipping the material, downtime at the farms for extensive periods and other related costs?

**Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I thank the hon. member for his question, albeit it has been a month and a half and this is the first question on this issue from the opposition.

I do want to say that we are working very closely with the government of British Columbia, with the producers and with the processors to help work through this terrible situation that is going on in the area of the Fraser Valley. I do want to assure all hon. members that the Prime Minister has had an opportunity to talk with the premier and I have been in close contact with my colleague, the minister of agriculture. We are doing everything we can to control this disease.

**Mr. Randy White (Langley—Abbotsford, CPC):** I think the farmers are expecting a lot more of an answer than that, Mr. Speaker.

Let me quote the Prime Minister in Victoria, British Columbia: “We cannot allow...issues in British Columbia to be relegated to the sidelines as regional issues”. A week later in Quebec he said that the avian flu is “a problem hidden behind the Rockies”.

I would like the minister to stand up and commit seriously to the farmers in British Columbia on a compensation package for all related costs and a comprehensive plan for all provinces.

**Hon. Bob Speller (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, there is no question that we will be holding this disease in British Columbia. There should be no worry to the rest of Canada, in fact, that this disease will spread across the country.

In terms of compensation, we are working through a number of different departments to work with the provincial government and both the producers and the processors. We do not know at this stage, because we are working through this kill process now, what the overall impact of this is, but I can assure all hon. members that we will be working with the province, with the processors and with the producers to make sure that the impact this has on British Columbia—

**The Speaker:** The hon. member for Lotbinière—L'Érable.

\* \* \*

[*Translation*]

#### NATIONAL UNITY FUND

**Mr. Odina Desrochers (Lotbinière—L'Érable, BQ):** Mr. Speaker, on March 24, the government promised to provide us, within two days, with the detailed list of events that received money

#### Oral Questions

from the national unity fund, the Prime Minister's secret fund. Obviously, the government spends faster than it provides information.

What explanation can there be, more than three weeks later, for it still being unable to tell us what activities received the hundreds of millions of dollars in the national unity fund?

• (1455)

[*English*]

**Hon. Joe Jordan (Parliamentary Secretary to the President of the Treasury Board, Lib.):** Mr. Speaker, the Treasury Board Secretariat is currently working with all departments to collect information on the use of this unity reserve. I should say, though, that to obtain this information requires research in government programs and business line spending of a number of departments over a number of years. We are currently in the process of compiling this information.

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

\* \* \*

#### ABORIGINAL AFFAIRS

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, and I am sorry to interrupt the leader of the Bloc. The Prime Minister today hosted the first Canada-Aboriginal Peoples Roundtable with aboriginal leaders. Unlike the paternalistic questions asked by the New Democrats a little earlier, I have a real question about this.

Could the parliamentary secretary inform the House on how the Government of Canada intends to strengthen relationships with our aboriginal citizens in order to achieve tangible results for those citizens?

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, I would like to thank the hon. member for giving the House another chance to celebrate this historic day in Canada. The Canada-Aboriginal Peoples Roundtable is the first event of its kind. More than 70 aboriginal leaders are meeting right now here in Ottawa to work in collaboration with the Canadian government.

The event, chaired by the Prime Minister—and I can tell the hon. member that when I was there this morning it was very moving—will serve as a starting point in a new partnership to work toward new priorities in key areas that are important to the well-being of aboriginal Canadians, such as health, education, economic development, housing and achieving results. The government is committed to closing the tragic social and economic gap between aboriginal and non-aboriginal Canadians.

*Privilege***HEALTH**

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, my question is for the Deputy Prime Minister. The Standing Committee on Health has unanimously recommended increasing annual HIV-AIDS funding to \$100 million. Last June, the Deputy Prime Minister said, "It's important to at least double the funding on an annual basis".

The current health minister said on March 10, "We will have to wait for the budget". There was no mention in the 2004 budget about doubling annual funding for HIV-AIDS.

I have three questions. Why not? What specific commitment will the government make today regarding new funding for HIV-AIDS? Will the Deputy Prime Minister keep her word?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, I appreciate that the hon. gentlemen is raising a very serious issue. Undoubtedly this is a challenge for our country and for most countries around the world.

I want to assure him that the Government of Canada takes the issue seriously. As Minister of Finance, I will certainly be looking for opportunities where I can make a meaningful contribution to meaningful solutions, and I thank him for the question.

\* \* \*

[Translation]

**MIDDLE EAST**

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, in supporting Prime Minister Sharon's unilateral decision on Palestine, President Bush's road map ignores Security Council resolutions, its own agenda and favours the Israelis over the Palestinians. Given this dramatic shift in the American position, the Prime Minister of Canada said, when questioned, "We will have to wait and see", while the Minister of Foreign Affairs said that Canada will stick to its position.

My question is for the Prime Minister. Could we at last know what Canada's position is?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, on the contrary, the Prime Minister was quite clear. Our position has not changed. Our position has never changed.

We believe that the road map is the best way to resolve this issue. An agreement between the two parties involved in this tragic disagreement is essential to a long-term solution. That has always been Canada's position, and we will continue to support the two parties so they can negotiate between themselves a settlement to this terrible problem.

\* \* \*

[English]

**AUTOMOBILE INDUSTRY**

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, last week the Province of Ontario had to borrow a half a billion dollars for the auto industry because this federal government has no national auto policy aside from a trade agreement that allows other countries to steal Canadian jobs.

My question is for the Minister of Finance. Premier Dalton McGuinty wants him to "pony up". When will this government actually take action on the auto industry? When will it actually get off its high horse and do something? Municipalities have done it. The provinces have done it.

The government created the trade policy problems. It should have the solution. When will this government come to the table?

● (1500)

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** In fact, Mr. Speaker, as the hon. member may not be aware, the Minister of Industry is working very closely with the auto industry, with members of our caucus and with members of the standing committee. We on this side of the House are very seized with the importance of the auto industry to our economy and the challenges this industry faces.

I can assure the hon. member that the Minister of Industry is working very hard with all affected parties to develop a reasonable, sensible strategy by which we can encourage the auto industry in Canada.

\* \* \*

**TRANSPORTATION**

**Mr. Brian Pallister (Portage—Lisgar, CPC):** Mr. Speaker, every working day in Canada there is a collision between a vehicle and a train. Most of them occur at unmarked crossings. Every week someone in Canada is killed as a result. Many of these accidents could have been prevented if all rail cars were equipped with proper reflectors, yet sadly, fewer than one in four in Canada actually are.

I want to give the minister a chance today to immediately commit to the development and implementation of a rule which would require all Canadian train cars to be properly equipped with side reflectors.

**Hon. Tony Valeri (Minister of Transport, Lib.):** Mr. Speaker, the government certainly is strongly supportive of the reflectorization of rail cars. We are working with our U.S. counterparts. We are working with the Canadian railway industry. We have to address the reality of north-south traffic with respect to rail.

Members on both sides of the House have approached me on this issue and the hon. member certainly has been very much involved in that process. In fact, it is the government's intention to have an announcement on this issue in a very short while to reflect the need for this type of activity to ensure safety on the railways.

\* \* \*

**PRIVILEGE**

## ORAL QUESTION PERIOD

**Hon. Joe Jordan (Parliamentary Secretary to the President of the Treasury Board, Lib.):** Mr. Speaker, I am rising on a question of privilege. During question period, after what I thought was a very competent answer to a question, the leader of the Bloc, the member for Laurier—Sainte-Marie, stood up and said, and I quote, "That's not true, buddy. You are lying". I am not his buddy. I would like him to retract the buddy part.

**The Speaker:** I am sure the hon. member for Laurier—Sainte-Marie will take note of the question of privilege raised by the hon. member and deal with it once he is back in the House.

[*Translation*]

For now, there is nothing the Chair can do about this matter.

## ROUTINE PROCEEDINGS

[*English*]

### POWER SYSTEM OUTAGE TASK FORCE

**Hon. R. John Efford (Minister of Natural Resources, Lib.):** Mr. Speaker, pursuant to Standing Order 32(2), I am pleased to table, in both official languages, the final report of the Canada-U.S. power system outage task force on the August 14, 2003 blackout in Canada and the United States.

\* \* \*

### ORDER IN COUNCIL APPOINTMENTS

**Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am pleased to table two sets of documents, in both official languages. The first is a number of order in council appointments recently made by the government.

\* \* \*

### GOVERNMENT RESPONSE TO PETITIONS

**Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the second set of documents is the government's response to 33 petitions.

\* \* \*

● (1505)

## COMMITTEES OF THE HOUSE

### PUBLIC ACCOUNTS

**Mr. John Williams (St. Albert, CPC):** Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Public Accounts, which deals with the report of the Auditor General of Canada on the Office of the Privacy Commissioner of Canada.

\* \* \*

### PETITIONS

#### RELIGIOUS FREEDOM

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I have three brief petitions to present today.

The first petition is related to Bill C-250. The petitioners would like to draw to the attention of the House that Canadians are appalled by hate motivated attacks and believe that promoting hatred toward any person is wrong. The petitioners call upon Parliament to take necessary steps to protect the rights of Canadians to freely share their religious and moral beliefs without being in fear of prosecution.

## Routine Proceedings

### STEM CELL RESEARCH

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, the second petition is with regard to stem cells. The petitioners would like to draw to the attention of the House the fact that all Canadians support the ethical stem cell research, which has already shown encouraging potential in Canada. They would like to petition 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 Canadians.

### MARRIAGE

**Mr. Paul Szabo (Mississauga South, Lib.):** Finally, Mr. Speaker, I have a petition on the definition of marriage. The petitioners would like to draw to the attention of the House the fact that the defence of traditional marriage as a bond between one man and one woman is a serious moral good. They request that Parliament take whatever action is necessary to maintain the current definition of marriage in law in perpetuity and to prevent any court from overturning or amending that definition.

**The Speaker:** It is my duty, pursuant to Standing Order 36(8)(b) to inform the House that the matter of the failure of the ministry to respond to Petition No. 373-0348 is deemed referred to the Standing Committee on Foreign Affairs and International Trade.

\* \* \*

## QUESTIONS ON THE ORDER PAPER

**Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the following questions will be answered today: No. 10, supplementary, and Nos. 48, 49 and 70.

[*Text*]

Question No. 10—**Mr. John Williams:**

With regard to the rubric "Losses of Public Property Due to an Offence or Other Illegal Act" for the Department of National Defence as listed on page 3.25 of Volume II, Part II of the Public Accounts of Canada 2002-2003, and the following cases of theft: i) 5,532 cases of "theft of military kit" totalling \$208,538; ii) 1 case of "theft of transportation equipment" totalling \$206; iii) 2 cases of "theft of machinery" totalling \$7,195; iv) 8 cases of "theft of telecommunication equipment" totalling \$4,297; v) 22 cases of "theft of electronic equipment" totalling \$18,879; vi) 18 cases of "theft of technical equipment" totalling \$32,863; vii) 4 cases of "theft of tools" totalling \$4,898; viii) 5 cases of "theft of weapons" totalling \$1,146; ix) 1,013 cases of "theft of military specific equipment" totalling \$38,520; x) 33 cases of "theft of non-military specific equipment" totalling \$14,762; (a) what was stolen in each individual case; (b) what was the value of each individual item; (c) where was the location of the theft; and (d) were there any charges laid in the case?

**Hon. David Pratt (Minister of National Defence, Lib.):** Mr. Speaker, items (a), (b) and (c) were responded to on March 22, 2004.

In response to (d), no charges were laid in any of these cases.

Question No. 48—**Mr. Rex Barnes:**

Who attended the joint Prime Minister's Office—Privy Council Office "Communications Coordination Group" meetings in 2001, 2002 and 2003; what are the names of the individual attendees, their official titles and the government ministries they represented?

*Routine Proceedings*

**Hon. John Godfrey (Parliamentary Secretary to the Prime Minister (Cities), Lib.):** Mr. Speaker, the Communications Secretariat of the Privy Council Office conducted a thorough search through both paper and electronic records. These records did not contain information regarding individuals who actually attended each weekly meeting of the Communication Coordination Group.

The group was composed of the following regular members:

Director of Communications	Prime Minister's Office
Press secretary	Prime Minister's Office
Speech writer	Prime Minister's Office
Director, Policy and Research	Prime Minister's Office
Senior Policy Advisor	Prime Minister's Office
Special Advisor	Prime Minister's Office
Executive Assistant	Office of the Government Leader in the Senate
Executive Assistant	Office of the President of the Privy Council and Minister of Intergovernmental Affairs
Director	Liberal Research Bureau
Senior Policy Advisor	Office of the Government Leader in the House of Commons
Executive Assistant	Office of the political minister for Newfoundland and Labrador
Executive Assistant	Office of the political minister for Prince Edward Island
Executive Assistant	Office of the political minister for Nova Scotia
Executive Assistant	Office of the political minister for New Brunswick
Executive Assistant	Office of the political minister for Quebec
Executive Assistant	Office of the political minister for Ontario
Executive Assistant	Office of the political minister for the Ottawa region
Executive Assistant	Office of the political minister for the greater Toronto area
Executive Assistant	Office of the political minister for Manitoba
Executive Assistant	Office of the political minister for Saskatchewan
Executive Assistant	Office of the political minister for Alberta
Executive Assistant	Office of the political minister for British Columbia
Executive Assistant	Office of the President of the Treasury Board
Executive Assistant	Office of the Minister of Health
Executive Assistant	Office of the Minister of Finance
Executive Assistant	Office of Minister of Human Resources Development

The following officials were also regularly invited:

Director General, Communications	Privy Council Office, Intergovernmental Affairs
Assistant Secretary to the Cabinet, Communications and Consultation	Privy Council Office

The Communications Coordination Group, CCG, did not hold any meetings after October 2001.

**Question No. 49—Mr. Peter MacKay:**

What contracts or sub-contracts were awarded to Groupaction Inc., Lafleur Communication Marketing, Gosselin Communication, Media/I.D.A. Vision, Communication Coffin, BCP, Groupe Everest and Groupe Polygone since June 1994,

specifying the source, the department, Crown corporation or agency, the dollar amount, the date of each contract, the rationale and the procurement method?

**Hon. Jacques Saada (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, as is well known, the government has already provided a considerable amount of related information to the public accounts committee in the context of its examination of chapters 3, 4 and 5 of the report of the Auditor General of November 2003 and is actively dealing with outstanding motions passed by the committee for additional information.

Question No. 49 is extremely broad. It appears to target all departments, agencies and crown corporations. In addition, it covers a period of almost 10 years, which makes the task all the more difficult given that, under applicable rules, federal departments must keep their records for a period of six years only.

Extensive work has already been done to collect the relevant information in answer to this question and to perform the required verification. However, and in spite of the extensive efforts invested so far, the work is not completed yet. More time is needed to perform the type of quality control that is necessary to ensure that the information provided to the House is as comprehensive and reliable as possible.

The government will provide a supplementary reply to this question as soon as the requested information is ready.

**Question No. 70—Mr. Inky Mark:**

With regard to the creation of the Department of Social Development: (a) what were the costs and locations of new or additional office space that has been acquired; (b) what were the costs of any renovations; (c) which firms conducted the renovations and what was the tendering process used; (d) what were the costs and particulars of any office equipment and technological equipment (including televisions and stereos); and (e) what is the operational budget allocated for the creation of the new department and what costs have been incurred to date?

**Hon. Liza Frulla (Minister of Social Development, Lib.):** Mr. Speaker, in response to (a), no new space was acquired in regard to the creation of Social Development Canada, SDC. To date, all related office space requirements have been satisfied from existing inventory, through the relocation of existing personnel, and the renovation of certain spaces. In response to (b), some renovation work has been undertaken at Place Vanier to provide office space resulting from the creation of SDC. As of March 29, 2004 approximately \$382,000 in expenditures have been incurred for renovating office spaces at Place Vanier. In response to (c), all renovations have been performed through Public Works and Government Services Canada, PWGSC, under a memorandum of agreement. PWGSC, as the client service delivery organization supporting Human Resources and Skills Development Canada and SDC, contracted the work on a competitive basis through the building landlord, BONA Building Management. In response to (d), the following assets were purchased for the offices of the minister and the deputy minister of SDC and their staff:

Quantity	Description	Total Cost
15	Televisions	\$ 4,700
10	Personal Data Instruments (BlackBerry)	\$ 4,950
1	Secure fax machine	\$ 5,345
3	Regular fax machines	\$ 6,800
20	Printers and ancillary computer equipment	\$15,435
1	Secure telephone	\$ 5,497
2	Cellular telephones	\$ 235

In response to (e), the department has not received additional funding for the creation of the department nor has an operational budget been established for this purpose.

\* \* \*

[English]

#### QUESTIONS PASSED AS ORDERS FOR RETURNS

**Hon. Roger Gallaway (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, if Questions Nos. 46, 47, 51, 52 and 53 could be made orders for returns, these returns would be tabled immediately.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

[Text]

Question No. 46—**Mr. Rex Barnes:**

Since 1993, what grants, contributions, contracts and/or loan guarantees made through a crown corporation, department, and/or agency of the government were received by Burrard Communications Inc., specifying, in each case, the source and dollar amount, the date made, the reason(s) for providing funding and the present status of the grant, contribution and/or loan guarantee (whether repaid, partially repaid, or unpaid, including the value(s) of any repayment(s) and, in the case of contracts, specifying whether the contract has been fulfilled, whether it was tendered and any reason for limiting the tender?

Return tabled.

Question No. 47—**Mr. Rex Barnes:**

Since 1993, what grants, contributions, contracts and/or loan guarantees made through a crown corporation, department, and/or agency of the government were received by Pilothouse Public Affairs Group, specifying, in each case, the source and dollar amount, the date made, the reason(s) for providing funding and the present status of the grant, contribution and/or loan guarantee (whether repaid, partially repaid, or unpaid, including the value(s) of any repayment(s) and, in the case of contracts, specifying whether the contract has been fulfilled, whether it was tendered and any reason for limiting the tender?

Return tabled.

Question No. 51—**Mrs. Carol Skelton:**

With regard to all contaminated sites in Saskatchewan known to the government, what, in each case, and with a detailed description of each, is the type and the scope of the contamination, including any clean-up action plans involving government departments or utilizing financial assistance from the government?

Return tabled.

Question No. 52—**Mrs. Carol Skelton:**

What, in detail, are all of the costs associated with the Non-Insured Health Benefits program from its inception to the present time?

S. O. 52

Return tabled.

Question No. 53—**Ms. Wendy Lill:**

At each level of the Canada Pension Plan disability application and appeal process, for each financial year from 1990-1991 to 2000-2001, what were the numbers of men and women (listed separately for each group) who: (a) applied for or appealed denials of disability benefits; and (b) were awarded benefits?

[English]

(Returns tabled)

**Hon. Roger Gallaway:** Mr. Speaker, I ask that the remaining questions be allowed to stand.

[Translation]

**The Speaker:** Is it agreed?

**Some hon. members:** Agreed

\* \* \*

[English]

#### REQUEST FOR EMERGENCY DEBATE

AGRICULTURE

**The Speaker:** The Chair has received notice of an application for an emergency debate from the hon. member for Langley—Abbotsford.

**Mr. Randy White (Langley—Abbotsford, CPC):** Mr. Speaker, one of the reasons we should bear in mind why this is necessary is the response from the agriculture minister in question period today, when he suggested that we had done nothing for a month and a half. The fact is this problem is growing worse, and the government should have done more in the month and a half. We have been waiting for it.

The avian flu virus is a serious crisis in Abbotsford, the province of British Columbia and, indeed, all of Canada. In fact it has now spread outside of Abbotsford. More than 19 million birds have been ordered eradicated. This has tragic consequences to the chicken, turkey and specialty bird industries and to processors, feed mills and restaurants. The total cost of this catastrophe cannot be borne by those directly involved. In fact this is what our national government is in place for, to deal with such an economic crisis.

I am concerned that the government is responding to the issues in a rhetorical manner, to which we should pay little attention. Statements are being made that would suggest compensation, but that compensation falls far short of actual costs. Statements are being made with reference to farm income programs, but much of the actual costs are not being referred to. No commitments are being made for specialty birds, and the small bird farmers are not even consulted. Little consultation is undertaken with local experts and no national plans are in place in the event of further spread of the virus.

The debate for which I am asking is national in context, notwithstanding the Prime Minister's comments that the avian flu is a problem hidden behind the Rockies. It is not hidden, but a real impact to all Canadian people, whether they be taxpayers, farmers, producers, lawmakers or consumers.

### *Government Orders*

Many questions need to be answered through debate in the House. Some of them are as follows. How does a virus like this start? Other provinces want to know as well. How is it spreading, even after all the precautionary measures are in place? Are the precautions adequate? Do we need to kill everything with feathers? What national program is in place to address such a crisis? Why is there no commitment to cost share with the provinces on costs other than eradication? Why are specialty bird farmers and small bird farmers not consulted? Why are local consultants left out of the consultations? What mistakes made through the BSE crisis are again being made in the avian flu crisis and why?

There are many more questions that need answers, Mr. Speaker, but I believe you have my intent. Please do not accept for face value the government's position that all is well and under control in the lower mainland of British Columbia, because it is not. I ask for an emergency debate on this issue and would appreciate a response.

• (1510)

#### SPEAKER'S RULING

**The Speaker:** The Chair wants to thank the hon. member for Langley—Abbotsford for raising this matter. It appears to me that the request does meet the requirements of the Standing Order. Accordingly I direct that a debate will be held later this day on the matter upon the adjournment of the House, presumably at 6:30 p.m. today.

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## GOVERNMENT ORDERS

[*English*]

### BUDGET IMPLEMENTATION ACT, 2004

The House resumed consideration of the motion that Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004, be read the second time and referred to a committee, and of the amendment.

**The Speaker:** We are resuming debate with the hon. member for Calgary East. I should advise the hon. member, in case he is unaware, that he will have a limit of 10 minutes for his remarks. We are into 10 minute speeches with no questions or comments at this point in this debate.

**Mr. Deepak Obhrai (Calgary East, CPC):** Mr. Speaker, yes, I see that my time was stolen by the Liberal member so I could not make a 20 minute speech with questions and answers. I was going to put the record of the Prime Minister in front of Canadians when he stepped into office. In the Speech from the Throne he talked about a new Canada, a new vision and how he would provide a new vision. Subsequently, in his first budget presented in February, we see that the vision he talked about was priorities for everything and priorities for nothing.

The Prime Minister has been saying that every issue facing Canadians is a national priority. I agree. Issues are important and they must be discussed broadly. However, health care is the national priority. Job creation is the national priority. Farmers are the national priority. At the end of the day what is left is no priority. The government is walking around in a daze. Its members do not even know what to do.

In one of the corridors in Parliament we have a committee inquiring into the biggest corruption scandal ever in the history of Canada and the biggest corruption scandal in which the government has been involved.

The government says that it has a vision to present. I have been here for seven years. When I look across the way, I do not see any new faces. I do not hear any new ideas. I do not see anything new. All I see is recycled stuff coming back, over and over again.

I was in Toronto last week. In group discussions a gentleman asked me a point blank question. He asked what I would do for him. He asked what I would do for his community. I looked at him straight in the face and I said that I was going to do nothing for him or his community. He was taken back. I said that we did not do things for communities. Rather we did things for Canadians.

This is the vision we should have for Canada. We will provide the tools to go and fight. Those tools will give people the education to help them get ready to enter the workforce.

Let us look at the government's record on education. It promised to help 12,000 graduates per year. How many has it helped up to now? Only 2,000. Average student debt was \$21,000, but recipients received an average subsidy of \$509 in interest relief despite the fact that there was the prime minister's scholarship millennium fund.

None of the targets were met on promised interest relief to student loan recipients. If we do give the tools to our future generation, and they do not necessarily have to be university graduates, they can be tradesmen too, then we will be left behind. In today's globalized world there is competition. If we do not seize the opportunities, someone else will and we will be left behind.

The second point I told the gentleman was that we would create an economic environment where jobs would be created. We will not tax Canadians to a point where they cannot reinvest in the country. We will not create conditions where economic conditions are such that innovation, entrepreneurship are contained. What we need to do is create this environment, and we can do that by reducing taxes.

The government's record on reducing taxes is absolutely abysmal, despite the fact that it has said that it has been reducing taxes. About an hour ago, one member over there said that this was the greatest tax reduction ever. As far as I know, when talking to Canadians, nobody feels the tax reduction is helping their pockets. If they do not feel it in their pockets, I do not know what kind of tax reduction it is. Perhaps it is cooking the books only so the government can stand up here and talk about tax reductions.

*Government Orders*

● (1515)

If we do not create the economic environment for entrepreneurship or the creation of jobs, then where will the students and everybody else who is learning work? Creating an environment where jobs can be created should be a national priority.

Third, we would create laws to ensure that every Canadian who applied for a job would never be discriminated against. Canadians can feel free that their education, skills and experiences in life are put to full use in Canada.

When we look at these things, then there is a vision. It is a vision that Canadians can look forward and can stand and say that they will fight the other countries and that they will fight for their rights. They can say that they have the tools to be a prosperous nation, the number one nation in the world.

However, what has happened in the budget? Nothing. There is a band-aid here and a band-aid there. Most important, there is a disconnect between the vision of the government and the Canadian people because of the way the Liberal government has been ruling the country.

I have a list, which was printed in the *National Post*, on how Liberal members of Parliament are given money for their little pet projects so they can get elected. There is absolutely no regard as to why. There is absolutely no regard as to transparency or to the value of what will help. They use taxpayer money as if it were a gift given to them to spend, not understanding that it is a trust given to them by Canadians for transparency to ensure that the things Canadians want are taken care of such as health care and all the other areas that have been crying for attention.

Now we see the same Prime Minister talking about the same area. Where was he all the time when he was the finance minister of Canada? Now the government talks about defence spending. It is the same old recycled dollars going into defence. Nevertheless, we still need it. We will wait and see. Please give the dollars, not just talk about it.

Now the government is talking about a health first ministers conference in July. The Prime Minister wants to ensure that there is a deal. What was he doing all the time he was the finance minister? How come there was no deal with the provinces at that time? He was the one who was responsible for cutting funding for health care. Even now there is nothing in the health care accord that says that there is stable funding. It is still left to the government to decide how much funding it will give and which funding it will cut. Then it will expect the provinces to do it.

Let me tell the government, there is only one Canadian taxpayer. If it is going to shift the burden to the provinces, it does not shift the burden off the shoulders of Canadians. The main thing Canadians are telling the government is to get off their shoulders and take its hands out of their pockets.

The ad scam and abuse of our tax dollars is just amazing. Now the government says that we have a public inquiry. When we go to the polls, Canadians will speak on the record of the government on fiscal management.

● (1520)

**Mr. Brian Masse (Windsor West, NDP):** Mr. Speaker, it is a privilege to speak to Bill C-30 and talk about some of the spending issues that are involved in the bill as well as the vision that it puts forth.

I have received a number of concerns, as a member of Parliament, from my constituency as well as from several hundred Canadians who have already e-mailed, phoned, faxed or provided some documentation to me about what has been pronounced by the government.

I want to first say that there are some good provisions for some things in Bill C-30. To get up and say that absolutely all of it is bad would not be right. One of the things that I do want to point out is the fact that there would finally be the elimination of environmental fines as tax deductions or business write-offs. That is one thing that we could not believe was happening. It was causing a national embarrassment.

I was getting correspondence from American elected officials about pollution coming from the Canadian side of Lake St. Clair and the Detroit River and other areas, that spilled out from Canadian factories and other sources. At the same time, companies were able to apply for a tax deduction on that, let alone the cleanup and the effect that it was having upon our American neighbours.

It is interesting to note that the government talks about improving relations with the United States. The first thing would be for our side to stop poisoning the water and to provide all kinds of progressive steps to clean the system up in partnership. The United States has actually been far more progressive in the Great Lakes by investing in their renewal in a couple of different fashions. It has been doing it, not only through its government, but through other means, for example, Robert Kennedy Jr. and his efforts have been through the legal system in order to provide some of the improvements that have been happening.

We have actually created some of those things on our side of the jurisdiction of the Detroit River with our river keeper announcement, from the public point of view, without the assistance of the government as an initiator of the project.

We saw the budget come out with basically an ideological attempt to reduce expenditures just for the sake of scoring political points.

The government did a set up here. It wanted to appear that it was shifting to the right to deal with the Conservative agenda but what it has done since then is to go out to the public to announce different projects in the multimillions after the actual budget was released.

It is a classic attempt to try to have it both ways. Quite frankly, it has been very good at getting it both ways until now because Canadians are starting to recognize that they each have different choices about things and they should be making those choices based upon principles as opposed to wishy-washy behaviour.

We are watching the privatization of health care. The New Democratic Party is really concerned about the fact that there were no new health care transfers.

*Government Orders*

The Prime Minister had plenty of time to address this as a former minister of finance and during the time of his leadership run-up. He talked about these issues a lot of times and said that it was very much a priority, but at the same time he did not actually have an action plan in his first official budget.

That is unfortunate because we believe that the Roy Romanow solutions that were proposed should have been specifically mentioned in the budget. There should have been advancement because Canadians are looking for accountability. They are looking for a single system of medicare that is not going to introduce a level of profit that will certainly mean a loss of service for people. It will make people who are vulnerable susceptible to longer lineups.

The lineup is important to note because I know of a community that is under serviced because the infrastructure has not been provided for the medical society to provide the actual services that are necessary on the ground floor. We are not getting the specialists and we have long waiting times.

That is important to note because specialists also relate to the quality of life and the productivity of the citizens we have in our community. If people are waiting for an exponential period of time to have their knees scoped or to have some type of minor operation, it certainly is a negative derivative when we look at the economy. We have more people who are off on sick leave. We have people who can further injure themselves and we also have family situations that become more complicated.

Whereas, if the investment were there, we would see the benefit of people returning to work earlier and have a healthier environment. I think that would be more productive for our economy and our country. We also have people who need those types of services in order to stay physically active in our society. The investment of that accountability and the investment in reducing waiting times would allow them to stay active and healthy.

• (1525)

I know of many seniors who have had to wait far too long to receive operations. It is unacceptable and unfair to them because their health deteriorates in the meantime. They have contributed a significant amount of money into the health care system over the years and they have certainly contributed to our economy. They have also been productive family members. To be in one's golden years and not have a required operation creates a lot of problems as it is stalled from month to month. That threatens their physical well-being as well as their mental well-being. The stress and the anguish that goes along with that is difficult as well.

I was out the other day talking with a constituent whose husband, a young worker, was waiting for a minor operation. He is now into his fourth week of waiting. He had to wait a series of days just to get an MRI done on his broken leg. If his leg is not treated properly, it could lead to a permanent injury. This is a result of long waiting lists.

A good investment for Canadians would be to have more money and accountability put back into our health care system in different ways such as those outlined by Roy Romanow. That would be a way of rebuilding this country.

I want to talk a bit about some of the things that could have been done in this budget and would have been influential in lowering the

price of medications and eventually the costs associated with our health care system.

Last year, the industry committee spent a lot of time on notice of compliance, that is the evergreen that happens. Evergreening is when the 20 years in the pharmaceutical industry is extended by an automatic stay of injunction by the patent holder. This then delays the actual generic version of the drug being available on the market.

We saw delay after delay as these automatic injunctions compounded year after year. These injunctions prohibited generic companies from introducing a lower cost drug and which would have actually reduced the cost of medications in Canada. That money could then have been put back into health care and toward addressing other issues related to waiting times and services.

It has been quite amazing to see what has happened. A progressive Liberal, the member for Ajax—Pickering, sat on the committee. I give him credit for being so active on this case file. Some other sympathetic Liberals were also there. They were part of the Chrétien era, I suppose. After Chrétien resigned from his position, a new Prime Minister came in, and he has changed the committee. I am virtually the last member of that committee that is still talking about reducing the cost of medications, or at least trying to raise the issue.

It is unfortunate because a lot of time and taxpayers' dollars has been spent in having witnesses come forward and research done. A lot of time has been spent trying to get the Minister of Industry to respond. We have seen nothing yet. We are watching these studies become basically outdated. The studies that have been done are sitting on a shelf like so many other studies, even though the Romanow Commission noted that Canada should be doing something right away to lower the cost of prescription drugs.

It is also important to tie that in to the fact that we would like to see Bill C-9 passed. That bill would allow developing countries access to patent drugs, or generic versions of them, so they could address some of their horrible conditions of malaria, tuberculosis and HIV-AIDS. It would also assist those developing countries in dealing with their poverty issues.

One of the things that was outright shocking in the budget that I was very disappointed about, coming from an auto town, was the fact that it did not contain an auto policy or at least some indication of what was going to happen. There was no indication in the Speech from the Throne either. I immediately asked questions about that as did my colleague from Windsor as to why the auto industry was not mentioned in the Speech from the Throne. There are one in 7.5 Canadian jobs affected by the auto industry and one in 6 in Ontario. That was left out of the Speech from the Throne which was very shocking.

Mayors of municipalities have formed a committee to talk about this. The Province of Ontario, even though it is drowning in debt and complaining about its costs, has had to come up with \$500 million for an auto investment strategy because there has been no national auto policy. I want to acknowledge the fact that the government had to admit that it still has one-quarter of the border funds available.

• (1530)

A community like mine is waiting for announcements, waiting for those improvements like the truck ferry service, for example, that can take trucks off the city streets and move them across the border to help our economy and our trade. We want to have the grid-lock taken care of, something that can happen in a matter of months. The Liberals do not have any resources or support for that; only the projects for their friends and the lobbying that has been happening.

With that, I want to say thank you very much for the opportunity to respond to the Speech from the Throne, subsequently the budget and Bill C-30. I look forward to seeing better progress. This was disappointing to building Canada which needs to happen now as opposed to giving it away.

**The Speaker:** The hon. member for Dufferin—Peel—Wellington—Grey on a point of order.

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#### BUSINESS OF THE HOUSE

**Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.):** Mr. Speaker, discussions have taken place between all parties concerning the emergency debate that has been granted for later today regarding the crisis surrounding avian flu. I believe that you will find unanimous consent to have this debate take place tomorrow night, Tuesday, April 20, 2004, after the completion of private members' business.

**The Speaker:** Is there unanimous consent?

**Some hon. members:** Agreed.

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#### BUDGET IMPLEMENTATION ACT, 2004

The House resumed consideration of the motion that Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004, be read the second time and referred to a committee, and of the amendment.

**Mr. Bryon Wilfert (Oak Ridges, Lib.):** Mr. Speaker, I am pleased to participate in the debate on Bill C-30, the budget implementation bill.

I have to say that some things never change. Obviously the opposition again does not like this budget and again fails to recognize the tremendous progress the government has made, particularly in the area of managing the nation's finances. We have had seven balanced budgets or better for the first time in Canadian history. It is unheard of.

This is the only government in the western world that is paying down the national debt, which colleagues across the way have again failed to acknowledge.

#### *Government Orders*

The fact is that the government has made it very clear that prudent financial management is critical and we have been able to do that with seven balanced budgets or better while still investing in the social foundations of this country: investing in families, in communities and in health care while making sure that our programs are cost effective.

However we do not hear these things from opposition members because they would say that if they were in power they would do it differently. They are absolutely right that they would do it differently. They would gut social programs.

They refer back to 1993 spending levels. I would remind our colleagues in the House of the fact that one-third of government spending in 1993 was borrowed money. We are not into borrowed money. We are making sure that we have the resources to enable us to move forward on programs that are important to Canadians. I do not like hearing about the 1993 levels because clearly it is a fallacy.

On this side of the House we have cut our credit card in half. We will not go on the basis of previous Conservative governments or, indeed, of previous Liberal governments. Over the last 10 or 11 years we have said that we would make sure the finances of the nation were well managed.

We are the envy of the western world. It is unheard of to have seven balanced budgets or better. We are the only G-7 country paying off its national debt.

We are also being prudent. We are making sure we have that contingency fund back. I would ask members to remember last year when we had everything from hurricanes to fires to SARS and yet we were able to respond effectively and not go back into the red. Again, that is extremely important.

We have established for the first time a target on debt reduction. Last year \$3.5 billion was saved because of debt reduction. What did that mean for the average Canadian? It meant we were able to invest money in needed social programs and to respond to issues that came along, such as SARS, the forest fires in British Columbia, et cetera.

We put over \$52 billion down on the national debt and we have now set a target of 25% of GDP within 10 years, which may in fact occur before that 10 years. We have made that commitment.

This government and the Prime Minister, who was able to wrestle with and eliminate the national deficit of \$42.5 billion, have made that commitment. We cannot forget that it was the Prime Minister, when he was minister of finance, who said that he was going to do it and has done it. That is extremely important.

What is also important is that the Organisation for Economic Co-operation and Development has said that we are the only G-7 country that will ever be able to again balance the books and reduce the debt, not only this year but next year and the year after. Again, other countries are looking to Canada and asking how we have been able to do this so successfully. We have done it because we have listened to the needs of Canadians.

*Government Orders*

What is one of those needs? One obviously is health care. We have heard criticism from the opposition about health care. The fact is that although we are responsible for the five tenets of medicare, the implementation is done by the provinces. What has happened over the years is that we have had agreements. Last year, as members know, we had a \$35.4 billion investment, again over five years. We then added this year another \$2 billion. The Prime Minister has now made it very clear that incremental actions like that are not the way to go.

• (1535)

What has the Prime Minister said? He has said that this summer we will meet as first ministers and we will get a funding agreement for 10 years and structural change. We cannot have one without the other. We cannot continue to put money into health care without making sure that the waiting lists are reduced and that those people who need MRIs get them. We will not do that by simply giving the provinces more money without accountability.

Therefore the Prime Minister has committed the government and has committed to Canadians that we will have that in place. He has told the first ministers that it will not be over lunch or over dinner. He has asked them to bring their bags because they will be there until we get it. This is what Canadians have said they want, what we have said we will do and what we will do this summer.

This will not be an incremental change. We will make real changes that Canadians will see. They will be measured, which is absolutely critical, so that every family that has a person who is sick, who needs to have an MRI or who needs to go to an emergency facility in a hospital, those needs will be addressed properly. That is important.

On the issue of communities, let us look at the record of the government on cities, towns and villages in Canada. There has not been a government, except for this one, that has responded so strongly to that agenda. Dating back to 1993, the establishment of the national infrastructure programs over the years, the strategic infrastructure program and the fact that the government said that it would give a 10 year commitment with \$1 billion as a down-payment. It was in last year's budget. This year we have reduced it down to five years because we know that municipal governments and the Federation of Canadian Municipalities have been asking for that for many years. As a former president, I can say that it was certainly welcome news that we would be addressing those issues because cities deal in 5 and 10 year capital forecasts.

We have also said that there was an unfairness in the fact that cities, towns and villages pay GST. Yes, we negotiated with the Mulroney Conservatives when they were in. They wanted us to pay 100%. We were not happy but eventually we negotiated a 57.14% rebate.

The Prime Minister has listened and now cities, towns and villages will receive 100% rebate on any purchases that involve the GST. Again, this has a significant impact. It will be \$7 billion over the coming year. It is extremely important in terms of a savings. My own municipality believes that it will save between \$500,000 and \$1 million a year because of that.

The Prime Minister has gone further. He said that we will develop a clear, consultative role with cities, just as we do with provinces, to ensure that if there is to be federal legislation that could have an impact on our cities, which we must remember is where 80% of our population lives, we will bring them into the process and work with them.

The Prime Minister has committed a portion of the gas tax or an equivalent. We should not forget that the gas tax is not a simple issue because we need to have the provinces involved. He realizes the important role the cities play, particularly our large cities in terms of the urban agenda and of being able to promote economic growth. He also has not forgotten rural communities. This will improve the lives of all Canadians.

We have worked very effectively, whether it is on the homeless question or on the issue of dealing with infrastructure, transit or housing. We have been able to sit down and work collaboratively with the provinces and cities. That is extremely important because the Canada of 1867, where 6% of the population lived in an urban environment, is not the Canada today where 80% of the people live in urban areas. We need to address that. The government has and continues to focus on that as one of the most important issues. The budget addresses that.

I would have expected members on the other side to stand up and say that is what we need and that they support that. However, as I said at the beginning, the opposition never, no matter what budget it is, support the provisions.

It is important that we do this all within a strong fiscal framework. To have those strong fiscal anchors is absolutely imperative. No one in the House wants to work in a deficit position in their own household. I certainly do not and I know the government does not. That is so important and probably the cornerstone of any economic policy.

There are many other areas in the budget that address the needs of Canadians. We have listened very carefully to what Canadians were looking for and we responded accordingly.

• (1540)

Regardless of the rhetoric we hear across the way and regardless of the naysayers across the way, the fact is that again we have seven balanced budgets or better and we are the envy of the world. It is about time that side woke up and read the budget for a change instead of criticizing it.

**Mr. Ken Epp (Elk Island, CPC):** Mr. Speaker, I am glad to have the opportunity to speak to the budget implementation Bill C-30.

What the hon. member on the other side just said is, shall we say, questionable. He has indicated that we on this side are always against everything the government does. As a matter of fact, we have pressed very hard over the years for balanced budgets. We were the ones who first made it politically correct to even talk about stopping the endless borrowing.

*Government Orders*

Shall we say that we should praise the government for something. I will give the Liberals a reluctant nod of approval for the fact that they actually followed our advice and stopped borrowing money in order to top up the money that they collected from taxpayers in order to provide services to Canadians. We are glad the budget is balanced, absolutely. When the member says that we always criticize everything unequivocally, that just is not accurate.

Bill C-30 would implement some of the provisions of the budget that was handed down in the House in March. Some of the provisions are worth supporting and of course some we would somewhat criticize.

One of the things the bill would do is renew the equalization plan and make a few changes to it. I am sure we cannot persuade the Liberals to do this, but I would like to urge Canadians to write, phone or e-mail their members of Parliament and ask them for a copy of Bill C-30, the beginning pages that deal with equalization. If after having read these technical changes that are being made they can make heads or tails out of it, then we should recommend them for a Governor General's award, because it is a tremendously complicated and convoluted formula.

I will not waste my limited time talking about it but it talks about formulas: .016 times X1, times Y1, where X1 is the sum of two-thirds of the national per capita equalization. It goes on and on like that for about 10 pages. It makes fascinating reading.

I remember when I was on the finance committee we asked some officials from the Department of Finance to explain how the equalization worked, whereby the government collects money from all the provinces and then some of the provinces, currently every province except Ontario and Alberta, those provinces actually get money paid to them out of this equalization formula and it comes to the billions. Quebec, for example, typically receives around \$10 billion a year out of equalization.

I am in favour of the principle of equalization. It is in our Constitution and I believe it is to the benefit of every Canadian and every province that the governments in the different provinces are able to deliver to their citizens comparable levels of services at comparable levels of taxation. If that were not done, then we would see a massive migration based totally on taxes and services. In other words, if a province were not able to deliver the services of health care and education, then clearly families would migrate to the provinces that could deliver them. So it is in our best interest to make sure that those services are delivered in every province.

Furthermore, if the provinces could only do this by massively increasing their rate of taxation, then again Canadians would react by migrating. It is just a natural human thing to move to areas or jurisdictions where the tax rates are lower, especially if people could not balance their household budget because the tax bite was so large.

• (1545)

We have learned this directly from our Prime Minister who, instead of paying the 40% to 50% that all Canadians pay in taxes in Canada, has arranged for his businesses to pay I think around 3% in Barbados and other countries. He obviously knows what it means to move to a better jurisdiction when tax rates are too high. Unfortunately, our farmers, business people and families cannot

simply move their business interests and incomes to other countries and still manage to live here and enjoy the benefits of this country.

I would like to refer also to the fact that the bill deals with a number of other issues. One that is high on my personal agenda is EI. The bill once again gives to cabinet the sole right to set EI premiums. You have no idea, Mr. Speaker, how upset I am about this.

Just about all Canadian workers, because some are not covered, including our students who work in the summer, pay into the EI fund. Every dollar that is put in is matched by \$1.40 by the employer. Can the students get their money back when they go back to school in the fall? No, they cannot. They are forced to buy this insurance from which they cannot possibly benefit. It is like forcing my mother to pay car insurance when she does not have a car. She can never collect that car insurance because she does not have a car. The same thing is true for students and many other people who pay into this, but because of their circumstances are unable to collect any money.

Bill C-30 gives to cabinet the right to once again set the premium rate. We know that it has been very high compared to the actual needs. As I recall, I believe with this budget and with the anticipated rates that the government will set, that fund probably will reach about \$47 billion accumulated surplus over the last six or seven years. That was never the intent of the employment insurance fund. It was to be an insurance program to help people who had a temporary loss of employment, so they would have income while they looked for another job or while they were retrained. There are so many anomalies in this.

We hear many members, especially from this side of the House, draw to the attention of the government the shortcomings of EI in actually meeting the needs of people who become unemployed. They are either ineligible, the waiting periods are too long or the amount they receive is inadequate. Yet still people have to pay.

What does the government do? It rolls that money into general revenue. As a matter of fact, one could say that all of the surpluses that the government has enjoyed have come totally and solely on the backs of the employers and employees who blatantly are being overcharged on a program that is supposed to be self-sustaining.

The chief actuary of the EI fund has consistently recommended lower rates. The government has consistently overshot that target by a large amount in order to generate this money. Then the former parliamentary secretary to the minister of finance can gloat that it has balanced budgets. It is solely and totally on the backs of the members of the working public. I believe we need to correct that anomaly and we need to correct it very quickly.

*Government Orders*

Finally, there is this issue of the municipal GST rebate. Yes, indeed, all governments are cheering this. If one stops to think about it, it is only consistent with the principle that in Canada different levels of government are not to tax each other. The federal government has been taxing municipal governments through the nose for how many years and now finally it is going to stop doing it. Will I cheer that? Yes, indeed. Do I remind the Liberals about their promise on the GST in 1993? I cannot help but do it. They said that it would be gone for everybody, but it is still here.

My time has elapsed. I appreciate the privilege of being able to address this issue.

•(1550)

[*Translation*]

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, I am pleased to rise and speak in this debate, since it gives me another opportunity to express the concerns of the people in my riding.

This eight-part bill would amend a number of existing statutes, such as the Canada Pension Plan and the Income Tax Act. Many of these measures are particularly bad, and my Bloc Québécois colleagues have already pointed them out to the House.

Today I would like to voice the concerns of the agricultural producers in my riding, the riding of Drummond, located in the Centre-du-Québec region.

Last week in my office, I received a delegation of cash crop farmers from the Centre-du-Québec. During that meeting, they told me about the unfair trading practices they are currently suffering and the impact on them of the federal government's withdrawal. And yet in the Speech from the Throne, the Prime Minister boasted, and I quote:

The Government is dedicated to Canada's farm economy and to taking the steps necessary to safeguard access to international markets and to ensure that farmers are not left to bear alone the consequences of circumstances beyond their control.

The government is a long way from making its words reality. There was nothing in the budget to support this intention and, consequently, nothing concrete in Bill C-30.

When I met with farmers from my region they reiterated that grain producers in Quebec and Canada are in a very difficult, not to say impossible situation. Why? Because the price of grain remains ridiculously low. They are unable to cover their production costs, which continue to increase. Add to that the interventions by the U.S. and European governments, which have been subsidizing their farmers for several years.

How has Canada reacted? During the past 10 years that the Liberals have been in power, during which the current Prime Minister was finance minister, Canada has increasingly failed to stand behind its farmers. That is the case for grain producers. Hon. members might be surprised to learn that funding for the agri-food sector in the federal budget went from 3.9% in 1991-92 to 1.6% in 2001-02, while Quebec grain producers posted negative net incomes.

The Liberals will probably respond by saying that transitional measures were implemented, but these are clearly inadequate.

The reality is that the federal government, and this Liberal government in particular—whether that of the former prime minister

or the current Prime Minister, the member for LaSalle—Émard—has abandoned farmers.

The transitional measures totalled some \$600 million in 2001-02 but no more than \$250 million in 2003. Grain producers in Canada and Quebec expected the government to provide its share of support: \$1.3 billion for the grain sector alone. The budget implementation bill falls short of their expectations because it offers nothing.

Meanwhile, the United States and Europe heavily subsidize their farmers. Here, it is frightening how our farmers are being abandoned by the federal government.

I can already hear the reaction from the Liberals and the Minister of Agriculture and Agri-Food, who will brag about their farm income stabilization program. Allow me to say that in a letter dated April 15, 2004, Mr. Werner Schur, president of the Syndicat des producteurs de grandes cultures commerciales du Centre-du-Québec, which is my region, said that the latest program created to support farmers will instead impoverish large-scale farms in Quebec and Canada.

•(1555)

The budget and its implementation bill could have provided an opportunity to meet the needs of the cash crop producers. The grain and oilseed producers wanted to see some leadership from the federal government. This was a missed opportunity.

Every year, may I remind you, foreign subsidies result in a drop of more than \$1.3 billion in income for Quebec and Canadian grain and oilseed producers. When will we see some policies to lessen the impact of this foreign interference on world markets?

I hope the Minister of Finance and his colleague, the Minister of Agriculture and Agri-Food, have taken proper notice of this situation. The producers, like myself, are waiting not just for answers but for concrete actions to remedy this situation.

In recent years, the Liberal government has been asking the public to help put public finances in order. The federal government, with its current Prime Minister, formerly finance minister, made huge slashes to the funding of a number of sectors, health among them. This disengagement was solely responsible for the strangulation of the finances of Quebec and the provinces. The present Prime Minister, none other than the father of fiscal imbalance, has but one objective: to create a single government in Ottawa, with administrative branch offices in Quebec and the rest of Canada.

Yet, at the very same time, the Liberals were shamelessly wasting taxpayer dollars on what we have brought to light: the sponsorship scandal. Not only the \$100 million lost in the sponsorship scandal, but also the billion lost in the Human Resources Development scandal, and another \$2 billion for the firearms registry. Over the past ten years, the Liberals have made it patently clear that they are incompetent to handle public funds properly and effectively.

*Government Orders*

The present Prime Minister can repeat all he wants that he knew nothing about the sponsorship scandal, but he cannot contradict the facts. He was there, sharing the responsibility for the poor Liberal administration, and we will keep reminding him of that all through the coming election campaign, if there is such a campaign of course. What is the Liberal leader afraid of? What are the Quebec Liberals afraid of? Does their track record embarrass them?

The Liberals have always used the same tactic: over-estimating government expenditures and under-estimating surpluses. The present Prime Minister would have done well to consult the Bloc Quebecois critics, the members for Joliette and Saint-Hyacinthe—Bagot, whose forecast figures have been far closer to reality.

As a result, billions of dollars went to paying down the debt while funding to Quebec and the provinces was cut. We must not forget all the intrusions by the federal government in areas outside its jurisdiction, which complicated the job of finance ministers across Canada. These intrusions and all the ad hoc interventions, through foundations set up by the Liberals, made financial planning for Quebec and the provinces extremely difficult. This cannot go on.

These are the results of ten years under the Liberals. Confirmation of this is provided by the budget implementation bill. The Liberals are unconcerned by what our constituents are experiencing. They are out of touch with the reality facing the unemployed, older workers losing their jobs, seniors who are often the most vulnerable members of our society, low income families who are unable to find appropriate housing because they lack the means, farmers abandoned to their fate who must show extraordinary creativity to weather the storm.

Since the federal government is no longer of any assistance, since it has the finance ministers of Quebec and the provinces by the throat, since it is withdrawing and running from its responsibilities, there is only one solution to ensure a sustainable future; Quebec must become a sovereign nation.

• (1600)

[English]

**Mr. Myron Thompson (Wild Rose, CPC):** Mr. Speaker, it is a pleasure to speak to the 2004 budget, a same as usual, nothing new, let us spend more money, let us not worry, let us all be happy type of budget. It is filled with many good things, many good promises, much the same as budgets have been filled with in the past since 1993.

I have seen several budgets now and they are all promises, promises, promises. In a big percentage of cases we are still back to square one. Many of the same things are being professed and many of the same things are being talked about.

I remember in 1993 we talked about the poverty in this country. The 1993 budget was going to address the fact that one million children were living in poverty in this country and that was a shame. We all agreed there was no doubt it was a problem that had to be addressed. Now in the year 2004 we are not addressing the problem regarding one million children living in poverty; it is now 1.5 million children living in poverty. That is some progress. We started with one million in 1993, and now we are up to 1.5 million. We still get

the same kind of rhetoric and the same kind of messages in the budget that this is all going to be addressed and taken care of.

There was quite a bit of hype going on in the announcement just the other day regarding new helicopters and new equipment. That is great news for the people in the defence department. We all want to hear these things, but what I heard from most of the people in the military with whom I talked was that they will believe it when they see it. Those are good points. How many times have we heard these great announcements about all the new equipment and the new things that are going to happen that are going to help our military and our defence? These are all great things to say in a budget and pronounce, but they never seem to come to light.

Once again the Prime Minister with somebody else was out somewhere in the country making this big announcement that it is all going to take place. We are cheering it, that it is what we want to happen, but it does not seem to get there. I can understand why the people in the military sitting on the front lines in places like Afghanistan are saying, "We will believe it when we see it. When they get here, we will believe it". In the meantime, it is all words, but it is in the budget.

As far as having a balanced budget, we cheer that. It is something that we said in 1993 had to happen. We pushed and pushed and finally at least the Liberals listened to us and they did get the budget balanced. Of course the taxes are higher than ever so it has been done on the backs of taxpayers, on the backs of provinces by cutting transfer payments, and on the back of the health care program which they reduced significantly in the early years to get the budget balanced.

It did not have to happen that way, but at least it is balanced. We are glad for that, but boy, it ought to be balanced. If they cannot balance a budget with the taxes that we pay in this country, then there is really something wrong.

When we look at what is taking place, we can understand why taxes have to be so high. After all, an election has not even been called and I have a list of what has happened just in the last two weeks. Is it not wonderful. The deputy leader of the government is giving \$1 million for official languages in Sudbury. An ex-Conservative member who moved to the Liberals, who ran for the leadership, was glad to pass out a \$50,000 cheque in his riding to buy bookshelves for a library. All kinds of grants have been given to different Liberal members throughout the land for renovations to old buildings or old schools, to upgrade them and make them look better.

The natural resources minister has been busy turning over thousands of dollars for archeological digs in Newfoundland. There is another \$156,000 for a unique archeology website online to promote the digs and other features of that particular region.

*Government Orders*

Another Liberal put \$35 million into his riding when he was the minister of the ACOA. He announced that there is another \$348,000 for two wharves in his riding. On April 5 an MP unveiled a \$361,000 cheque to restore a historic railway building. A couple of days later the Minister of Labour gave another \$400,000 to renovate a theatre in her home town, and another \$432,000 for an Acadian festival.

●(1605)

Out west the Minister of the Environment provided \$150,000 for the Victoria Symphony Society. The present finance minister gave \$25,000 to fund the magazine *Prairie North* in Saskatchewan.

The ex-fisheries minister managed to find \$159,000 to refurbish the historic Sinclair Inn in his riding. One colleague from Ontario was able to announce \$385,000 for job creation grants in his riding. That is fine; job creation is good.

An Edmonton MP announced \$130,000 for the Council of Indian Societies. That is great stuff. There is nothing wrong with that.

A member of Parliament from Ontario got \$64,000 for the Friends of the Macdonnell-Williamson House to hire three people and landed another \$166,000 from human resources to hire people at a food bank.

In Vancouver the former cabinet minister who in her wildest dreams saw burning crosses on the lawns of the people who live in Prince George announced \$734,000 for a youth job creation program. I would be the last to condemn anybody for these kinds of things, but I have a problem with an announcement of \$734,000 for youth job creation when I have a letter from the City of Airdrie in my riding which says that presently human resources has stopped the funding of the youth employment service program that had served the country for 20 years. The program that put young people to work every summer has been discontinued.

The city of Airdrie, one of the prettiest cities, if not the prettiest in the entire country, had 163 students and 120 businesses last year that were registered in the program. This year there is nothing because it has been cut.

I do not understand how ministers who live in these various select ridings throughout the country can pass out millions and millions of dollars for these fine things in their ridings, yet in my riding out west a program that had been going on for 20 years has been cut. Is it that the government is giving the GST money back to the City of Airdrie and now it is going to cut some other things to balance the books again? Is that what it wants to do? Does it want to give here, but take there?

The government cut the GST from the municipalities, something that never should have been there in the first place. Kudos to the government, but then it turns around and takes away this program. What is the City of Airdrie going to do? It is such a valuable program, it has worked so well to help young people to get enough cash together over the summer to continue their education that the city will fund it itself, because it is worth doing. That means a lot more money from the municipalities. How many more small towns and cities across the country are not going to be able to benefit from a good program that was once established? Why does the budget not mention that?

I am sick and tired of hearing about what we are going to do for the Indians and the reserves. We have heard for 20 years that we have to do something about the poverty and the situation on the reserves. Absolutely. Grassroots natives across the country have been crying for that for years, and this is a big announcement now in the budget about the wonderful things we are going to do? As some of the people who live on the reserves in my riding have said to me that they will believe it when they see it. It is the same old story.

I only have one minute left and I am going to get this one in if it kills me. I did not see anything in the budget about fighting child pornography, a national strategy or something that would put the police forces in this land on a good footing to fight one of the most evil things in this land, and that is child pornography. There was not one mention of it. The House unanimously passed a motion to put forward some legislation that would take care of child pornography once and for all by eliminating all defences, yet the government insists on continuing to push Bill C-12, saying there must be room for public good.

●(1610)

Public good in child pornography is a bunch of nonsense. That is a no-brainer. That is something that should have been done years ago. I cannot understand why we sit here like a bunch of idiots and allow child pornography to continue to exploit our children all across the world. It is about the sickest thing that we can see that is not happening.

We could all stand up and be cheered if we would look after our kids in that fashion. We are not doing it and I am ashamed of every one of us, to stand here and say yes to it in one day and never see it happen.

Do not tell me that Bill C-12 is going to fix it because it will not. There is still a defence in there called public good and that is a broad term. It is about time the government got off its duff and did something about it.

●(1615)

[*Translation*]

**Mr. Sébastien Gagnon (Lac-Saint-Jean—Saguenay, BQ):** Mr. Speaker, I am pleased to address Bill C-30, an act to implement certain provisions of the budget tabled in Parliament on March 23, 2004. This legislation seeks to bring about the legislative changes that are necessary to implement several measures announced in the budget speech.

This morning, I was on the highway, on my way here, and I was wondering what I would tell my constituents who are listening to my speech today on the budget. I am afraid I will disappoint them. For one thing, these people, who are paying 50% of their taxes to Ottawa, expect some tangible content in the budget, and particularly some concrete measures from the government. Today, I am sorry to have to tell them that there is not much for our riding, or for Quebecers, in this budget.

This weekend, I attended a nice event in Jonquière, a brunch where a number of people had gathered to provide help and financial support to the poor in our society.

*Government Orders*

Many people asked me what was in the budget for workers in the softwood lumber industry, for the unemployed and for those young people who want to stay in our region instead of leaving to settle in large urban centres. Again, I had no choice but to tell them the truth, namely that there are not many concrete measures in the budget to allow my beautiful region to create opportunities for the future. This would require some leverage, but such leverage is non-existent.

Health is a fundamental concern in my region, and that includes everyone, every class of citizens, every individual, regardless of their age.

Currently, Ottawa is only contributing 14.7% of the total costs. With the \$2 billion that it is investing, its contribution will stand at 16%. Ten years ago, before the Liberals took office, the federal government's contribution represented 25%.

What has happened is that in recent years they have cut back on health transfer payments to Quebec. They have impoverished the province, which must now deal with its lack of money. Instead of reducing their contribution, I think it would be necessary to increase it, in order to continue to provide the public with health care and ensure a decent quality of life and a decent level of care.

Instead, what they are doing is interfering directly in Quebec's fields of jurisdiction, and I am not the only saying this. The provincial Liberals all agree that, in fact, the federal government is determined to interfere in Quebec's jurisdiction. Why? Here in Ottawa, they have a huge surplus, but it is Quebec that needs the money. Rather than being stubborn or creating all sorts of more or less effective schemes, let them take the money and give it to Quebec, which will know how to use it.

In our beautiful region there are three main economic sectors, forestry, farming and aluminum. Two of the most important of these are affected. Not only are they seriously affected, but some families are being driven into poverty.

Let us take the softwood lumber crisis as an example. This is a major industry in our region. The region most affected by the softwood lumber crisis is ours: 2,948 jobs are directly affected by the crisis right now. Ironically, the minister, accompanied by my colleague the hon. member for Chicoutimi—Le Fjord, talked about 200 jobs. He said that the Bloc MPs make the problem look worse than it really is. That is too bad, but right now 2,948 forestry workers are directly affected by this crisis.

Instead of trying to minimize this crisis, the government should be coming up with concrete solutions. I met with representatives of the forestry industry. What they want are loan guarantees that would enable them to replace their equipment in order to move from a primary manufacturing stage to a different mode such as an entrepreneurial one, using various materials, for example in secondary and tertiary manufacturing.

In addition, we must not forget that those affected the most are the plant workers. Today, these workers cannot survive from one season to the next because they find themselves without work and without employment insurance. They no longer have the money to feed their families.

● (1620)

The employment insurance criteria also need to be adjusted to allow these workers to benefit from the important leverage that employment insurance represents.

There is also agriculture. Over the past year in particular, there have been serious problems. Hon. members will recall the closure of the Chambord plant. Capital investment was shifted to other regions in Quebec. Many farms went up for sale when farmers reviewed their accounts and saw that their income had dropped dramatically. And just recently, the mad cow crisis hit a large number of farmers in our region hard.

Once again, in the budget speech, the federal government boasted about having allocated nearly \$1 billion for the mad cow crisis. Do you know how much money was allocated for farmers in Quebec? Roughly \$50 million, which is totally inadequate and does not meet industry needs.

There was no mention—I pointed this out a few moments ago—of employment insurance. This is an important lever. Over the past few years, nearly \$50 billion, some \$46 billion was accumulated in the fund. What happened to this money? It was withdrawn and put directly towards the debt. In his speech, the Minister of Finance bragged about Canada being one of the leading G-8 nations because it has paid down its debt more quickly.

While the government wants to project a good image internationally, there are workers who are unemployed and a region that does not have all the necessary financial means that should be available to it.

Let us look at a few examples concerning seasonal workers. In my riding the reality is that blueberries do not grow when it is 25 degrees below zero. Construction work comes to a halt as well at that temperature in our region. It is not the workers who are seasonal, but the work, the industry that is seasonal. The workers need a lever that will provide relief and allow them to make it from one season to the next.

What does this mean? It would give our region the ability to continue to pursue an industry. The federal government is telling us to forget about our blueberries and find other work elsewhere or find another industry. That is not realistic. We need a lever that would help us become economically stable.

Here are some other examples. The number of hours of work required in the case of students was increased from 425 to 900 hours. Back home, the major problem is that young people are leaving the region. They are leaving to settle in large centres and find work. The Liberal federal government has an important tool, but it is not using it in the community.

We could simply take this number of hours, allow students to qualify—by doing seasonal work—and thus ensure that they have a decent income until they gain experience and make a contribution to the economic development of our region. At some point, this work will become permanent.

*Government Orders*

It is the same thing with entrepreneurship. More effective measures would allow entrepreneurs to create seasonal work and promoters to develop tourism initiatives that would also allow communities to develop a year round economy.

The overall impression is that there are many disappointments in this budget for my fellow citizens. This is a budget that missed the target. It could have been receptive to the needs of small regions. This is a budget designed for large urban centres such as Montreal, Quebec City and others.

Once again, there is little in it that deals directly or concretely with the softwood lumber industry. What is there in the budget for employment insurance? Absolutely nothing. So, I have no choice but to tell my fellow citizens that the budget is once again a huge disappointment. Voters will remember that during the next election campaign.

[*English*]

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC):** Mr. Speaker, it gives me great pleasure to rise to speak about our 2004 budget.

It is less than a month since the finance minister told Parliament what he would do for Canadians, but already it is a distant and fading memory for most of us. Why? Because it was so lacklustre, so uninspiring and so void of vision that it failed to set a new course for the Prime Minister.

Canadians had many hopes for this Prime Minister. They hoped that he would be different, better and more in tune with our needs and concerns, but it seems not. The budget failed. It failed to help those in need and it failed to provide a sense of direction for the government and for the country as a whole. In fact it only proved how much the change in the Prime Minister's office was merely symbolic. It has proved that the government, after a decade of absolute power, has become lost and ineffective.

The Prime Minister has proved that the budget was no more than a blank page as most funding announcements have come out in the weeks since.

Many of the problems highlighted in the speech are a direct result of mismanagement by the government. The government has made the mess and now it wants Canadians to crowd around it to watch it clean it up.

Creative funding schemes to students would not be necessary if the government had not gutted the education transfers to the provinces in the 1990s. Instead of creating bureaucratic programs that support students via a piecemeal approach, why not just restore the funding that was cut by this Prime Minister?

The same goes for health care. Instead of having photo op conferences, why not just restore significant health funding to the provinces to replace the \$25 billion that the Prime Minister cut before?

The government has perfected the art of making simple into the complex. Unfortunately, it is the Canadian taxpayer who has to fund this short-sighted trial and error approach. Instead of cutting taxes for the working poor, the government wants to add extra layers of expense by sending out rebate cheques. Instead of making the hiring

of additional employees affordable, the government taxes small business into bankruptcy.

The EI fund is perhaps the largest scandal we have, but it barely registers on the front pages. The government in every city on every day with every worker takes more taxes than it needs to. Then when those workers lose their jobs, the same government that has robbed them turns around and denies them the benefits they are forced to support.

Why did the finance minister not rise up and correct the overtaxation problem in his speech? The Auditor General has highlighted this overtaxation and so has the opposition and so have businesses, small and large, and so has every worker who has to pay into this over inflated program.

We have called on the government to correct this problem, but obviously all such requests are falling on deaf ears. The government has had 11 years of governing with a significant majority and still these problems exist. If it has not done it by now, we can fairly conclude that it never will. It has had 11 years with a majority government. What have the Prime Minister and Minister of Finance been waiting for? Why are they stalling?

The Prime Minister and the Minister of Finance personally have the economic means to wait for better government, but most Canadians do not. Statistics continually show that the poor, including the working poor, continue to become poorer every year. My colleague has mentioned that 105 million children are living in poverty in Canada. That is shameful.

The income gap is growing and those who are at the bottom cannot afford to wait for better government. They need help today.

Students struggling under a ballooning debt load need to see light at the end of the tunnel. They need relief now.

• (1625)

Dual income, working poor families need tax relief today, not on next year's income tax return. They need to buy groceries every week, not just the week that the GST tax refund comes in. Let us leave the money in the pockets of those who need it most.

Our seniors, for example, have been ignored and neglected for far too long. Their pensions should be indexed to keep up with inflation and to maintain their purchasing power. Our seniors need proper medical attention today, not in six months or longer. For someone with a shrinking life expectancy, two, three, four years of waiting is a cruel joke. By the time this summer's health meeting finishes, it will have been almost two years since the Romanow report was completed. Based on the government's record, we might be able to expect results no sooner than 2006.

We as Conservatives would fund health care in a responsible, transparent and accountable fashion that would lead to shorter waiting lists and better standards across Canada.

*Government Orders*

A Conservative government would bring the much needed reforms to the finances of the country. We would begin by ensuring that those needing help would be at the front of the line, not Liberal donors. We would focus spending on the core responsibilities of the federal government, instead of handing out ineffectual cheques on wasteful and dubious projects. We would heed the advice of the Auditor General and end the overtaxation of working Canadians in the EI fund. People earned their money and they deserve to keep it. We would stop playing favourites with regions and political friends. We would ensure government spending met with the higher standards of scrutiny and accountability.

A Conservative government would have a long term vision for Canada, which would focus on things like debt repayment and program sustainability. A quarter of all government spending goes to debt servicing. If 25% of people's income went to just paying interest on their credit cards, what would be one of the first priorities? Imagine how wealthy the country could be if we had 25% more money in our federal budget. Soon Alberta will be debt free and we will see what a difference that will make the lives of the citizens who live there.

A Conservative government would provide all Canadians with a predictable, stable, well planned future for Canada. When Liberal monetary policy basically consists of political favours and crisis control, we all lose. In my riding of Saskatoon—Rosetown—Biggar, we expected more and were disappointed with what we heard. We expected more and got less.

Before I end my speech, I would like to comment on the post-budget campaign tour being conducted by our Prime Minister and his cabinet. These campaign announcements and photo ops are costing taxpayers ridiculous amounts of money. When the Prime Minister came to Saskatoon to save his party's reputation, it cost taxpayers approximately \$22,000 one way. That \$22,000 was the cost of the jet alone. It did not include staff, hotels, security, audiovisual equipment and other related costs.

The median family income in my riding is \$36,000. It is easy to see why my constituents are not pleased or impressed with the presence of the Prime Minister. Just think about it. Several families in my riding work 50 weeks or more at one or more jobs, being paid low salaries for an entire year just to be graced by the Prime Minister for a few hours. I am betting they would have appreciated a reduction in their taxes a lot more.

One definitely cannot feed a family of four on a front page photo op. It is time our high flying cabinet acknowledged the real cost of its taxpayer funded pre-election campaign. Maybe it just needs to be reminded at the poll.

• (1630)

[*Translation*]

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, I am pleased to take part in today's debate. It will not come as a surprise that we stand against the budget implementation bill. I have already expressed my concerns about the budget, just like the Bloc Québécois has. We rejected the budget the very night it was tabled. Now that we have the budget implementation bill before us, we have to be consistent with our initial position and reject it, probably for the same reasons I mentioned when we were dealing with the budget.

I could raise a lot of issues, but we only have 10 minutes at this stage of the debate. Therefore, I will focus on four major issues, beginning with health care.

Health is a big concern for Quebeckers and Canadians alike. With everything that is going on, Quebec feels stifled. Everybody recognizes and acknowledges that health care is a provincial jurisdiction. At first, the government told us, "We will help you because we feel we have a role to play". At the time, the federal government was providing the provinces with 50% of the cost of health care services, which means that 50¢ on every dollar invested was compensated by Ottawa through transfers. The government of Quebec could very well manage with that, as the rest of the provinces.

Unfortunately, as time went by, the federal government withdrew from health care, but started interfering more and more with the established conditions the provinces have to meet to get the money.

No later than last year we were at 16%, which means that the federal share of health care spending went from 50¢ to 16¢ on every dollar. The Romanow commission did a very good study of health care. We agree with it on some things, and less on others. However, regarding the federal participation, it recommended that it be increased from 16¢ to 25¢. I do not have to tell you that Roy Romanow is not a sovereigntist, but a great federalist. The fact that he says there are problems is very significant.

Unfortunately, what happened with this budget is that we have gone from 16¢ to 14.5¢. The Romanow commission said that we were at 16¢ and that that had to be increased to 25¢. However, the finance minister came forward with a budget bringing it down to 14.5¢. For every dollar invested in health care only 14.5¢ will come from the federal government. We are heading in the wrong direction, and the provinces and Quebec are being strangled.

There is another point I want to stress, namely employment insurance. Employment insurance concerns people who are vulnerable. People who find themselves unemployed, who are told they no longer have a job, have a safety net they can rely on, namely the employment insurance plan. Unfortunately since the Liberals came to power in 1993 there have been several reforms and every single one of them has tightened up eligibility to employment insurance for those who lose their job.

Not only did they tighten up eligibility, but conditions as a whole have been restricted, reduced and rolled back. There was a time when unemployed workers were entitled to 60% of their salary. Now, it is only 55%. They were entitled to a certain number of weeks of benefits, but that number has now been lowered.

*Government Orders*

The federal government has accumulated a \$45 billion slush fund since it introduced all these reforms. That money has not been used to help people or as a safety net. In fact, due to this tightening up of eligibility criteria, only four persons out of ten are now eligible to employment insurance whereas in the past seven or even eight were.

Thus, the government found itself with a \$45 billion pot of money and paid its debt with this amount. Consequently, employers and employees are paying for the government's debt. This is a little unfair, because the government used to put 25% of the money into the employment insurance fund. It has withdrawn and no longer pays one cent. The only thing it does is legislate reforms that ensure there are more and more restrictions for people.

There is also another aspect relating to this issue. The CTC has conducted a study in each riding. In the riding of Saint-Jean, we have been losing \$33 million a year since 1993.

•(1635)

It goes without saying that, when people receive their EI benefits, cash this money, get a little money from the EI fund, they do not invest it in Barbados, as the Prime Minister is doing. They buy food to feed their children and their families. They pay for housing and clothing. These are not rich people; these are middle class people who do not have any income.

Some have contributed to the EI plan their whole life, but when they go to the EI office, they are told, "We are sorry, but you do not have enough hours. You do not qualify, so you cannot have any benefits". This causes losses in a region such as mine. It causes losses in all the regions of Canada, and the federal government is giving up to some extent, when it comes to supporting local economies.

We may say what we want, but \$33 million is a lot of money in a riding such as Saint-Jean. It is too bad that these people have to rely on a service provided by the provinces, that is social welfare, where conditions are even more restrictive.

Thus, there is a major problem with the EI fund. It is the same for the guaranteed income supplement.

Six months ago, I launched a campaign to try to locate 1,100 people in Saint-Jean who were entitled to the guaranteed income supplement and whom the government kept in the dark for so many years. Through contacts and newspaper ads, we managed to find 400. Another 700 are still out there. We have just launched another campaign to find these people, because seniors are an extremely vulnerable group. They no longer have an income. They depend solely on a safety net called the old age pension. However, it is not enough for most of them. If they earn less than the amounts set out in the legislation on the guaranteed income supplement, they should be entitled to it.

The problem is that the government is not telling them they are entitled to it. It would be so easy to tell them. The government could take their income tax return from the previous year and tell them, "Oh! You did not earn sufficient income, so you automatically get the guaranteed income supplement". But, that is not what the government is doing. People have to realize they are entitled and apply to the government for it.

This causes certain problems, because not everyone in that generation went to university. Probably 1% or 2% of that generation was able to attend university, not because they did not want to go, but because they did not have the means and their families often made them work in the family business. That is how they spent their lives.

Since the government has kept silent and ensured that these people did not receive this money, it saved \$3.2 billion over eleven years. I received calls from people we located. They cried into the phone saying, "For the first time, Mr. Bachand, I will be able to give my grandchildren presents on their birthday this year". These people built our society, and the only thanks they get today is a meagre old age pension, when they could probably earn twice as much and have a better life.

Consequently, the same thing goes for the guaranteed income supplement. There is nothing in the budget. There is nothing about the possibility of retroactivity. On the contrary, there is total silence, the *Silence of the Lambs*.

The fiscal imbalance issue is another matter. It is estimated that Quebec is being shortchanged to the tune of \$50 million a week because of the fiscal imbalance. Studies have been commissioned on this, and they have been done by none other than Mr. Séguin, who is now Quebec's finance minister. What does the concept of fiscal imbalance mean? It means that the provinces are receiving less money. In Quebec's case, the shortfall is \$2.5 billion, and that amount goes right into the federal coffers.

If only the federal government ran its business properly. But no. We have just had the sponsorship scandal, where hundreds of millions of dollars were handed over to friends of the governing party. The government has just realized that money went missing in the EI fund at one point in time, as you will recall, Mr. Speaker, and no one knew where one billion dollars had gone. I was talking about that a minute ago.

We also have a gun registry program. Initially, it was supposed to cost \$2 million a year, but we are now at \$2 billion, and counting. There are plenty of examples of mismanagement by this government. It is often because the government has too much money.

The focus in this budget should have been to help the middle class. Tax reductions should have been targeted to these taxpayers. They are the ones in need of help right now. But there were no tax cuts. Government members keep talking about \$100 billion in tax cuts over five years. Nobody has seen the colour of that money yet.

•(1640)

I will conclude the same way I started, by telling you this: it should come as no surprise that the Bloc Québécois opposes the content of this budget. Obviously, we will oppose the implementation bill as well.

*Government Orders*

**The Acting Speaker (Mr. Bélair):** Before we continue the debate, pursuant to Standing Order 38, it is my duty to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Sherbrooke, Environment.

[*English*]

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, I am pleased to rise today to make a few remarks regarding the budget. I should say that I am sharing my time with the member for Ancaster—Dundas—Flamborough—Aldershot.

• (1645)

**The Acting Speaker (Mr. Bélair):** I am not sure you can share your 10 minutes unless you ask for unanimous consent, because we are into 10 minute speeches. The hon. member for Blackstrap for 10 minutes.

**Mrs. Lynne Yelich:** Mr. Speaker, a budget was released recently in my Province of Saskatchewan. When I was reading about the provincial government's financial plan, I noticed a line written by one of our local columnists and it made a lot of sense to me. He said that budgets are all about choices. That is so true.

By making those choices, the government's preparation of a budget also sends a series of messages about its priorities, values and sense of responsibility.

The federal 2004 budget sent some very serious messages to the people of my riding in Blackstrap and across Canada. The message that the government wanted to convey was that its days of scandal and irresponsible spending were over, that taxpayers could rest easy knowing their money was in safe hands and would be monitored.

What Canadians heard was that program spending had jumped to record levels while we remained saddled with ineffective money pits such as the gun registry, EI surplus, and ever emerging stories of corruption, abuse and scandal.

In his address this morning, the finance minister's parliamentary secretary mentioned his government's commitment to helping communities overcome some of the challenges that they face: roads, affordable housing, public transit, safe neighbourhoods and ample green spaces. He said the federal government was starting to respond to those needs and yes, offering a full rebate of the GST is a beginning. It will put some money back into the coffers of communities large and small, but it is not nearly enough to help provide necessary infrastructure.

Roads, sewers and waterworks are all large ticket items essential to maintaining our standard of living. A couple of thousand dollars in GST rebates will not buy a lot of waterline in a rural community. So we turn to the municipal rural infrastructure fund which will now be spent over five years rather than ten. This will provide some money in the short term, but it does not fit into a predictable, stable, long term plan.

What is not included in this implementation discussion today is the matter of the federal government sharing its gas tax revenues with municipalities. The billions of dollars in fuel tax collected by the federal government each year would go a long way toward helping communities achieve some of their infrastructure goals, certainly more than limited GST dollars. We have heard that

transferring fuel revenue to other levels of government is a complex task, one that could not possibly have been implemented in time for the budget. Maybe so, but this is not a new request.

My party, and its predecessors have been calling for a fuel tax revenue sharing plan for a long time. Municipal leaders have been pleading for help, watching their communities crumble under the burden of increasing responsibilities, many of those downloaded from the federal level, without the proper resources and tools needed for their proper delivery.

Agriculture is another area of particular interest in my riding and it has been largely ignored by the budget. Farmers and producers in the west have been reeling from drought, grasshoppers, subsidy wars, trade disputes, BSE and most recently a financial hit in the provincial budget. Where has the government been?

A multimillion dollar package was thrown at the cattle industry to help cope with the BSE crisis, an on-going crisis I might add, but this money is long overdue. Farmers needed those dollars months ago, not just when the government thought it would be politically expedient to offer a handout.

What assurances can the government provide that the money will go to the people who really need it, to the farmers trying to hold on to their land, businesses, homes and livelihoods.

It seems that regardless of the intentions behind various packages the bottom line for farmers has not changed for the better. In Saskatchewan, in fact, we are dealing with huge negative farm incomes. Agriculture is the mainstay in the economy of the west and throughout Canada. Programs of funding must be managed wisely and effectively for all of our benefit.

• (1650)

The budget also dealt extensively with the future. One element of that future is the education of our young people. Unfortunately, post-secondary education is slowly becoming an elite only privilege in Canada. Lower income students who face the high cost of tuition, books and costs of living, emerge from school with huge debt, often as much as a mortgage and complete with interest.

Ideally, these new graduates would land a stable, high paying job immediately and begin the long process of paying down that debt. However, it is not an ideal world and in our economy graduates may find themselves out of school, out of work and out of money.

*Government Orders*

The government's initiative to alter the Canadian student loans program said it would be easier to borrow money. To borrow more money does not address this problem. On a more positive note, the budget allows for the creation of a learning bond to encourage low income families to save for their child's education and the enhancement of the Canada education saving grant that will be enhanced for low and middle income families.

I congratulate the government on these measures which, if implemented properly, will reduce some barriers for access to post-secondary education. At the same time I have to consider some of the other promises that the government has failed to fulfill, including providing only half of the \$100 million a year promised for grants for needy students, and missing its targets on interest relief.

I have only addressed three components of this budget. We have heard about other parts today. The bottom line is that it is the government's right to implement the budget it has prepared.

However, it is imperative to remember it is Canadians who fund these initiatives and it is Canadians who will either benefit or be hurt by how their tax dollars are managed and how their tax dollars are spent.

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, CPC):** Mr. Speaker, it is a pleasure to rise in this debate because it is important on the opposition side to point out not just negatives in a document like the budget, but also positives even when those positives fall far short of what could be done by the government.

I would like to comment on the provisions in the budget pertaining to charities and draw the attention of the House to a very important rule change that has occurred in the budget pertaining to the 80% disbursement rule.

The House will recall that in 1996 I did an MP's report on charities called "Canada's Charities: A Need for Reform". It was a litany of all kinds of shortcomings in the oversight of Canada's \$90 billion charity industry comprising some 80,000 organizations. I regret to say that the government has always been terribly slow to respond to the great number of recommendations that I made in that report.

One of the most important recommendations was the observation that the 80% rule, as it existed up until this budget, was extremely flawed. What it said was that all charities had to spend 80% of their tax receiptable donations on charitable activities. That sounds wonderful, but what it really means is that only a tiny percentage of a charity's income—that income that pertains to tax receiptable donations—actually has to be spent on charitable activity.

In fact, charities and charitable foundations were transferring funds to other charitable organizations and those charitable organizations did not have to use any of that money whatsoever on charitable activity. Often there were situations where a charity would get the main portion of its funding from another charity, like the United Way for example. It would amaze members to know that up until this budget, charitable organizations receiving money from the United Way did not have to use any of that money on charitable activity, none whatsoever.

After eight long years of billions and billions of dollars of abuse by many charitable organizations, the government has finally

plugged part of the loophole in this budget. It has said that any transfers coming from one charitable organization to another charitable organization are covered by the 80% disbursement rule. So, when the United Way gives money to a small charity, that small charity must spend 80% of that money on actual charitable activity, not on paying salaries, not on administration, but actually on the charitable activity.

I regret to say, Mr. Speaker, that having taken a fine first step, the government did not take the second step. That second step would ensure that all transfers to charities are subject to the 80% rule because the majority of transfers to charitable organizations, particularly hospitals, for example, or any large charitable organization that is providing social and medical services, most of the money that they receive is from government.

The difficulty is, if the 80% rule does not apply to the money received from government, that large charities like hospitals, which are a classic example, could spend all kinds of money on salaries and administration rather than on caring for the sick and the injured or paying doctors salaries. Thus we have the situation where large hospitals like the Hospital for Sick Children in Toronto pay a CEO \$500,000. This is the kind of abuse that is possible because hospitals are not under the 80% rule when it comes to spending government money.

I would like to make the observation that the Prime Minister has suggested that he wants to put more money into health care and he wants to make it conditional on that money being used properly. All he has to do is to make hospitals subject to this 80% rule so that when they receive money from government, they have to use 80% of it on providing charitable activity.

Mr. Speaker, the other aspect of this problem is that there were many other opportunities that the government had to increase transparency of large and small charitable institutions. It is all part of a package. It has made one very important step.

● (1655)

It is providing in the budget access of the public to the financial statements of charities. Never was that opportunity in existence before. What would happen is that if we wanted to find out a charity's spending practices, the only access we had to any kind of document that described those spending practices was the T-3010 form, which can be filled out by anyone. There is no requirement that an accountant do it. It is a simple form that provides minimal information.

So the prospect, particularly with large charities where they have to present a financial statement to their boards of directors and their boards of directors demand that a chartered accountant or public accountant or some qualified person examine these financial statements, the fact that these are now going to be available to the public is indeed a very, very important step, and I am very glad to see it. But again, the government has failed to take advantage of the opportunity to spread the transparency around so that we can see into these large institutions that are spending mostly government money.

*Government Orders*

I proposed in 1997 that large, non-profit organizations and charities come under the Canada corporations act so that there are the same standards of corporate governance that apply to all charities, to all organizations that use public funds, particularly, again, large hospitals and large institutions that provide social and medical services.

I regret to say that there are no standards of governance across large institutions like the Cancer Society or any of the large hospitals. I would suggest that if they were committed to the same type of standards of governance and transparency that exists in the Canada corporations act for for-profit organizations, we would see enough into those organizations that we would be able to see the management inefficiency. We would see the kind of nepotism that must exist in any large institution that does not have oversight. And if we could see that, we would correct it and there would be a huge saving to the taxpayer.

We do not have to put more money into health care. All we have to do is put in a regime of transparency and accountability, a real legislated regime, not just hope and smoke and mirrors. This has been on the agenda. I have been talking about this particular issue for seven years now. Seven years and there has been no progress other than a small crumb: that the financial statements will now be available from large charities. This is not good enough.

I despair. We work very hard on these things and it does not matter what side of the House we are on. I tried very hard to get this agenda forward. I thought I was making progress a few years ago, but what did the government do? It went out to the charitable sector and asked them what they thought. And so the voluntary sector round table and various other charitable organizations and institutions, and sometimes the very people, the very individuals I criticized in my report for failing to live up to their obligations of transparency and accountability, became the advisers to government.

And so we see in the budget document that credit is given to the charitable organizations that advise the government to do the least possible.

Mr. Speaker, that is what it amounts to. Sometimes we really, really wonder around here, when politicians spend years working on a problem and develop expertise and they cannot be heard by their own government.

So yes, Mr. Speaker, progress has been made, and I am delighted to compliment any small move forward in this file, which is worth billions of dollars and affects the lives of countless Canadians. Any small move forward is a positive thing, Mr. Speaker, but this is yet another, another opportunity lost.

• (1700)

**The Acting Speaker (Mr. Bélair):** Is the House ready for the question?

**Some hon. members:** Question.

**The Acting Speaker (Mr. Bélair):** The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the amendment will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** There is a request from the chief government whip to defer the vote until 3 p.m. after question period tomorrow.

\* \* \*

[*Translation*]

#### CANADA NATIONAL PARKS ACT

**Hon. David Anderson (Minister of the Environment, Lib.):** moved that Bill C-28, an act to amend the Canada National Parks Act, be read the second time and sent to a committee.

**Hon. André Harvey (Parliamentary Secretary to the Minister of Natural Resources, Lib.):** Mr. Speaker, I am pleased to speak on behalf of the minister and on behalf on my colleague, the Parliamentary Secretary to the Minister of Environment and member for Beauharnois—Salaberry, who is working elsewhere today.

It is interesting to have the opportunity to speak to Bill C-28, when we know quite well that an extremely important round table is being held today, whose purpose is to make every effort to ensure that the first nations can control their development even more efficiently in the future.

As you know, in cooperation with the provincial governments, the Canadian government is trying to expedite the implementation of a series of agreements that will enable the first nations to take control of their own development, to make their own strategic choices and to have a greater ability to respond to the extremely important needs of each of their communities. Already, 14 agreements have been signed and 70 are being negotiated throughout the country.

Today, it is an honour to have the opportunity to address Bill C-28, which amends the Canada National Parks Act. It is obviously a privilege for me because of the context, as I just pointed out, of the withdrawal of lands from Pacific Rim National Park Reserve of Canada and Riding Mountain National Park of Canada for the purposes of Indian reserves.

*Government Orders*

My speech is addressed to all my colleagues in Parliament and all Canadians, and will focus on the Government of Canada's commitment in the recent throne speech to improving the quality of life of aboriginal Canadians. I believe that, if the quality of life of our aboriginal fellow citizens improves, the quality of life of all Canadians improves as a result. This is the purpose of Bill C-28. Several agreements have been signed already and several dozen more will be signed in coming months.

I would also like to remind my colleagues that this bill will not create a precedent for other national parks. These are unique circumstances we must collectively consider. The changes relating to the withdrawal of lands are for the purpose of improving the housing shortage on the Esowista reserve of the Tla-o-qui-aht first nation. In the case of the Riding Mountain National Park, they will correct an error in the wording of the legal description of the ceded lands, in compliance with a specific land claim.

As for the Esowista reserve, when Pacific Rim National Park Reserve was created in 1970, it completely surrounded the seven-hectare parcel of land occupied by the Esowista reserve of the Tla-o-qui-aht first nation since 1889. At the time, Esowista was changing from a seasonal fishing camp to a permanent residential community.

The Government of Canada recognized that a larger site would eventually be required to meet the needs of the Esowista community. Over the years, population growth strained the capacity of the Esowista Reserve and problems with water quality and sewage disposal emerged.

As a result of negotiations between the Tla-o-qui-aht first nation, Parks Canada, and Indian and Northern Affairs Canada, the Canada National Parks Act will be amended to remove 86.4 hectares of land from Pacific Rim National Park Reserve to expand the Esowista Indian Reserve.

The withdrawal of this land will address acute overcrowding in Esowista, allow infrastructure improvements to remedy sewage disposal and water quality concerns, and support the development of a model community that will exist in harmony with the national park reserve. This land represents less than 1% of the park's total land base.

• (1705)

Withdrawing this land from the territory now occupied by the park will only slightly impact the ecological integrity of the park and will allow us to meet the needs of the Tla-o-qui-aht First Nation.

With respect to Riding Mountain National Park and Reserve No. 61A of the Ojibway Keeseekoowenin First Nation, in 1896, a parcel of land on the north shore of Clear Lake in Manitoba was allocated for the establishment of a reserve named "Reserve No. 61A" for use by the Ojibway Keeseekoowenin First Nation as a fishing camp.

The site in question was located inside a Dominion timber reserve. In 1929, when Riding Mountain National Park was created, it took in most of the Dominion timber reserve and of Indian Reserve No. 61A. The Ojibway Keeseekoowenin First Nation was relocated to another site outside the national park. In 1994, an agreement for the settlement of the specific land claim was signed between the Ojibway Keeseekoowenin and Canada and Reserve No. 61A was restored. In 2000, most of the lands in question were removed from

the Riding Mountain site when the Canada National Parks Act was enacted. However, because of a mistake made during the preparation of the official instrument removing the lands in question, a five-hectare tract of land was omitted and remained within the park's boundaries.

Therefore, the Canada National Parks Act will be amended in order to restore Reserve No. 61A of the Ojibway Keeseekoowenin nation in its entirety, and in order to correct the mistake made at the time.

Removing 86.4 hectares from Pacific Rim National Park Reserve will not unduly detract from the objectives of ecological integrity for the park because the Tla-o-qui-aht First Nation has promised to cooperate with Parks Canada to ensure long term protection for the natural and cultural resources of the lands in the park surrounding the Esowista reserve.

These lands represent less than 1% of the total land area of the park reserve.

The environmental assessment concluded that very little old growth forest would be lost since a good portion of the area that would be affected by the development of Esowista had already been logged before becoming a national park reserve. There will be no direct impact on the unique or rare habitats or on the peat bogs or other types of wetlands. Other sites with high natural values will not be greatly affected. There will be no indirect impact on the species designated by the Committee on the Status of Endangered Species in Canada and no significant negative impact on the land use by the community, and whatever impact there is will be maintained at an acceptable level thanks to proven technologies and good land management strategies.

The Tla-o-qui-aht first nation and the Department of Indian and Northern Affairs have committed to use the land in a way that would respect the ecological integrity of the park. Also, several measures will be taken to help promote the sustainable development of the park.

The management of the lands to be withdrawn from the Pacific Rim National Park Reserve will be based on the guidelines for model communities developed by the Canada Mortgage and Housing Corporation.

Parks Canada will review the master plan for the site and then submit it for approval to the Department of Indian and Northern Affairs. Also, each individual project will be subject to an assessment pursuant to the Canadian Environmental Assessment Act.

To provide proper protection to the lands adjacent to the park, a \$2.5 million mitigation fund will be provided to Parks Canada by the Department of Indian and Northern Affairs.

• (1710)

It is expected that this money will be used over 10 years to monitor the impact of community use, conduct related research and implement the required mitigation measures.

*Government Orders*

The projects include the monitoring of wildlife movements, to prevent conflict between wildlife and humans; and conduct research on possible mitigation measures, such as wildlife enclosures, as well as community education programs.

Concerning the five hectares to be withdrawn from Riding Mountain Park, this is a requirement from the 1994 specific land claim agreement. I can reassure Canadians that this amendment to the Canada National Parks Act has no environmental impact.

What is important in this kind of agreement is public support. Concerning this reference, consultations on these initiatives indicate wide public support.

Several stakeholders have expressed their support for the withdrawal of land from Pacific Rim Park. Among these are the first nations involved, first nations provincial groups, local, regional and provincial levels of government, as well as non-government environmental organizations, for example, Greenpeace, the Sierra Club, the Western Canada Wilderness Committee, the Friends of Clayoquot Sound and the Canadian Parks and Wilderness Society.

All parties concerned view Esowista as a unique situation, and support the need to make sure that members of the community stay together, and to provide lands for residential and similar purposes.

I thank them for their support and I can reassure Canadians that the withdrawal of lands will be closely monitored to ensure the ecological integrity of the Pacific Rim National Park Reserve of Canada.

As far as Mount Riding is concerned, a public advisory body on the implementation of the park master plan is made up of about 25 groups of stakeholders.

Since 1998, information on the return of these lands to the First Nation Ojibway Keeseekoowenin has been provided on a regular basis and the advisory body has been in favour of these activities.

One of the priorities in Parks Canada's recent ministerial plans has been to strengthen relations with native communities.

Strong community relations are the basis for a wide range of formal and informal agreements that can advance our common interests. The bill reflects this priority.

I am confident that this transfer of park lands will help meet the needs of treaty negotiations and will create a better working climate with both native communities.

I would like to warmly salute the Government of British Columbia for its support of this initiative regarding the expansion of Esowista. This collaboration is key to the withdrawal of lands from Pacific Rim and their transfer to the Department of Indian and Northern Affairs for the needs of Indian reserves.

I urge every member of the House to join me in supporting Bill C-28 so we can keep our commitments and improve the quality of life of aboriginal Canadians.

• (1715)

[*English*]

**Mr. Bob Mills (Red Deer, CPC):** Mr. Speaker, I would like to make it clear that we are not opposing the bill but I do want to make

some comments about the nature of how this is being presented and what we would like to see happen. The bill is at second reading and after second reading it will go to committee. In committee we will have the opportunity to ask the many questions that need to be asked about making a piece of park land part of a reserve. Just the thought of it philosophically would cause a lot of Canadians' ears to perk up and they would ask what we mean by taking a national park out of existence, particularly one located in such a critical part of British Columbia on the island, which so many tourists visit in a year.

We are talking about two things. As I have had it explained to me, we are talking about a surveying problem in Riding Mountain National Park. A surveying mistake was made some years ago and correcting that mistake is part of this parks bill. Obviously, from the information I have received from the authorities at Parks Canada, that makes sense. If a mistake was made, we should correct it. That is the first issue.

The other issue, which is more important, concerns the Pacific Rim National Park. It contains a very unique piece of topography on Vancouver Island and is visited by many people and in increasing numbers. The National Parks Act says that national parks are set aside for the enjoyment of people today and in the future, for our children, our grandchildren, and future generations. What is now being proposed is making 84 hectares of that park part of the Esowista reserve.

This requires very careful deliberation and a full understanding of what that issue really is. We have to ask, are we starting down a slippery slope? Across the country there must be many other national parks and parts of national parks that other groups would say should be taken away from the park for some other use. The first question we have to ask is how important is it to us that we maintain these national parks, that they stay forever, that they cannot be touched, that no one in the House or anywhere else can change that designation.

I also want to talk about the method by which this whole bill has been introduced. First of all, our office was contacted one day before the bill was tabled in the House. In fact, tomorrow is the technical briefing on which we base our decision to support or not support the bill. The technical briefing is tomorrow so that I can give the speech today. If that is not a blatant abuse of the parliamentary system, of me as the senior critic for the environment, of you, Mr. Speaker, of the entire House, I do not know what is.

*Government Orders*

As well we say that we have done consultations and we know that this or that group as was mentioned support it. I have to question that as well. I have been part of public hearings before. On Kyoto for example, 14 meetings were held across the country. The only problem was that only invited guests were allowed to attend. The media was not allowed to attend. The official opposition environment critic was not allowed to attend. Only after really pushing the issue, I received an invitation, provided that I did not talk. That is not public consultation.

● (1720)

Sending the bill to committee is obviously the right thing to do. In that committee we need to hear from people. We need to honestly find out what the public really thinks. Canadians need to be engaged in the issue if they care about parks and the Pacific Rim National Park, and only then should we proceed, instead of at the eleventh hour ramming it through the House.

We were asked to approve all readings of the bill in one day with no public hearings, no committee, nothing. We were asked to sit here and ram it through in one day. With the agenda we have been following here, I hardly see why at this point we should be willing to do that. It is not fair to future generations, if nothing else, let alone Canadians who enjoy that part of the world right now. That shows again the contempt the government has for this process. It wants to ram the bill through.

What would we hear if something went wrong or if some other groups got wind of this and found out we had rammed the bill through? Guess who would have been to blame for that. We all know who it would be. It would be the critic. It would be the official opposition who did not do due diligence in sending the bill to committee, holding public hearings, bringing in expert witnesses and maybe looking at the site so we are more familiar with it. Only then should an intelligent and informed decision be made in the House.

Let us look at the memorandum of understanding. Clause 9.1 states, "This understanding does not create legally binding obligations on the parties". They are not legally binding on the government or on the reserve? What does that mean? If they are not legally binding, why are we debating this? What are we doing?

Does that mean the government could decide to take back that piece of park because it is not legally binding? Instead of some of the agreements that have been made with the reserve, could it decide to build a casino? A lot of tourists go there and there will be a lot more in the future. What does the statement, "This understanding does not create legally binding obligations on the parties" mean? We need to ask that question. We need to look at the legal aspects of signing something like that.

Clause 9.3 is a little disconcerting, too. It states, "Nothing in this understanding is intended to, nor is interpreted so as to create, recognize, affirm, limit, abrogate, derogate or deny aboriginal rights, including title or treaty rights". What does that mean? Does it mean that this annexation will not be part of a future land claim? I think that is what it means, but why should it not be if in fact that is what it is?

Again that is a major question on which we need expert advice as to what it means. I think I know what it means, but for those of us

who are not lawyers, what do those words mean and what are the implications in a court of law when someone challenges that particular piece of information?

It is also interesting that we heard it is appropriate that the bill is here today because of the conference that is going on. Twenty ministers over there are bragging about Bill C-28 and saying, "Look at what we did. We took away parts of two parks and we fixed the problem". That is not the way to govern the country. That is a hodgepodge. That is a fly by night operation. Something as important to many Canadians as our national parks should not be treated that way. It is fine for them to list the groups that support it, but are there any opponents? There are no opponents listed.

● (1725)

Does no one oppose taking this park out of being a park? I can hardly believe that. During the many opportunities I have had to speak in a number of ridings in British Columbia, I cannot believe there is not one environmentalist somewhere who has said he or she wants the parks preserved.

I cannot believe it is the Conservative Party that is standing up for parks and the environment when it is the government that brags about it. We have a minister who constantly goes across the country saying that the sky is falling and that he cares, they care and they do this and that, but in reality, this country has only slipped in its environmental standing and in its care for the environment.

We hear lots of talk but we see no action. When we finally do get some action it seems to go totally contrary to these preservers of the environment, these caretakers of the future generations that we hear Liberals talk about.

I could go on and talk about the details of the bill but I obviously am not able to do that at this point because we will be having the technical briefing tomorrow. After the technical briefing tomorrow we may have a lot more technical information that we could talk about when the bill comes back. At this point let us send it off to committee where it can be examined. The committee will do what is right and then make a decision on what Canadians want us to do on this bill.

[*Translation*]

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, I would like to inform you that the Bloc Québécois agrees with the principle of Bill C-28. There is no other choice but to agree with the amendments on reserve 61A of the Ojibway Keeseekoowenin First Nation in Riding Mountain National Park, because the federal government is just correcting an unintentional mistake made in the past.

Amendments in the bill recognize a long-standing need in the area of Pacific Rim National Park and correct a mistake concerning Riding Mountain National Park. This will help the first nations involved to better meet the needs of their communities.

*Government Orders*

Of course, the Bloc Québécois is still interested in the self-government and land claims of first nations. It recognizes first nations as distinct nations with a right to their own culture, language, customs and traditions, and a right to make their own decisions about how to develop their identity.

• (1730)

[*English*]

**Mr. Raymond Simard (Saint Boniface, Lib.):** Mr. Speaker, I too am pleased to participate today in the second reading debate on Bill C-28, an act to amend the Canada National Parks Act, to remove lands from Pacific Rim National Park Reserve of Canada and Riding Mountain National Park, which is in my home province of Manitoba.

The national parks of Canada represent not only Canada's heritage of magnificent, inspiring physical landscapes, they are also ancient cultural landscapes. Many of our world renowned national parks are the traditional territories of aboriginal communities whose living histories predate Canada by several millennia.

In the same way that non-aboriginal Canadians take exceptional pride in their national parks, aboriginal Canadians also want to feel that national parks are important and relevant institutions for their peoples and cultures. As do Canadians in general, aboriginal communities want to be meaningfully consulted and to participate in our national parks planning and management. They want to see their ancient and present day cultures accurately and respectfully portrayed in park information and interpretation programs. They want to see that sacred sites are protected and that traditional ecological knowledge is reflected in resource conservation and management decisions.

Parks Canada has worked to improve relationships with aboriginal communities focusing on two related efforts: making national parks relevant to aboriginal Canadians and making the cultural landscapes of national parks known to all Canadians, thereby giving them an opportunity to learn and appreciate the peoples and the cultures they are visiting.

Pacific Rim National Park Reserve has taken significant strides in recent years to promote aboriginal initiatives, forging relationships and making significant efforts toward the meaningful involvement of aboriginal people in the co-operative management of the national park reserve. The results have been remarkable.

By way of illustration I would like to highlight a few of the most noteworthy accomplishments. Pacific Rim National Park Reserve worked with the Ucluelet First Nation to develop the Nuu-chah-nulth Trail inside the national park. Opened in 2003, this interpretive trail provides extensive on site interpretation of regional first nations' culture, history and language.

In June, the Ucluelet First Nation will again honour the opening of the trail by erecting the first totem pole to be carved and raised in traditional territory of this first nation in 104 years, a source of great pride for this first nation community. This "welcoming" pole will greet Canadians and international visitors to the trail and to Ucluelet First Nation and Nuu-chah-nulth traditional territory. It will symbolize the long history and continuing presence of first nations peoples in the region and in the national park in particular.

On the West Coast Trail unit of Pacific Rim National Park Reserve, Parks Canada funds an initiative called Quu'as West Coast Trail Society. A not for profit group, this society is a training and mentoring program for three first nations along the famous West Coast Trail, one of the world's great recreational hiking routes.

Be engaging in the co-operative management of the west coast trail with Parks Canada, young first nations members are exposed to the full gamut of park management issues and training related to public safety, resource conservation, monitoring and public interpretation. As a result of this program, first nations graduates have gone on to secure full time employment with Parks Canada, other agencies and industry.

There are seven first nations within the area encompassed by Pacific Rim National Park Reserve. A manager of aboriginal programs sits at the park management table and directs co-operative programs, such as the promotion of first nations languages, co-operative training, the establishment of aboriginal national historic sites and the development of aboriginal tourism opportunities.

By way of contrast, in 1997 there was no representation of first nations in the workforce of Pacific Rim National Park Reserve. Today, first nations represent some 18% of park staff in virtually every aspect and level of park management. This figure approximates the representation of aboriginal people within the regional population. There is no better indicator of the relevance of the Parks Canada program to first nations than their willingness to participate in the protection and presentation of one of Canada's greatest national parks. This is an accomplishment of which we can all be proud.

Parks Canada has placed a particular focus on its relationship with aboriginal people and the record in Pacific rim clearly demonstrates this initiative in action. Bill C-28, which would withdraw lands from Pacific rim in order to expand the Esowista Indian Reserve of the Tla-o-qui-aht First Nation, would further strengthen those relationships. It would also improve the quality of life for aboriginal people, a government priority identified in the recent Speech from the Throne.

I ask all members of the House to support quick passage of Bill C-28.

• (1735)

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, I know my hon. colleague will get those west coast names, like Ucluelet, right one day. I also know they are very difficult to say.

I appreciate that in his speech we could tell that he is very concerned, obviously not only for the future of the park but for future generations of Canadians and visitors from around the world who come to Canada and use eco-tourism as an aspect for spending their tourist dollars.

*Government Orders*

Does the hon. member believe that, with this ongoing debate, there is a danger that it may set a precedent and that once we open those parks on a reserve basis to deal with aboriginal concerns, which are legitimate concerns, that quite possibly the provinces, municipalities or other interest groups may come by and say that since the door has been opened what are the chances of that door opening up for them too? It is sort of that “me too” argument.

What does the hon. member think about that possibility in the near future?

**Mr. Raymond Simard:** Mr. Speaker, I guess we should treat the two parts separately. In the case of Riding Mountain National Park, I think it is a clerical error and something we are trying to correct. I think it is probably straightforward.

In terms of the Pacific Rim National Park Reserve, the hon. member raises a very important point. My understanding is that it is a unique situation. The reserve was surrounded by a national park at one point. We knew that we may, depending on the increased population, have to increase the reserve size. My understanding is that the reason we are providing additional space to the reserve is to provide additional housing. I have also been told that the environmentalists have looked at this and all the housing criteria will follow CMHC standards.

My feeling is that it is a unique situation and as a government we have looked at that.

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, thank you for the opportunity to speak on this bill. As the aboriginal affairs critic for my party, I am very interested in how this series of events came about and the crossover interests. I know my colleague from Sackville—Musquodoboit Valley—Eastern Shore has a vested interest in this issue as well, as it pertains to national parks and the environmental impact sensitivities associated with it, especially with the west coast of Canada which, as we know, is one of the areas affected by the bill.

Coming from Manitoba, I particularly wanted to add my voice as well to the debate. I understand that one aspect of the bill deals with Riding Mountain National Park and a small amount of area that will be dedicated to Riding Mountain Park to withdraw lands from the park for the purposes of dealing with an historic injustice, I suppose, in the boundaries of the reserves. The portion with the following change then for the Province of Manitoba would be simply sections 5, 6, 7 and 8, the west half of section 4 and the portion of the east half of section 4 lying west of Clear Lake Indian Reserve No. 61A and the southwest quarter of section 18. That is the specific definition of the change made to Riding Mountain National Park.

Of more concern or perhaps of greater interest to the people here and anyone listening may be the impact on the west coast, which deals with the Pacific coast and the parks there. It is an acutely sensitive environmental area and a very worrisome development with the local provincial government recently. We believe it will be expanding oil and gas exploration in that area and the area just north of the area specified in the bill.

Aboriginal people in the area are very apprehensive of these pending changes which we believe will be coming about. They have made their opinions known in no uncertain terms that they do not support especially super tankers going through the inside passage

and the relatively narrow straits, and the offshore oil and gas exploration associated with the new interest of the Liberal government in B.C. There has been particular attention to the preservation of park land and marine parks on the west coast in anticipation of this burning desire to exploit these natural resources. We are always concerned whenever we hear of any national park being eroded or diminished in any way.

When the bill first came along, it was the view of some of us in our caucus that we would oppose the erosion of the national parks in anyway, even if it were to satisfy the legitimate claims of a first nation that had an historic right to that property by virtue of traditional use or a land claim or a specific land claim dealing with what was in fact an error made in the survey of assessment of the first nation affected, as is the case of the Riding Mountain National Park.

We are really most interested in speaking about the Pacific Rim National Park Reserve of Canada in the context of this debate.

To strip away all the chafe from the wheat, and in its rawest form, this debate is about section 35 of the Constitution. Some members may wonder how we could arrive that. Quite simply, section 35 of the Constitution Act 1982 deals with aboriginal and treaty rights but fails to give any definition to those rights. That is why the government of Canada has spent the last 22 years in court, since 1982, to give meaning and definition to section 35 of the Constitution. While the Constitution recognizes aboriginal and treaty rights, it does not say what those aboriginal and treaty rights are.

• (1740)

It is the position of first nations that aboriginal and treaty rights mean some right, some legitimate claim to some sharing of land and resources on their traditional land base, not just the narrow, finite boundaries of reserves which are not in any way traditional or naturally occurring. They are constructs of the federal government and the Indian Act.

I am talking about the traditional area of land use as demonstrated through traditional land use maps. From time immemorial the aboriginal people up and down the west coast, whether it is the coast Salish or the any number of Tsimshian west coast Salish tribes up and down the west coast of Vancouver Island, have been using this area for hunting, gathering, settlement and traditional. They never ceded that territory through the Douglas treaties, which predated the rest of the treaties throughout Canada, and certainly not through the treaty era of Treaties Nos. 1 through 8 in the rest of Canada.

Their aboriginal and treaty rights were never ceded or signed away in any formal agreement with the crown, and they remain intact. Therefore, it is fitting and appropriate, and we feel proud to support their claim today, that this area of the Pacific Rim National Reserve of Canada should rightfully be under the direct holding and title of first nations making that claim.

*Government Orders*

Obviously, there is vested interest on many claims. However, people are satisfied that there has been consultation and adequate consultation with local land owners, municipalities, town councils and rural municipalities in the immediate area and that their concerns have been taken into account. I do not think that anyone has strongly held views about recognizing the aboriginal and treaty rights in these cases.

As we deal with the bill, it is a lesson for us all that the Government of Canada and therefore the people of Canada could save themselves an enormous amount of grief, aggravation and cost in the future if we would simply take one step back and get our minds around giving meaning and definition to section 35 of the constitution.

Frankly, the Government of Canada is not faring too well in its court challenges in those regards. Virtually every time aboriginal people make claims for recognition of those rights, they are denied by the federal government. First nations have no avenue of recourse but to go to the courts. They go to the Federal Court and then to the Supreme Court ultimately, and they always win. Court cases have been going on for 10 years, 15 years and 20 years, but they are finally concluding in favour of aboriginal people.

We are letting the courts do the work of Parliament. It should be up to Parliament to give meaning and definition to section 35. We have been afraid to or reluctant to do this. I do not know what the reasoning is on the federal government's part, but it has never tackled that thorny issue. It has never embraced that as a priority.

We came close in Charlottetown in 1992. The promise was made during the aboriginal round of the Charlottetown accord that if we passed Charlottetown, we would finally convene a national assembly of affected persons and would give definition to what aboriginal and treaty rights meant.

People may not like it. No one side will get everything it wants, but at least a fair consultation and negotiation will take place and we will not need to seek out the courts as an avenue of recourse. There will be some defined parameters as to what we mean by aboriginal rights because it seems to vary from person to person no matter who we asked.

• (1745)

Some non-aboriginal people are willing to concede that it only applies to hunting, gathering and fishing, traditional activities that people have always done for thousands of years. They are willing to let the Indians hunt on their land out of season as it will do no harm. Others go much broader in interpretation saying that people in an area called an Indian reserve have the exclusive right to resources on that property, all else is to be shared. That would mean the first nations people have a legitimate right to share in the land and resources such as mineral resources, lumber rights and logging and to share in the resources of their other traditional areas of use, which is essentially the rest of Canada.

There would be no poverty among aboriginal people if we took that interpretation. Even if we agreed that 1% of all the wealth from natural resources in mining, logging and hydroelectricity would be shared with first nations people, there would be no chronic third world poverty conditions. There would be economic development.

There would be full participation by aboriginal people in the Canadian experience. That is the full range of interpretation of section 35 of the Constitution.

There are elements that say no special rights or privileges should be recognized, that is history, that this is 2004 and that they will not get into that debate. Then there are some grudgingly and some willingly who admit that fishing, hunting, and gathering berries are traditional activities.

The Indian Act specifically says that first nations people have a right to share in gravel, soil, mud, sand and other rock, other than minerals. We very generously and specifically listed those resources they have a right to have a share in. Granted, gravel has an economic value, but not as much as gold, titanium, uranium, pearls, rubies, oil and other treasures that we chose to keep exclusively for our use and for our purposes. We willingly conceded that aboriginal people have a right to mud, clay, gravel and sand, and as much as they want. They can develop it in any way they want too, resourceful as they are. We have that broad range here in interpretations.

The fact that we have to bring forward a special bill dealing with national parks is very sensitive in that it affects aboriginal people and their rights. The Government of Canada could spend less time seized of this issue if it would dedicate the time, the resources and the energy to define what aboriginal and treaty rights are.

I think there is generosity and goodwill among most Canadian people. I think Canadians are finally ready to recognize that 140 years of social tragedy as it has pertained to aboriginal people is enough. Our relationship with aboriginal people is Canada's greatest failure and, some would say, Canada's greatest shame in that we allowed these third world conditions to foster within our midst, knowing full well that it was not at all necessary.

People on the west coast have to be ever cognizant of traditional aboriginal and treaty rights, unseeded and yet to be clearly defined. In this case, my colleagues and I in the NDP will support the bill.

• (1750)

**Mr. Bob Mills (Red Deer, CPC):** Mr. Speaker, our technical briefing for Bill C-28 is tomorrow and at that time we will find out the details of the information and have the first opportunity to ask questions about it. Does the member think that is the way to proceed when we deal with bills like this?

The member talked about consultation having been adequate. I guess that means that he trusts the Liberal consultation. I do not trust that consultation and would rather give the committee the opportunity to do the consulting.

*Government Orders*

What are his feelings about the traditional hunting rights of first nations people where they would travel from central B.C. through to the Prairies through an area called the Howes Pass, which is now part of the Banff-Jasper National Park? I guess he would also agree that should be subject to a land claim and obviously we should support it in that national park. That is one example that I know of but there must be many others.

Are we not simply beginning something that we may have difficulty ending? I know we could use the case I mentioned as an example.

**Mr. Pat Martin:** Mr. Speaker, on the one point that the hon. member made regarding consultation, there is no momentum building in any kind of opposition to this bill in the affected region; I will put it that way. The consultation was not with the official opposition and it was not with the NDP, but we are satisfied. Our information is that consultation has taken place in a way that has satisfied local residents. They are not viewing this as any threat or any reason to get all cranked up.

As far as traditional aboriginal and treaty rights go as they pertain to hunting, I should not try to quote Delgamuukw or Powley or Sparrow or any of the recent Supreme Court rulings. I can leave that to the member to read on his own. My point is simply that the more the government is unwilling to give definition to section 35 of the Constitution and to define what aboriginal treaty rights mean, the more the courts will make those determinations for us. That undermines the role of members of Parliament. It undermines the role of the House of Commons to allow the Supreme Court, whether one agrees or disagrees with its rulings, to make those rulings for us.

I think we should be exercising our role as members of Parliament and in the powers we have and once and for all sit down on this; it may be that we as members of Parliament are more narrow in our definition of aboriginal treaty rights than the courts have been, which may please the member in regard to the example he raised.

• (1755)

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, I just wish to say to you, for the House and for my colleague from Winnipeg who is still mourning the loss of the Jets, go, Habs, go tonight.

My question for the hon. member from Winnipeg is about this sort of partial opening of a park, this rejigging of it, as we say in the Maritimes, to satisfy the concerns of an outstanding grievance that an aboriginal group has had for a while.

What advice would he give to the government to ensure that these types of grievances or concerns do not intercede or impede future development of parks as we go along in the future? We are hoping that we have many more national parks, such as the marine national parks, of course, coming in the near future.

One of the concerns is the competing interests of, for example, oil and gas groups, and mining companies, the provinces, the territories, et cetera. They would want to have a say, of course, in how these parks are developed for the future. What advice could he give to the government to ensure that this type of action is done in a very careful manner? And let me say again, go, Habs, go.

**Mr. Pat Martin:** Mr. Speaker, the hon. member is right. Winnipeggers watch all these Canadian teams in the playoffs with regret, sadly; it is hard to imagine our team as Coyotes.

Having said that, let me say that development on the west coast is particularly sensitive in that there was a moratorium. After great study and analysis about the development of oil and gas on the west coast of Canada, we in our wisdom decided to place a moratorium on that development. First nations people played a pivotal role in 1970, I believe it was, when that moratorium was imposed, because at that time they recognized it is not “if” there will be some kind of a spill or a disaster on the west coast if we develop the oil and gas there, it is “when”; it is almost guaranteed.

Now I do not know how this has come about, but the attitude seems to have shifted 180 degrees and now there are development zealots who have seized the day on the coast. Taking advantage of the tough economic times British Columbia is going through, I guess, they felt it was a good time to float this again as some sort of panacea to their other economic problems.

However, I do caution that in the case of land set aside for parks, land set aside for reserves and even land subject to broader land claims that are currently pending, the full participation of aboriginal people at the front end is absolutely critical if we are to avoid costly litigation, which we will likely lose after the fact. It is a cautionary tale here. I believe that we as a people know better than to plow ahead unilaterally, but I sense that this might not be the case in B.C.

We recently had the Haida Gwaii case in the Queen Charlotte Islands. The Government of Canada and British Columbia jointly said, “Okay, we are going to finally resolve the Haida Gwaii land claims situation”, and offered 20% of the Queen Charlotte Islands to be set aside for their use in the land claim. The leadership of the Haida nation had a look at that and turned it down categorically, the logic being, “Why should we accept 20% when we had it all?”

I have a friend, Moses Okimah, who is an aboriginal lawyer. He said to me, “The dumbest thing they ever did was let guys like me go to university”. Because, frankly, people are well aware of the impacts of these settlements, they are well aware of recent Supreme Court rulings, and they are not going to allow this “trade a cow for three beans” situation to happen again.

• (1800)

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

**Some hon. members:** Question.

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

**Some hon. members:** Agreed.

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

**The Deputy Speaker:** I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Environment and Sustainable Development.

*Government Orders***TLICHO LAND CLAIMS AND SELF-GOVERNMENT ACT**

**Hon. David Anderson (for the Minister of Indian Affairs and Northern Development)** moved that Bill C-31, an act to give effect to a land claims and self-government agreement among the Tlicho, the Government of the Northwest Territories and the Government of Canada, to make related amendments to the Mackenzie Valley Resource Management Act and to make consequential amendments to other Acts, be read the second time and referred to a committee.

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.):** Mr. Speaker, I am very excited to be able to rise today on such an auspicious day as the day of the aboriginal summit, where 70 first nations leaders from across the country, at the invitation of the Prime Minister, met and talked about moving the partnership and the agenda forward.

To move this forward, we have a perfect example of that spirit of today in action as we bring Bill C-31 to the House. I think there is general support for the spirit of self-government and land claims among first nations so I think today is an exciting day for everyone in the House.

I rise to support Bill C-31, which would give force to the Tlicho land claims and self-government act. By enacting this legislation, we honour Canada's longstanding and respectful relationship with the Tlicho people.

Last year, following more than a decade of negotiations among the Tlicho and the Governments of Canada and the Northwest Territories, an agreement was signed. This agreement is the central feature of the bill before us today.

Bill C-31 will achieve certainty for the exercise of the Tlicho aboriginal and treaty rights within their traditional territory, over almost 20% of the Northwest Territories. It will resolve outstanding land claims, which have been a barrier to economic development, and it provides the Tlicho with self-government powers and control of land and resources, which will enable them to become true partners in the growth and development of the Northwest Territories.

Under Bill C-31, the Tlicho will gain control of 39,000 square kilometres of land, which represents approximately 19% of their traditional territory. The legislation will also ensure that the Tlicho play a significant role in the management of land, water and other resources in most of their traditional territory.

This legislation enables the Tlicho to realize their inherent right to self-government. Bill C-31 would see the creation of the Tlicho government, democratically elected and accountable to its citizens. The Tlicho government, elected by Tlicho citizens, would have jurisdiction over social and cultural issues and use of Tlicho lands and resources.

In essence, Bill C-31 provides access to the governance tools needed to safeguard culture, improve social services, and bolster the economy. I am convinced that the Tlicho leaders, given their astute approach to development, will put these tools to good use.

The Tlicho have entered into a 10 year intergovernmental services agreement with the Governments of the Northwest Territories and Canada to harmonize delivery of social programs and services to all

residents of Tlicho communities through the creation of an agency to be established under territorial legislation.

Under the terms of the Tlicho agreement, community governments will be created by territorial legislation, in each of the four Tlicho communities, to exercise municipal types of powers. Much like municipal councils across Canada, these governments would operate water and road services and enact zoning bylaws.

Not all residents of these communities are Tlicho. To ensure that the interests of all citizens are represented adequately, the agreement includes specialized election rules and regulations. For example, non-Tlicho citizens can qualify to vote, and 50% of council seats will be open to non-Tlicho candidates.

The legislation before us would guarantee Tlicho representation on the Mackenzie Valley Land and Water Board, alongside other aboriginal peoples. The Tlicho would also receive a share of royalties from resource development in the Mackenzie Valley.

The legislation includes a payment of approximately \$150 million over the next 14 years. The Tlicho wisely have chosen to use their initial payments of this money to repay debts accumulated during negotiations and to invest approximately \$500,000 per year in post-secondary scholarships for local students. This careful, long term strategy is rooted in Tlicho tradition. At the heart of this ancient culture is a capacity to adapt to change, an ability to thrive under challenging conditions.

Several years ago, a former chief, Jimmy Bruneau, recognized that the Tlicho needed to make a concerted effort to prepare for the future and protect their way of life from a rapidly spreading flood of powerful cultural and economic influences. Chief Bruneau spoke of the need to "be strong like two people", to blend northern and southern cultures and to learn from aboriginal and non-aboriginal sources.

• (1805)

Today, the wisdom of Chief Bruneau's strategy is evident in the success of several Tlicho endeavours. Local businesses, for example, are earning substantial revenues by serving the diamond industry. A committee services board ensures local control of schools in four Tlicho communities and the Tlicho have also developed a run of the river hydroelectric generating facility, an airport and a long term care facility. Each of these accomplishments resulted from the Tlicho's ability to negotiate successful partnerships with governments and private sector organizations.

The Snare Cascades generating plant, for instance, was made possible by an agreement between the Tlicho and the territorial power utility. Many of the social services enjoyed by the Tlicho are delivered through a deal with the government of the Northwest Territories. This collaborative approach has also led to significant economic development.

### *Government Orders*

The Tlicho negotiated an impact and benefits agreement with both Diavik and BHP, the two largest diamond mining firms in the region that support this claim. These agreements have helped provide jobs and training opportunities for Tlicho people and contracts for aboriginal firms. A partnership between Nishi-Khon and SNC Lavalin recently received a prestigious engineering award for work on the Diavik mine site.

Diamond mining in the Northwest Territories continues to draw the attention of international investors and companies not only for the quality of gems extracted, but also for the calibre of local contractors. The partnership formed among the aboriginal and non-aboriginal companies are helping to build capacity in northern communities, ensuring a sustainable and stable economy.

Today, aboriginally owned companies in the Northwest Territories generate more than \$100 million in annual revenue and employ more than 1,000 people. This economic activity has a significant impact on Canadian prosperity. Stable, self-reliant aboriginal communities are able to participate fully in the national economy. As many people said today at the summit, everyone is interdependent and what helps any of us, helps all of us. The success of Tlicho serves as a model for other first nations, inspiring them to realize dreams of their own.

Thirty-five years ago Chief Jimmy Bruneau and the right hon. Jean Chrétien, Indian affairs minister at the time, shook hands. That event was captured on film and came to symbolize a turning point for both cultures. Today Canada works in partnership with aboriginal communities to help them fulfill their aspirations. The Tlicho, in turn, partner with private and public sector groups to realize culture and economic goals.

The legislation before us would continue this tradition and in fact has already fostered several new partnerships. Prior to finalizing the deal at the centre of Bill C-31, the Tlicho negotiated overlap agreements with its aboriginal neighbours. These agreements clearly delineate the rights and responsibilities of all parties.

A close examination of Bill C-31 would reveal that the Tlicho people have done their homework. They have conducted hundreds of consultations and information sessions. The Tlicho people voted overwhelmingly to ratify this agreement. More than 93% of the eligible voters cast votes and more than 84% opted for the agreement. In October 2003 the Government of the Northwest Territories also ratified it.

I am convinced that Bill C-31 will usher in a new era of improved relations among first nations and Canadian governments. The signatures on the agreement confirm that the comprehensive claim process works, that careful negotiation can produce a deal that satisfies the needs of aboriginals and non-aboriginals alike.

I would like to express my appreciation for the care, perseverance and initiative of the Tlicho leaders during 10 years of negotiations. By consulting with aboriginal communities, stakeholders and the general public, they have helped make the agreement more powerful, relevant and effective.

The agreement at the heart of Bill C-31 is significant for a number of reasons. It is the first of its kind in the Northwest Territories and the first in Canada to combine land claims and self-government in a single document since the Nisga'a treaty. The Tlicho agreement is

sure to inspire renewed confidence at negotiating tables across the country. First nation leaders will consider Bill C-31 an important milestone that provides a clear way forward under Canada's inherent right policy.

● (1810)

The bill demonstrates that the Government of Canada can work with aboriginal people to arrive at agreements tailored to the specific needs of each community. This agreement was signed on behalf of the people of Canada and I believe it is incumbent upon us to do our utmost to ensure that a decade's worth of hard work will not be in vain.

At today's aboriginal summit Phil Fontaine talked about a study by Harvard University and what was needed for success among communities. It was found that genuine self-rule which provides first nations with the power to control what happens on first nations lands and capable governing institutions that exercise power responsibly and reliably are the key.

That is exactly what the agreement in Bill C-31 would do. We have been entrusted in the House of Commons with the aspirations of a people. Today, I ask the House for its support in providing the tools needed to build the community envisioned by the Tlicho people and I ask the House to adopt Bill C-31.

**Mr. John Duncan (Vancouver Island North, CPC):** Mr. Speaker, I have three questions for the parliamentary secretary that relate to the agreement.

There is a statement in the agreement that Tlicho laws will be concurrent with territorial and federal laws. I would like the parliamentary secretary's interpretation of what that means. When it comes to anyone looking at an agreement, concurrence is a concept that makes it very difficult when we have two sets of laws. Somewhere along the line someone has to pick one or the other. I do not know why the government has built that into the agreement.

My second question relates to the Canadian Charter of Rights and Freedoms. There is a statement in the agreement that talks about persons to whom Tlicho laws apply that will have rights and freedoms "no less than those set out in the Canadian Charter of Rights and Freedoms". I always understood that the charter was the charter. I am just wondering why there would be a statement that seems to dilute our charter by comparing it with some other base line.

*Government Orders*

My third question is, can the parliamentary secretary give me any clarification as to the ongoing Métis litigation in terms of this agreement? As we know, the Sahtu agreement just to the north of the Tlicho was comprehensive in that it included the Dene and the Métis. This agreement appears not to do so. It includes the Dene and I understand the southern Slave Métis organization is actively a part of this set of negotiations, but there is ongoing litigation with the North Slave Lake Métis. Therefore, I am a little surprised that the parliamentary secretary did not address that issue in his speech. I think we have to see these agreements for what they are, wrinkles and all.

● (1815)

**Hon. Larry Bagnell:** Mr. Speaker, I would like to thank the hon. member for the three questions. I think they are very thoughtful questions. It is good that he asked them so that the House can understand the answers. I will answer them backwards because I have shorter answers for the last ones.

In relation to the North Slave Métis, the reason I did not bring it up during my speech was, as the member said, because the action is before the courts and as we know, members of Parliament do not comment on actions that are before the courts. However, I can say that most of the members of the North Slave Métis have access to one land claim or another. They are a member on various lists, either the four Tlicho communities or some other list. In that respect, there was not a separate negotiation with the North Slave Métis, although there were attempts originally to somehow work them into the negotiations, but those were not successful. Therefore, we are at that stage.

There is also a clause in the agreement that protects, so it is without prejudice to any other claim holders. If something were to happen later on that was determined that the North Slave Metis did have some rights—and if they won some rights—there is a clause in the Tlicho agreement that would leave that open for that to occur. I think they are protected in that respect and we will let the courts proceed. I cannot comment on the court proceedings.

In relation to the Charter of Rights and Freedoms, the Charter of Rights and Freedoms applies. That is our policy now, so we put it in any self-government agreement that we are negotiating. Any extra wording is only to make it clear to people who might have that hesitancy or wonder how it applies. It applies fully in the agreements, as per the Constitution and as per the Charter of Rights and Freedoms.

The member's first question related to the concurrent laws and their interpretation. We can have concurrent governments in two different ways. We can have three provinces, such as Saskatchewan, Manitoba and Alberta, that have concurrent laws. They are all doing their own thing in different areas. We can have different orders of government, such as the municipal government creating laws for roads, provincial government creating laws for health care and the federal government creating laws for defence. We can have concurrent things going on.

In the case of overlap, where we are into the same area of jurisdiction with the federal government,—and the Tlicho agreement has very limited law making powers to start with, so there are not a

lot of areas it would be making laws—then the federal law would prevail. There is no contradiction or inconsistency there.

Also, for all intents and purposes, in most cases if there is a conflict with a Northwest Territories law the Tlicho law would prevail because it is basically a parallel government and hopefully the duties of who is doing what will be sorted out so that there is no overlap in jurisdiction.

I can say that to date—with the board that I talked about earlier in my speech, that delivers the social services, health care and education—there is great cooperation between the Government of the Northwest Territories and the Tlicho government. I think they will work out their laws and their services and deliver them very effectively. To some extent they have already done it and this will just be put into NWT law. I think it is a very forward thinking way of having all these governments work together.

● (1820)

**Mr. John Duncan (Vancouver Island North, CPC):** Mr. Speaker, Bill C-31 is a land claim and self-government agreement between the Tlicho, earlier known as the Dogrib, the Government of the Northwest Territories and the Government of Canada, and makes amendments to the Mackenzie Valley Resource Management Act, and consequential amendments to other acts. Because it is a land claims agreement as well as a self-government agreement, it is constitutionally protected. As well, this is enabling legislation to give effect to the Tlicho tax treatment agreement.

I have many general observations about all this.

The federal government has been essentially carving up the north since the 1980s with the creation of Nunavut, the comprehensive Yukon Indian agreement for the 14 Yukon first nations, and the Gwich'in, the Inuvialuit and the Sahtu land claim agreements in the Northwest Territories. Essentially there are two areas not yet covered with a land claim in the north after the Tlicho, and they are the Akaitcho and Dehcho in the Northwest Territories which border to the south and west of the Tlicho, the agreement we are talking about, which is just north of Yellowknife. I hope that puts it in perspective for some people.

The impression I and others get from reading this agreement is that the federal government is trying to be all things. In the process it has agreed to provisions that contain some contradictions and a deliberate lack of clarity.

To give a bit of background, Stephen Kakfwi, the former premier of the Northwest Territories and the former holder of the aboriginal portfolio as well, promoted a very strong aboriginal and northern ownership agenda. In August last year he suggested that within five years virtually the entire Northwest Territories would live under some form of aboriginal governance. We have had a lot of land claim agreements but we have not had aboriginal governments until this agreement.

Jim Antoine, another longstanding MLA, as the Northwest Territories' resources minister stated that aboriginal governments will become allies in the territories' fight to win control of its resources and the associated royalties from the federal government. That was last August as well.

### Adjournment

That gives a little of the flavour of where the territorial government is coming from in respect to this whole issue.

The agreement gives the 3,000 Tlicho people claims to subsurface resources, law-making authority and the power to tax, levy royalties and manage resources on 39,000 square kilometres laying between Great Bear and Great Slave lakes north of Yellowknife. That is an area roughly half the size of New Brunswick. It is bounded on the north by the Sahtu, on the east by Nunavut, and on the south and to the west by the future Akaitcho and Dehcho territories.

I talked a little in my question to the parliamentary secretary about the concurrence issue. I think he explained that reasonably well.

This agreement consumed \$27 million in negotiation costs for the Tlicho. This has been a tremendously expensive process and one which I do not think demonstrates a proud record.

• (1825)

I still remain very concerned. The Charter of Rights and Freedoms applies to the Tlicho government in respect to all matters within its authority. That is clear in the agreement. However the agreement states:

protections for Tlicho Citizens and for other persons to whom Tlicho laws apply, by way of rights and freedoms no less than those set out in the Canadian Charter of Rights and Freedoms;

That gives me some difficulty.

There are two operating diamond mines in the Tlicho territory that are specifically excluded from the land claim area but remain within the territory. Any future subsurface extraction on Tlicho lands would be subject to a Tlicho royalty regime.

As it stands right now, under the Mackenzie Valley resource sharing agreement the Tlicho get 10.5% of the first \$2 million of mineral royalties received by the federal and territorial governments for subsurface resources within the five regions of the Mackenzie Valley and a further 2.1% after the \$2 million figure is raised. This brings in about \$3.5 million a year to the Tlicho government from the whole basin of the Mackenzie Valley.

The royalties from the existing diamond mines that are specifically excluded from the Tlicho lands, contribute to that formula, which is also shared by the Sahtu, the Gwich'in and others in the Mackenzie Valley region.

The proposed route of the Mackenzie Valley pipeline would not traverse Tlicho lands and therefore is not an issue at this time.

The band is involved in hydro development and is likely to become self-sufficient and a net contributor to the grid for the Northwest Territories.

The largest of the four Tlicho communities, Rae Edzo, is located along the Fraser Highway and the Tlicho government is planning an all-weather highway to link the other three communities, which are Lac la Martre, Snare Lake and Rae Lake.

Taxation provisions of the agreement are a little bit unclear since there is no concluded taxation agreement between Canada and the Tlicho government, although one is to be concluded.

Tlicho citizens would pay GST and income tax. Tlicho government corporations would not pay either tax when conducting business on Tlicho land.

The Indian Act would no longer apply to Tlicho citizens and Tlicho lands would not be considered reserve lands.

Tlicho citizens would have continued access to all federal programs for status and non-status Indians and Metis. The Tlicho government would receive taxes paid to the federal government from Tlicho residents.

The Criminal Code would continue to apply.

There are several other areas I would like to talk about but I will summarize where I will go next time. The first area relates to the provisions for governance and the setting up of a renewable resources board, a land and water board and some of the financial costs and funding details.

This is an agreement that has a \$152 million cash settlement to be paid out over 15 years and the Tlicho government will pay off its \$27 million negotiating loan in the first six years.

• (1830)

In addition, there is a one time payment of \$5 million to an economic development fund to be managed by the Tlicho government. That fund comes from the federal government.

**The Deputy Speaker:** The hon. member for Vancouver Island North will have 10 minutes left in his intervention when this matter is again before the House.

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## ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[Translation]

### THE ENVIRONMENT

**Mr. Serge Cardin (Sherbrooke, BQ):** Mr. Speaker, obviously, this adjournment debate stems from the question I asked the Minister of Foreign Affairs on March 30. However, this debate must be put in context and the situation explained. It concerns the Coventry landfill site.

In Coventry, Vermont, a landfill site is located about 760 metres from Black River, a tributary of Lake Memphrémagog. This lake provides drinking water to over 155,000 people, 125,000 of whom live in the town of Sherbrooke alone.

It is important too to remind members that, according to the regional county municipality of Memphrémagog, various samples taken in 2001 and 2003 upstream from a former landfill site in the same area attested to the ongoing contamination of the groundwater by volatile organic compounds.

This landfill site is set to receive 370,000 tonnes of garbage per year, up from 240,000, a matter that greatly concerns the residents of Sherbrooke since this lake is where they obtain their drinking water, as well as people living along the banks of Lake Memphrémagog.

*Adjournment*

When I was apprised of this situation on March 1, I immediately wrote the Minister of the Environment and the Minister of Foreign Affairs. I received an answer from the Minister of the Environment but not from the Minister of Foreign Affairs. So, I pursued my inquiries on this issue.

On March 30 I asked the minister if he intended to intervene with the International Joint Commission which was established by the Boundary Waters Treaty. When I asked the minister if he could guarantee the House that he would refer this issue to the International Joint Commission in order to ensure a safe supply of drinking water for the people of the Eastern Townships, first, I sensed that the minister was not all that aware of the situation and, second, he referred to the Joint Commission and said that there were two parties and both must agree.

Nevertheless, the act clearly says:

—whenever either the Government of the United States or the Government of the Dominion of Canada shall request that such questions or matters of difference be so referred.

That is a brief extract to say that Canada could intervene if it were aware of the urgency of this matter. We are not assuming at this time that U.S. standards are not being met or are not adequate. However, there is a real fear. Already, right now, we know that the RCM of Memphrémagog and the City of Sherbrooke are investing time, energy and money.

We wonder what the minister will do with this case and what form his intervention will take, since quite a large source of drinking water is at stake. There are some well-grounded fears, considering what I mentioned earlier, concerning samples that have been taken and have proven beyond a doubt that some nasty liquids have found their way into Lake Memphrémagog.

And so, will the federal government undertake to defray costs in some way, and to help the two parties, whether the City of Sherbrooke or the RCM of Memphrémagog, to be well represented, and to ensure that the situation is resolved and safe for everyone?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I am very happy to answer the important questions asked regarding the landfill site enlargement project in Coventry, Vermont. Some facts have to be recognized.

The member knows very well that this project is currently subject to an approval process that is open to public discussion. The first of the two processes undertaken by the State of Vermont will be the Act 250 Process. This review of the landfill enlargement project is currently under way. The Vermont Solid Waste Management Program is also planning an independent review, a technical review process, that should be open to the public for observation purposes at the latest this spring.

Vermont officials have assured us that the comments made by Quebec will receive the same consideration as the ones made in Vermont. I should point out that up to now, the Memphrémagog regional county municipality has been involved in the process and is considering asking for party status. This would give the municipality all possible privileges, including the right to appeal once a decision has been reached. If such a request should be made, other hearings would be held to consider its concerns.

My colleagues, the members for Compton—Stanstead and Brome—Missisquoi, are greatly interested in this matter and, with citizens from the region, even went to Vermont to state their point of view. They have been very active in this case through solid actions, not just words.

The concerns expressed by the members and their constituents are valid and serious and we have raised them with our American counterparts. Officials from my department are in constant contact with officials from the Government of Vermont, the United States Environmental Protection Agency, and the State Department, in order to obtain more information on the expansion project and to get across the concerns of Canadians.

In the past, concerns had been raised about an unlined landfill near the Black River wetlands. The landfill was closed in 1992; nonetheless, low levels of contamination were recorded. Accordingly, the State of Vermont proposed transferring the waste to a lined landfill.

This expansion project will be located on soil that is more suitable for such a landfill. We have received technical documents on the project that Environment Canada is currently reviewing. The Quebec Department of the Environment is also in contact with the State of Vermont in order to discuss this project.

Given the good cooperation and the open process initiated by the State of Vermont, we do not believe it would be appropriate at this time to bring this case before the International Joint Commission. Referrals to the commission are usually made as a last resort in order to resolve an issue that cannot be resolved bilaterally or through local processes. If Canadians' concerns are not taken into consideration, other options, including the possibility of a referral to the commission, will have to be examined.

I must add that, to date, referrals to the commission have always been made jointly by the parties, although it is possible to make them individually. That is another reason why we are continuing to discuss the matter with our American colleagues.

For now, I assure hon. members that we are very active. This is not the time to bring this matter before the International Joint Commission. Currently, the appropriate methods and local processes are in place and we will await the results.

● (1835)

**Mr. Serge Cardin:** Mr. Speaker, I understand the Minister of Foreign Affairs' position, but one must also understand the environmental context.

I was a city councillor once. There was a land fill site near a river. Therefore, we must examine the situation as a whole and take into account the authority of the International Joint Commission which has the power not only to solve problems, but also to answer questions and see how two countries can agree on future development and not only on this one project.

*Adjournment*

It is always risky to build land fill sites too close to rivers and streams, especially when they are a source of drinking water. It is a good thing that the public, the City of Sherbrooke, the RCM and the government are discussing the issue, but we can we make sure that an independent study is conducted in order to develop specific policies for the development of land fill sites in areas where there is drinking water?

• (1840)

**Hon. Bill Graham:** Mr. Speaker, I would like to reiterate my main concerns. The state of Vermont has two processes in place. We will have the opportunity to be present to express our views.

Our colleagues, the hon. members for Compton—Stanstead and Brome—Missisquoi, are directly involved in this exercise. They spoke to Vermont authorities. We are in contact with American

authorities. Therefore, we will have the opportunity to explain our position before the appropriate U.S. authorities.

If this is not satisfactory, or if we do not have the opportunity to be heard properly, there is of course the joint commission, but it is always a last resort.

I urge the hon. member to give the process that is in place a chance to work. I am convinced that justice will prevail under the existing process.

**The Deputy Speaker (Mr. Bob Kilger):** The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6:41 p.m.)

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