



CANADA

House of Commons Debates

VOLUME 137 • NUMBER 105 • 1st SESSION • 37th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Tuesday, October 30, 2001

—
Speaker: The Honourable Peter Milliken

CONTENTS

(Table of Contents appears at back of this issue.)

All parliamentary publications are available on the
"Parliamentary Internet Parlementaire" at the following address:

<http://www.parl.gc.ca>

HOUSE OF COMMONS

Tuesday, October 30, 2001

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1005)

[English]

YUKON NORTHERN AFFAIRS PROGRAM DEVOLUTION TRANSFER AGREEMENT

Hon. Robert Nault (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I have the honour to table, in both official languages, the Yukon Northern Affairs Program Devolution Transfer Agreement.

* * *

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have the honour to present the 34th report of the Standing Committee on Procedure and House Affairs regarding its order of reference from the House of Commons of June 12, 2001 concerning private members' business, and I should like to move concurrence at this time.

(Motion agreed to)

* * *

PETITIONS

KIDNEY DISEASE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I am pleased to rise to present another petition from citizens of the greater Peterborough area who are concerned about kidney disease and kidney research.

They believe that it would be better if Canada's national institute, which does wonderful work on kidney research, include the word

“kidney” in its title rather than having a relatively obscure academic title.

The petitioners call upon parliament to encourage the Canadian institutes of health research to explicitly include kidney research as one of the institutes in its system to be named the institute of kidney and urinary tract diseases.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1010)

[English]

CONSTITUTION OF CANADA

Hon. Brian Tobin (Minister of Industry, Lib.) moved:

WHEREAS section 43 of the Constitution Act, 1982 provides that an amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies;

NOW THEREFORE the House of Commons resolves that an amendment to the Constitution of Canada be authorized to be made by proclamation issued by Her Excellency the Governor General under the Great Seal of Canada in accordance with the schedule hereto.

SCHEDULE

AMENDMENT TO THE CONSTITUTION OF CANADA

1. The Terms of Union of Newfoundland with Canada set out in the Schedule to the Newfoundland Act are amended by striking out the words “Province of Newfoundland” wherever they occur and substituting the words “Province of Newfoundland and Labrador”.

2. Paragraph (g) of Term 33 of the Schedule to the Act is amended by striking out the word “Newfoundland” and substituting the words “the Province of Newfoundland and Labrador”.

3. Term 38 of the Schedule to the Act is amended by striking out the words “Newfoundland veterans” wherever they occur and substituting the words “Newfoundland and Labrador veterans”.

Government Orders

4. Term 42 of the Schedule to the Act is amended by striking out the words "Newfoundland merchant seamen" and "Newfoundland merchant seaman" wherever they occur and substituting the words "Newfoundland and Labrador merchant seamen" and "Newfoundland and Labrador merchant seaman", respectively.

5. Subsection (2) of Term 46 of the Schedule to the Act is amended by adding immediately after the word "Newfoundland" where it first occurs the words "and Labrador".

CITATION

6. This Amendment may be cited as the Constitution Amendment, [year of proclamation] (Newfoundland and Labrador).

He said: Mr. Speaker, today I am pleased to be joined by my colleague, the member for Labrador, and to note as well the presence in the gallery of the House of Commons of the minister of intergovernmental affairs of Newfoundland and Labrador, the Hon. Tom Lush, for what I believe is an important and historic resolution.

Today I have the pleasure of introducing a resolution to authorize a bilateral amendment to term 1 of the terms of union of Newfoundland with Canada. The amendment would change the name of the province to Newfoundland and Labrador.

Newfoundland became part of Canada on March 31, 1949, with the Newfoundland Act which ratified the terms of union between Newfoundland and Canada.

The government of Newfoundland and Labrador has taken many steps over time, beginning with the passage of the Labrador Act in 1964, to recognize the reality that Labrador is a vital part of the province. The Labrador Act provided for the official recognition of Labrador in the provincial coat of arms, on government stationery and in government publications.

While this was an important measure, the name of the province provided for in the terms of union with Canada remains the province of Newfoundland. That name does not reflect by itself the fundamental reality of my home province, which includes both Newfoundland and Labrador.

Indeed, it is a unique province in the sense that so much a part of the history, the reality, the culture, the songs and the tradition of the province of Newfoundland and Labrador is separated by the Atlantic Ocean and the Strait of Belle Isle.

Many of our citizens, small in number but so dynamic, have never fully felt their contribution and their presence reflected fully in the governance of my home province or in its official name.

In April 1992 the Newfoundland house of assembly unanimously adopted a resolution calling on the provincial government to take the necessary steps to change the name of the province to Newfoundland and Labrador.

The Newfoundland and Labrador throne speech of March 20, 1996, called upon the provincial government to take the necessary action to change the name of the province.

I was very honoured as the premier of Newfoundland and Labrador on April 29, 1999, to rise in the Newfoundland house of assembly and to seek and receive the unanimous adoption of a resolution authorizing the Governor General to issue a proclamation to amend term 1 of the terms of union to reflect the new name of the province to that of Newfoundland and Labrador.

The government then asked the Government of Canada to take appropriate measures at the federal level to effect a constitutional amendment. Our role and our responsibility now, as parliamentarians, is to consider the proposed amendment at the national level and to decide whether to approve it.

It is the longstanding practice of the Government of Canada to take positive action in response to provincial requests for bilateral amendments to the constitution.

Once proclaimed, this will be the seventh bilateral amendment to the constitution to have successfully completed the amending formula. This shows that progress on modernizing and improving the Canadian federation can be made, and that our constitution continues to evolve in a range of areas.

As I have indicated on several occasions, the Government of Canada supports the amendment which provides a tangible way for us to formally recognize the contribution of Labrador and of Labradorians.

Changing the name of the province is an importance symbolic recognition of Labrador's status as a full and vital part of Canada's easternmost province, with its own unique geography, history and culture. It is about respect for Labrador and its inhabitants as essential contributors to my home province and to its rich and diverse cultural heritage.

The proposed constitutional amendment will also reflect Labradorians' understandable desire that this reality be reflected officially in the province's name.

● (1015)

[*Translation*]

What is at issue here is not a border, but a symbolic gesture for Newfoundland and Labrador citizens.

[*English*]

Section 43 of the Constitution Act, 1982 provides for an amendment to Canada's constitution in relation to any provision that applies to one or more but not all provinces. Such an amendment can be made by proclamation issued by the Governor General under the great seal of Canada where authorized by resolutions of the Senate, the House of Commons and the legislative assembly of each province to which the amendment applies.

I am joined today by the member for Labrador, and I believe by all members on both sides from the province of Newfoundland and Labrador, in asking the House to give consideration to this request.

In deferring to the member for Labrador, with whom I want to split my time, I would ask the House to give the member time to finish his remarks. I also want to note that we have consulted with members of the opposition. I specifically want to note that we have consulted with members of the Bloc Québécois. Indeed, I have consulted with the government of Quebec on behalf of the Government of Canada, as has the government of Newfoundland and Labrador.

Government Orders

In anticipation, I would like to thank all members from all parties but notably colleagues from Quebec on both sides of the House for the spirit in which this resolution request is being received and I anticipate and hope the manner in which it shall be voted. This is an important day for all citizens of Newfoundland and Labrador but no more important for any than those of Labrador.

I will now cede my place to the member for Labrador who has worked very hard on the resolution.

The Deputy Speaker: The Chair would seek some guidance. The House will respond yea or nay to the request for consent, but it might be helpful to all of us if we had some indication as to the length of time the member for Labrador might take in this intervention. Possibly the parliamentary secretary to the government House leader might be helpful?

Mr. Geoff Regan: Mr. Speaker, what we are requesting is that the member for Labrador be able to speak for 10 minutes.

The Deputy Speaker: The House has heard the request from the Minister of Industry. Is there consent?

Some hon. members: Agreed.

Mr. Lawrence O'Brien (Labrador, Lib.): Mr. Speaker, my thanks go to my colleague, the Minister of Industry and regional minister, and to all members of this great and honourable House. I am the very first Labrador-born member of parliament in this great Chamber and I am indeed very proud to serve in this Chamber with my colleagues and of course to serve the people who put me here, the people of Labrador.

For as long as I have been involved in political life, and especially since becoming member of parliament for Labrador, I have always had certain goals in mind. One of these goals has been to drive home the point that Labrador has unique needs and challenges.

Labrador has enormous geography, enormous potential and an enormous role to play in this country. Labrador also has a very strong identity. No one could ever deny that.

Many years ago Mrs. Elizabeth Goudie wrote in her autobiography, *Woman of Labrador*, that the name Labrador went deep within her being. All of us who read that phrase knew exactly what she meant. We knew it when we adopted the blue, white and green Labrador flag. Even though the constitution until now did not recognize our name, we knew who we were. There has never been any doubt in our minds that we are Labradorians.

There are many things that other Canadians and even Newfoundlanders do not know about Labrador.

Labrador is two and a half times the size of Newfoundland. Labrador is larger than the other 31 ridings of Atlantic Canada put together. It is one of the largest ridings in Canada.

Ever since I was elected I have been trying hard to educate my colleagues in parliament. I even have the Prime Minister saying Labrador these days, which I am very proud of.

I look at a member here who had a great time in Labrador. This past summer I had the honour of hosting my Atlantic Liberal colleagues along the south coast of Labrador and a very noteworthy

time was had. We had a great time, absolutely phenomenal, down in Battle Harbour and along the straits of Labrador.

Labrador has some of the richest history in Canada: the 9,000 year aboriginal pre-history in evidence at Point Amour, Ramah and Rattler's Bight; the remains of the Basque whaling premises at Red Bay and throughout southern Labrador; the historic sites of Hopedale, Hebron and Battle Harbour; the stories of the trappers of North West River, the Hudson's Bay Company; and the Moravian church at Makkovik and the Grand Falls "Bottle". We are only now beginning to tell our story to the world.

Our people came from all over: the Innu and Inuit inhabitants whose ancestors were there when European cities were still swamps; the settlers who came from England, Ireland, Scotland, the Channel Islands, Canada and Newfoundland to build new lives in the freedom of Labrador; the Metis, whose heritage goes back to the blending of these traditions centuries ago; and the skilled and energetic people who helped build the modern industrial Labrador in our interior resource towns.

Our unique settlement patterns and our distinct history have given us our identity. We have maintained a deep and even spiritual attachment to our land. Centuries of isolation and crossing of cultures have led to a distinct Labrador spirit. We treasure that spirit, that attachment and that identity.

The latest chapter of our history is the great military and industrial development in Happy Valley-Goose Bay, Wabush, Labrador City and Churchill Falls, which contributes greatly to the provincial and national economies.

● (1020)

With developments such as Voisey's Bay and the Trans-Labrador highway, we will continue to make our place in Canada.

Unfortunately over the years these developments have not always been in the best interests of Labradorians. We have been too often overlooked and forgotten. Our people and our land have not been respected. Our needs were often ignored. Our identity was denied.

We should never again have to feel that someone else is taking our mineral and energy wealth, our fisheries and forest resources and even our name away from us. In its own way, this symbolic change in our constitution will recognize Labrador and help ensure that we will never again be forgotten.

There are still some who believe and will say that Labrador is just a part of Newfoundland. They fail or refuse to recognize our special character and our unique place. However, when we see the broad expanse of Lake Melville, nearly as large as Prince Edward Island, stretching through the horizon, when we stand at the bottom of the Saglek Fjord with 3,000 foot cliffs towering overhead, when 25,000 caribou come streaming over a barren hill in back of Double Mer, when we drive across the seemingly endless iron hills of the interior, a landscape that inspired the Group of Seven, or when we find an arrowhead or chip that was left by our aboriginal forefathers 5,000 years ago, it is hard to accept that this is just another part of Newfoundland.

Government Orders

Our land and our people make us unique, not better, just unique. Our identity, just like that of Newfoundland, Quebec, Nunavut or Alberta, is worthy of celebrating and recognizing.

We are recognizing that Labrador is not a mere appendage of Newfoundland but that we have our own traditions and our own identity. We are recognizing that the Strait of Belle Isle, where I was born in a small community called L'Anse-au-Loup, sets us apart even as the constitutional evolution of Canada has brought Labrador and Newfoundland together.

We as a parliament recognized Quebec's distinct character in 1995 through a resolution and we recognized New Brunswick's bilingual character in 1993 through a constitutional amendment, and so today we are recognizing the dual geography and dual nature of Canada's newest province. There is nothing divisive about this. It is common practice throughout the world.

What is divisive is to gloss over and deny the differences and distinctions between us instead of celebrating and recognizing them. In fact the use of the name Newfoundland and Labrador goes back many centuries, to 1763 when Labrador and Newfoundland were first placed under the same government. It was in official use through the 19th and 20th centuries. Everyone, at least in Labrador, knew that the name Newfoundland, proud as it is, applied only to the large island off our southern shore.

Even during the debate that led to Confederation in 1949 there was some discussion of making Labrador part of the name of the new province. It was not done at the time. However, over the years the words Newfoundland and Labrador became more common and more widely used, if only unofficially. That usage was not uniform, however. Labrador was too often included where expedient and excluded the rest of the time. That will change starting today.

Our founding document as a society and as a government will no longer try to tell us that we do not exist. The oversight from 1949 will be corrected and the constitution will at last recognize the identity, history and culture of Labrador. I would like to thank the industry minister who as premier put the resolution through the House of Assembly and who as minister today introduced it in the House. Hopefully we will be beyond this in very short order.

Thirty years ago an elder in Cartwright, on the southeast coast of Labrador, told Lawrence and Laura Jackson "I guess you'd have to live here a lifetime—always with that left-out feeling—to know what it feels like to be included in something".

•(1025)

I have known that left out feeling. I think almost every true blooded son and daughter of Labrador has known that feeling. Our land was too often the subject of colonial and economic power plays. Our people were too often ignored. The attitudes and mindsets have prevailed too long that Labrador is only recognized for what there is to be gained from megaprojects, from resource extraction, from development by and for the benefit of other people. In other circumstances, when it is time to put back into Labrador or to realize our unique challenges and needs, it seems to be "how quickly they forget".

It is a small thing, a simple thing, but from today on there will never again be any reason for forgetting.

The introduction of the name Labrador into the constitution is not compensation for the wrongs of the past and it is not a magic pill that will prevent them in the future. It is not an end in itself. What it is, though, is one step on the road that sees Labrador gaining pride of place.

We will soon have aboriginal self-government in Labrador and with it greater self-reliance. Our community and economic leaders are taking a more active role in development and policy and in making sure our best interests are represented.

A new generation of entrepreneurs and promoters are doing things in Labrador that I could never have imagined 30 years ago. People are more active than they have ever been and have common visions that they are working toward.

Recognizing Labrador in the constitution says that our time has arrived, that we are here and we exist as a community and a region and that we are willing to contribute to our province and our country, just as we have always done.

We are often quiet in Labrador. That does not mean we are complacent. We have certain needs and certain demands. We want equality and dignity in public life. We want fairness and justice in our economic and social development. We want recognition and respect from our fellow citizens.

In our own way we have achieved a milestone today. There are many more to come.

I hope that I can count on the support not only of Labradorians but of Newfoundlanders and all members of parliament in making sure that Labrador, even if we do have second billing in the provincial name, should never have to make do with second best.

We have taken one small step today. We have many more to go. The road ahead will be difficult, it will be exciting and it will be challenging. We do not always know where it may lead us. I lay down a challenge to my colleagues and my friends, both in the House and beyond, a challenge to support us, to work with us and to join us on that road.

•(1030)

The Deputy Speaker: For a moment I thought maybe we were leading to an amendment that would state "the province of Labrador and Newfoundland".

Mr. Scott Reid (Lanark—Carleton, Canadian Alliance): Mr. Speaker, I thank both my colleagues for their eloquent speeches on the subject. I will begin my remarks by saying how strongly I agree with the notion of providing for the symbolic recognition of Labrador's role in Newfoundland and its place within Newfoundland.

This encapsulates a spirit that is important in the country, a spirit of recognizing that just as Canada is a country of regions our provinces are provinces of regions and have a great deal of diversity and heterogeneity. In this respect they need to reflect the fact that they are not homogeneous wholes.

Government Orders

The fact that in the past this country and other countries have sometimes failed to achieve that recognition is demonstrated by the fact that in some provinces of Canada and some subnational jurisdictions of other countries we have seen the rise of separatist movements.

In Canada northern New Brunswick at one time had a separatist movement. There was a partitionist movement in Quebec at one point. There was a movement for an independent northern Ontario and at one point there was a movement for Labrador to become a separate province.

This kind of recognition, while only symbolic, is nonetheless important. Symbols are important as are the practical policies a government must undertake to promote the inclusion of parts of a province that are not part of a regional metropolis.

The inclusion of Labrador in the name of Newfoundland and Labrador strikes me as a wise move. It has already happened in many respects in Newfoundland's policy on an unofficial basis. For example, licence plates from Newfoundland say Newfoundland and Labrador.

Labrador is a unique part of Canada in a number of important respects. It is not only an area of enormous size and extraordinary beauty. In some respects it is both the oldest and the newest part of Canada. According to archeological evidence it was settled by the Innu at least 7,000 years and possibly 9,000 years ago. In the north it was settled by the Inuit about 4,000 years ago.

Labrador is the first part of the North American mainland that was visited by Europeans. I would seek the indulgence of the House to read into the record the first description of Labrador ever recorded in print.

This is from the *Graenlendinga Saga*, the saga written to record the discovery of Greenland by Erik the Red and then of Labrador and Newfoundland by his son, Leif Eriksson. It describes their departure from what they called Helluland, which we now believe to be Baffin Island:

They returned to their ship and put to sea, and sighted a second land. Once again they sailed right up to it and cast anchor, lowered a boat and went ashore. This country was flat and wooded, with white sandy beaches wherever they went; and the land sloped gently down to the sea.

Based on this description and on the subsequent description of Vinland, scholars believe this is a description of southern Labrador. This is the area which has subsequently been settled and has become a fishing area. Northern Labrador is a great deal more rugged. It is possible that the description of Helluland is a description of northern Labrador. Helluland means the land of large rocks.

Labrador is in some respects also the newest part of Canada. Landsat Island in particular, an island off the coast of northern Labrador, is the most recently discovered part of Canada. It was discovered in 1976 by Dr. Frank Hall Sr. of the hydrographic service. At that time it was under the ministry of energy, mines and resources. He discovered the island while surveying in a helicopter off the coast of Labrador.

●(1035)

I have spoken to Frank Hall Sr. and he told me a fascinating story about the moment of discovery. He was strapped into a harness and lowered from a helicopter down to the island. This was quite a frozen island and it was completely covered with ice. As he was lowered out of the helicopter a polar bear took a swat at him. The bear was on the highest point on the island and it was hard for him to see because it was white. Hall yanked at the cable and got himself hauled up. He said he very nearly became the first person to end his life on Landsat Island.

Based on the experience he suggested the island be named polar island. However the name Landsat Island was given to it because the island had first been spotted by the Landsat satellite, something which was regarded as quite an accomplishment.

I can still remember listening to the radio as a small boy and hearing with some excitement, because I had dreams of being an explorer when I grew up, of the discovery of the new island off Canada's east coast. It was a discovery of practical importance to Canada because it allowed Canada to expand its territorial waters quite substantially. It was quite a remarkable accomplishment.

I have an other connection with Frank Hall if I might indulge the House in pointing it out. I am good friends with his son, and his daughter-in-law works as my office manager.

I will turn from this to another question the hon. minister raised in his comments, a question which has been raised in recent newspaper reports regarding the reaction of the Parti Quebecois and Bloc Quebecois to the proposed constitutional amendment. This relates to the Quebec-Newfoundland boundary dispute over the sovereignty of Labrador.

I will quote from the commentary that was given by those two parties. Marie Barrette, spokesperson for Quebec intergovernmental affairs minister Joseph Facal, said the amendment was purely cosmetic because there would be no change to the borders. She therefore indicated the Quebec government would have no opposition to it.

The Bloc Quebecois intergovernmental affairs critic stated in an interview that since the amendment had no legal consequence it did not keep them from sleeping at night.

This leads me to believe there is an underlying statement being made to the effect that because the amendment does not affect some sort of legitimate claim of the province of Quebec to the territory there is no objection.

I will review the history of the boundary dispute to make the point that the underlying thesis is incorrect. There is no question that all the territory currently designated as Labrador is entirely and unquestionably constitutionally protected as part of the province of Newfoundland and Labrador and that no one else has any claim to it.

Government Orders

The history of the territorial dispute stems back to unclear draftsmanship in the original definition of the boundaries of Labrador. There was no question that the original European settlers of Labrador were to be under the jurisdiction of Newfoundland. They settled along the coast. The description of the area they would inhabit and which would be under the jurisdiction of Newfoundland was that it was an area of coastline extending from Cape Chidley in the north to Blanc-Sablon in the south. Those two points were not in question. What was in question was what was meant by coast.

• (1040)

A dispute developed between the governments of Canada and Newfoundland, which at the time was not part of Canada. The Government of Canada claimed that the term coast meant a one mile wide strip of land along salt water. The government of Newfoundland argued it should be the entire watershed draining into the Atlantic.

The dispute was eventually sent to the privy council in London. The privy council made a decision in 1927 delineating the boundary substantially in Newfoundland's favour. The entire watershed flowing into the Atlantic Ocean would be considered part of the territory of Newfoundland.

This continued to a certain point in the south from which a line was drawn due east to a point directly north of Blanc-Sablon. This was then joined by a direct north-south boundary line drawn north from Blanc-Sablon.

There was some question at the time as to why the straight line was drawn. It took some of the upper watershed of several rivers that flowed into the Gulf of St. Lawrence and placed it within Newfoundland territory, in particular the Little Mecatina River which would not have fitted with the earlier description.

One could dispute whether that was a wise addition or change to the original formula. Whatever the case, the boundary was agreed to by both parties. It was written into the Constitution of Canada when Newfoundland and Labrador joined Canada and it is not subject to any form of dispute. There is no legal argument that any of the territory is not clearly and distinctly a constitutionally protected territory of the province of Newfoundland and Labrador.

I say this not merely based on my own reading of the facts. I say it based on the authority of the government of Quebec which produced in 1970 and 1971 a detailed study on all the boundaries of Quebec.

• (1045)

[*Translation*]

I am talking here about the commission studying the territorial integrity of Quebec.

[*English*]

Document 3.2 of the study dealing with "La Frontière du Labrador" states that while Quebec might have had a claim at some point in the past the privy council decision put it absolutely and unquestionably to rest.

The report acknowledges that there is no constitutional way that Quebec could have any claim to any part of the territory of Labrador. I think that also reflects the will of the people of Labrador.

In 1927 there were very few settlers in the interior. That has changed. The interior is no longer an uninhabited area, uninhabited from a European point of view, because it always had aboriginal elements of living and hunting.

People who live in Labrador express no interest in becoming a part of Quebec. When there is such a clear indication of popular sentiment reflected so clearly by constitutionally entrenched legal rules, no question can be disputed.

I turn finally to some closing comments, with regard to Labrador and the character of the place.

Labrador is an extraordinarily large area geographically. My colleague, the hon. member for Labrador, made this point in his comments. If we think of this from a European perspective, Labrador is larger than any of the countries in Europe, with the exception of Ukraine and Russia.

It is full of not only extraordinary scenic beauty, but also mineral wealth and rivers, some which have been tapped for hydro and some have not. They all are appreciated by the people who draw resources from them.

In some respects, Labrador is to the east coast of North America what Alaska is to the west coast of North America: a vast northern land of almost unimaginable wealth, extraordinary beauty and an extraordinary challenge for all of us.

To get a sense of what would characterize Labrador the best, I contacted my friend, John McGrath, who was the Reform Party candidate in a byelection in Labrador in 1996. He now resides in my constituency and will be well known to the current member for Labrador. I asked him what best expresses, in a nutshell, the character of Labrador. He suggested to me that I ought to consult the *Ode to Labrador*, by Dr. Harry Padden of Northwest River.

The *Ode to Labrador* reads in part as follows:

Dear land of mountains, woods and snow...
God's noble gift to us below...
Thy proud resources waiting still,
Their splendid task will soon fulfill,
Obedient to thy Maker's will...

We love to climb thy mountains steep...
And paddle on the waters deep...
Our snowshoes scar thy trackless plains,
We seek no cities streets nor lanes,
We are thy sons while life remains,
Labrador, our Labrador.

[*Translation*]

Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ):
Mr. Speaker, it my duty and pleasure to join in the debate concerning a constitutional amendment on the legal designation of the province of Newfoundland, which would become the province of Newfoundland and Labrador.

Normally, as history regularly reminds us, amendments to the Canadian constitution become historic highlights, important national milestones or even historic benchmarks, but the debate in the House today is less important because of the rather minor nature of this amendment.

The amendment introduced by the federal government and sponsored by the Minister of Industry reflects a diluted version of the previous position of the government of Newfoundland, and that is good. If it had been any different, the Bloc Québécois would not have been able to support the motion, but more on that later. It should be noted that the very essence of this constitutional amendment has long been a touchy issue in the relations between the governments of Quebec and Newfoundland.

The dispute that still keeps these two governments on opposite sides concerning the recognition of the territory belonging to Labrador did not start just the other day. In fact, Canada and Newfoundland filed an appeal in 1927 with the judiciary committee of the Privy Council in London for a ruling on the delineation of the border between the two on the Labrador Peninsula. It should be pointed out that at the time Newfoundland was only a colony of the British crown, as was Canada moreover, and the Privy Council in London was the highest level of the judiciary for all colonies.

The tribunal was therefore asked to interpret the meaning of the expression "coast of Labrador", a territory assigned to the colony of Newfoundland by certain of the colonial laws. The Government of Canada of the day, defending the territorial interests of Quebec, claimed that this meant only a narrow strip of land along the water's edge. Newfoundland, on the other hand, argued that the Newfoundland portion of Labrador extended to the entire watershed draining into the Atlantic, an area very likely far larger than any agreement could have been reached on.

The judges found in favour of Newfoundland. In addition to the entire watershed draining into the Atlantic Ocean, Newfoundland was awarded a portion of the territory to the north of the 52nd parallel, including the watershed area of the rivers draining into the St. Lawrence, thus going beyond the watershed line.

A number of commentators contested the reasons for the decision. First, it seemed that the broad definition given the expression "coast of Labrador" gave Newfoundland too much of territory Quebec considered its own. It was later alleged that the delineation of the southern border along the 52nd parallel gave Newfoundland more than it had asked for. It was noted too that the government of Quebec was not present at the hearings of the tribunal.

It is again important to point out that serious doubts were expressed about the federal government's real interest in defending the integrity of Quebec territory, since Newfoundland was already considered to be a future province in the Canadian federation. Finally, doubt was often cast on the impartiality of the judges on the judiciary committee, because the judges belonged to a government whose members had economic interests in Labrador.

We understand better today, with this historical background, the scope of the sometimes troubled relationship between Quebec and Newfoundland. However, the problem remains undiminished, and, had it not been for some softening in the traditional stand taken by Newfoundland, it would be a good bet that even the federal government would not have wanted to get involved in any debate on the matter.

At the time, the governments of Newfoundland and Canada accepted the 1927 opinion of the judicial committee of the Privy

Government Orders

Council setting the border between these two states, or at least between these two territorial entities of the empire. In 1949, when Newfoundland joined the Canadian federation, the border defined by the 1927 decision was confirmed under the heading "Terms of Union", enacted under the Newfoundland Act. In the schedule, the second term reads as follows:

The Province of Newfoundland shall comprise the same territory as at the date of Union, that is to say, the island of Newfoundland and the islands adjacent thereto, the Coast of Labrador as delimited in the report delivered by the Judicial Committee of His Majesty's Privy Council on the first day of March, 1927...and the islands adjacent to the said Coast of Labrador.

• (1050)

Never, and I insist on that word, did a Quebec government officially recognize the jurisdiction of the Newfoundland government over Labrador, as delineated by the 1927 decision. For over 70 years now, Liberal, PQ and Union nationale MNAs have always shared the same view on this issue.

In spite of this imbroglio, over the years there have been many bilateral development and co-operation agreements between Quebec and Newfoundland. Moreover, relations between the two governments greatly improved under the leadership of Premier Bouchard and of the current Minister of Industry when he was premier of Newfoundland.

However, given the relative fragility of these relations and the scope of future projects to be negotiated, Premier Bouchard warned his Newfoundland counterpart against the negative interpretation that could have been generated in Quebec by presenting a motion to officialize the name of Newfoundland and Labrador, thus legalizing and officializing the 1927 judicial decision.

In this regard, Montreal's *Gazette* reported in February 1997 Premier Bouchard's comments that presenting a resolution as proposed by the Newfoundland government would revive a deep emotional debate in Quebec and could be perceived as a form of provocation.

At the time, intense negotiations were taking place to conclude an agreement of \$10 billion or so to jointly develop Churchill Falls' hydro electric potential.

Moreover, some semantic changes occurred in Newfoundland's position, reaching a peak on December 6, 1999, when the premier of that province, now the Minister of Industry said, and I quote:

• (1055)

[*English*]

The resolution passed by the House of Assembly and now being considered by the federal government would simply legalize what has been the boundary of this province as confirmed by the British Privy Council decision of 1927.

It went on to say that the region of the province should be acknowledged in the official name.

[*Translation*]

I insist on the word legalize, used by the then premier of Newfoundland. This gives us a better understanding of the reaction of Premier Bouchard, who considered this as an insult to the constant position of Quebec on the border issue.

Government Orders

Again, I remind the House that no government in Quebec, whatever its political stripe, has ever recognized the legal status of the border drawn pursuant under the judiciary decision of 1927.

Obviously, Newfoundland's position as presented and defended by the Minister of Industry, is not the same today, if we compare it to the position he had when he was a member of parliament in St. John's.

Things have evolved considerably, since the Minister of Industry has softened his position by making clear in a letter to Premier Bernard Landry, and I quote:

That the amendment proposal aiming at changing the name of Newfoundland will have no impact on the present border between Quebec and Newfoundland.

Replacing the name of Newfoundland by Newfoundland and Labrador in the Terms of Union is a symbolic measure which acknowledges in a significant way that Labrador is an essential and full partner of the province, with its own geography, history and culture.

The Minister of Industry reaffirmed this commitment today when he brought forward his motion, just half an hour ago.

In a letter to Premier Landry dated October 23rd, Mr. Grimes, the successor of the Minister of Industry and current premier of Newfoundland, took a similar position.

He wrote, and I quote:

I wish to reiterate that this is only a change of name, which in no way changes our position regarding our common border or our position on the issue.

Essentially, it is to be understood from those words that the government of Newfoundland explicitly acknowledges that nothing in the terms of the motion of the government will have any impact on the delimitation of the border between Quebec and Newfoundland.

Incidentally, this guarantee was required as a sine qua non condition for the approval by Quebec of the constitutional initiative of Newfoundland, as stated in the letter of October 18 signed by Mr. Facal and Mr. Brassard, both ministers in the government of Quebec.

The fact that some wish to amend the constitution to facilitate the recognition of Quebec as a nation appears to me to be correct, desirable, but also very unlikely, if not impossible. Unfortunately Quebecers have too often been disappointed by the endless constitutional rounds to rejoice about it, as the populations of Newfoundland and Labrador can today.

This is particularly true, given the disconcerting ease with which this historic amendment to the constitution that we are debating today will be enacted. It would appear, once again, as though the federal government is biased toward Newfoundland and the other provinces of Canada, to the exclusion, of course, of Quebec.

A few days before the 1998 Quebec elections, the Prime Minister of Canada stated, in response to comments made by Jean Charest, that the Canadian constitution was not a general store, and the Government of Canada had no intention of reopening the issue; that there should be no expectations of the federal government changing the constitution; and that everything was coming up roses.

Last spring, the Canadian Minister of Intergovernmental Affairs even took pains to explain why Quebec's nationhood would not be recognized in the constitution, ridiculing Quebecers' constitutional

demands by stating in an open letter to *La Presse*, on May 1, and I quote:

We simply refuse to make the mistake of believing that we have to put everything that is important in the constitution.

The minister continued with a highly questionable example, which now contradicts the government, by writing, and I quote again:

A great many things that are important are not found in the constitution. The most important of values, love, is not recognized...The fact that our constitution makes no mention of it does not mean that love does not exist...but I believe this to be fundamental: a constitution is not meant to contain everything that is important, but rather everything for which there are legal consequences.

Yet, according to the federal government and the government of Newfoundland, the constitutional amendment designating the "Province of Newfoundland" as the "Province of Newfoundland and Labrador" will have no impact on the borders of Labrador. Why, then, should such a request even be considered? The question remains to be answered, but the debate is pointless, according to the federal government's interpretation.

• (1100)

I already anticipate the triumphalist and trite remarks of the Prime Minister and his Minister of Intergovernmental Affairs, who will brag, even before the ink from the Governor General's pen has dried, that the Canadian federation is flexible and that everyone stands to gain. At the point where we are now, I hope at least that the Labrador people will be able to find love for their province. In any case, this is practically the only thing that they will be able to hope to get from the Minister of Industry.

The Quebec government has noted the change in direction or goal of the Newfoundland government on this sensitive issue and agrees with it, in light of the details of the text of the motion. However, it is important to specify that Quebec's current position remains unchanged: it does not recognize the definitive nature of the 1927 border between Quebec and Newfoundland in the Labrador peninsula. Indeed, Quebec's official maps reflect this position very accurately, while indicating the watershed divide north of the 52th parallel.

The Bloc Québécois will not oppose the motion and wishes that the openness of the federal government may be able to affect the whole of its rather deficient interpretation, must we remind the House, of its own constitution.

Let us remember, of course, that this is a minor change to the constitution. In fact, it is a cosmetic change to Canada's primary statute, which would have no impact, except perhaps for a stronger feeling of belonging for the 30,000 inhabitants of Labrador in the province of Newfoundland.

Finally, before concluding my remarks, I would like to draw the House's attention to something which was pointed out to me and which is of paramount importance. According to the *Dictionnaire illustré des noms et lieux du Québec* of the Commission de toponymie du Québec, the geographic name "Labrador" can designate the "entire peninsula between Hudson Bay and the axis of the St. Lawrence River". In other words, regardless of where the interprovincial boundary lies, there is a Quebec Labrador bounded on the west by Hudson Bay and on the east by the Quebec-Newfoundland border, wherever that border lies.

Government Orders

The 1927 arbitration seems to reflect this geographic reality, because its purpose was to decide on the border separating the province of Quebec and the colony of Newfoundland “in the Labrador peninsula”, according to the wording of the compromise submitted to the judges. In addition, the Privy Council was asked to rule on the legal and geographic meaning of “coast of Labrador” in certain crown documents giving the government of Newfoundland rights over this “coast”.

Newfoundland's use of the geographic name “Labrador” could be viewed as incorrect from a constitutional point of view. In fact, article 2 of the Terms of Union of Newfoundland with Canada uses the expression *coast of Labrador* to designate the continental portion of the territory of the new province. Newfoundland therefore cannot claim to take in all of Labrador in the geographic sense.

Finally, and very briefly, for all the reasons given earlier by the Bloc Québécois, we will not be opposing this motion.

[*English*]

Mr. Bill Blaikie (Winnipeg—Transcona, NDP): Mr. Speaker, it is a great pleasure to participate in this historic exchange of views and to debate a motion that will realize a longstanding aspiration of the people of Newfoundland and Labrador.

For over 30 years the government of Newfoundland and Labrador referred to itself by that very name: Newfoundland and Labrador. Today we are amending the Constitution of Canada so that the name change would be enshrined in all legislation enacted by the Government of Canada.

The government of Newfoundland and Labrador only passed the motion requesting the Government of Canada to amend the constitution on April 29, 1999. I understand that it has been a recurring topic of discussion in that province for over 30 years.

In the 1960s the then government of Newfoundland decided to officially include Labrador in its name to reflect the wishes and concerns of the citizens of Labrador who joined Confederation at the same time as their offshore brethren. In fact they had been part of the same dominion territory since the beginning of the 19th century. It was also done to assure them of their status within the province.

Since then all official government documentation, legislation and essentially anything put out by the provincial government has been published, released and referred to under the name of the government of Newfoundland and Labrador. The dual name has been widely accepted in Newfoundland and Labrador and is considered to be the official name by which the province is known though often in conversation the province is simply spoken of as Newfoundland.

In supporting the motion we are simply giving effect to the longstanding wishes of the citizens of the province of Newfoundland and Labrador. It may take time to get used to saying Newfoundland and Labrador, although some of us are in the habit of it already. The member for Labrador said that he managed to teach the Prime Minister to do this, and we are glad to hear the Prime Minister is teachable.

There is no doubt that the citizens of Newfoundland and Labrador favour this change. The motion passed the legislative assembly

unanimously in 1999, the year before the federal government commissioned a parliamentary committee to travel around the province finding out what Newfoundlanders wanted.

The former premier of Newfoundland and Labrador, who is in the House today, may recall that the provincial NDP opposed the travelling committee at that time. In its view the change had been so commonly accepted that there was no need to spend money on a government junket asking people a question that it already knew the answer to. Newfoundlanders responded with rousing support for the changes without the need for an official government commission.

Today we are asked to approve an amendment to the constitution. This will be a bilateral amendment requiring only the consent of the Government of Canada at the request of the province of Newfoundland and Labrador.

Labrador is rightly seen as an integral part of the province even though it only has 30,000 inhabitants compared to approximately 570,000 for the province. This amendment would recognize that Labrador is an unquestionably important component rather than an adjunct to the province. The member for Labrador made that argument quite eloquently.

● (1105)

[*Translation*]

The dynamics of Canadian federalism would not be affected by this motion. I would like to say, in passing, that the government of Quebec did accept that the name of the province be changed to Newfoundland and Labrador. The Minister of Industry said that the resolution would have no impact on the boundary line between Newfoundland and Quebec. I think that he is right in this regard, and I support that position.

[*English*]

The minister is not always right. We have to take these opportunities when we can get them.

[*Translation*]

The last time the federal government presented that motion, the Quebec government expressed its opposition to the change. I am pleased to see that Minister Facal and the member for Charlesbourg—Jacques-Cartier have finally recognized how important it is to respect the will of Newfoundland citizens who want the name of their province changed.

[*English*]

Finally I would like to reaffirm that this change to the Canadian constitution, though minor but obviously significant to the people of Newfoundland and Labrador, is an example of how easy it can be to amend the Canadian constitution to reflect the wishes of its citizens. I wish that in the past when we had sought constitutional amendments that went further than bilateral constitutional amendments that we had had as much success as we have had in the House recently with bilateral constitutional amendments. This is the second one having to do with Newfoundland and Labrador. There was one earlier with respect to Quebec having to do with school boards in that province.

Government Orders

I share the sentiments expressed by the member for Charlesbourg—Jacques-Cartier regarding the number of attempts to amend the Canadian constitution to reflect the special place of Quebec within the Canadian confederation that have not succeeded. I was here through those days and supported those amendments, both Meech and Charlottetown, as was the Minister of Industry. I hope that someday we might be standing here debating or reflecting unanimously upon a change to the Canadian constitution that would accomplish that, but that day has not yet arrived.

There is no reason for us not to do what is possible. What is before us here today is possible and has the support of the NDP.

● (1110)

Mr. Norman Doyle (St. John's East, PC/DR): Mr. Speaker, I want to say a few words on the constitutional amendment which officially changes the name of the province of Newfoundland to the province of Newfoundland and Labrador. This might be a symbolic change but it is a very important and substantive one in my view.

I congratulate the Minister of Industry, Newfoundland's regional minister, for having taken the initiative to implement the change. He started the process back when he was premier of Newfoundland and today we see the culmination of that initiative. I support him and congratulate him on having taken that initiative.

Let me congratulate also my colleague the member for Labrador. He spoke very eloquently today about Labrador and its beauty, culture and people, and well he should speak well of the people of Labrador. He is the first native born member from Newfoundland to come to the House of Commons. I congratulate him on that. He is a good member for Labrador and one whom I am very pleased to work with on this matter.

Anyone who has lived in Labrador knows its beauty and culture. And the people of Labrador, what fine people they are. The regional minister from Newfoundland lived in Labrador for a number of years as did I. The member for Labrador belongs to one of the most beautiful parts of our province.

The territory we know as Labrador was awarded to Newfoundland in 1927 by the British privy council. Both the island of Newfoundland and Labrador changed hands between the British and the French on many different occasions during the history of the European settlement in North America. Labrador eventually ended up as part of Newfoundland.

In the early part of the 20th century it was generally understood that Newfoundland owned the coast of Labrador. However the governments of Newfoundland and Canada, which at that time represented the province of Quebec, could not agree on just how far inland the coast extended. At the time both Canada and Newfoundland were dominions within the British empire. That meant they both ran their own domestic affairs but the British privy council in London had the final say over foreign affairs and disputes between the two dominions.

Newfoundland had previous experience going up against Canada in London at the beginning of the 1890s. It was not a positive experience. The Newfoundland colonial secretary Sir Robert Bond negotiated a free trade fisheries deal with the American secretary of state Mr. Blaine. The Bond-Blaine treaty as it came to be known

raised the ire of Canada's maritime provinces. The maritime provinces were upset that Newfoundland had done an end run around them and had gained duty free access to American markets for its fish products. Ottawa took the matter up with the British privy council in London and in 1891 London quashed the treaty.

Canada even at that time was not familiar with free trade but Newfoundland back in the 1890s had negotiated a free trade agreement with the Americans called the Bond-Blaine treaty. It was in that context that Canada and Newfoundland, unable to settle on the Canada-Newfoundland boundary in Labrador, put that dispute to the judicial committee of the British privy council.

● (1115)

This time the privy council came down in Newfoundland's favour. It ruled that the word "coast" meant territory from the beach to the height of the land in the interior. That accounts for the highly erratic nature of the Quebec-Labrador boundary. It skips across the tops of the hills and the mountains in the interior of Labrador. That is how Labrador became a part of the Dominion of Newfoundland back in 1927. Labrador was part of Newfoundland when it became Canada's 10th province in 1949.

I have no hesitation in supporting an official name change that reflects a reality that has existed since 1927. When this resolution passes, and I believe it will probably get the unanimous support of the House, the province of Newfoundland becomes the province of Newfoundland and Labrador. This will officially recognize Labrador's status in the province with its own unique geography, culture and history.

Now that our federal minister has made that change and its name is secure, I sincerely hope he will make a few more changes for the province of Newfoundland and Labrador. I have spoken to him on a number of occasions here in the House on the equalization and health care issues for Newfoundland and Labrador, as well as the St. John's harbour cleanup which is very important to the people of St. John's.

The minister has been able to make a change to the Constitution of Canada to reflect the name of the province of Newfoundland and Labrador. Hopefully he will be able to make a few more changes which will be just as substantive as this one today. We support including Labrador in the official name of the province. We remind the minister that there are many pressing problems facing Newfoundland and Labrador which he has to deal with as well.

Three cheers for the minister for having made this change, but let us not confuse anyone who may not be aware of our history. We have owned Labrador since 1927; there is no question about that. In 1927 the privy council awarded Labrador to Newfoundland. The Government of Canada confirmed it and supported it as well. The resolution simply and officially makes the long overdue name change to reflect what happened back in 1927. Any individual or province who was not aware of that before is certainly aware of it now.

I thank the minister for his initiative.

Government Orders

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I appreciate the hon. member from Newfoundland's comments. Could he elaborate a bit more on the economic opportunities that await Labrador, not just in terms of the official name that is being presented now but in terms of the economic opportunities that await Labrador in the future?

Mr. Norman Doyle: Mr. Speaker, many economic opportunities await Labrador. All one has to do is look at what is happening now in Labrador with respect to Voisey's Bay, which is possibly the largest nickel find in the world. Labrador will be a recipient of a lot of the benefits which will come from that great mining operation.

We can look at hydro power in Labrador. The mighty Churchill Falls is a story in itself. There are many more rivers to be developed in Labrador and great hydro potential to be had there.

We must not forget the great tourism potential which is virtually untapped in Labrador. Labrador has to be one of the most beautiful parts of the world.

Mr. Rick Borotsik: The best kept secret.

Mr. Norman Doyle: As my colleague from Brandon—Souris said a moment ago, it is probably the best kept secret in all of North America. We need to tap into the tourism potential to be had in Labrador.

There is a great future for the people of Newfoundland and Labrador in these areas.

● (1120)

Mr. Loyola Hearn (St. John's West, PC/DR): Mr. Speaker, I wish to do something that I do not do very often. I should like to pay tribute to the Minister of Industry for his initiatives not only in relation to bringing forth the government motion but also the name change that took place unanimously in the house of assembly in Newfoundland while the hon. gentleman was the premier of the province.

He has certainly been the leader in bringing these two great names together, recognizing that there is one province and that Labrador is an equal part of that province. This is perhaps a fact that has been overlooked by a lot of people for many years. I thank the hon. minister for this initiative. This has to be a proud day for the people of the Labrador section of the great province of Newfoundland and Labrador.

Why was this not done long ago? In the historic days of colonization Canada was just a dominion and Newfoundland a little colony under the direct rule of Britain for many years. Newfoundland eventually joined this great Dominion of Canada and became part of this great country.

Labrador always seemed to be looked upon as an entity unto itself and not part of the great province of Newfoundland and now Newfoundland and Labrador. There seemed to be a geographic separation over the years as well as a psychological separation.

The people of Newfoundland looked upon Labrador as a place to go to rape the resources and take advantage of it. The area would then be left for the people of Labrador to try to survive and eke out a living from the resources without any assistance from either the

province of Newfoundland or from Canada. However these hardy people survived.

Over the years the recognition began to hit home. The resources that were geographically in Labrador were not for the sake of Newfoundland or for outsiders but primarily for the benefit of the people of Labrador. The sharing concept between both parts, the island and the mainland, has grown to the point whereby officially recognizing that we are one province, Newfoundland and Labrador, we will not hear any more about the issue of divide and conquer.

Labrador has brought so much into Confederation. We hear what the province of Newfoundland brought in. However much of that is actually part of the Labrador section. Now we can truthfully say the great province of Newfoundland and Labrador brought so much into Confederation.

This is quite different from the way we are viewed by many people who do not know the great strengths and resources of our province. At the most northerly tip of Labrador the scenery and fishing resources are incredible. I am sure that anyone who has flown, I will not say walked, over Torngat Mountains has had the pleasure of seeing how immense and beautiful they are. The wilderness in Labrador is the last great wilderness in Canada where hunting, fishing and hiking are indescribable. One has to be there to be able to appreciate it.

There has been great mineral wealth discovered at Labrador west in the mines that have kept the towns of Labrador City and Wabush going for many years. The ore from that area has benefited Quebec and Ontario perhaps to a much larger extent than we would like to see, with all due respect to our friends in those provinces.

● (1125)

There are the great discoveries in Voisey's Bay which one of these days will be primarily developed for the benefit of the people of Newfoundland and Labrador. Undoubtedly there will be benefits for our sister provinces as there should be. Newfoundland has never said no to that. It has never said it would not share its great resources.

There are the northern cod stocks based off the coast of Labrador which swim down the northeast coast to Cape St. Mary during the summer. Over the years they provided a livelihood for the people in Newfoundland and Labrador. They also provided a livelihood for many other Canadian provinces and foreign nations that came in, raped our stocks, took quotas given to them to sell other products, and we were left the losers. It is to the point where the stocks have been practically wiped out. The people of Newfoundland and Labrador are the losers. They received absolutely nothing in return.

The best example of how we are treated is before us right now. There is a 20% tariff placed on the great northern shrimp stocks that we catch off the coast of Labrador and send to the European market. Our fishermen face a 20% tariff on our peeled and cooked shrimp going to the European market because one company in one country in the EU is trying to make sure the tariff is imposed to protect its own market opportunities.

Government Orders

It does not make any sense whatsoever. It is not an issue between Canada and the European Union at all. It is an issue between a company in Denmark and Canada. It is something that should be resolved overnight, instead of having to wait for the next round of World Trade Organization discussions.

I have often said it is only Newfoundland and Labrador and it is only fish. However the great fishing stocks off Newfoundland and Labrador have kept many a country afloat since the discovery of Newfoundland in 1497. The economies of Britain, Spain and Portugal were all boosted tremendously by the economic benefits from the processing of the fish stocks off Newfoundland and Labrador.

We have oil and forest resources. We are an island and a mainland section with a population of a little over half a million people. We have more resources per capita than any province in Canada and any country in the world. Yet we have the highest unemployment in Canada. We have sat back over the years and watched others benefit from our resources and we have not benefited at all.

I was in Taiwan earlier this summer. It is a country that is smaller than Newfoundland with the population of Canada. It has less than 4% unemployment and practically no resources.

What is wrong? It is the leadership in our province. It must recognize the strengths we have and be willing to work with us. I am delighted to support this initiative to make sure that Newfoundland and Labrador are recognized equally as one province, not only in our own eyes but in the eyes of this great country and the world.

• (1130)

Mr. Pat O'Brien (Parliamentary Secretary to the Minister for International Trade, Lib.): Mr. Speaker, I can claim to be one-quarter Newfoundlander because my paternal grandfather was born and raised in Fortune Harbour, Notre Dame Bay. Before I ask my question I wish to commend my colleague, the member for Labrador, on his fine remarks and the regional minister for Newfoundland, the Minister of Industry, on this initiative. It is very important and much appreciated by all Canadians.

Would the hon. member share his expertise on what could be done to encourage more Canadians to visit Labrador? It is a beautiful part of Canada that I had the opportunity to see when I visited the hon. member's riding a few years ago. It is an awesome part of the country that so few people have seen. What initiatives could the Canadian government and the government of Newfoundland and Labrador undertake co-operatively to help more Canadians visit there and leave a few of their tourist dollars behind?

Mr. Loyola Hearn: Mr. Speaker, I thank my friend for the question and I am proud that he is part Newfoundlander. If we did a research study throughout the House we might find that many more people are the descendants of people who came from Newfoundland or at least through Newfoundland.

There are two things we can do. First, we have not done a good job over the years of publicizing our positives. When we hear about Newfoundland it is often looked upon as the poor cousin. That is changing. Our job, the job of my colleagues across the House and my colleague from St. John's East and others, should be to talk about what we have, the positives of Newfoundland and Labrador. By

doing so we would encourage more people to look upon it as a place to visit rather than wondering who would want to be stuck there.

The people who were in Gander during the September 11 events will tell us that they have never been treated so well in their lives. Somebody from St. John's referred to a person from New York who was walking up the waterfront as being stuck there all week. The person from New York said he was not stuck and that he had never seen such beauty and freedom in all his life.

We have to put more money into our infrastructure. One of our problems is that we are an island and getting there by air is expensive. We are held hostage by an Air Canada monopoly or by the ferry which should be looked upon as a permanent link. It should be an essential service. It should be an extension of the Trans-Canada Highway. We have to pay more to get to Newfoundland than any other province in the country. If we can solve some of those problems and put more money into our general infrastructure, we can be and eventually will be the Mecca of Canada.

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I do not want to rain on anyone's parade but we do have a serious concern in Labrador with the Indian people at Davis Inlet. I know the minister is listening.

Will the member reflect upon what we can do as a parliament to improve the lives of the Indian people in Labrador, to increase their standards especially in regard to the economy and to becoming more of a player in the politics of Newfoundland and Labrador?

Mr. Loyola Hearn: Mr. Speaker, that is an extremely important question. Two great races, the Innu and the Inuit, cover most of Labrador. They are in Davis Inlet and many other areas.

One of the things we have tried to do with a lot of these people is to show them how to do it our way. We should be asking them how they would like to live their lives with their own leadership, under their own direction and with some help and encouragement rather than trying to force our way of life upon them.

If we set the example then perhaps we would see changes in attitudes. They could make a good living for themselves rather than try to depend upon the directions we set. The potential is there. Leadership is what we need. It is something that has always been lacking in all of us.

• (1135)

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.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Government Orders

The Deputy Speaker: In my opinion the yeas have it.

Some hon. members: On division.

(Motion agreed to)

* * *

• (1140)

EXPORT DEVELOPMENT ACT

The House proceeded to the consideration of Bill C-31, an act to amend the Export Development Act and to make consequential amendments to other acts, as reported (without amendment) from the committee.

Hon. Rey Pagtakhan (for the Minister for International Trade) moved that the bill be concurred in.

(Motion agreed to)

Hon. Rey Pagtakhan (for the Minister for International Trade) moved that the bill be read the third time and passed.

Mr. Pat O'Brien (Parliamentary Secretary to the Minister for International Trade, Lib.): Mr. Speaker, I am very pleased to have the opportunity to speak on third reading of this very important and timely bill, an act to amend the Export Development Act. Bill C-31 is the outcome of a legislative review process that was mandated in 1993. In that year a number of amendments were made to the Export Development Act.

The purpose of the amendments was to improve the EDC's ability to serve Canadian exporters. Canada's trade was expanding rapidly and certain aspects of EDC's operations needed streamlining. If the debates that surrounded the 1993 amendments were reviewed, we would find a strong consensus that EDC is a key player in Canada's international trade.

The expansion of the corporation's powers was supported by all parties. I do not have to tell the House how important Canada's exports are to our national prosperity. Forty-three per cent of our GDP and one out of four Canadian jobs are directly tied to exports. At the present time, EDC supports nearly 10% of this trade. This is a remarkable role for a single firm and underlines the corporation's importance to Canada.

Since the 1993 amendments took effect, EDC's business has grown almost fourfold, reaching \$45 billion last year. It is clear that the 1993 changes have borne fruit, but at that time they were seen as a bold step. As a result parliament also decided to monitor the corporation's future performance. It imposed a requirement for a thorough review of EDC's mandate in five years' time.

That review began in 1998 with a report by the law firm Gowling, Strathy & Henderson. This was the so-called Gowlings report which was the starting point for studies by the Standing Committee on Foreign Affairs and International Trade in the fall of 1999. That committee's report was presented to the House in December 1999 and was the subject of a government response tabled in parliament by the Minister for International Trade in May 2000. On the whole, the government endorsed the findings of the standing committee.

Before moving to the substance of this bill and how it responds to the many issues that were raised during the legislative review, I will note a few things about the conduct of the review itself.

First, the terms of reference were extremely broad, touching all aspects of EDC's operations and mandate: how were its current programs operating; what were its customers views; EDC served a large number of Canadian exporters, but what about those who did not use its services; and what did its competitors think of it? All of these viewpoints were sought.

Second, the review surveyed the dynamics of international trade itself and the challenges facing Canadian exporters. Could EDC's current services to them be improved? Was there untapped capacity in the Canadian financial system that EDC might help deliver to exporters?

Third, a lot of stress was placed on non-commercial issues like the environment and human rights. Was the corporation upholding Canadian values in its activities? What effect did Canadian trade have on economic and social development in other countries?

Finally, the review included very extensive public consultations. If we look at the list of witnesses and written submissions that were received during the review, we will see that scores of individuals, companies and organizations were heard. There were additional consultations on individuals' issues as well.

The review was conducted with great publicity. However, this did not always make for easy decisions. There was a wide range of opinion on the issues. Much of it was valid on its own terms but difficult to reconcile. We did ensure that all voices were heard and that we were well informed concerning where Canadians stood. There was strong consensus on some points. I have already noted how Canada's economic well-being depends on international trade.

• (1145)

The review demonstrated EDC's significant contribution to this trade. It is a well managed organization, highly valued by its clients and respected by its competitors.

I would digress from my text to note that a major exporting firm in my riding of London—Fanshawe, namely General Motors, diesel and defense, has told me repeatedly how valuable the assistance of EDC has been in helping it win very important export contracts.

EDC is innovative in its development of programs and an important contributor to multilateral dialogue on trade issues.

Whatever changes we propose, we should preserve EDC's flexibility to deliver its services and protect those programs that are operating well. At the same time, there is also consensus that EDC could do more to ensure adherence to those values that Canadians expect of an agency of government. This is particularly true with regard to environmental and human rights issues.

EDC is Canada's emissary in many important respects. In some measure, it is Canada's reputation as well. All Canadians have a stake in this.

Government Orders

The standing committee, in its report to the House, summarized these views. EDC should meet reasonable environmental and social standards in conducting its business. Its environmental review framework should be given a firm basis in law. To promote greater transparency and rigour in the framework, the auditor general should oversee its operation on a regular and public basis.

EDC's development of a disclosure policy is welcomed, but it should be subject to public consultations, independent review and the corporation should consider using an ombudsman to help administer the policy.

Finally, EDC should be required, by law, to pay due regard to benefits to Canada and Canada's international commitments, particularly those bearing on human rights and labour standards.

The challenge to do these things is not just for EDC or other trade finance institutions. It is a challenge that confronts any firm doing business on a certain scale. We are seeing very focused responses to it, on the part of both individual firms and multilateral bodies, like the organization for economic co-operation and development, where relevant codes of business conduct are being developed.

The OECD guidelines for multinational enterprises are a leading example of this. They outline principles and standards in areas as diverse as employment and industrial relations, human rights and the environment, disclosure and transparency and competition and tax. They are voluntary but carry great political and moral weight.

Canada is a signatory to the guidelines and we have agreed to encourage multinational enterprises to implement them.

However, there are no easy precedents to follow in taking initiatives like these. At the most practical level, we are talking about revising the due diligence that is practised by corporations on a regular, daily basis.

New systems always have an impact on costs, on client expectations and on accepted ways of doing business. Naturally, there is some resistance. The work requires time, resources and real commitment. The Government of Canada believes that our crown corporations have both the means and the duty to take a leadership role in this work.

I would like to turn now to Bill C-31 and describe how it responds to the concerns raised during the legislative review.

EDC served nearly 6,000 Canadian exporters last year. The corporation is always working to expand this customer base. To do this, Canada's small and medium-sized enterprises need easy access to EDC's services. Part of this work involves service innovations like online credit insurance, and EDC is taking steps to implement such systems. Part of it involves simple publicity, and some members will have seen EDC's recent television advertisements.

Both here and abroad, the corporation is known by the popular acronym EDC. Bill C-31 would amend the corporation's name to Export Development Canada in English and Exportation et développement Canada en français.

• (1150)

This would allow use of the well known brand name EDC in both of Canada's official languages. It would strengthen the corporation's

identity as a Canadian institution and it would facilitate EDC's outreach marketing, especially to small exporters throughout Canada.

In a subtle way then, the amendment serves an important objective which I am sure we can all support.

Bill C-31 also contains two amendments to the powers of its board of directors. The first would permit delegation of board powers to subcommittees composed of directors with special abilities in some area of corporate concern. This is a standard modern business practice. It permits a corporate board to refer issues to those who are best qualified to deal with them. It does not absolve the board of ultimate responsibility for the final decisions taken in respect of such questions.

A related amendment would enable EDC's board to make bylaws for the administration of a recently established pension plan. The new plan took effect in April 2000. It was established with appropriate authorizations and is consistent with treasury board policy that crown corporations should establish pension plans independent of the government.

I would like to turn now to the amendments that are probably of most interest to the House. Bill C-31 would establish a legal requirement for EDC to conduct environmental reviews of the projects it is asked to support. EDC already does this but the amendment would make it a binding legal obligation. A related amendment would require the auditor general to conduct regular examinations of EDC's environmental review framework. These examinations would cover both the design of the framework and EDC's performance in applying it. The examinations would occur at least once every five years and would be reported to parliament.

A related amendment would prevent duplicate requirements arising under the Canadian Environmental Assessment Act. Certain ministerial or cabinet actions can trigger that act, for example when ministerial authorizations are required for a transaction. Bill C-31 would require environmental reviews under the Export Development Act but there would still be a risk of a duplicate obligation arising under the Canadian Environmental Assessment Act. The amendment simply would prevent such duplication from occurring.

Critics of Bill C-31 have suggested that EDC should be regulated under the Canadian Environmental Assessment Act. This view was expressed repeatedly throughout the legislative review but neither Gowlings nor the standing committee took up the suggestion. In fact Gowlings stated that legislating specific environmental requirements for EDC might not be practical. Instead they recommended an approach similar to that of the United States export credit agency Eximbank.

Government Orders

Eximbank has had an environmental requirement in its governing legislation for almost 10 years. Eximbank's practices are often held up as a model for other agencies. In this approach, a general mandate to conduct environmental reviews is set by law but Eximbank's board of directors is responsible for developing specific guidelines and procedures in consultation with stakeholders.

This is precisely what Bill C-31 would do, establish a general environmental mandate while leaving its implementation to EDC's board of directors.

EDC recently completed public consultations on revising its environmental review framework. It employed both the auditor general's recommendations and specific government guidance in undertaking these consultations. It has sought out and taken account of the views of industry and NGOs. It has also engaged a leading environmental consultant to assist with the consultations and prepare detailed recommendations for the framework's revision. No other export credit agency in the world has had its environmental procedures subjected to such meticulous and exhaustive review.

The possibility of regulating EDC under the Canadian Environmental Assessment Act was given careful consideration before the present course was chosen. In taking its decision, the government applied such criteria as ensuring environmentally sound projects, protecting competitiveness, respecting foreign sovereignty and preserving flexibility to operate in the fast paced international environment.

• (1155)

The approach we have chosen is consistent with the emerging practice in the international community and with our work on this issue in the OECD. It would provide a uniform process for EDC's projects and permit rapid adaptation to changing competitive and technical circumstances. To ensure that its procedures and standards are sound, the auditor general will continue to oversee both its design and operation.

The Standing Committee on Foreign Affairs and International Trade has also recommended that EDC's mandate should include a legal requirement to pay due regard to benefits to Canada and Canada's international commitments, particularly those that concern human rights and core labour standards.

EDC's mandate is trade promotion, to the benefit of Canadian exporters and our common prosperity. Furthermore, as an agent of the crown, EDC is already bound to adhere to Canada's international commitments. However it was recognized that a general statutory mandate of this kind could raise legal risks for the corporation without clarifying the specific requirements that must be met in a given case. Unlike the environmental mandate, there is no pre-existing framework to help ground such an obligation in concrete operational measures.

Nonetheless, the government acknowledges the serious concern that underlines the recommendation and is committed to ensuring that economic benefits in international obligations are taken account of in EDC's decision making. The government has decided to address this issue through two interconnected mechanisms.

In the first place, EDC will be required by its corporate plan to consider economic benefits to Canada and Canada's international

commitments in the areas of human rights and core labour standards. Preparation of a corporate plan for crown corporations is required by the Financial Administrative Act. A corporate plan sets out and limits the range of a crown corporation's activities. It must be approved by ministers and tabled in summary form in parliament. A crown corporation cannot act outside the parameters set down in its corporate plan and must undertake to fulfill its requirements. EDC's corporate plan will now include these requirements and the House will have the ability to review its performance and assess whether the requirements have indeed been met.

However general commitments to human rights mean little unless we take concrete steps to ensure their respect in specific cases. At a practical level, the Department of Foreign Affairs and International Trade is working with EDC to refine our information sharing on human rights concerns in specific countries. This will operate at the level of general or sectoral conditions as well as individual projects. The objective is to ensure that EDC's decisions take full account of both the facts of the situation and how that may impact on Canada's international commitments. Once again, we recognize this is an issue that is important to all Canadians.

In bringing Bill C-31 to parliament, my colleague, the Minister for International Trade, took a very balanced approach to policy reform at EDC. On the one hand, the bill would leave significant responsibility in EDC's hands for the development of environmental and social policies. On the other hand, both government oversight and public accountability would be brought to these policies through regular consultations and the Office of the Auditor General.

When we last amended the Export Development Act in 1993, we hoped the changes would benefit Canada's trade and promote our common prosperity, and the intervening years have borne this out. Today we are again taking bold steps to keep the Export Development Corporation at the forefront of international trade practice.

I want to note that the legislation is very important and would make EDC more transparent and accountable, but what is most important is to have a proactive minister who will take it upon himself or herself, whoever has the position at any given time, to ensure that the full weight of the act is carried through.

• (1200)

I want to acknowledge the proactive efforts of the Minister for International Trade who said that he wants to see a report on the activities of EDC within two years, not the five years for which the legislation calls or even the three years which I believe the auditor general proposed. The minister took the initiative in wanting a full audit in two years time.

Government Orders

That is the kind of commitment the Minister for International Trade and the government has to making sure EDC performs effectively but in the most transparent way that is consistent with Canadian values.

I ask all members of the House to endorse the objectives of the bill and I look forward to their support for it.

Mr. John Duncan (Vancouver Island North, Canadian Alliance): Mr. Speaker, I am pleased to speak today to Bill C-31, the amendments to the Export Development Act. As the parliamentary secretary laid out, I do recognize that this has been a lengthy process. The process of review, consultation, surveys and other research that has gone into the background leading up to these amendments has certainly been a longer process than many of us have been involved in before. I have only been involved in this portfolio since June of this year so there is a lot to catch up to.

What I can say is that very clearly a consensus was developed on some of the needs that required addressing and they deal primarily with the issue of transparency and environmental and social standards. It is important to recognize what is the mandate of the Export Development Corporation. It is a commercial financial institution, the mandate of which is to support and develop directly or indirectly Canada's export trade and Canadian capacity to engage in that trade and to respond to international business opportunities. That public policy mandate is what makes EDC different from our commercial financial institutions.

As a result of all the consultations and input from various parties, we now have what is called an environmental review framework, which is built in as part of the mandate of the Export Development Corporation. It is to review on a timely basis the best available environmental information on projects for which EDC support is sought.

One thing that is clear is that EDC borrowed significantly from the World Bank group in regard to this. There is some background on this from the standpoint that very clearly the World Bank screens projects for their risk and impact and then categorizes them for their level of potential impact. It then provides reasonable public transparency for those projects that pose the greatest potential for environmental impact. The environmental review framework for EDC resembles that kind of background.

On the basis of looking at it historically over a 12 year period, I found it very interesting that something in the order of 13% of World Bank projects fall into category A, which requires a full environmental assessment. Thirty-five per cent fit into category B. The bulk of the World Bank's portfolio, just over 50%, was deemed to have no environmental impact and therefore required no environmental analysis. This is the proper way to direct ourselves because obviously every project or every finance opportunity does not lead to the same degree of environmental concern. It will be interesting to track the EDC experience over time and see how close it comes to reflecting what has happened over the last 12 years with the World Bank group.

There are ongoing discussions at the Organisation for Economic Co-operation and Development. It is likely to strengthen environmental considerations in its risk assessment practices for export

development and export credit agencies and would like to pursue a multilateral approach. This is all very beneficial.

● (1205)

There is a very high degree of desire from the people who have appeared for consultations that the Export Development Corporation demonstrate responsible behaviour. In a sense it is a representative of the Canadian government and Canadian social and environmental practices, policies and values. One of the things that became very clear is that we have had no environmental mandate for EDC up to now. Although there has been some recognition within EDC and it has changed its behaviour, there really were some quite inappropriate measures or financing packages. Interestingly a lot of them seem to revolve around our financing of dams around the world. They involve not just environmental impacts but huge social impacts, having to do with indigenous people or long term communities sometimes being uprooted, and a lot of other untoward circumstances.

The government has argued at times that EDC was only a minor player and therefore whether it entered into those packages or not was not all that significant, but it was significant. I think it is important to recognize that in the same way Canada has some moral high ground in terms of its participation in the United Nations peacekeeping operations, often being the first to be asked because once it commits that is the catalyst for others to commit, the same argument could be used for EDC on some of these environmental issues. It is important that we have an environmental conscience, an environmental strategy, and that it is part of the decision making process.

The other thing that became very clear in the consultations and the responses to the proposed legislation is that people retain a residual concern, which is that there is nothing to prevent the Export Development Corporation under this legislation from revising its environmental review framework if it deems circumstances to be such that this is the appropriate thing to do. Many people wanted it to be more binding than that.

The Export Development Corporation's argument is, of course, that it needs flexibility and there are industry participants and stakeholders as well who are obviously concerned about any insecurity of arrangements that might result if something could be an impediment to making a binding arrangement.

● (1210)

All of those things require a degree of balance that leads me to think that although we have an environmental review framework right now that is considered to be progressive, we will see further changes. There will be pressure for further changes and it remains to be seen whether this will be workable without having it more binding in terms of the statutory requirement to have environmental assessments where appropriate.

I find it highly ironic that these amendments were tabled on September 20, during our first week back in this fall session, when just three weeks earlier on August 30, just before the long weekend, a very good time to announce something if we do not really want people paying attention to it, the minister appointed professional Liberal Bernard Boudreau to the Export Development Corporation.

Government Orders

I said at the time that we have a crown corporation attempting to operate at arm's length from government, and that is the stated objective of its mandate and the stated objective of government, yet appointed to head it is a long favoured friend of the government, appointed previously by the Minister of Finance to the Bank of Canada in 1998, appointed by the Prime Minister to the Senate in 1999 and appointed by the Prime Minister as the Minister of State for ACOA in 1999. This individual then resigned from the Senate in 2000 to run for the House of Commons and was defeated in November 2000. My point is that the independence of our crown corporations is made a mockery of by the moves of their political masters on the Liberal side.

In discussions with officials from EDC, I know how to read between the lines. This is not good for morale. It is embarrassing for professional employees of our crown corporations when these things happen. The only justification that has ever been offered is that because they are at arm's length and the government wants to retain some influence, the only way it can see to do so is through appointments of its people.

I find this completely unacceptable. I think the professionals who operate within this environment find it unacceptable but are compromised in their ability to say so. It is time for this type of behaviour to stop.

We have a living example with Canada Post. It is portrayed by the government as an independent crown corporation. It has the most blatant political patronage when it comes to filling the post of head of Canada Post, a very lucrative position and one which would be well sought after by very qualified people from the private sector. Yet we get political appointments in that very visible, high profile position as well.

●(1215)

We need to change that. It does not make Canada look good in the international community. Basically it is saying that the government wants it both ways. It lessens our stature domestically and internationally.

Another aspect to the Export Development Corporation which I would like to refer to is that there are two accounts within the Export Development Corporation. There is the EDC corporate account where admittedly the vast majority of EDC's business is conducted and there is this thing called the Canada account. Reading EDC's own information from its corporate communications department, it states:

Canada account is used to support export transactions that are determined to be in the national interest. They are negotiated, executed and administered by EDC but the risks are assumed by the federal government.

Negotiated, executed and administered by EDC is the operative statement. I wish I could witness that this were true but we have all seen very clearly that the Canada account has become a slush fund for Liberal ministers. It gets disbursed under the cloak of being arm's length business of the EDC and it simply is not in many instances.

This year for example EDC provided \$3.7 billion in loans to two U.S. airlines to buy Bombardier jets. In the first instance the Minister of Industry made the announcement, basically bargaining in on the Minister for International Trade's territory. At the time he said it was

a one time deal. Then just months later the Minister for International Trade followed up with a second announcement.

The first one I believe was Northwest Air and the second was Air Wisconsin. The first deal was \$2.6 billion and the second was \$1.7 billion. These loan guarantees were to offset competition from Embraer from Brazil.

We said at the time that this was inappropriate, that there were other mechanisms, other avenues open to us. We had a four year fight at WTO. We won the subsidy argument and we had \$344 million worth of tariffs that we could apply as a penalty against Brazilian imports on this corporate jet subsidy argument. Rather than strengthening WTO and following its judgments, we basically taunted WTO by going in direct competition with further subsidies. This puts our taxpayers at risk, both on the loan and because we are running the risk that WTO will find that to be unacceptable behaviour.

●(1220)

This is all at a time when Canada has a strong vested interest in rules based trade. We have one of the strongest requirements of any country for strengthening WTO, not weakening it. As a small country with a large dependency on trade—

Mr. John Williams: Madam Speaker, I rise on a point of order. I think if you were to seek it you would find there is unanimous consent of the House to adopt Motion No. P-5.

The Acting Speaker (Ms. Bakopanos): The House has heard the member's request. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. John Duncan: Madam Speaker, we are a small country population-wise and a large country geographically, obviously. We are very dependent on our exports.

We have a major dispute on lumber. We have steel disputes. We have some agricultural disputes going on. We are reliant on WTO in the long run supporting the fact that we are fair traders and free traders. All of this, under the guise of some financing from the Export Development Corporation under the Canada account which I am calling a Liberal minister slush fund, is actually hurting us. It goes to the very core of what is important for us as a national strategy. We simply cannot play both ends on this kind of arrangement.

I am very critical of the Canada account. We do not need it. It is undermining WTO. It is also undermining EDC. EDC needs to focus on depoliticized finance arrangements, not on something like this. This has been foisted on it and it does not have the ability to fend it off unfortunately. It is a very unfortunate trend. I hope we can sort that out internally without waiting for WTO or someone else to embarrass us to the point where we have no choice but to remove it. We should be much more proactive than that.

There are two further statements from the EDC website which I will make reference to. The first one states:

Government Orders

As a crown corporation, we operate at arm's length from government and according to commercial principles.

I would put that in the category of a wish list. That is not actually what happens, as I have just described. The second statement is:

Governance policies and practices are determined by our board of directors. The board has 15 directors, drawn mainly from the private sector.

We know that is a wish list too, from the standpoint that the board of directors does not entirely make all the decisions on practices. Increasingly we are finding that the directors may be drawn from political appointments as opposed to from the private sector.

In summary, the EDC needs to be independent of government and it is not. I have given some rationale as to why, for example, political appointments and the Canada account. The Canada account is a Liberal minister slush fund. Mixed messages from the Minister of Industry and the Minister for International Trade are hurting us at the WTO and in the international community.

We are major beneficiaries of rules based trade and we cannot have it both ways. In other words, we cannot be free traders when it is convenient and protectionists when it is convenient. We have to have a level of consistency on the free trade ledger.

• (1225)

We have to keep this clean. It is too important for Canada to do it any other way. Today for example we are expecting the anti-dumping ruling from the protectionist side and instincts of the U.S. lumber lobby as exhibited by the U.S. department of commerce on Canadian imports of lumber. In order to keep the lumber file clean, we have to keep our other files clean. Softwood lumber is a huge issue for us.

A portion of the EDC mandate is politicized. These amendments do not clean that up. As a consequence, Canadian interests are not fully served, nor are the interests of the Export Development Corporation fully served.

[*Translation*]

Mr. Pierre Paquette (Joliette, BQ): Madam Speaker, we are now studying Bill C-31, an act to amend the Export Development Act.

Before anything else, I would remind the House what the key elements of this legislation are. The bill would enshrines in law the fact that before entering into a financing transaction the Export Development Corporation, whose name it changes incidentally, must take environmental considerations into consideration.

The bill leaves it up to the Export Development Corporation to establish its own environmental criteria and to determine the exceptions to the rules. It is rare to see a corporation be made both judge and defendant, when that corporation already does not comply with its own directives.

We will see that in detail later on. In her May 2001 report, the auditor general stated that, out of the 25 projects audited under the terms of reference determined by the corporation itself, she found 23 to be in violation of those terms of reference. I am referring to the Export Development Corporation.

The present bill adds nothing to the requirement for accountability on the part of that corporation. There is nothing in the bill about the disclosure of information or about public consultation.

As I said, the frame of reference is what the corporation assigns to itself, and there is really nothing in the bill to ensure that this framework is adequate to properly assess the environmental effects of projects submitted to it.

Moreover, the bill gives the rather strange discretionary power to the Minister of Finance and the Minister for International Trade to exempt a project from environmental assessment. The bill, in principle, gives exclusion from any of the requirements of the Canadian Environmental Assessment Act.

I must admit that we are totally mystified by this choice. We pass environmental assessment legislation and then exempt the corporation from it, at the very time that it is being asked to put more effort into its environmental assessments.

Finally, this bill makes absolutely no mention of human rights.

As hon. members can see, this bill might appear ambitious, in light of the criticism there has been of the EDC in recent years. Once read, however, it can be seen to be a pretty lightweight piece of legislation.

I would take this opportunity to remind the House that the EDC was established in 1944, as the Export Credits Insurance Corporation, with a mandate to support and develop Canada's export trade. It was given the responsibility of providing credit insurance and guarantees to Canadian exporters. In 1969 it became a crown corporation and acquired the additional powers of being able to make direct loans to foreign borrowers, and to borrow against the government's credit to finance its activities.

The last change, made in 1993, now enables it to invest in capital stock, to lease assets to users outside Canada, to constitute subsidiaries, and to take part in joint ventures.

It is noteworthy that the EDC is self-funding, in that it receives no parliamentary votes for its activities. It derives its operating revenue from fees, premiums and loan interest.

In the year 2000, for instance, it reported net profits of \$194 million, a 9.7% return on shareholder assets. Its assets would therefore be some \$2.8 billion. That same year, hon. members will recall, the corporation estimated that it had supported exports and foreign investments to the tune of some \$45 billion.

Finally, let us not forget that this crown corporation enjoys special status. It is not subject to the Access to Information Act. It is not subject to the Environmental Assessment Act. It is not regulated by the Office of the Superintendent of Financial Institutions, as is the case for all private enterprises. It does not pay income tax. It does not have to pay dividends. It can borrow money at favourable rates, thanks to the credit extended to the Government of Canada.

Government Orders

•(1230)

I think it must also be said that the Export Development Corporation has a highly developed secrecy policy: it hardly gives out any information about its activities.

In the evidence we heard at the Standing Committee on External Affairs and International Trade, most of the groups that appeared before the committee, particularly the international co-operation groups, reminded us of the difficulty they had in getting information.

For example, Warren Allmand, a former Liberal member and minister, who is now president of Rights and Democracy, presented a document that was obtained by his organization through the Access to Information Act. The document was completely blank. This shows that a secrecy policy, a lack of transparency, seems to be a feature of this corporation.

Coming back specifically to the environmental issue, since it is the only new element in this bill, we see that the corporation will set up an environmental framework to apply environmental criteria to its financing decisions.

As I already mentioned, in response to many criticisms, the auditor general was asked to assess the appropriateness of the Export Development Corporation's environmental review framework. She concluded that the framework contains, and I quote "most elements of a suitably designed environmental review process". However, it would appear that the framework has never been properly applied.

As I mentioned at the outset, and I think the Canadian and Quebec public have to know it, out of the 25 projects she studied, 23 had not been properly reviewed for environmental risks, or not reviewed at all, in accordance with the framework the corporation had defined.

Of course, this was not the only thing she criticized. I will repeat some of her criticisms, as set out in her May 2001 report.

The auditor general pointed out that there are major shortcomings in terms of public consultation and disclosure at the Export Development Corporation, there are significant differences between the environmental review framework's design and its operation, the framework's statement of objectives is not clear, the framework's environmental standards are not specified, there are flaws at each stage of the environmental review process, screening tools are not applied adequately to identify potential environmental risk, and there is no methodology to determine if adverse environmental risks can justify a decision or not.

It is not the only report we can refer to in order to have an idea of the major shortcomings in the current management approach taken by the Export Development Corporation. Members will recall that in 1999, the Gowlings report pointed out much the same shortcomings with regard to transparency, environmental review and human rights. In December 1999, the Standing Committee on Foreign Affairs and International Trade tabled its report, in which we find basically the same criticisms.

So we are dealing with a corporation that has gotten some pretty bad press from most groups, including parliamentarians. In my opinion, this should have elicited a much stronger response from the federal government than that which was given with Bill C-31.

In December 1999, the Bloc Québécois published a dissenting opinion to the report of the Standing Committee on Foreign Affairs and International Trade; it was already clear to us then that there was disagreement that could be boiled down to three elements: transparency, human rights and the environment.

I will recap the main elements that we highlighted in December 1999. Regarding transparency, we noted that there was an obvious and marked lack of transparency in the Export Development Corporation's operations; that access to information was sorely lacking; and that given the context of a lack of transparency, it was highly likely that the Export Development Corporation's activities could be used for inappropriate purposes, which might even conflict with the purposes outlined in the statute.

•(1235)

Therefore, it seemed essential to us at that time that the Export Development Corporation be subject to the Access to Information Act.

As for human rights, the Bloc Québécois expressed serious concern regarding the Export Development Corporation when it comes to respecting human rights. Among the risks that the corporation assumes, there are political factors. It provides political risk insurance. However, the Export Development Corporation does not take into consideration the human rights situation when it assesses political risks. When it comes to political risks, obviously there is a serious risk of political upheaval in the case of regimes that abuse human rights and do not respect fundamental labour law.

Before providing support for a business, the corporation should at the very least—this is what we thought then, and still think now—ensure that the company in question subscribes to the code of conduct established by the OECD, when it comes to human rights. Bill C-31 makes no mention of this fact, as I stated earlier.

As for environmental standards, they are briefly mentioned in Bill C-31. The Bloc Québécois was and is still of the opinion that the committee's recommendations concerning the environmental responsibility of the Export Development Corporation—we refer here to the report of the Standing Committee on Foreign Affairs and International Trade—were nothing but a wish list. It was not enough to ensure that, in fact, the environment will now be included in the corporation's studies prior to any decision making process.

The Export Development Corporation's environmental responsibility must be more firmly anchored in order to better reflect the corporation's duty as regards environment, respect for the environment, and sustainable development.

In this regard, the Bloc Québécois would have expected the Export Development Corporation to draw more from the operating framework of the World Bank or the European Bank for Reconstruction and Development, where for each reasonable project there is an environmental impact assessment, public hearings, and above all full transparency.

Government Orders

We cannot accept that the Export Development Corporation, even under its new name, should use public moneys to fund projects that could end up destroying the environment or violating human rights, and do so with impunity, as secrecy is one of the corporation's characteristics.

As I indicated, there were three very harsh reports. The May 2001 report of the auditor general, the report of the Standing Committee on Foreign Affairs and International Trade, complete with the Bloc Québécois dissenting report, and the Gowlings report were all extremely critical.

In a way, Bill C-31 was presented as a response to this criticism, since that the Export Development Corporation had obviously not succeeded in regulating itself. One would have expected Bill C-31 to address this weakness, but there is nothing in this bill to do so.

The bill is too weak from an environmental point of view. It provides no guarantee for an effective environmental assessment and gives the EDC too much leeway in establishing the criteria. It is silent on disclosure. The bill does not include any punitive provisions should the EDC not respect its own environmental framework.

We have seen in the auditor general report that in 23 of the 25 projects examined, the framework had not been respected. In this regard, I shall point out that Quebec imposes fines and even jail terms on officials who are found guilty of negligence in environmental matters.

On the other hand, the bill is watering down environmental standards by not assuring Canadians that projects comply with more than just the standards of host countries, and that they respect the environmental review framework. This bill also excludes any possibility of making the EDC subject to the Canadian Environmental Assessment Act. Since the corporation has no credibility whatsoever, this bill does not represent a response to the criticisms made repeatedly over the last three years.

● (1240)

Finally, Bill C-31 completely sidesteps the issue of fundamental rights, human rights, labour rights, and this is totally unacceptable. For example, we know of this gold mine in Tanzania that belongs to a Canadian company which was granted a political risk insurance by the Export Development Corporation.

The mine was apparently put at the disposal of the Canadian company following a massive eviction of artisanal miners. There are even allegations by Tanzanian lawyers which were made public here in Canada to the effect that, as part of this massive eviction operation—and we are talking about hundreds of thousands of people—there were artisanal miners who were buried alive in their mine. These are allegations.

I take this opportunity to mention that the NDP leader asked a question in this House concerning this extremely disturbing case. In his reply, the Minister for International Trade referred to the fact that Amnesty International had investigated the matter, but had not found evidence supporting the allegations made by human rights lawyers, particularly Tanzanian lawyers.

However, in its annual report for the year 2000, Amnesty International says that, based on the documents provided to it by the Tanzanian police, it was not able to come to a conclusion regarding this issue, and it is asking for an independent, international investigation to shed light on these events.

Contrary to what the minister told us, probably in good faith, not only did Amnesty International not come to a conclusion regarding these extremely disturbing and dramatic facts, but it is also asking—as we are—for an independent, international investigation to shed light on all these events.

Be that as it may, the Export Development Corporation continues to proceed as if it were business as usual.

In order to correct this situation, I proposed a number of amendments in committee, which I will mention.

These amendments basically deal with clause 10.(1) and seek to correct a number of flaws relating to this clause and to make appropriate related changes. I will discuss clause 10.1

For example, absolutely no reference is made to the EDC's responsibility to take into account not only environmental effects, but also social effects and, more globally, human and other rights provided for in international agreements.

I therefore proposed that, to this clause, be added a point that would clarify the mandate of Export Development Corporation. The amendment read as follows:

The Corporation is established for the purposes of supporting and developing, directly or indirectly, Canada's export trade and Canadian capacity to engage in that trade and to respond to international business opportunities in keeping with Canada's international commitments.

It strikes me as perfectly normal that a crown corporation would honour commitments made by the government internationally, especially in the area of human rights and basic labour rights.

Believe it or not, the Liberal members of the committee rejected this amendment. It is difficult to understand how the federal government makes commitments on Canada's and Canadians' behalf, and indirectly still on behalf of Quebecers, and then does not want to require its own corporations to honour these commitments. We are indeed talking about international commitments, that is conventions, treaties and charters ratified by the Canadian government.

● (1245)

I have to say I was quite disillusioned about the scope of the work Canada can do internationally, if it is not prepared to have its crown corporations honour the commitments it itself makes. How is it going to get private firms and multinationals based in Canada to honour these commitments?

Government Orders

So my first disappointment was at the rejection of such an obvious amendment, which was later reformulated by the member for Burnaby—Douglas, in fact. Twice, we have tried to get this element, a simple matter of common sense, passed, and twice the Liberal members have rejected it. That was the first great disappointment.

As I said in my presentation, the environmental frame of reference that the Export Development Corporation has set for itself is inadequate. It fails to honour this environmental framework it set for itself. It is therefore incapable of self-regulation.

Paragraph (2) of the famous clause 10 reads as follows:

The Board shall issue a directive respecting the determination referred to in subsection (1)—

That is the assessment of environmental effects.

—, which directive may

(a) define the words and expressions that the Board considers necessary for the application of that subsection, including the words and expressions “transaction”, “project”, “adverse environmental effects” and “mitigation measures”;

(b) establish the criteria that the Corporation must apply in making the determination;

(c) establish exceptions specifically or by any class, as defined by the Board, to the Corporation's obligation to make the determination.

It is therefore not an obligation. The Export Development Corporation can define its own terms of reference. It beats me how there can be environmental terms of reference without some sort of minimal definition of words such as transaction, project, adverse environmental effects and mitigation measures.

I therefore proposed an amendment to Bill C-31 to define these various terms. People must know what they are talking about when they refer to impact on the environment. Without reading the amendment in its entirety, I will convey the gist of it by reading what strikes me as the most important term, environmental effects, because this has to do with a framework for assessing environmental effects. I suggested this definition to the committee:

environmental effects means any change that the project may cause in the environment, including any effect of any such change on health and socio-economic conditions—

It is very clear to me that when one refers to environmental effects, one is also referring to socio-economic effects:

on the current use of lands and resources by local communities, on any structure, site or thing that is of historical, archaeological...importance—

As the House can see, it is a very straightforward definition. The definitions are borrowed from the Canadian Environmental Assessment Act. We therefore did not rebuild the wheel; we used what was already available. I also borrowed the definition of environment, environmental assessment, mitigation and project.

Here again, I was astonished, because it is only common sense that if a crown corporation adopts environmental terms of reference, there should at least be agreement on the terminology used to make an assessment.

Once again, the Liberal members of the Standing Committee on Foreign Affairs and International Trade rejected this amendment. I am still wondering what logic they could have used, unless it was a form of anti-opposition sectarianism.

A second amendment was therefore rejected. Its purpose was merely to define the terms on which we must work and agree on so that when the auditor general and parliamentarians are called upon to assess the work of this crown corporation, they will know where we are coming from.

As I said, I believe definitions are necessary, but we ought to have at least been able to expect to find the bill stating that the corporation “must” define a certain number of criteria, and make these definitions public in order to open them up to public debate. It seems, however, that the government side of this House prefers to lend to this bill the same secrecy as reigns within this crown corporation, the EDC, at the present time.

As I said earlier, not only are definitions lacking, but the frame of reference for assessments is flawed as well.

● (1250)

All that is stated in clause 10.1 is the following:

10.1(1) Before entering, in the exercise of its powers under subsection 10(1.1), into a transaction that is related to a project, the Corporation must determine, in accordance with the directive referred to in subsection (2),

(a) whether the project is likely to have adverse environmental effects despite the implementation of mitigation measures; and

(b) if such is the case, whether the Corporation is justified in entering into the transaction..

Hon. members can see that this is far too weak a directive from the legislator. I therefore took the liberty of submitting to the committee a far clearer, and far more complete, environmental assessment procedure.

In connection with the first element of this procedure, what I proposed—not just what is stated here about looking to see whether there are likely to be adverse environmental effects—what I proposed was for the corporation to be required to carry out an environmental assessment before exercising its power to assess a project against a series of criteria, such as environmental assessment, or the development and implementation of a program for follow up. Then the environmental effects must be determined, along with the extent of these effects. Comments from the local population must be obtained. And are the mitigation measures technically and economically feasible?

Furthermore, the rationale behind the bill is important. There are the alternative solutions and the requirement for a follow up program. Those are all self-evident criteria for the evaluation of any project.

The corporation carries out the environmental assessment, prepares a report and sends it to the Minister for International Trade. On the basis of that report, the corporation takes one of the following measures, depending on the environmental assessment: it decides either to go ahead with the project or not to support the project because its environmental impact would be negative. In that case, however, what is EDC to do? It is not really clear; there is a grey area? Can the corporation be judge and defendant? I do not think so. It seems to me that in such a case the Minister for International Trade has a responsibility and a role to play.

Government Orders

I was suggesting that, whenever it is unclear whether the adverse environmental effects outweigh the value of a project, the corporation should ask the Minister for International Trade to decide. If the corporation considers that even after the implementation of appropriate mitigation measures, the project might have serious adverse environmental effects, it should refer the matter to the minister.

If a project is likely to have major adverse environmental effects despite the implementation of mitigation measures and if the previous clause does not apply, the EDC refers to the minister, provided the concerns of local populations justify such a measure.

This is an environmental frame of reference that leaves a lot of leeway to the Export Development Corporation, while defining rules that everyone would know and understand.

Under Bill C-31, the corporation will set for itself the rules that it wants. It will decide whether or not it will comply with these rules.

Finally, in the same amendment, I proposed including two small provisions whereby the corporation would have to disclose, in the 45 days prior to the conclusion of an agreement, information on the projects in which it is involved. This information was to include the name of the borrower, the host country of the project, the environmental and social concerns of local populations, the value of the project and the conditions relating to financial support.

If we want Canadians and Quebecers, international solidarity organizations and any interested party to be able to express their own views on the evaluations to be made before supporting a project, the public must be informed of the existence of the project.

Finally, we proposed that no provision in the Privacy Act or the Access to Information Act should have the effect of preventing or restricting the disclosure of the information mentioned in the previous paragraphs, to which I just referred. This is a fundamental flaw in Bill C-31. Nothing is done to give Canadians and Quebecers access to information on the management of the Export Development Corporation.

• (1255)

It will obviously be no surprise to anyone if I say that the Liberal members of the Standing Committee on Foreign Affairs and International Trade voted against this amendment, which, as I mentioned, was drawn from internationally known rules. More specifically, I drew on the rules of the World Bank. We were not starting a revolution in committee by proposing such amendments, but it was rejected. Once again, I have a hard time understanding the reasons.

Finally, in light of the criticism raised about the governance of the Export Development Corporation, I cited three or four damning reports, but the evidence of representatives of NGOs, groups and individuals before the standing committee should have been heard. They raised questions of considerable concern.

I think that, to wait until the auditor general looks into the EDC's operations every five years, is to give the corporation far too much latitude, especially with what is contained in the rest of Bill C-31. There is practically nothing there to really structure the work of this crown corporation. If an audit is done only every five years, the

Export Development Corporation will have time to do a lot of damage.

Some guideline must be set in terms of time so that in the next two years, the auditor general will be able to report on management methods subsequent to the passage of this bill on the Export Development Corporation.

Did it make the changes the Canadian and Quebec public were expecting? Did it support projects consistent with our laws and concepts of sustainable development in environmental terms? Did it support projects that promoted fundamental rights or, conversely, did it help to further destroy our planet and further erode the rights of workers and people in countries in the southern hemisphere?

In my opinion, five years is too long a time. I therefore proposed an amendment to enable the auditor general to examine the governance of the Export Development Corporation.

Once again, no one will be surprised to hear me say that the Liberal members voted against this amendment, which makes good sense.

The legislation is therefore still hollow. Bill C-31 does not address any of the concerns repeatedly mentioned by committees, groups, individuals, and Canadians and Quebecers. The bill is nothing more than a surface attempt to give the impression that the federal government has listened to the criticisms and made the necessary changes.

It has not. Unfortunately, I do not have enough time to go through the whole bill but as soon as the surface is scratched, the bill's hollowness becomes apparent.

I think the criticisms of the Export Development Corporation in recent years will not end, even with a name change. On the contrary, they will increase. Why? Because for a few months, or weeks, now, the public, not just in Canada and Quebec, but in the entire western world, has understood that trade is not the only thing that matters when it comes to assessing support for corporations such as the Export Development Corporation, or for agreements and international treaties.

Human and environmental considerations, as well as considerations of democratic rights, are now vital. And this is not the first time. It was the same with the debate on the Canada—Costa Rica free trade agreement. The Canadian government had no suggestions to make regarding human rights, environmental rights or democratic rights.

Frankly, Bill C-31 is just like Bill C-32. The government is plowing ahead as though there had been no change in public opinion in Canada and Quebec, as though the economy is more important than the values of Canadians and Quebecers.

I was also surprised that the bill contained no proposal to create a position of ombudsman, although this was repeatedly recommended, both by government committees and by parliamentary committees.

Government Orders

●(1300)

There is therefore nothing in this bill that meets the expectations of the Bloc Québécois or of Canadians or Quebecers. We will therefore have no choice but to vote against Bill C-31.

Mr. Svend Robinson (Burnaby—Douglas, NDP): Madam Speaker, first off I would like to thank the hon. member for Joliette and Bloc Québécois critic for international trade for his comments. I would like to say, on behalf of my New Democratic colleagues, that we will also oppose Bill C-31. We will do so for the reasons expressed very eloquently by the member for Joliette, which I will try to explain in the few minutes of comment allowed me in connection with third reading of this bill.

[*English*]

As I said, we are opposing the bill at third reading. I want to make it clear how profoundly disturbing and disheartening the process was in committee with respect to the bill.

The committee took the time to hear many witnesses from civil society, the labour movement and the NGO working group on the Export Development Corporation. We heard witnesses from a Latin American human rights group, a researcher for KAIROS, witnesses from Développement et Paix and many others from the business community.

Following extensive hearings on the bill, when it came time to reflecting the concerns and the hopes of those witnesses in the legislation with respect to amendments, not a single amendment was accepted by the government members on the committee. Not a comma changed in the bill from its original presentation. Frankly this was contemptuous of the very thoughtful concerns that were expressed by the members of the committee and by the witnesses who appeared before the committee on its hearings.

I mentioned the NGO working group on the Export Development Corporation, the so-called Halifax initiative. I want to read out the names of the members of that initiative to give some sense to the House and to those Canadians who are watching this debate of the broad diversity of groups that made up this initiative and who were calling for significant changes to the legislation.

The Halifax initiative working group was made up of: the United Auto Workers Union, the Canadian Council for International Cooperation, the Canadian Friends of Burma, the Canadian Labour Congress, the Canadian Lawyers Association for International Human Rights, Democracy Watch, Development and Peace, East Timor Alert Network, the Falls Brook Centre, Rights and Democracy, Mining Watch Canada, Project Ploughshares, Results Canada, Sierra Club Nuclear Campaign, the Social Justice Commission of Montreal, the Steel Workers' Humanity Fund and the West Coast Environmental Law Association. This is a very impressive group of organizations from across the land that appeared before the committee and put together a comprehensive brief asking for some significant changes in the legislation.

In response to those suggestions, on behalf of my colleagues in the New Democratic Party, I proposed a number of amendments and each and every one was rejected.

●(1305)

[*Translation*]

My colleague from the Bloc Québécois also tried to respond to the concerns and priorities of these witnesses. His amendments were also totally rejected by the committee.

[*English*]

I will now summarize the key areas of concern that were raised in the committee with respect to Bill C-31. First is the issue of disclosure and transparency.

The recommendations made to the committee were that the act be amended to require the disclosure of project related information in a timely and regular manner and that pre-approval disclosure of environmental and social information for projects with known or potential significant adverse impacts should have been included in Bill C-31.

The review made by Gowlings in June 1999 of the Export Development Act, by the foreign affairs committee in December 1999 and by the minister, all recommended that the EDC be required to disclose information related to transactions. When we look at Bill C-31 there is not a word about disclosure. There is not a single word about greater transparency.

In tabling the legislation and in refusing to implement the amendments and recommendations of witnesses, the government is ignoring not only the Gowlings report and the foreign affairs committee but the commitments that were made previously by the minister himself.

The EDC says that it has a disclosure policy that was implemented on October 1 of this year. It says that it has an internal compliance officer. The fact of the matter is there is nothing at all in the bill that requires the EDC to disclose any information whatsoever. Historically, back in the mid-1980s, the EDC actually decided that it would stop releasing any project related information to the public. It could do that tomorrow under the provisions of the legislation.

It is particularly important as well that the EDC be required to adopt pre-approval disclosure of environmental and social information for projects that may have a significant adverse environmental or social impact. If there is going to be any efficient environmental impact assessment process there has to be pre-approval disclosure. This is already part of the process under other international financial institutions such as the IFC and the European bank for reconstruction and development. In fact, the export credit agencies in the United States and Australia release such information 45 to 60 days prior to approval.

Government Orders

This is just good practice and it is a principle of the Canadian Environmental Assessment Act. If we look at Bill C-31 there is absolutely no requirement whatsoever for any kind of prior disclosure or pre-approval disclosure of environmental and social information for projects that could have very serious impacts on the environment. Although it was not possible to introduce an amendment to this effect because it was ruled to be beyond the scope of the bill, I would urge the government to bring in legislation to ensure the Export Development Corporation is fully subject to the Access to Information Act.

The Business Development Bank, which is another crown corporation in Canada, is already subject to the Access to Information Act. Both of the American export credit agencies are subject to similar United States legislation. It is totally unacceptable that a crucial question such as transparency should simply be left up to the entire discretion of the corporation. It should come under the umbrella of the access to information legislation.

With respect to the issue of environmental protection, clause 10.1 in Bill C-31 is a new clause that deals with environmental effects but it is full of loopholes. It gives the Export Development Corporation board total arbitrary discretion. I will read now from the section itself. It states:

(c) establish exceptions specifically or by any class, as defined by the Board, to the Corporation's obligation to make the determination.

That determination is with respect to adverse environmental impacts. It could exempt an entire category without any oversight whatsoever. This makes a mockery of any meaningful environmental assessment under the legislation.

Instead, we proposed, along with the many NGOs that appeared before the committee, that environmental criteria, including standards and processes, should have been included in the legislation and that a regulation on the environmental assessment process for the EDC should have been developed under the Canadian Environmental Assessment Act.

● (1310)

Once again, in December 1999, the foreign affairs committee made a similar recommendation that made it very clear that there should be far more openness to environmental criteria being included in the legislation. No such thing was done. There is not a single word about it in Bill C-31.

Even if the Export Development Corporation finds that a project does have, in the words of the section, adverse environmental effects despite the implementation of mitigation measures, the board can approve funding for the project in any event. Even if it accepts that there will be a significant adverse impact on the environment, it can fund a project despite that.

When we look at some of the projects that have been funded, such as some of the Candu reactor projects, including the Cernavoda project in Romania and in China, we have very serious concerns about those, just as we have concerns about the Three Gorges dam project in China and a number of other projects that the EDC has seen fit to fund despite very destructive environmental and social impacts. That is why we proposed those amendments.

I would note as well that the auditor general's report released in May was a damning indictment of the EDC's failure to implement its own environmental framework. It had an existing environmental framework in place but according to the auditor general's report it correctly implemented its own internal environmental framework in only 2 out of the 26 projects that were reviewed. That is why we as New Democrats have called for the Export Development Corporation to be placed under the framework of the Canadian Environmental Assessment Act. There is litigation currently underway challenging the decisions with respect to the Three Gorges dam. I for one hope that the litigation ultimately will be successful.

The final area of concern is with respect to human rights and core labour standards. We recommended in the committee, supported by the Bloc Québécois which made a similar recommendation, that the purpose of the EDC be changed to include a requirement that it respond to international business opportunities in a manner consistent with Canada's international obligations.

Is it really such a revolutionary thing to ask that the Export Development Corporation, which is accountable to Canadian taxpayers and owned by the people of Canada, respect and honour the international commitments that Canada has undertaken, whether it be the international covenant on civil and political rights; the international covenant on economic, social and cultural rights; our international environmental commitments; or our ILO commitments on core labour standards?

When Warren Allmand, the director of rights and democracy, appeared before the committee, he pointed out the same thing and made the same recommendation, that we should be honouring and EDC should be required to honour in its operations those international obligations.

Here again was a recommendation of the foreign affairs committee, the same committee that studied the bill and recommended in its December 1999 report, of which I have a copy here, that we explicitly make reference in the legislation to our international commitments to human rights, core labour standards and other key areas, including the environment.

I have a copy of the press release that was issued by the Standing Committee on Foreign Affairs and International Trade on December 16, 1999. The committee stated the following:

The Committee recommends, as an overarching provision, adding to the Export Development Act clear Parliamentary guidelines for EDC supported activities and transactions so as to ensure that these both deliver benefits to Canadians and meet Canada's international commitments and obligations, including those related to environmentally sustainable development and human rights.

What happened between December 1999 and October 2001? The same committee rejected an amendment proposé par le Bloc québécois, proposé par moi pour le NPD.

● (1315)

They rejected an amendment in the identical wording that we had accepted and unanimously recommended in December 1999. I say shame on the Liberal members of that committee for not being prepared to stand up for the original recommendation that was made by their own committee.

Government Orders

Once again the bill is profoundly flawed in that respect as well. There is no commitment whatsoever to honour those international obligations and no commitment whatsoever with respect to the important issue of establishing an ombudsperson within the EDC. For those reasons my colleagues and I oppose the legislation.

We want to raise a broader question today. What the EDC has said is that it is prepared to protect commercial interests. We have heard this same argument with respect to trade deals. We know that under NAFTA corporate interests are protected by chapter 11, the investor state provision. We know that under the WTO the interests of patent holders and multinational pharmaceutical companies are accepted under the so-called TRIPS agreement, even when that has an obvious detrimental and in some cases devastating impact on the availability of affordable drugs to fight HIV-AIDS and malaria in sub-Saharan Africa, Brazil, India and elsewhere.

Why is it that the Liberal government and its allies in the Canadian Alliance on this issue are prepared to defend the rights of multinational pharmaceutical drug companies but are not prepared to defend the basic rights of workers around the world? They are not prepared to defend the environment, to defend indigenous peoples, to defend human rights. Why the double standard?

I might just say parenthetically that many in developing countries are asking why the double standard with respect to patent rights. We have seen the spectacle of the Minister of Health recently being prepared to override patent rights of the Bayer corporation in a minute because of a possible threat of anthrax in Canada. Frankly we as New Democrats welcome that decision.

People in developing countries are asking if this is the same government that is prepared to defend the multinational pharmaceutical companies under the TRIPS agreement when they try to say they need the right to protect their patents on drugs to fight HIV and AIDS. What hypocrisy. What a double standard with respect to multinational pharmaceutical companies. If it is good enough for Canada, it is good enough for the poor in sub-Saharan Africa, Brazil, India and around the world.

In closing I want to point to one very real, powerful, human example as to why there has to be fundamental changes in the workings of the EDC and why Bill C-31 falls far short of what is acceptable.

In 1999 an indigenous Embera Katio leader from Colombia, Kimy Pernia, appeared before the foreign affairs committee. I was there when he gave evidence. At that time he provided testimony about the impact of the EDC supported Urrea hydroelectric dam in northern Colombia. Kimy testified eloquently before a committee about how Embera land and crops were being flooded by the dam. Fish stocks upriver from the dam were eliminated, robbing the Embera of the mainstay of their diet. Vast areas of stagnant water were created, bringing mosquitoes and epidemics of malaria and dengue to Embera communities.

Kimy testified that this dam was built without ever consulting any of the indigenous communities living in the area that would be affected. This was a violation at the time of both the Colombian constitution and international human rights agreements. The EDC financed a portion of this dam. There was no consultation

whatsoever with the indigenous peoples that were most directly affected.

Kimy also told our committee that day that speaking out about these things would put his life in danger in Colombia and that four other Embera leaders had already been killed by paramilitary forces for challenging the negative impacts of that dam.

Tragically Kimy's prediction proved to be accurate. On June 2 of this year Kimy Pernia was abducted by paramilitary gunman in Colombia. Since then we have no way of knowing where he is. There has been absolutely no news about his whereabouts. Since he has disappeared there have been other killings and continued threats against Embera communities.

• (1320)

It is clear that the dam, a project the EDC chose to invest in despite the opposition of the local indigenous communities, has exacerbated the violence that already existed there.

That is another reason we wanted to see included in the legislation a requirement that the EDC operate in a manner which would be consistent with our international obligations in areas such as the universal declaration of human rights, the UN covenants I mentioned, and the ILO declarations on core labour standards.

If that kind of assessment had been done in Colombia perhaps that terrible project would not have been funded. We oppose Bill C-31. We believe that in the key areas of transparency, environmental protection and respect for human rights core labour standards the bill falls far short. For that reason we will be voting against the bill at third reading.

[*Translation*]

Mr. Antoine Dubé (Lévis-et-Chutes-de-la-Chaudière, BQ): Madam Speaker, I would like to congratulate the hon. member for Burnaby—Douglas for his speech. His concerns for human rights date back many years. He addressed a number of points in his speech.

Before asking my question, I would like to make some comments. I represent the riding of Lévis-et-Chutes-de-la-Chaudière, a riding in which is located a company called Davie Industries. Despite a bankruptcy last Wednesday, there is an economic recovery project under way.

When the Minister for International Trade is questioned about projects submitted to the EDC, he or his assistants always reply "We cannot speak of them, because that is a crown corporation". They are, when it comes down to it, merely required to table an annual report in the House. There is always the aspect of confidentiality. When the hon. member refers to the access to information aspect, I find it vital to democracy for people to be kept informed.

In closing, let us recall that Davie did eventually obtain something from the EDC, the famous *Spirit of Columbus* platform, after two years, when the work on it was completely done. Examination of the project took two years. I assumed that they were probably busy looking at the human rights aspect, and if it respected the environment, and the like.

Government Orders

Finally, I realized that was not the case. It is even worse with the changes. The corporation is not even subject to the international treaties Canada has signed. This is inconceivable. There is nothing in writing. The amendment proposed by the hon. member for Joliette was refused. So there is still the matter of transparency, environmental problems and the like.

I would ask the hon. member, with his lengthy parliamentary experience, he who says he does not understand how the Standing Committee on Foreign Affairs and International Trade could have changed its mind in its report, what in his opinion are the possible responses he has in mind that would cast some light on it for me, with my lesser experience in foreign trade. In my opinion, it is inconceivable. The government will not give us a reply on this.

What, according to him, are the reasons the government side is behaving in this way, doing such an about turn in its position?

In the space of only a few months, the committee members changed their position, surely under someone's influence. I would like to hear some hypotheses from him on this.

• (1325)

Mr. Svend Robinson: Madam Speaker, unfortunately I cannot answer the hon. member's question. It is an excellent question but it should be put to the Liberal members who sit on the committee and who completely changed their position between December 1999 and today.

I do not know and I do not understand why they are not prepared to accept the same recommendation. It is not revolutionary. It provides that the EDC must comply with its international obligations regarding the environment and human rights.

When I read the recommendations made by other witnesses, I can only assume that major Canadian companies said that they did not want to be forced to accept these obligations. Perhaps this is what explains the Liberals change of attitude, since they are funded by these same companies. As to whether the Liberals yielded to the pressure exerted by these corporations, I do not know. Is there another answer? The question should be put to the Liberals.

[*English*]

Mr. Gary Lunn (Saanich—Gulf Islands, PC/DR): Madam Speaker, I am pleased to rise today to speak to Bill C-31, an act to amend the Export Development Act. It makes a number of other amendments which I will go through.

The Minister for International Trade tabled amendments to the Export Development Act. There are a number of them, including changing the name of the corporation to Export Development Canada. There is nothing too substantive in that regard, but I should like to talk about some of the more substantive changes. I should also like to spend some time at the end talking about the Canada account.

First I will go to some of the proposed changes. One amendment would enable the board of directors to delegate its powers and duties to committees that it may establish other than the executive committee. Right now 13 of the 15 board members are currently appointed by the Minister for International Trade. The remaining

two, the chairman and the president, are appointed by the Prime Minister.

These appointments, all very partisan political appointments, are the people responsible for formulating the current practices of the EDC. We have political appointments. There is the patronage we have seen in the past and now an unelected board wants to delegate its powers and duties to one level down. I think it is incredibly questionable. Instead I would suggest that the board should come before a parliamentary committee and be held accountable instead of further divesting its responsibilities and powers to another partisan appointed committee.

The 15 member board is appointed by the Prime Minister and the Minister for International Trade, which I think is wrong. They should be looking at its focus. Recently Patrick Lavelle, chairman of the EDC, called for more independence for crown corporations and agencies such as the EDC, stating the objective of naming directors should be to "get the best people, no matter where they come from".

Mr. Lavelle has suggested the EDC move toward privatization, noting that there is a culture of secrecy in the government bureaucracies, "an inherent believability in federal crowns that information is power and increasing its release will just generate unwarranted criticism".

We are dealing with taxpayer money. This is all about accountability. Yes, one in four jobs in Canada is a direct result of our exports. Some 43% of our GDP solely depends on exports. However the funding that goes out from EDC has to be fully accountable. It has to be transparent.

When we have the chairman of the EDC saying that the power of the federal crowns in releasing information will only generate unwarranted criticism, we have to question where these types of things should be addressed. Of course they have not been in this legislation.

Furthermore he is recommending that the Prime Minister create a cabinet post that would make one minister responsible for overseeing all crown corporations, with a parliamentary committee established to provide oversight. On another note he mentions that crown directors should perhaps face the same liability as private sector directors.

Of course this is coming from somebody who has worked very closely with the EDC as the chairman and has seen this firsthand, probably better than most. These are the types of suggestions that he has come forward with. Yet there is no mention of any of them in the legislation. It does not address any of these issues.

In light of Mr. Lavelle's words, the latest addition to this haven for patronage appointment is former Senator Bernie Boudreau who was named by the PMO last month to a plumb post as a director of the EDC. It is just another flagrant example of patronage on the part of the government.

• (1330)

There has to be more accountability with crown corporations, something which is evidently lacking at present.

Government Orders

The present government agrees that EDC should “publicly demonstrate its accountability by reflecting the full range of public policy concerns in its activities and should introduce appropriate transparency measures concerning its activities”.

The Export Development Corporation is immune from access to information because it is not covered under the act. We are dealing with billions of dollars of taxpayer money and it is immune from any type of access to information request to make sure that we have more accountability.

I was going to call quorum, Madam Speaker, because I did not see any government members. However I apologize because I see one now. I thought I was speaking to an empty House.

The Acting Speaker (Ms. Bakopanos): I am sure the hon. member, being in his third term, knows that we do not mention the absence or presence of any members on any side of the House. If he would like to have a quorum call, that is his right under the rules of the House.

Mr. Gary Lunn: Madam Speaker, this is about accountability and transparency. One suggestion proposed by the auditor general was that the design and implementation of a directive be established by the board at least once every five years. I know there will be measures in the legislation for these type of reviews, but once every five years is not good enough. These reviews should be more often than that, whether it is every year or two years.

We are dealing with billions of dollars of taxpayer money. There has to be accountability. The members board controlling the funds are politically appointed. I am not suggesting that they are not doing a good job in a lot of their work, but there has to be accountability.

I find it completely unacceptable that Export Development Canada, or Export Development Corporation as it is now known, is immune from the Access to Information Act. Nonetheless a study prepared for the federal government found that crown corporations, including the EDC, should be subject to access to information since access laws encourage organizations to be “demonstrably worthy of public trust”.

The study notes that the reasons for crown corporations, such as EDC, to be excluded from the laws are unclear and suggests that an agency should be subject to the law if the government appoints more than half of its governing body. As I pointed out earlier, the 50 member board is appointed by the Minister for International Trade and the Prime Minister.

We are looking for is greater accountability and transparency. What has the government done with its legislation? It is now giving powers to a politically appointed board to appoint further committees of its choice. The committees would not be appointed by parliament nor would they be accountable to parliament. The board would divest its responsibilities to further the committees, and I find that completely unacceptable.

Another amendment would require the EDC to determine whether projects would have adverse environmental affects. I acknowledge this is important, although I question whether this is the place for that. It has an environmental review process now, and we have to be committed to ensuring that we protect the environment for future generations.

The mandate of the EDC is to assist Canadian corporations with exports and access to other markets. In light of the recent events of September 11, with an economy that is beyond fragile and that is in serious decline, there has probably never been a more important time for EDC to ensure it fulfills its mandate where needed.

Canada's trade with the United States is \$1.4 billion U.S. a day. I have been told that exports between Canada and the United States are off some \$200 million to \$300 million a day since September 11. We are talking 10% to 15% out of our economies, which is a huge amount. Again, if there has ever been a time for EDC to fulfill its mandate, it is now. I see nothing in the legislation that strengthens this area.

In May this year the report of the auditor general gave failing grades to 24 of 26 projects backed by the Export Development Corporation. To add insult to injury, the EDC decided it would not make public details of three of the projects judged to have been improperly assessed under the corporation's environmental review process.

The new environmental changes, and I understand they are voluntary, are very questionable.

● (1335)

However, it is even more telling when it comes to accountability and transparency. The EDC unilaterally decided not to release the details of three of these projects for “good, legitimate reasons”. That was what we are told without know what the reasons were. We will never know any of the details of these three projects.

Again, EDC has argued that these are business transactions and businesses have to be protected for patent reasons or whatever the case may be.

I would argue that these businesses are approaching a crown corporation, in essence the taxpayer, for financial assistance for these projects. That being the case, that changes the circumstances completely. If they need taxpayer dollars and assistance, then they have to be accountable and more transparent. They should be open to access to information requests. If they have business practices or information that could hurt future business opportunities and they does not want to divulge whatever that information may be, maybe they should rethink asking for taxpayer money.

The crown corporation is supposedly striving to rid itself of this secretive image. Yet it is well known for its lack of transparency and willingness to fund projects of which other agencies stay clear.

I want to come back to the Canada account. So people understand, there are two accounts with Export Development Corporation, or Export Development Canada as it will now known. There is the corporate account to which businesses apply under the general rules. They have to have proper credit ratings to meet those practices.

Government Orders

Then there is the Canada account, also known as the political account. This is for companies that would not qualify under the corporate account. If they do not have the right credit risk, the right business plans or whatever it may be to access funds from the corporate account, they go to the Canada account. The Canada account is basically a cabinet account where the Government of Canada interferes and advises the EDC that it would like something approved.

There have been some examples. Again, the most obvious one, and the public is aware of it because it has been in the press, is the recent Bombardier transactions to the tune of \$3.7 billion in loan guarantees. In fairness to the government, they were not actual subsidies but loan guarantees.

Admittedly, Bombardier was facing unfair business practices. It was at risk of losing to Embraer, which was engaging in unfair trade practices. It was important to Canada and our economy that we maintain these jobs in Canada and that Bombardier continue to be a world leader in the manufacture of regional aircraft. As a result of September 11, there is even a greater market for smaller regional aircraft.

The point I am making is that there are many other industries that face unfair trade practices. Probably right now no other industry has more problems than the softwood lumber industry. It is facing unfair trade practices, not unlike Bombardier did with Embraer. Trade tariffs of 19.3% are being imposed on the industry by the U.S. administration. The case has been to various international trade tribunals on three separate occasions. Canada has won every single time. However, through U.S. domestic legislative, these tariffs have been imposed on the softwood industry in Canada.

I would be remiss if I did not mention that 45% of that industry is in British Columbia or over \$10 billion a year. When we add that kind of tariff, we are talking over \$1 billion a year out of the British Columbia economy alone.

● (1340)

Tomorrow we will be hit with the anti-dumping tariff. Canada has one industry that is getting loan guarantees under the EDC Canada account and I understand why. However tens of thousands of jobs, and the number is probably in the area of 40,000 to 50,000, in the softwood lumber industry right across Canada have been lost. Those people are getting absolutely no assistance from the government.

The government granted the \$2.1 billion loan guarantee under the Canada account for the Air Wisconsin deal. In January I asked the minister if this was a new policy of the government. When an industry in Canada is faced with unfair trade practices, I asked him if the government would start providing subsidies or loan guarantees or match the unfair trade practices. Using the words of the government, I was told that all it was going to do was match the unfair trade practices of Brazil. That begs the question, does that become the policy of the government? I do not think that is the best policy.

Right now the forest industry in Canada is facing horrific job losses. We are told that tomorrow it is going to be faced with an anti-dumping suit anywhere from 5% to 15% on top of the 19.3%. The forest industry is facing somewhere between a 25% and 35% tariff. This issue has been through international trade tribunals and Canada

has won every time. We have heard the minister say time and time again that officials are meeting with our American friends to the south on the issue. The reality is that this process could take two or three years and there will be no forest industry left in British Columbia or elsewhere in Canada for that matter. The industry will be struggling to stay alive.

I stress that the Canada account is very political. In summary we will not be supporting this legislation primarily because it does absolutely nothing to deal with the issue of accountability and transparency. This crown corporation spends billions of taxpayers' dollars. It has a budget in the billions of dollars and has control over where the money goes. It is immune from access to information. That needs to change. The government thought it more important to change the name rather than bring about accountability and transparency. We believe that is wrong and we will be voting against it.

● (1345)

Mr. John Williams (St. Albert, Canadian Alliance): Madam Speaker, I am pleased to rise in the debate on Bill C-31.

The bill deals with changes to the Export Development Act and the Export Development Corporation and the way we help our exporters participate in the global economy we now find ourselves in. Unfortunately as we all know the economy of the country and the economy of the world have been taking a bit of a knock on the head since September 11 and perhaps even before that.

Any time September 11 is mentioned we think of those who suffered and died in New York and Washington. We should never make light of what happened there. However it does have some ongoing effects on our economy and these are things we have to discuss.

The Minister of Finance is going to have to bring down a budget soon. He is trying to stay away from that awful D word, the deficit. Perhaps it will be looming large again in our vocabulary but we certainly hope not.

The Export Development Corporation's role is to help small, medium and large exporters obtain sales abroad for Canadian goods and Canadian services. To ensure that our Canadian suppliers get paid, they can obtain insurance through the Export Development Corporation to guarantee that they will get payment. On a normal transaction that is not a bad thing. We ensure many different things these days. We wonder why it has to be a crown corporation that does that and not the private sector.

It used to be that mortgages had to be insured by the government and then the private sector took over that. Why can we not think about allowing the private sector to do it in the export market as well? That of course would bring to bear what is called the Canada account.

Government Orders

The member who spoke previously talked about the Canada account which is a political account. Team Canada sometimes likes to slide all those great big sales that it announces to justify its trips around the world through the Export Development Corporation. In the final analysis sometimes Canadian taxpayers end up picking up the tab not only for the trip around the world but also for those great sales promotions that team Canada said it had achieved but it did not quite work out that way.

I would like to think that we would get away from these politically motivated deals. The governor in council, the cabinet, can dictate to the corporation saying it has signed a deal to sell a Candu reactor to some rather nefarious country it would rather not deal with but it is good for Canadian jobs. It tells the corporation to sign the deal and guarantees the deal. Lo and behold if sometime later something goes wrong and we do not get paid, the Canadian taxpayer gets to pick up the tab.

It works in much the same way as the Canadian Wheat Board which sells wheat and grain around the world all guaranteed by the Government of Canada. When we look at the financial statements of the Canadian Wheat Board, it has never had a bad debt since it started. The Government of Canada pays every bad debt that it incurs. We never know exactly how much that is costing us. The wonderful statements made by the wheat board say, "Don't worry. We get paid". It is the Canadian taxpayer who quite often pays for the wheat that we presumably sell elsewhere.

Part of the bill deals with trying to require the Export Development Corporation to build in some environmental criteria. We recognize that the environmental laws are different in different parts of the world. To apply a Canadian standard and say that we are not going to finance a project in country *x* unless it meets a Canadian environmental standard may be totally inappropriate. The environmental standards would be different in that country and there would be a total mismatch of rules and regulations and the whole thing would fall apart. It is going to require the Export Development Corporation to try to develop some criteria to ensure that not only the country involved but all the inhabitants of the world benefit and that the environment does not suffer too dramatically because of the project that is being anticipated.

• (1350)

The auditor general's report produced in May 2001, just a few months ago, reports on the Export Development Corporation and its environmental review framework. That is what the bill talks about in some degree.

On page 5 the report talks about the important gaps in public consultation and disclosure. We are talking about a crown corporation. A crown corporation is owned by the taxpayers and has to report to the taxpayers. On the first page of part 1 the auditor general says there are important gaps in public consultation and disclosure. That is right at the front.

That is typical of the government. Every time we turn around there is something it is trying to hide, be it the shawinigate papers we could not get our hands on, or just yesterday I was reading in the newspaper how the privacy commissioner is trying to get a hold of the Prime Minister's agenda, not the contents of what he discussed, but whom he met with. Even that is a state secret. It is little wonder

that the Export Development Corporation is saying that it wants to be part of the same mould.

The auditor general is right in saying that the elite of the corporation will have to act quickly to address issues of transparency and that there is lack of policies and procedures at the project level to govern public consultation and disclosure of environmental information. These are serious allegations. The auditor general, our officer of parliament, is saying it is time for EDC to wake up and start being more open and transparent and tell us what it is actually doing because we the taxpayers are the shareholders.

In paragraph 10 on page 6 under the heading "Is the framework operating effectively?" the auditor general says:

In most cases we found significant differences between the framework design and its operation. In those cases, employees seem to have viewed the framework more as a guidance, to be interpreted according to the circumstances of each project, than as an important risk management tool that they were expected to apply.

Who is minding the store? If there is no openness and transparency, the institution of parliament which is supposed to be holding it to account does not have the information. Therefore we cannot do our job properly and it gets away with anything it wants to get away with.

Paragraph 22 on page 8 states:

Unlike federal departments and agencies, the Export Development Corporation is not subject to the Canadian Environmental Assessment Act or to the Access to Information Act. Unlike private sector financial institutions, it is not subject to regulation by the Office of the Superintendent of Financial Institutions, does not pay income tax, is not required to pay dividends, and can borrow at favourable rates on the credit of the Government of Canada.

If it can do all those things, we would think the least it could do is tell us what it is up to so we could keep an eye on what the organization is doing. But we all know that transparency is not the watch word of the government.

Paragraph 27 on transparency, public disclosure and accountability states:

The government acknowledged that the information the corporation currently discloses provides few details.

What are we really trying to do here? Are we a dictatorship or are we an open democracy? I thought we were an open democracy. It goes on to state:

It noted, however, that the corporation was making significant strides toward making more information on its activities available to the public.

Well, we are still waiting. The litany continues on. In paragraph 34 which deals with developing a framework for risk management it states:

To provide the public with a better understanding of the corporation's environmental practices. Although the corporation had been assessing environmental risks of projects for some time, it had not kept the public informed on the nature or extent of its analysis.

• (1355)

We are right back to square one. Whatever it wants to do it does behind closed doors. It does it incompetently or not at all. As long as the taxpayer is kept in the dark it thinks it is home free.

S. O. 31

That is not the way it should be. Given that it relied on the environmental information provided by project proponents for its risk assessments, the corporation needed to communicate to participants what information it required and how it would be used.

Going through the report, there are many instances of problems in the organization. In paragraph 56 at page 14 the auditor general points out that there are important gaps in public consultation and disclosure. It states:

The key gaps in the design of the Corporation's Framework are in transparency—

Through the entire report transparency or the lack thereof is the key. The organization needs serious review to open itself up to the public. It needs reform.

The Speaker: The hon. member for St. Albert has great prescience. He will have, however, nine minutes remaining in the time allotted for his remarks when the debate on this matter is resumed.

STATEMENTS BY MEMBERS

[English]

TOBACCO

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I strongly urge the federal government, especially Health Canada, to continue its fight against tobacco. In particular we must prevent young people from becoming addicted. All the evidence shows that those who try tobacco when young are likely to be addicted for life. Addicted young people will live shortened lives. Forty-five thousand premature deaths occur each year from the smoking of tobacco.

Canada's new tobacco labelling regulations have been widely praised by the international community. The products information labelling regulations passed by the House are the strongest in the world.

Let us fully implement this new health warning system and help all those working to reduce tobacco use in communities across Canada including Peterborough.

* * *

•(1400)

PROSTATE CANCER

Mr. Ted White (North Vancouver, Canadian Alliance): Mr. Speaker, today is PSA day on the Hill so there are bowls of walnuts in the opposition and government lobbies, a reminder to male MPs, senators, staff and the media that they can go to room 200 in the West Block until 4 p.m. today for a PSA blood test which can detect prostate cancer.

I remind the front benches on both sides of the House that ministers, critics and leaders of the opposition parties, including the Bloc Quebecois, are not immune to prostate cancer. This cancer which affects one man in eight does not care which party we belong to or where we are in the pecking order.

Thanks to Abbott Diagnostics which is supplying the staff and materials for the PSA testing, and to internationally recognized

prostate cancer researcher Dr. Yves Fradet who gave today's seminar, we have had a unique opportunity to become better informed about this life threatening disease.

Mr. Speaker, do not let me find out tomorrow that you did not go for your test today. It is in room 200 in the West Block until 4 p.m.

* * *

COMMUNITIES IN BLOOM

Mr. Shawn Murphy (Hillsborough, Lib.): Mr. Speaker, I rise today to take this opportunity to congratulate the city of Charlottetown for placing first in the national Communities in Bloom competition.

Prince Edward Island's capital city, the birthplace of Confederation, was recently awarded this prize in recognition of the city's effort to improve civic pride, environmental responsibility and beautification through the participation of both the residential and business communities.

The Communities in Bloom program, run by a not for profit organization, has Canadian municipalities compete with similar size cities in improving such areas as heritage conservation, environmental effort, community involvement, and landscaping and floral arrangement.

Judges of the Communities in Bloom program indicated they were most impressed with the involvement at all levels within the community and Charlottetown's efforts to maintain history through various heritage initiatives. As a result of the efforts of all residents Charlottetown is now recognized as one of the most beautiful and clean municipalities in Canada and has been given the prestigious Five Blooms designation.

City staff and citizens of both the business and residential districts should be proud that their dedication and hard work have earned Canada's birthplace of Confederation the national first place Communities in Bloom title.

* * *

[Translation]

JEAN-MARC OUELLET

Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.): Mr. Speaker, it was with great sadness that we learned of the death, last Friday, of Jean-Marc Ouellet, at the age of 60.

Mr. Ouellet was a loyal employee of the Senate for over ten years. He held the positions of bus driver and messenger. The funeral service was held this morning.

It is hard to lose a loved one.

My colleagues and I wish to offer our deepest condolences to his wife, Joyce Hatley, his daughter Lynn, his son Michael, and all his friends and relatives.

I hope that each one of you will be comforted by the memory of good times spent with him.

S. O. 31

[English]

THE ENVIRONMENT

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, sulphur dioxide pollution from the shipping industry is a major contributor to acidification of waters and rain. In the waters around Denmark it is estimated that emissions from ships are twice those of the country's land based sources.

Many European countries are putting in place a system of dues at ports, differentiated according to the ship's environmental performance. For example, ships entering Hamburg harbour are granted a 12% rebate on dues if they meet pre-established environmental requirements such as using low sulphur bunker oil, showing they produce lower sulphur emissions or using paints free of poisonous tributyl tin.

These port dues rebates are significant. They are an incentive for the shipping industry to clean up its act. I urge the Minister of Transport to adopt such incentives and thus reduce pollution from cruise, cargo and other types of ships.

* * *

● (1405)

TERRORISM

Mr. Scott Reid (Lanark—Carleton, Canadian Alliance): Mr. Speaker, I rise today to call attention to a grave danger contained in the government's anti-terrorism bill. The bill defines terrorist activity in such a way that criminal prosecution would begin to focus on the underlying beliefs of terrorists. The bill singles out crimes committed for political, religious, or ideological purposes.

A crime is a crime is a crime. Our justice system must judge actions, not religions or ideologies. An act of violence does not become any more or less an act of violence because it was committed for religious or ideological purposes or for any purpose whatsoever. Our justice system does not prosecute motive, specifically in order to preserve Canadians' rights of religious observation, their right to belong to political parties and their right to freely believe what they believe.

The law should be hard on those who commit terrorist acts, but when we begin to prosecute personal thought we erode the very freedoms we are seeking to protect. Thought crime is a dangerous path that we ought not to follow.

* * *

E-COMMERCE

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, in the knowledge economy the race goes to the quick. The ability to take advantage of the opportunities that the new information and communication technologies enable will determine the winners in this global competition.

Canada, with its relatively small, well educated population, high degree of connectivity and overall sophistication in the use of these tools, has an unparalleled opportunity to lead the world. In addition to computers and networks, businesses need the tools that allow them to move quickly in this new market.

Today I am pleased to draw the attention of the House to the SourceCAN initiative of Industry Canada. It is a state of the art online service that allows small Canadian businesses to access vastly increased international markets while at the same time reducing the costs of doing business online. SourceCAN is one of the tools by which Canada will reach its goal of 5% of worldwide e-commerce.

I congratulate the staff at Industry Canada and all the people involved in this important initiative.

* * *

[Translation]

TRADE DISPUTES

Ms. Monique Guay (Laurentides, BQ): Mr. Speaker, the Canadian Union of Postal Workers has been refused the right to appear as a party at the hearing involving United Parcel Service's lawsuit against the federal government.

United Parcel Service has launched a \$230 million lawsuit against the federal government, claiming that its rights as a foreign investor have been harmed by Canada Post.

An international tribunal, whose rules are not based on Canadian law, will examine the case, taking into consideration the rules for settling a trade dispute set out in NAFTA's controversial chapter 11.

Yet, last summer at the meeting of the NAFTA commission, the Minister for International Trade expressed his delight at the measures taken to clarify the provisions of this chapter. He said "We want the process for settling disputes between an investor and a state, which is provided for in NAFTA, to be as open and transparent as possible".

The minister will have to explain what he means to the 45,000 Canada Post workers whose views are not being heard.

* * *

[English]

ABORIGINAL YOUTH CONFERENCE

Mr. Lawrence O'Brien (Labrador, Lib.): Mr. Speaker, this past weekend the National Aboriginal Youth Conference took place in Edmonton. Aboriginals are the fastest growing segment of the Canadian population. That is why it is vital to hear the voices of First Nations, Inuit and Metis young people.

The hon. Secretary of State for Children and Youth spoke at the conference which brought together youth from across the country as well as members of national aboriginal organizations. The findings from the conference will assist in implementing the national aboriginal youth strategy. They will be presented in December to a meeting of national aboriginal leaders and the ministers of aboriginal affairs.

This conference provided a valuable forum to hear directly from aboriginal youth about the issues that concern them.

S. O. 31

1972 ELECTION

Mr. John Reynolds (West Vancouver—Sunshine Coast, Canadian Alliance): Mr. Speaker, it is a great pleasure for me to rise today to mark the 29th anniversary of the 1972 election held on October 30 of that year.

There are only five members of parliament elected or re-elected in that election who still serve here today. The Right Hon. Prime Minister, the hon. Deputy Prime Minister and the hon. member for Davenport were re-elected that year. Today there are only two MPs who were first elected that year: the right hon. member for Calgary Centre and I.

Then as now I was a proud member of the official opposition. In fact the right hon. member for Calgary Centre and I both served in the same caucus under the leadership of Mr. Stanfield. Then as now the centre right was split in the House of Commons, with the Conservatives as the official opposition and the Social Credit Party here also.

There is an old saying that those who forget the past are doomed to repeat it. The lessons of those years are not lost on me, and I would venture to say they are not lost on the Prime Minister or the Deputy Prime Minister.

However I hope that my colleague and fellow classmate from 1972, the right hon. member for Calgary Centre, remembers those lessons too and will not become the Réal Caouette of 2001 or allow his party to become the true inheritors of the Social Credit legacy in this place.

In closing, I thank the voters of British Columbia for sending me to this place that year and in three subsequent elections.

* * *

• (1410)

FALLEN HEROES FUND

Mr. Pat O'Brien (London—Fanshawe, Lib.): Mr. Speaker, I congratulate the London Professional Fire Fighters Association, its president Brian George and its vice-president Jim Holmes in my hometown of London, Ontario, for raising over \$285,000 so far for the Fallen Heroes Fund.

Every cent of the money raised will go to the New York Fire Fighters 911 Disaster Relief Fund. This fund helps the families of fallen firefighters, police and emergency personnel who lost husbands, fathers and sons in the tragic events of September 11, 2001.

The London fire fighters and I would also like to thank the advertising and promotional assistance of the Corus Group, major corporations, small businesses, schools, groups, individuals and organizations, as well as kids who broke open their piggy banks to contribute. Without their kindness and generosity this could not have been possible. The thoughtfulness of Londoners will never be forgotten.

ENERGY

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, we are all aware of the benefits we can derive from wind power. Canada has the ability to produce more wind power than any country in the world.

In spite of that the federal government, while pumping billions into the nuclear and oil industries over the years, has contributed relatively little to the development of wind power in Canada.

Europe and the U.S. provide substantial financial incentives to both producers and consumers of alternate energy. Canada does relatively nothing. Ironically many of the investors in the growing U. S. market are Canadian companies.

It is time for the government to join other developed countries to embrace wind energy and provide the financial incentives and investments needed for this valuable renewable energy source to flourish in this country.

* * *

[*Translation*]

DÉLÉGATION GÉNÉRALE DU QUÉBEC IN PARIS

Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ): Mr. Speaker, I am pleased on behalf of my colleagues in the Bloc Québécois to draw to your attention the 40th anniversary of the Délégation générale du Québec in Paris.

Quebec's representation in the city of light bears witness to the special relationship between Quebecers and their French cousins. In matters of culture, business, education or tourism, the Délégation générale du Québec in Paris promotes and spreads Quebec culture in France.

Such is its importance that the members of the delegation were the first representatives of a non sovereign state to enjoy the privileges and diplomatic immunity normally reserved for sovereign countries. This points to the importance of our mutually beneficial relationship.

Be it through the Office franco-québécois pour la jeunesse, the Association Québec-France, the thousands of French students who have studied in Quebec and the thousands of Quebecers, myself included, who have completed their education in France or the annual summits of our first ministers, to give but a few examples, our two peoples are showing the entire world the special place we hold in each other's heart.

* * *

[*English*]

YUKON

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I rise today with great anticipation. Many members have noticed a new dynamism in the north. One foundation of this is the Yukon devolution transfer agreement which the government has tabled today.

The transfer agreement sets out the terms and conditions for transferring the administration and control over lands and resources from the Government of Canada to the government of Yukon. It will soon be followed by legislation to implement these changes.

Oral Questions

[Translation]

Mr. Speaker, on this day, I am proud to be the member for Yukon.

[English]

The government has worked hard to bring devolution to this point. Yukoners will soon be able, as other Canadians, to make decisions locally regarding their land and resources.

The DTA contains provisions to ensure that devolution does not abrogate or derogate from the aboriginal, treaty or other rights of first nations or any fiduciary obligations of the crown to aboriginal people derived from treaties, constitutional provisions, legislation, common law or express undertakings.

This is an important day for all Yukoners and all Canadians. I hope the House will join me in saluting everyone who worked so hard on this agreement.

* * *

TRADE

Mrs. Elsie Wayne (Saint John, PC/DR): Mr. Speaker, two sugar refineries have closed in Canada and more will be closing out west if action is not taken now.

Bill C-32, the act to implement the free trade agreement with Costa Rica, cannot be viewed in isolation of the North American and global context since it would provide Costa Rica with substantial immediate duty free access and a phase out of Canada's refined sugar tariff.

The reciprocal provisions in the agreement would not provide Canadian sugar with any commercial export opportunity. Sugar should be excluded from such regional negotiations to prevent further job losses and refinery closures in Canada. The sugar deal with Costa Rica will set a precedent with upcoming negotiations with Central America.

Canada's sugar market is already the most open in the world. Our sugar industry does not depend on any domestic or export subsidies or other trade distorting policies. Our modest 8% tariff is important until the big players including the U.S. and EU reform their sugar policies. What is in question is not free trade but fair trade.

ORAL QUESTION PERIOD

•(1415)

[English]

IMMIGRATION

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, two former deputy ministers of immigration, one of them being Tom Kent, a former key adviser to Prime Ministers Trudeau and Pearson, are saying that the 1985 Singh decision of the supreme court has been a disaster for our refugee system. The Singh decision gives anyone who can put their toe onto Canadian soil the same charter rights as a Canadian citizen. That leads to long delays and backlogs for genuine refugee claimants.

Even the Minister of Foreign Affairs, when he was in Washington last month, said this decision needs to be reviewed. Does the Prime Minister agree with deputy ministers Tom Kent and Jack Manion and his own Minister of Foreign Affairs that the Singh decision must be changed?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am happy with the question because there is at this moment, in front of committees, debate about the security of the nation and the changes in the laws. The debate can go on there.

Of course we want to have a good system of refugee laws in Canada. At the same time we do not want anybody to use the refugee system to abuse Canadian hospitality.

In fact we have two committees that at this time are looking at these laws. We welcome the suggestions that could come from these committees.

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, I am not asking the committee. I am asking the Prime Minister.

[Translation]

Two former deputy ministers of immigration and the Minister of Foreign Affairs have acknowledged the need for the Singh decision to be changed. As it stands, it allows all refugee claimants the same rights of appeal as Canadian citizens.

Why does the Prime Minister not overturn this decision, which is a threat to our security and of no help whatsoever to true refugees?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, a Prime Minister or a government cannot reverse a court decision. The decision has been handed down.

Is it the legislation that needs changing, then? That is what I have just said. The House of Commons has bills before it aimed at addressing this country's security problems.

I would therefore invite hon. members to express their opinions to the committee and we shall take them under advisement.

[English]

Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the Prime Minister needs a little briefing. There are at least two cases working their way to the supreme court that could have the government making a statement on this before the supreme court in a legitimate way.

Millions of refugees are stuck in camps around the world. Canada only accepts 7,300 a year, but there are another 35,000 refugees who come here, 40% coming from the United States. They impose themselves on us. Many do not have documents and are a criminal or a security risk.

When will the government make genuine refugees a priority and deal more directly with those who are a security risk?

Oral Questions

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, that is exactly what Bill C-11, the new immigration and refugee protection act, does. It gives us the ability to streamline our procedures, so that those who are in genuine need of our protection will be welcomed in Canada more quickly and those who are not in need of protection will be able to be removed more quickly.

That streamlining is extremely important. I wish the Leader of the Opposition would understand that this is exactly what we are trying to do.

Mr. Grant Hill (Macleod, Canadian Alliance): Mr. Speaker, the very same top bureaucrat had this to say about Bill C-11 before the Senate, and I quote, "it should be scrapped and started from scratch".

This top bureaucrat also calls for restoration of the safe third country rule so we do not have refugees coming from a safe country.

Why does this minister not clean up the mess in our refugee determination system?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am not going to suggest for a minute that the system we have in place today does not need change. In fact it does. That is why we have brought in a streamlined procedure which is presently before the Senate.

I say to the member opposite that the existing legislation as well as the new legislation allows for negotiations of a stage for a bilateral agreement. Certainly he would not ask us to impose that unilaterally on the United States, particularly at this time when the concerns are security concerns.

We know that 40% of refugee claimants come from the United States, but we have to negotiate with them before we can—

• (1420)

The Speaker: The hon. member for Macleod.

Mr. Grant Hill (Macleod, Canadian Alliance): Mr. Speaker, this top bureaucrat who has been around the immigration and refugee system for 26 years has another very interesting quote. He says that the system for screening newcomers, and I quote, "is a shocking and scandalous mess". That is in this minister's department.

The sad thing about it is that this mess bothers every legitimate immigrant and every needy refugee. Will the minister clean up the mess?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): In fact, Mr. Speaker, while we are making significant changes, what we have done is implement intensified security screening. At the present time those interviews are taking three to four hours. We identify people, we fingerprint them, and if we have any concerns about their risk to national security they are detained.

Rather than just taking the quote from someone who was a servant a long time ago who worked for the government, I would like to suggest that the member hear what Commissioner Zaccardelli said this morning. He said that the notion that we are a safe haven is absolutely wrong.

[Translation]

TERRORISM

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, we must take all appropriate means at the military, humanitarian and diplomatic levels to continue to fight terrorism. Now that the bombings in Afghanistan have almost reached their limit, it seems that a second phase of military operations is about to begin with the deployment of ground troops.

Before launching this second phase of the conflict in Afghanistan, does the Prime Minister not believe that coalition members must determine together the effective military means that will allow us to make progress in the fight against terrorism?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there are no Canadian military personnel taking part in the ongoing operations in Afghanistan at present. We have daily contacts with U.S. army officers. It goes without saying that decisions are made on a daily basis. I do not know when we will enter a new phase of operations. Right now, the United States is still relying on air strikes. It may deploy ground troops some day.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, in order for the international coalition to remain united and for the response to terrorism to be effective, both of which are dependent on each other, the situation in Afghanistan must be assessed at the United Nations.

Is Canada prepared to take its diplomatic responsibilities and exert pressure on its allies so that discussions can be held at the United Nations on how to continue military operations, before the beginning of the next phase, instead of being consulted only after the fact?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I just said, we are consulting with the U.S. government on this issue.

I have just returned from China, where we had a meeting of all APEC heads of government. We discussed the current situation and everyone agreed that we must continue the fight against terrorism.

As for the means that should be taken, it is the United States that was attacked on September 11 and that is responding right now. We offered our co-operation. As I just mentioned, there are no Canadian troops in Afghanistan right now.

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, the Prime Minister has already asked us to show patience and wisdom. Now that the conflict seems to be moving into a second phase, and the number of warning bells are increasing, is it not becoming increasingly important for the coalition forces to consult one another?

Will the Prime Minister admit that the wisdom of which he spoke demands that the coalition parties take stock of the situation before taking action, and that they do so now under the UN's supervision?

• (1425)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the member should know that the security council passed a resolution on September 12 saying that the Americans had the right to retaliate because they had been attacked by the terrorists. Since then, the U.S. has been acting within the terms of the UN resolution.

Oral Questions

As for consulting the coalition, we are speaking with the Americans. We have officials in the United States who are speaking daily with top American officials. I know there are representatives of Britain, Australia and probably of France and Germany. There are daily consultations with the allies.

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, given all our expressions of solidarity with the Americans, we can also tell them that the military actions in Afghanistan will not affect just the United States.

Canada's Minister of Foreign Affairs, who recently began a tour of various Middle Eastern capitals, sees the difficulties of the coalition.

Will the Prime Minister tell us whether the Minister of Foreign Affairs intends to use his tour to promote a meeting under UN auspices before the second phase of the campaign is launched?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Foreign Affairs is currently touring several Middle Eastern countries, where he is trying to convince everyone that we must first fight terrorism and then try to find diplomatic solutions to all the conflicts. I think this is the Canadian position right now.

Is there an immediate need for a debate in the UN General Assembly? I do not know whether this is necessary right now because the security council has already passed a resolution authorizing the activities of the American troops and of members of the coalition.

[English]

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, my question is for the Prime Minister as well.

Canadians want to understand Canada's role in shaping strategy for the current campaign in Afghanistan. For example, the U.S. is dropping cluster bombs. Cluster bombs are like landmines, a lethal weapon killing innocent civilians, particularly children, something that Canada has strongly opposed in the past.

Did Canada approve of the use of cluster bombs? Was Canada even consulted on the use of cluster bombs?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not expect the generals of the United States to call us every morning to ask us at what time they should go.

They are in a war operation at this time. They did not want to be there at all. If the terrorists who are hiding in Afghanistan had not done what they did on September 11 there would be no need for any kind of bomb. I hope that this leader will understand that.

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, Canadians do want to know what role Canada plays. They want to know whether the meaning of coalition is that every partner has a say. Is that not the point of a coalition?

Yet in Afghanistan it appears that the United States alone seems to be making the decisions about strategy, about tactics and about targets.

What is Canada's role? Does Canada have a say? Does Canada have any voice at all or are we just there to take orders?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think that it would be very naive to believe that every morning all

the prime ministers and the leaders would have to consult and decide how many bombs would be dropped today. It does not work like that.

A coalition is not easy and it does not mean that they have to consult on every step.

It is kind of difficult to run a coalition. The member has only to look to the left of herself in the House of Commons.

Right Hon. Joe Clark (Calgary Centre, PC/DR): Mr. Speaker, the attorney general of the United States has deliberately warned that there could be more terrorist attacks this week.

Canadian police say that Toronto has been a centre for al-Qaeda activity and that as many as five followers of Osama bin Laden may be charged.

Does CSIS have any information confirming that there is a new potential for terrorist attacks in Canada over the next week? Has that information gone to law enforcement agencies across Canada and will the Prime Minister tell parliament the plan for co-operation among law enforcement—

• (1430)

The Speaker: The right hon. Prime Minister.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, no information of that nature has been received by CSIS and the RCMP at this time. We are not under any special threat at this moment. I think we are all the time on an alert basis because there is always a danger, but there is no specific threat against Canadians at this moment.

Right Hon. Joe Clark (Calgary Centre, PC/DR): Mr. Speaker, I assume the Prime Minister takes enough time to read the newspapers. He would have seen the report by the attorney general of the United States.

Did he ask for information as to whether or not the information that caused the attorney general to warn Americans about an attack this week is information that should cause Canadians to be careful about an attack this week?

If he did his duty, what is his government doing to protect Canadians from a potential attack here in Canada this week?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I am very sorry to disappoint the leader of the coalition of the corner. There is no special threat against Canada at this time.

I am not going to be mad because Canada is not under a special threat, but I understand that the leader of the corner is mad all the time.

*Oral Questions***NATIONAL SECURITY**

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, President Bush is now taking steps toward a common security perimeter with Canada and Mexico. He wants greater harmony in customs procedures, including a shared database of foreign nationals entering each country. Such a system will give all three countries early warning of potentially dangerous travellers.

Will the minister assure the House today that Canada will fully cooperate with the implementation of such a plan?

Hon. Martin Cauchon (Minister of National Revenue, Lib.): Mr. Speaker, as I said many times in the House, we started to reform the customs system a long time ago in Canada. What we are looking at is putting in place a much better risk management system using more technology.

As I said, customs has to be seen as an economic development tool. It has to be effective and efficient for the Canadian population as a whole and businesses as well. We have started to co-operate with the states. I will be in Washington, D.C., on Thursday in order to increase that co-operation. We have started to harmonize in some places like the Nexus program which I visited yesterday.

Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance): Mr. Speaker, in order for business in this country going south to be effective, security has to be a priority. The Americans have walked away from harmonization talks in the past but they have just put a plan on the table that is in the best interests of Canadian security and the Canadian economy.

Will the minister stop this political posturing and for once act in the best interests of Canadians by agreeing to President Bush's proposal?

Hon. Martin Cauchon (Minister of National Revenue, Lib.): Mr. Speaker, obviously the hon. member does not know what the customs action plan is all about.

As I have said many times, we are dealing with big volumes on a daily and yearly basis. In order to make sure we are able to fulfill our dual mandate, which is the protection of Canadian society and keeping the border open for trade, we need to use more technology. Using more technology will give us a safer society. We will also make sure businesses keep growing in this country.

* * *

[*Translation*]

INTERNATIONAL AID

Mr. Stéphan Tremblay (Lac-Saint-Jean—Saguenay, BQ): Mr. Speaker, yesterday the government announced that it would be supporting the Bloc Québécois motion on increased international aid. As we know, assistance for the suffering populations must be an ongoing concern.

Can the Minister of Finance confirm that international aid is among his concerns and that he will be including funds for this in his coming budget?

Mrs. Marlene Jennings (Parliamentary Secretary to the Minister for International Cooperation, Lib.): Mr. Speaker, unfortunately for the hon. member, I am not the Minister of Finance but I can answer his question.

This government has demonstrated its commitment to international development. If the hon. member were to examine the last budget, he would see that we have increased our international aid by \$435 million over three years. If he were to take a look at this year's throne speech, he would see that this government has again committed to increasing our international aid.

Mr. Stéphan Tremblay (Lac-Saint-Jean—Saguenay, BQ): Mr. Speaker, even CIDA, with its specific mandate of meeting the need for international aid, considers that the additional \$16 million invested by the government in Afghanistan is clearly inadequate.

That being the case, does the government plan to promote humanitarian aid within a multilateral approach under UN auspices, and to allocate the necessary funds to it?

• (1435)

Mrs. Marlene Jennings (Parliamentary Secretary to the Minister for International Cooperation, Lib.): Mr. Speaker, this government is committed to giving \$16 million in aid to Afghanistan.

Since we have made this commitment, that is \$1 million on September 29, another \$5 million thereafter, followed by \$10 million on October 17, we have both committed these amounts and delivered on them.

* * *

[*English*]

IMMIGRATION

Mr. Leon Benoit (Lakeland, Canadian Alliance): Mr. Speaker, Syrian Hassan Almrei was granted refugee status in Canada last year based on a fake United Arab emirate passport and a Canadian visa that he purchased for \$5,000. He claimed that he feared persecution because his father was a member of the Muslim brotherhood in Syria.

The fact is the Muslim brotherhood is a well-known terrorist group that assassinated Egyptian president Anwar Sadat in 1981.

My question is for the immigration minister. Why is having a terrorist in the family grounds for refugee status here in Canada?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member opposite keeps putting facts out that are inaccurate and wrong. They are then picked up by other people who repeat them like they are true.

I would suggest that what he do is remember that his title is a member of the loyal opposition and he should not be sending the message to people that they are admissible to Canada if they have a criminal record or if they pose a security threat, because they are not.

Mr. Leon Benoit (Lakeland, Canadian Alliance): Mr. Speaker, the fact is this person was given refugee status in our country because his father was a member of a terrorist group.

The Canadian Alliance has been the strongest proponent for genuine refugees but the minister's poor screening has given refugees all a bad name in the country, and that is not acceptable to the loyal opposition.

Does the immigration minister think she did the right thing in giving refugee status based on family membership in a terrorist group?

Hon. Elinor Caplan (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member opposite knows that decisions are made by the Immigration and Refugee Appeal Board, a quasi-judicial body. Where we disagree with those opinions they are appealed to the courts.

Any persons applying for refugee status who uses fraud or misrepresentation, or are found to be inadmissible to Canada because they pose a security risk or have a criminal record, we take appropriate action to remove them from the country as quickly as possible. The member opposite knows that.

* * *

[Translation]

FINANCE

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the Minister of Finance has the unfortunate habit of underestimating government surpluses in order to make his life easier and avoid having to justify his budget choices to parliament and his own caucus.

Will the Minister of Finance confirm that, for the first five months of the current fiscal year, his department's figures establish the accumulated surplus at \$11.1 billion, whereas, for the next seven months, the most pessimistic scenarios predict an additional \$2.5 billion, for a total of \$13.6 billion in manoeuvring room?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, there is no doubt that as of July we had a surplus of over \$11 billion.

That said, the member must know, if he has not realized, that the economy was slowing down before September 11. After the 11th, it must be said that the attacks on the World Trade Center had a significant effect on the Canadian and American economies.

That said, there is no doubt that the surpluses will shrink, and, unfortunately, substantially.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, naturally we are taking these slowdowns into account. The figure for the next seven months is \$2.5 billion, whereas it was over \$11 billion in the first five months. We are not crazy.

We must have a clear plan in this House. Will the Minister of Finance admit that we in the Bloc have already presented a clear, targeted and deficit free plan that responds to the situation and supports the economy and employment?

He should use it, and for once have the wisdom to listen to us.

• (1440)

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, if the member is so proud of his plan, perhaps he should present it to the Standing Committee on Finance, of which he is a member. I look forward with enthusiasm to the report.

I also suggest the member submit his plan to Ms. Marois, who is to present her budget on November 1.

Oral Questions

[English]

TERRORISM

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, contrary to what the Prime Minister just told the House, police authorities say that Toronto is a staging ground for al-Qaeda terrorists and that they have a stunning amount of evidence to prove it, including five suspects and more to come.

I would ask the solicitor general, in the face of intelligence information showing terrorist activity, such as fundraising, recruiting and counterfeiting of documents taking place in Toronto, how can he still deny any Canadian connection to the attack on America?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, is my hon. colleague asking me if there is a direct connection with what happened on September 11? If that is the member's question, the answer is, no.

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, CSIS has told the federal court that it believes there are supporters of bin Laden and his terrorist network here in Canada now. A proper and more thorough investigation of Al-Marabh in June may have revealed this fact and exposed key evidence regarding the September 11 attack on America.

Our Prime Minister says that there is no imminent attack but we know that bin Laden's terrorists are here in Canada now.

Given the glaring evidence of CSIS and the RCMP, why should Canadians trust the solicitor general with their security and their safety?

Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.): Mr. Speaker, I have said a number of times in the House that there are people involved in terrorist groups in this country. Let there be no illusions, there are people in this country who belong to terrorist groups.

My hon. colleague asked why he should trust me. Who he should trust are the members of the Royal Canadian Mounted Police and CSIS who do an excellent job of making sure this country remains one of the safest countries in the world today.

* * *

LUMBER INDUSTRY

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, the Vancouver *Sun* reported today that the Government of Canada will be providing up to \$5.3 million to encourage Canadian lumber exports to China.

Could the Minister of Natural Resources tell the House why the government is focusing on China and how this money will be spent?

Hon. Ralph Goodale (Minister of Natural Resources, Lib.): Mr. Speaker, the Vancouver *Sun* may have jumped the gun a bit but the information is essentially accurate.

Oral Questions

This Canada-China wood products initiative will help Canada take advantage of emerging markets in China and lessen our dependence upon American markets. All regions of the country will benefit from this initiative, with expected participation from several wood products associations across the country. The momentum toward this was substantially assisted last week by the Prime Minister's visit to Shanghai.

The money will be used for promotional activities, market studies, technical work on codes and standards, and worker training. It will be delivered by Natural Resources Canada in co-operation with the distinguished minister for—

The Speaker: The hon. member for Regina—Qu'Appelle.

* * *

THE ECONOMY

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is for the Minister of Finance.

Interest rates in this country are now at a 40 year low but the spread between interest rates and credit card rates is at a 24 year high. Canadians are now paying about 18% on credit cards, despite a falling bank rate and a falling prime rate.

When the minister asked his buddies at the big banks in this country for permission to bring in a fall budget, did he also ask them to bring down their outrageously high interest rates on credit cards?

Hon. Paul Martin (Minister of Finance, Lib.): Mr. Speaker, there is no doubt that when the bank moves one wants to see all interest rates come down, which is why mortgage rates are virtually at an all time low.

The Bank of Canada was able to act in this way because of the elimination of the deficit, because of the pay down of \$35 billion in debt and because of the significant tax cuts brought in by the government.

There is tremendous confidence among central bankers as to the governance of this country by the government and it is reflected in the drop in interest rates.

* * *

LUMBER INDUSTRY

Mrs. Bev Desjarlais (Churchill, NDP): Mr. Speaker, the government's inaction is devastating our forest industry. Now the U.S. is expected to add a second softwood lumber tariff to the one that has already caused thousands of layoffs in Canada.

Does the minister know whether the U.S. plans to increase the tariff by as high as 40%? Should this happen, will the government commit today to an income support program for forest industry workers affected by job losses?

Will the government finally stand up to the U.S. and ensure the well-being of our forest industry?

• (1445)

Mr. Pat O'Brien (Parliamentary Secretary to the Minister for International Trade, Lib.): Mr. Speaker, as the member knows, the question is hypothetical. We will get the formal notice of the decision tomorrow.

In the meantime, the government will continue to do what it has been doing very aggressively for months, and that is to proceed on our two track policy, availing ourselves of our legal avenue at the WTO. We filed for a WTO panel on October 25. Meanwhile, a series of aggressive discussions are ongoing with full federal and provincial participation.

* * *

NATIONAL SECURITY

Mr. Jay Hill (Prince George—Peace River, PC/DR): Mr. Speaker, an official from the solicitor general's office was quoted this morning as saying that a request by customs and immigration officers and park wardens to carry sidearms is "a compensation issue wrapped up as a safety issue because these workers can't find any other ways to get more money".

The RCMP and CSIS are currently overextended during this time of heightened national security.

Will the solicitor general agree to arming these federal employees who are already responsible for border security?

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, we all know that, with regard to the customs organization, of course the safety and security of our employees is very important indeed. We have been discussing that question, which has been raised on numerous occasions by the union. Lately, I also met with the president of the union to discuss that. In my mind there is no question that the customs officers will be receiving sidearms.

Notwithstanding that fact, I would like to tell the House that there is a risk assessment analysis taking place at the present time. However, as far as I am concerned, with the risk assessment I have seen, there is no question we will give sidearms to the customs officers.

* * *

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC/DR): Mr. Speaker, with the peacekeeping commitment we have made in Bosnia and around the world, our Canadian forces are stretched to the limit. This being the case, we may require our reservists to serve and provide backing for our forces. It is projected that up to one half of our reservists may not even report for duty if called. Why? Because we do not provide them with job protection like other countries do.

When will the Minister of Defence and the government take action to provide our reservists with job protection when they are called for duty?

Hon. Art Eggleton (Minister of National Defence, Lib.): Mr. Speaker, our reservists would only be asked to report on a voluntary basis and of course they would have to consider their job situation when doing that. I must however point out that the Canadian forces liaison council has signed up thousands of businesses in the country to assist in giving reservists the time off that they need.

Oral Questions

Furthermore, the hon. member should remember that back during the ice storm some 15,000 Canadian forces personnel, most of them reservists, were made available and helped Canadians in that disaster.

* * *

ANTI-TERRORISM LEGISLATION

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, the anti-terrorism legislation defines a terrorist act as an act committed for a political, religious or ideological purpose. Yesterday the fisheries minister voiced his concern that the anti-terrorism bill could unfairly target minorities. Canadians share his concern.

Will the Minister of Justice advise why these groups are being singled out?

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, time and time again I have made it plain that these groups are not being singled out.

Let me also clarify that there is no disagreement between the Minister of Fisheries and Oceans and myself. We both agree that what is important here is to hear from both the House of Commons committee and the Senate committee, and I look forward to that advice and those recommendations.

Mr. Vic Toews (Provencher, Canadian Alliance): Mr. Speaker, the political or religious motivation behind the explosion of a terrorist bomb is irrelevant. However, the minister chooses to target religious or political groups in the definition of terrorist act.

Will the minister show respect for the religious and political beliefs of Canadians by removing this offensive phrase from the legislation?

• (1450)

Hon. Anne McLellan (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as I have said before and I will say again very clearly, what we are targeting is terrorist activity regardless of by whom it is committed. We are targeting terrorist entities.

* * *

[*Translation*]

NORTH AMERICAN SECURITY

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, the Bloc Québécois proposed that any future North American security perimeter should include all NAFTA partners, Canada, the United States and Mexico.

For President Bush, North America's security includes Mexico. That is why yesterday he referred to a perimeter involving the three countries.

Does the Prime Minister agree with the Bloc Québécois and President Bush that, for economic and social reasons, a North American security perimeter must include Mexico?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, the Prime Minister already said that he intends to discuss this issue with the United States and with Mexico.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, negotiations to establish a security perimeter will cover a number of subjects, including immigration.

Given the Canada-Quebec agreement on this matter, will the Prime Minister make a commitment to consult with Quebec and respect its jurisdiction during the course of these negotiations?

Hon. Herb Gray (Deputy Prime Minister, Lib.): Mr. Speaker, will we respect not only the jurisdiction of Quebec, but that of all the provinces. This respect is very important to us. But as the national government, the federal government, we have a responsibility to represent all of our country's interests, and we will respect this jurisdiction.

* * *

[*English*]

HEALTH

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, the health minister's department prepared a report before September 11 and just now published. The report says that costs of an anthrax attack on just 100,000 Canadians would cost us over \$6 billion and a botulism attack over \$8 billion.

The report by Health Canada's Centre for Emergency Preparedness said that the government should spend between \$50 million and \$100 million to prepare reasonably. Yet the Minister of Health has allocated only about \$5 million to stockpile medicines. His department says that is not nearly enough. Why has he not listened?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, the member's question is based on a report written almost three years ago. We really have to do something about getting the Alliance research bureau a quick response unit.

Since September 11, a great deal has changed. Since April 1999, a great deal more has changed. In the meantime Health Canada has opened the Centre for Emergency Preparedness and Response. We have put almost \$12 million into training and to strengthening laboratories, stockpiling antibiotics and other medications, doing the very things that Ron St. John said are needed. We will continue to do the things necessary to make sure Canada is ready.

Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance): Mr. Speaker, although the report was just published, the minister has just admitted that he has had it for some time. The report, even before September 11, said that he should be spending between \$50 million and \$100 million to stockpile medicines for Canadians. Yet he is only spending about \$5 million now, after September 11.

How can he claim that it is enough to prepare us for bioterror?

Hon. Allan Rock (Minister of Health, Lib.): Mr. Speaker, shortly after that report was published, we asked the principal author to become the executive director of our Centre for Emergency Preparedness and Response. We gave him the authority to put in place the things we need to make this country ready. We will continue to do exactly that.

Oral Questions

[Translation]

INTERNATIONAL EXCHANGES

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Mr. Speaker, the Secretary of State for Science, Research and Development is back from Germany, where he took part in the celebrations of the 30th anniversary of the signing of the Canada-Germany science and technology cooperation agreement.

Could the secretary of state tell the House how our country is benefiting from this agreement?

Hon. Gilbert Normand (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, on October 25, in Bonn, Germany, we celebrated the 30th anniversary of technology exchanges between our two countries.

I signed a new agreement with my counterpart, the minister of science in Germany, Mrs. Bulmahn. In order to implement this agreement, the National Research Council of Canada and the national research council of Germany will provide \$720,000 annually.

The exchanges will involve mostly telemedicine, optoelectronics, agriculture and biotechnologies. This is yet another example which shows that Canada can take part in international exchanges.

* * *

• (1455)

[English]

NATIONAL SECURITY

Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance): Mr. Speaker, the government has sidelined 425 of its peace officers by not providing sidearms to the national park wardens. Those people unfortunately, who are ready, willing and able to do their jobs, are sitting on their hands.

Considering that the revenue minister has just announced that the customs officers are going to be receiving firearms, will the heritage minister make the same announcement for the national park wardens?

Hon. Martin Cauchon (Minister of National Revenue and Secretary of State (Economic Development Agency of Canada for the Regions of Quebec), Lib.): Mr. Speaker, what I said about customs officers, I would like to be more precise. I forgot to mention the “not” which is very important indeed. We are not going to give sidearms to the customs officers as far as I am concerned.

Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance): That is just outstanding, Mr. Speaker. I cannot believe that the minister would even have the audacity to stand up and say that, when we have people at the border trying to protect us and they cannot protect themselves. That is over the top. I cannot believe this minister. What excuse does he have for not allowing them to protect themselves?

Hon. Martin Cauchon (Minister of National Revenue, Lib.): Mr. Speaker, customs officers have been well trained. Lately customs officers have been given official powers as well as very good training. They have been provided with the additional tools to fulfill their duties. They are doing a wonderful job for our Canadian

society. They all know in the field that they do not need sidearms to protect our Canadian society. That is not our vision of Canada.

* * *

[Translation]

ANTI-TERRORISM LEGISLATION

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, yesterday, the Minister of Justice showed some openness and said she was prepared to review the definition of “terrorist activity” and to provide a control mechanism regarding access to information, two issues that the Bloc Québécois identified as being problematic.

The minister also said that sunset clauses could apply to some clauses of the bill.

Like her colleague, the Minister of Fisheries and Oceans, is the Minister of Justice prepared to make a firm commitment that her bill will indeed include sunset clauses?

[English]

Hon. Anne McLellan (Minister of Justice, Lib.): Mr. Speaker, as I have indicated before, I look forward to the work of the House committee of which the hon. member is a member. I look forward to the report of the Senate pre-study committee. In fact, I know that it will have very useful advice and recommendations for us in relation to the areas the hon. member has identified as well as other areas.

* * *

[Translation]

AIRLINE INDUSTRY

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, yesterday, in response to a question about assistance for air carriers, the Minister of Transport confirmed that this assistance would be limited to national carriers, thus excluding small regional carriers in Quebec, which are no less affected by the events of September 11.

Does the Minister responsible for regional development intend to try to convince the Minister of Transport to extend his loan guarantee program to Quebec's small regional air carriers?

[English]

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, we recognize that in the aftermath of September 11 the airline industry was particularly hard hit and, as an economic generator, had to be helped. That is why we announced the \$160 million of direct compensation. We have also agreed that there would be a limited program of loan guarantees for the five major airlines covering 95% of all passenger movements in Canada. We intend to make that the limit.

* * *

THE BUDGET

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, my question is for the Minister of Finance. The Canadian Wind Energy Association indicates that it cannot get financing for its projects in Canada and that a lot of the financing is going to the United States.

Will he consider adding some incentives and tax breaks in the budget that is upcoming in December?

Hon. Ralph Goodale (Minister of Natural Resources, Lib.): Mr. Speaker, I had the distinct pleasure of speaking to members of the Canadian Wind Energy Association yesterday. I informed them of course that the Government of Canada has \$1.1 billion worth of initiatives on the table already. I further informed them that their action plan, a very thoughtful action plan, for the future of renewable energy in this country would be considered very carefully by this government in future business plans to deal with climate change.

* * *

LUMBER INDUSTRY

Mr. Gary Lunn (Saanich—Gulf Islands, PC/DR): Mr. Speaker, on October 4 the Parliamentary Secretary to the Minister for International Trade told the House that the U.S. had suspended the Byrd amendment. He was wrong. When I asked about anti-dumping coming down tomorrow by the U.S., he called that question hypothetical. I suggest the parliamentary secretary better wake up. Right now the Canadian forest industry, because of the Byrd amendment, is paying the U.S. forest industry directly. Canadians are subsidizing Americans.

What is the plan of this government? Canadians right now are facing significant job losses in the tens of thousands. What is the government doing to stop—

• (1500)

The Speaker: The hon. Parliamentary Secretary to the Minister for International Trade.

Mr. Pat O'Brien (Parliamentary Secretary to the Minister for International Trade, Lib.): Mr. Speaker, it is great to see that the opposition has finally woken up and asked a question on softwood lumber for the first time in weeks.

The Byrd amendment is potentially a very harmful and disruptive measure for the international trading environment. That is why Canada, along with Mexico and nine other countries, is challenging the Byrd amendment at the WTO. We fully expect to get a favourable ruling in that case.

* * *

TERRORISM

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, the nuclear propulsion reactor in Nanoose, B.C. is about 40 kilometres or one to two minutes by jet from the Vancouver International Airport. This floating nuclear reactor operates at a high power density, uses more enriched uranium nuclear fuel, almost weapon grade and has smaller meltdown margins than land reactors.

In the sea there are no concrete walls or steel walls. What procedures are in place in B.C. to protect against a terrorist attack on a nuclear propulsion reactor?

Hon. Ralph Goodale (Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, first, there is elaborate collaboration between Canada and the United States with respect to nuclear security. Second, the Canadian Nuclear Safety Commission took steps immediately on September 11 to heighten security to protect all Canadians.

Privilege

Those steps were accelerated on October 19 with further measures to ensure that the Canadian public interest would be protected.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of a former colleague, the Honourable Chris Axworthy, Q.C., Minister of Justice and Attorney General, Minister of Intergovernmental Affairs and Minister of Aboriginal Affairs for the province of Saskatchewan.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

ORAL QUESTION PERIOD

Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance): Mr. Speaker, in the confusion arising from today's exchange that I had with the Minister of National Revenue, he first said that they were going to be providing guns and then he said they were not going to be providing guns.

I would like you to pay particular attention to the blues and to the television transcription of the event so we can be sure that this confusion is enshrined in *Hansard*.

The Speaker: I am sure the hon. member would not want the Speaker to sow any seeds of confusion anywhere and in fact would do everything possible to avoid confusion.

I thought that was the point of the hon. member's point of order, but I am sure we will take what he said under advisement and the appropriate authorities will heed his sound, sage advice.

* * *

PRIVILEGE

FIREARMS ACT

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, I rise on a question of privilege in relation to the failure of the Minister of Justice to respect the tabling requirements, enacted for the benefit of this House by the Parliament of Canada, in section 119 of the Firearms Act and chapter 39 of the Statutes of Canada, 1995.

Section 117 of the Firearms Act confers on the governor in council extensive regulation making powers in recognition of the significant impact which the exercise of those powers can have on Canadians. Parliament also adopted a provision requiring the Minister of Justice to table any proposed regulation before both houses for referral to an appropriate committee of each house before the regulation can be enacted by the governor in council.

Section 118 of the act precludes the adoption of any proposed regulation before the expiry of certain deadlines to ensure that members of both houses have an adequate opportunity to examine and report on the appropriateness of the regulation under the Firearms Act.

Privilege

This background information makes clear that parliament attaches a great deal of importance to members being fully informed and involved before the governor in council is allowed to make a regulation under section 117. It is against this background that the exceptions to the rule must be assessed.

Section 119 of the Firearms Act provides for two cases in which the governor in council is allowed to make a regulation without the Minister of Justice having first tabled the text of the proposed regulation before both houses. The first exception is where the minister is of the opinion that the changes made by the regulation to an existing regulation are immaterial or insubstantial.

The second exception applies only to regulations made under certain specific paragraphs of section 117 and where the minister is of the opinion that the making of the regulation is so urgent that the requirement in section 118 should not apply.

In both these instances subsection 119(4) of the act provides that where the Minister of Justice forms the opinion that a regulation should not be tabled in draft form, the minister shall have a statement of the reasons he or she formed that opinion laid before each house of parliament.

It has come to my attention that between September 16, 1998, and December 13, 2000, a number of proposed amendments to regulations made under the Firearms Act have not been tabled before parliament as required by section 118 of the act.

The relevant instruments are those registered under the designation SOR/98-468 to SOR/98-471, SOR/99-109 to SOR/99-111, SOR/99-453, SOR/2000-224, SOR/2000-225, SOR/2000-259, SOR/2000-385, and SOR/2001-9 to SOR/2001-12.

In four of these sixteen instances the reason for which the amendment was not tabled was that the Minister of Justice formed an opinion that the regulation was so urgent that section 118 should not apply. In the other twelve cases the regulations were not tabled pursuant to section 118 because the minister formed the opinion that the changes made were immaterial or insubstantial.

As far as I could determine from the records of the House, the minister has not complied in those 16 cases with the duty imposed upon her by subsection 119(4) of the act to table a statement of reasons supporting her opinion that the section 118 requirement should not apply.

On October 17, 2001, my colleague, the member for Yorkton—Melville, rose on a point of order to request that the same minister observe the statutory tabling requirement in the case of yet another regulation which was registered as SOR/2001-336.

● (1505)

There is a fundamental distinction between the point of order raised by my colleague and the question of privilege I raise today. It is my contention that the minister's failure to table the required statements in relation to the instruments I have identified is a breach of the privileges of the House. This conclusion would not change even if the minister were to table the required statements today, tomorrow or the day after.

In failing to table the required statements the minister is not only breaching an order of the House as expressed in its statute but has also deprived members of their ability to verify that her reasons for exempting these regulations from the application of section 118 are sound and proper.

There can be no excuse for the minister's cavalier disregard of the statutory duty she owes to the House. Each of the regulations in question states in its preamble that the minister will lay a statement of reasons before each house as she is required to do by section 119 of the act. This is not a case where the minister was unaware of her duty.

Mr. Speaker, your predecessor was called upon in 1993 to rule on a similar question of privilege raised by the hon. member for Scarborough—Rouge River. The issue at that time concerned the failure of the minister of finance to table an order made under the Customs Act as it was his statutory duty to do. The member for Scarborough—Rouge River stated that he entertained no doubt that:

—the minister's failure to table a document required to be tabled by this House, whether intentional or accidental, tends to diminish the authority of the House of Commons and is something that might reasonably be held to constitute contempt by this House.

Speaker Fraser ruled on April 19, 1993, that a prima facie case of breach of privilege had been made and allowed the member to move a motion referring the matter to the Standing Committee on House Management. In his ruling Speaker Fraser reiterated that:

The requirements contained in our rules and statutory laws have been agreed upon by this House and constitute an agreement which I think all of us realize must be respected. Members cannot function if they do not have access to the material they need for their work and if our rules are being ignored and even statutory instruments are being disregarded.

The Speaker said he found it particularly disheartening that the government failed to table documents within the prescribed time and did not do so until after the matter was raised in the House. The Speaker noted that the tabling was a statutory requirement and quoted the member's comment:

It is difficult to conceive of any command of this House that could have more legitimacy than one contained in a law passed by this House.

The Speaker also agreed that disregard of a legislative command, even if unintentional, was an affront to the authority and dignity of parliament as a whole and the House in particular.

It should be noted that the statute in this case does not specify a particular time within which the minister must table a statement of reasons before both houses when a regulation is made without having first been laid in draft form before the House.

Does this mean that tabling of such a statement may be made at any time? Can it be years after the making of a regulation? The answer to both questions is no. In the absence of a specific tabling deadline the obligation of the minister must be understood to be an obligation to table her statement of reasons within a reasonable time following the enactment of the regulation made in reliance on subsections 119(2) or 119(3) of the Firearms Act.

Government Orders

•(1510)

It may be that reasonable people might disagree on whether a particular delay in tabling is reasonable or not in the circumstances. However, it is equally certain that no reasonable person would consider that a delay of two or three years is reasonable or was contemplated by the statute.

In any event the questions of whether or not a particular delay in fulfilling a tabling requirement was reasonable and whether there has in fact been a breach of the statutory duty imposed by subsection 119 (4) are clearly at the heart of this question of privilege.

These are questions that the House itself will deal with in reaching a decision on the question of privilege.

At this stage, we are not concerned with a substantive determination of the question of privilege but only with a determination of whether or not the facts I have laid before the Speaker appear to give rise to a legitimate question of privilege. That is the only issue before the Speaker and, based on the ruling by your predecessor, Mr. Speaker, I suggest that the House should be allowed to deal with the substantive issue of privilege.

In closing, I believe that a review of this precedent will show that the repeated failure of the Minister of Justice, whom, by the way, I have given a notice to today, to table a statement of reasons in 16 instances for a period of over two years, beginning some three years ago, constitutes a prima facie breach of the privileges of the House.

Mr. Speaker, I am prepared to move an appropriate motion but I will seek advice from you. Should I table the motion today or later on when you so desire?

•(1515)

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I received moments before question period a copy of the letter to which the hon. member refers. He refers in that to regulations made under section 117 of the Firearms Act, and the tabling requirement under subsection 119(4).

I have some difficulty in understanding how this issue could be before the House today. If the information I have is correct, the matter of the tabling of regulations pursuant to section 117 of the Firearms Act was already brought to the attention of the House by the hon. member for Yorkton—Melville on October 17.

When it was brought to the attention of the House at that time, it was on a point of order and the Speaker accepted that it was a point of order, not a question of privilege. I am in some difficulty to understand how, mysteriously, it could be a question of privilege today.

Second, I am told that the Chair ruled at the time that the matter would be taken under advisement and that the Speaker would come back to the House and give his answer on the matter. I have no information to the effect that the Chair has ruled on it. I assume the Chair has not. If the Chair has ruled on it, it must be only very lately.

Furthermore, I understand that the Minister of Justice intends to lay the matter in question before the House in very short order in any

case, which would probably make the point moot if and when it is raised.

Finally, I understand that the Minister of Justice is providing to the two members in question, namely the member who just raised the issue along with the member for Yorkton—Melville, written information regarding the material in question.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Mr. Speaker, I have to add another piece of information to this in relation to what my colleague across the way just said. There is a huge time difference.

The regulation I was referring to, and the urgent need that the minister made, was taking place on September 11. I raised that issue several weeks later. The time differential there was very different from what my colleague is now raising.

This is a question of privilege because the minister has ignored this for a very long period of time. She has completely disregarded it.

These are two separate issues completely.

I did not raise it as a question of privilege. I wanted the minister to reply. She did not give an adequate answer, Mr. Speaker, but that is really not what concerns you in this case.

In this case we have, I believe, a prima facie case before the House on privilege, and because of the time differential these two are not comparable.

The Speaker: The Chair will take the matter under advisement. I want to review the remarks of the member for Surrey Central and the contributions, of course, of the hon. member for Yorkton—Melville and the government House leader. I will get back to the House in due course.

GOVERNMENT ORDERS

•(1520)

[*Translation*]

EXPORT DEVELOPMENT ACT

The House resumed consideration of the motion that Bill C-31, an act to amend the Export Development Act and to make consequential amendments to other acts, be read the third time and passed.

Ms. Francine Lalonde (Mercier, BQ): Mr. Speaker, this bill on the Export Development Corporation—let us call it that for the last time—which was known by the French acronym SEE and the English EDC, stems from a series of consultations in which I participated as a member of the Standing Committee on Foreign Affairs and International Trade.

We have put a lot of work into the Export Development Corporation, and I regret now to have to announce that we will be voting against this bill at third reading. We did, as I said, try to get it amended.

Government Orders

For our audience, it is important to know that the mandate of the Export Development Corporation is to support Quebec's and Canada's exporters, as well as those who wish to do business in Canada. It therefore also has a function to develop trade with other countries.

It was established in 1944 as the Export Credits Insurance Corporation. In 1969, it became a crown corporation and acquired the additional powers of being able—and this was something new—to make direct loans to foreign borrowers, and to borrow against the government's credit to finance its activities.

In 1993, a final change enabled it to invest in capital stock, to lease assets to users outside Canada, to constitute subsidiaries, as well as to take part in joint ventures.

In a way, the EDC is self-funding, in that it receives no parliamentary votes for its activities. It is a very important corporation.

Hon. members need to know that it estimates that it has supported exports and foreign investments to the tune of some \$45 billion last year. It is a very important corporation. Despite its financial self-sufficiency, it is still a crown corporation, because a private company wishing to do the same could never compete with it. It is, therefore, a crown corporation which, thanks to a series of privileges, benefits both potential investors in Quebec and Canada and potential exporters from Quebec and Canada.

It is not subject to the Access to Information Act. It is not subject to the Environmental Assessment Act. It is not regulated by the Office of the Superintendent of Financial Institutions, as is the case for the private sector. It does not pay income tax. It does not have to pay dividends. It can borrow at favourable rates, thanks to the credit extended to the Government of Canada.

Those are some of what might be termed the privileges enjoyed by the EDC.

•(1525)

It is easy to see its importance but it is also easy to see why parliamentarians have repeatedly studied its role in Quebec, in Canada and abroad. It is not subject to the Access to Information Act, nor environmental assessment, and it has developed a policy of extreme secrecy. For all these reasons, there have been numerous recommendations made regarding the EDC.

The first amendment to Bill C-31 is to change the name of the EDC. I think that few parliamentarians noticed this. However, since I have been here, I have seen many legislative texts that begin by modifying the name.

The EDC, the Export Development Corporation, is well known. This bill changes the name to Export Development Canada.

The names of so many crown corporations have been changed to contain the "Canada" trademark, all I can do is to comment that this is also the case with the name of the EDC.

For the benefit of those listening, I would like to point out that the most outrageous change, in my opinion, was that made to the former Federal Office of Regional Development-Quebec, the regional section of the Department of Industry, the former Canadian regional

development department, which dealt solely with development investment in Quebec. That was why it was called the Federal Office of Regional Development-Quebec.

Shortly after we arrived here in 1993, a bill was adopted which stipulated that this office, for the region of Quebec, would be called Economic Development Canada. What is peculiar is that, in the budget or votes, the names of offices with a similar mandate in the other provinces—for example, Atlantic Canada Opportunities Agency and the Western Diversification Office—remained unchanged.

Yet in Quebec, it is now called Export Development Canada. Of course, this is all part of the great propaganda campaign to rename things. So, in French, it is goodbye to the SEE and hello to Exportation et développement Canada.

In 1998-99, the EDC was the object of a first review that had been decided in 1993. For the purpose of that exercise, the firm of Gowlings was asked to make recommendations. Gowlings conducts studies and audits. It is one of these large Canadian accounting, and surely now financial firms.

Gowlings, which is very much a private firm, made recommendations that differed significantly from the practices in use at the EDC as regards, among other things, transparency, the environment, sustainable development and also human rights.

•(1530)

Indeed, this is from the firm of Gowlings, a well known firm of lawyers, accountants and other experts. Its recommendations were not revolutionary, but provided that:

The EDC should regularly publish information on the operations that it funds. This information could include, for example, the name of the borrower, the country, the exporter—

The firm added the following:

Canada must work to achieve an international consensus on guidelines and environmental procedures that must be complied with by organizations similar to the EDC in other countries.

Immediately after, it goes on to say:

The EDC should submit its environmental framework to a public consultation process and ensure that the resulting policy is largely supported by exporters and non-governmental organizations.

This was in 1998-99. The firm then recommended:

—That the EDC act be amended to subject the EDC to the general requirement of establishing environmental assessment procedures in line with its commercial objectives and allow its board of directors to authorize or deny financial support by the corporation, based on the benefits or consequences of the projects or operations for the environment. The corporation should develop and publish a policy regarding its obligation to inform the public of the results of its environmental assessments—

I will not read everything. Finally, on the issue of human rights, the firm said:

EDC should implement a policy whereby when applying for EDC financial or insurance services, Canadian exporters are asked to indicate on a voluntary basis whether they have adopted their own codes of conduct that ensure respect for human rights, ethical business conduct and fair labour standards in their international activities.

Government Orders

The Standing Committee on Foreign Affairs and International Trade studied the Gowlings report at some length, after hearing from many witnesses. The committee made several recommendations. These recommendations dealt with public disclosure, with its risk assessments, which could be useful to Canadian financial institutions and to the Office of the Superintendent of Financial Institutions.

The committee, with the support of Liberal members—we know, of course, how things work in committee—opted for the principle of improving mandatory disclosure of useful information in the interest of public accountability, in line with the Gowlings report's recommendation, provided that confidential trade information was protected.

It also suggested that:

—a provision be added enjoining EDC to give due regard to the commitments and obligations undertaken by Canada under international agreements—

The committee then proposed, and this is interesting:

—EDC could further enhance its public credibility by conducting a formal consultation with stakeholders on the framework's performance after its first year of operation—

Generally speaking, the recommendations did not find a taker in the report. However, not only the Bloc Québécois but many NGOs who came to testify found that even the committee's report did not go far enough.

There is one basic principle. This corporation is a crown corporation. As such, can it afford to fund and support in various ways companies which do not respect the environmental assessment framework? Can it refuse to provide information which is provided in other countries by equivalent corporations?

• (1535)

Can it circumvent international agreements that Canada signs in the area of human rights? Can the corporation, which acts on Canada's behalf, do everything contrary to what Canada signs?

This basically is what the Bloc is opposed to. I will not say that there should be no concern over competition and trade secrets. That said, however, there remains a significant margin where, while remaining competitive—the American and Australian corporations are—the corporations must honour the bases of the major international conventions.

Without compatibility, we could be contributing to the confusion and anger of many countries and people living in developing countries, who see countries like Canada with international commitments respecting the environment and human rights and a degree of transparency and practices at home that contravene these very rules.

Bill C-31, which has created a lot of expectations among many people, contains some improvements. They are so timid that they will prevent us, even if we wanted to, from voting in favour of its content.

I have no doubt my colleague from Rosemont will use all his time to speak to the environmental aspect, because what is there is totally inadequate. I will read the only thing sought, and we will see it makes no sense.

Clause 10.1 provides, and I quote:

10.1(1) Before entering, in the exercise of its powers under subsection 10(1.1), into a transaction that is related to a project—

So before it knows if it will support a project,

the Corporation must determine—

(a) whether the project is likely to have adverse environmental effects despite the implementation of mitigation measures; and

(b) if such is the case, whether the Corporation is justified in entering into the transaction.

The problem lies in the fact that the auditor general has said that the frames of reference were inadequate even to evaluate it, and that of the 25 projects she evaluated, 23 did not conform.

In terms of the environment, transparency, public disclosure of information or compliance with international conventions on human rights, Bill C-31 is a long way from attaining the minimum objectives we might have expected.

It is therefore with regret that we will vote against the bill.

• (1540)

[*English*]

Mr. Gurmant Grewal (Surrey Central, Canadian Alliance): Mr. Speaker, as always I am pleased to rise on behalf of the people of Surrey Central. Today I am taking part in the third reading debate on Bill C-31, an act to amend the Export Development Act and to make amendments to other acts.

Mr. Speaker, I am pleased to share my time with the hon. member for Kelowna.

The bill is of a housekeeping nature, simply to update the act. The government did not accept any amendments from the opposition parties during the committee stage.

Since legislation governing the Export Development Corporation requires a ministerial review of the act, a review commenced in 1998 and concluded with a report. It was reviewed and reported by the Standing Committee on Foreign Affairs and International Trade. The results of that report are the amendments in Bill C-31.

If passed, the bill will enable the board to delegate its powers. It will require the EDC to establish a pension plan for its employees. The treasury board policy encourages crown corporations to arrange a comprehensive, independent pension plan for their employees.

The CPP managed by the federal government earns even less interest than a bank savings account. That is how expert the government is in mismanaging the employee and employer funds.

The surplus funds from the inefficiently managed CPP were grabbed by the Liberal government. The chief actuary of the CPP was fired for being forthright and not yielding to the Liberals' pressure.

Prior to these amendments, there were no legislated environmental review requirements of the EDC. If the bill is passed, it will require the EDC to determine if a project is likely to have adverse environmental effects and whether it would be justified for the EDC to enter into a transaction.

Government Orders

The Canadian Environmental Assessment Act will not apply to the EDC's reviews so that Canadian environment standards and laws are not imposed on other sovereign nations. That is what the government says. Or perhaps the government can further its own agenda under the guise of environmental protection evasion.

The objective of the substantive environmental amendment is to strike a balance between trade competitiveness and concern for the potential environmental impacts of projects supported by the EDC.

My opposition to the bill also stems largely from questions surrounding EDC's lack of environmental accountability under the Canadian Environmental Assessment Act.

In 1996 Candu reactors were sold to China at a cost of \$2.5 billion. To sweeten the deal, the Canadian government financed the sale with EDC facilitating the deal.

Ordinarily, the deal would have required an environmental assessment to deal with questions such as whether the area around Qinshan was prone to earthquakes, floods and the like. Issues like these are of vital importance in determining if nuclear reactors are a danger or not. Had an environmental assessment been done at that time, it would have helped put these concerns to rest.

We now know that since the government did not like the rules of the game, it changed them, even though there is a lawsuit by the Sierra Club of Canada. This is another example of how the government failed to do its homework and tried to circumvent due process by altering the rules of the game to suit its purposes.

We all witnessed the alarming and tragic consequences of the nuclear tragedy in Chernobyl. The loss of life directly attributable to that disaster is truly staggering.

● (1545)

Years later, cancer rates in the area remain alarmingly high. Imagine the effect of such a disaster in China where the population is much greater. The death toll from radiation poisoning and cancer would be enormous.

Environmental assessment in highly populated areas, flood prone areas and earthquake prone areas was probably very important, but the government thought it was better to stay quiet about such issues rather than jeopardize the deal.

In general, this weak government's record on environment is very weak. It has let the legislation on the protection of endangered species die a few times on the order paper. It has signed international treaties, including those from Kyoto, Beijing and Rio, for example, with no intentions whatsoever of carrying out its commitments. The government made those commitments without consulting Canadians, parliament and the provinces. The government has made political decisions about matters that require scientific decisions, logic and reasoning.

The auditor general recommended that most international financial institutions, including export credit agencies, have environmental policies and procedures. A consensus emerged on the elements of good practice that an international financial institution should adopt to ensure that the projects it supports are environmentally and socially responsible. Industrialized G-8 countries and OECD

countries developed common environmental guidelines for export credit agencies but the government is trying to circumvent them.

To strengthen the framework's implementation, the EDC should concentrate on the tools that identify environmental risks in the screening process and on monitoring to ensure that the framework is operating efficiently and effectively. To strengthen EDC's environmental review process, EDC needs to make changes in both the design and the operation of the framework. To close the gaps in the framework's design, EDC should focus on enhancing transparency through public consultation and disclosure.

Another problem with the bill is that EDC is being used by the Liberal government, no surprise, for political favours, in addition to other crown corporations and agencies being used, such as CIDA, HRDC, WD, ACOA and many others.

Patronage appointments in crown corporations are rampant. Most recently, Mr. Bernard Boudreau, a short term senator and cabinet member who unsuccessfully ran for the Liberals in the last election, was appointed to the board of EDC. The bill does not address the issue of patronage appointments at all.

The Canadian Alliance recognizes the essential part financial institutions play in the everyday lives of Canadians. We would protect the best interests of consumers by fostering competition and ensuring that the financial services sector is adequately regulated, without impairing stability or opportunity for success and growth in these institutions.

Most of the services provided by the EDC, such as short and medium term export insurance and financing, should be privatized. The rest of the EDC services should become a division of DFAIT and should be directly accountable to parliament. This division could provide occasional loan guarantees and other services that are beyond the scope of the private sector, such as long term insurance, political risk reinsurance and projects that are not commercially viable but are deemed to be in the national interest. In 1991 the United Kingdom privatized its equivalent export agency, the Export Credits Guarantee Department. We can learn from that.

To serve exporters better, there should be true competition in the export business and financing business. They should have the opportunity to deal directly with their own banks or insurance brokers to have their exports financed and insured. If the banks got into the business, exporters might receive 100% financing in addition to speedier and personalized services.

In conclusion, the bill does not address the concerns that I have highlighted. I ask the government to address these issues and make appropriate amendments to the bill, which they have not done so far. Otherwise I will be left with no choice but to vote against the bill.

Government Orders

• (1550)

Mr. Werner Schmidt (Kelowna, Canadian Alliance): Mr. Speaker, I would like to address my remarks to three particular points in the bill. I would like to attack it from the principles of patronage appointments and of crown corporations and private enterprise, and also on the business of transparency, in particular with regard to the judge, advocacy and jury all at the same time with the bill. It would do those things.

It is actually amazing what the bill would do and how it came to be. The first thing I want to stress is the business of this crown corporation actually being created to be in direct competition with private enterprise. Some people would ask how I came to this kind of conclusion. The conclusion comes to me on the basis of what the United Kingdom did when it considered joining the EU. At that time it became very evident that it needed to maintain a clear balance between crown corporations, which are really the instrument of government, to develop their particular policies, purposes and objectives, and to do so in a commercially viable way. At least that is the purported intent.

While I do not quarrel with a situation where a private enterprise could not get into that enterprise, I do quarrel with it here. So did the EU and so did the United Kingdom. In fact, in 1991, ten years ago, the United Kingdom privatized a short term branch of its equivalent export agency. It was called the Export Credits Guarantee Department. The agency was privatized to ensure that there were no implied trade subsidies in the EU from one country to another. The United Kingdom government now, as written in 1997, provides a political risk reinsurance to the private company that took over the ECGD.

I think it is very significant that the United Kingdom saw the potential conflict that was there, not only in its own government but also in the governments of other countries, and the complication that it would create among various countries doing business with one another. It wanted to have a fair and level playing field among them.

Why is that significant? The EDC really runs its operation on two accounts. It has a commercial account and it has a Canada account. The commercial account really gets most of its money from financing export operations and the insurance in guaranteeing certain loans to exporters. The Canada account, on the other hand, is designed to advance the particular policies, objectives and purposes of the Canadian government. I am really addressing my remarks here to the first part of that, because that is its major operation. It is here that it finds itself in direct conflict with private enterprise.

Philosophically and on principle I am utterly and completely opposed to government doing things that the private sector can do as well or better. I would suggest that not only is that the case for the private enterprise, but it is actually in the interests of all Canadians that it be the case.

I will move on to my second point which has to do with the patronage appointments that are possible here. I will read, for the benefit of those who are listening to us this afternoon, the provisions for this activity as provided for in Bill C-31. It is really an amendment to section 7. Section 7.1 states:

The Board may establish any other committee and that committee may exercise any powers and perform any duties of the Board delegated to it by the Board.

If we wanted *carte blanche*, there it is. We would first of all have this board and this board would have a number of members on it appointed by the government. They feel they would like to do something. There may be some friends that they would like to have doing some work, so they form a committee and appoint people who are their friends and who can do certain kinds of things. The number of committees is unlimited. They may form any committee to do whatever they want and then they can delegate whatever powers they have to any one of those particular committees.

• (1555)

One would think that reason would prevail and that in fact there would not be an abuse of this power, but we have seen it, not only in this government but in other governments where this kind of freedom exists and politics rather than the interests of people enter into the decision making process. At that point it is clearly obvious that a political advantage accrues to those who supported the party in power. That is what I am concerned about.

Not only would the bill make it possible, the bill almost says please do it and make sure that there are enough vacancies here so that we can appoint anybody we want to have appointed to these committees. I take strong exception to that. I do not believe that kind of thing should happen.

Can a private corporation do something similar to this? Yes, it can, but it has the added difference that it does this on the basis of being efficient and working in the interests of the shareholders and the people it is trying to serve.

That motivation may be the same for the government, but it may not be. The political situation may be one of fostering its own bed rather than developing what is there in the best interests.

I know, Mr. Speaker, that is not you. You care about people. I know that. I know you very well. Even though you are in an opposing party, you are the kind of guy who I think would not do this sort of thing. However, Mr. Speaker, they are not all like you.

I will move on to my third point which has to do with the judge, advocacy and jury of this committee. I cannot believe the kind of thing that has happened here. However, not only do I have to believe it, I have to put it in the context of what the auditor general said about this corporation.

I want to refer specifically to paragraph 22 in the May 2001 auditor general's report on the Export Development Corporation and in particular the environmental review framework. In paragraph 22 he states:

Unlike federal departments and agencies—

Here I notice that he is separating out from federal departments and agencies that crown corporation in particular, the Export Development Corporation.

—the Export Development Corporation is not subject to the Canadian Environmental Assessment Act or to the Access to Information Act. Unlike private sector financial institutions, it is not subject to regulation by the Office of the Superintendent of Financial Institutions, does not pay income tax, is not required to pay dividends, and can borrow at favourable rates on the credit of the Government of Canada.

Government Orders

That is very significant. This group could determine a number of things. With regard to the environment, it may determine whether a particular project "is likely to have adverse environmental effects" and then later on it will define what an adverse environmental effect is to be. Is that not interesting? A project comes up and the board decides on what are adverse environmental conditions. The other one is whether the particular project actually does meet those requirements. If we wanted to create a situation where we could change the rules of the game halfway through the game, we would have a perfect way in which to do this. All the board would have to do is change the definition and change its particular interpretation or application of that definition for a particular project.

I cannot think of a greater morass, almost a miasma, a poisonous vapour arising from this kind of situation, than a group that comes to this board and says it will not cause environmental damage, with the board members saying they are not sure if it fits the definition or not, and then they could move it around to suit the situation as they wanted.

That should never be allowed. There should be an independent group like the environmental group that stands for all government agencies and departments, financial institutions, private institutions and for us as individuals. It should apply in exactly the same way to this agency even though it is a crown corporation.

I have to vote against this provision unless it is changed.

• (1600)

Mr. Paul Szabo (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, the member raised the issue of the applicability of the Access to Information Act. As the House knows, an all party committee has been looking into the provisions of the act and its applicability to corporations, such as the EDC, the Canada Broadcasting Corporation and others.

One of the important elements of the debate about whether or not there should be applicability of that act has to do with the sensitive competitive information that would otherwise be available to the public.

As the member knows, EDC deals extensively with companies in the business community that are in a competitive environment and wish to promote their export activities. Under the Access to Information Act, their correspondence could be subject to requests.

To give an example, members of Democracy Watch wanted the committee to ask the industry department to provide copies of every piece of correspondence that was ever sent to them concerning a particular policy initiative. It had nothing to do with the decisions of Industry Canada. It had to do with a fishing expedition by people, either educators, researchers or people in the espionage business, looking for information that they could use for their own gain and that they could acquire it at a nominal cost.

I raise that with the member in terms of the sensitivity that he may have to putting businesses, which, in good faith, go through the EDC, at risk of having their competitive position jeopardized because of the applicability of the Access to Information Act.

Mr. Werner Schmidt: Mr. Speaker, I would be very happy to respond to the hon. member. That is not at all what I referred to.

There is sensitive information, and the hon. member knows that I know that.

I completely agree that if there is information that is pertinent to a particular contract, it must be kept confidential. However I do not believe all information is of that nature, and he knows that too.

The important issue here is that there is a lot of information that can and should be made public. The financial institutions, such as the banking institutions that are governed by the superintendent of financial institutions, must give certain information to the superintendent. What we are talking about is that the corporation we are talking about today does not have to do that. It should be as clear and transparent as those institutions have to be to the superintendent, no more and no less.

We are not talking about the abuse of information. I am not going on a fishing expedition and I do not think the hon. member is. That is not the issue nor is it the point I was trying to make.

The point I am trying to make is that if it is legitimate information it should be made public and it should be available to all those who want it.

Ms. Val Meredith (South Surrey—White Rock—Langley, PC/DR): Mr. Speaker, I am pleased to speak to Bill C-31, the amendments to the Export Development Act. I think the concern Canadians have whenever we talk about agencies or organizations such as the Export Development Corporation is that once again we are talking about a crown corporation that operates supposedly for the people of Canada and yet lacks all accountability.

EDC has a reputation of being unaccountable, secretive and without transparency in its operations. It does not fall under the Access to Information Act which allows it to operate in such a way that it does not respect environmental concerns and issues. It has a reputation of being a crown corporation that operates out there on its own agenda.

I think Canadians are concerned that it has become a norm for agencies of the government to operate without parliamentary oversight. If people watch question period they will see that even when the opposition parties try to ask questions of the minister to bring some accountability to the crown corporation that the questions are not answered, not that any of them ever are, but questions pertaining to this particular crown corporation are never responded to in a way that shares information with Canadians as to what it is doing.

I think Canadians have real concerns that the government is continuing to operate in this manner and that it is the government's mode to develop organizations that it controls. It controls the people who run these organizations. It controls the information flow that goes into them and the lack of information that comes out about them. In essence, the government is removing any kind of connection between the people who pay for the crown corporation, which is the Canadian taxpayer, and the operation of it.

Government Orders

I think Canadians have become more aware of the involvement of the Export Development Corporation when issues like the Candu reactor come up and the fact that the Canada account, which I believe was used in that kind of venture, is often done in such a way that there seems to be a disregard for those regulations that are put in place, such as the environmental regulations. Canadians are somewhat concerned that Canada would be exporting Candu reactors without any kind of environmental assessments being done, without any real concern about the national security of our country where we would give foreign nations the capacity to perhaps use nuclear by-products for other means other than creating energy.

I think Canadians to a degree are aware of the existence of the Export Development Corporation but are not aware of the details of it, who sits on the board or to whom it answers. Canadians are a little concerned that here again is another crown corporation that is run in a manner that may not be acceptable to the Canadian public who pay for it.

We have to look at the bill and the amendments to see whether they address those concerns. I would suggest that the bill does not seem to address those concerns that Canadians have. I do not think that the means with which the bill deals with the accountability is sufficient. I think Canadians want to know that this crown corporation, which is using Canadian tax dollars to give to some corporations but not all corporations, is done in a fair and transparent manner. Some Canadian corporations might ask themselves why their competitor is getting this kind of support when they are not. Canadians need to feel comfortable that the people who are making the decision as to who will get government support, taxpayer money, are treating these decisions in a fair, open and above-board manner.

• (1605)

I think the fact that the chairman and president of the Export Development Corporation are appointed by the Prime Minister should cause some concern. The fact that the other 13 board members are appointed by the Minister for International Trade should cause Canadians some concern. The reason for this concern is that once again we see that the appointments to this board are political. They are being used to reward individuals who have been faithful supporters of the party with an opportunity to sit on the board.

I think Canadians would like to see the end of that practice. I think Canadians would like to see some justification for the appointments to the board of the Export Development Corporation. They would like to see that the appointments of a president, CEO or chairman are done in such a manner that they could not be used for political purposes. They want to see people appointed who have earned the right to be there, people who have expertise in the field they will be dealing with, who will be fair and balanced in the decisions they make and who will not unduly risk Canadian taxpayers' money for ventures that are not sound.

Somehow, perhaps reflecting on past appointments, Canadians cannot be confident that this is happening. The amendments to the bill do not deal with that concern. A very real concern that I hear on a very regular basis through my householders is that Canadians are concerned about the way the government does business and appoints individuals to positions for whatever reason, most of them political.

Canadians are concerned about that as well as being very concerned about how the government spends their money and how the decisions are made on how to spend their money. I do not see any changes in the legislation that deal with those concerns.

As in many other cases, we see the government putting in housekeeping legislation that deals with minor things like changing the name. Canadians do not care whether it is called the export council of Canada or export development council or whatever. Canadians do not care what it is called. They care about what it does and how it does the business of the day.

The issues of transparency and complying with the laws of Canada with regard to environmental assessments are the issues that Canadians care about. Canadians care that when the government is operating in the global market network we can be proud of how Canada is represented, that it is being represented by a corporation and by the government in a way that makes us proud.

Minor changes to legislation such as changing the name and moving around a few of the powers and oversights and whatnot just do not cut it. I heard my colleague from the Canadian Alliance talking about the decision maker, the oversight and the judge all being one. That basically is still the situation. It has not changed.

Once again we see the government operating in a manner that shows its arrogance and lack of contact and connection with Canadian taxpayers. This shows that it really does not believe in transparency, that it really does not believe in giving access to information to Canadians to let them to know what is going on in their government and how their money is being spent.

• (1610)

I do not buy the argument that there are business decisions that cannot be shared. If the Canadian taxpayer is being asked to put money into a corporation, there should not be anything that the corporation is not willing to share with the people who are paying the bill. If those individuals do not want the ordinary Canadian to have access to that information, then perhaps they should not be asking the Canadian taxpayer to pick up the cost. If they want to avoid disclosure, if they want to avoid access to information, there are private funding sources they can go to that do not have that kind of responsibility to disclose and to be accountable.

The government could have done a much better job of making this crown corporation more accountable, of making this crown corporation more acceptable to the Canadian taxpayer who is putting the money up front. I would hope that the government could, in this legislation as in other legislation, make necessary amendments to make it more appropriate.

Mr. Paul Szabo (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, I am astounded. The member included a lot of platitudes about secretive transparency, no access, arrogance, et cetera. What she did not say, other than that the taxpayer is footing the bill, is that the Export Development Corporation does not cost the Government of Canada anything. In fact it is making money for the taxpayers of Canada. It is making a substantial amount of money after having been set up.

Government Orders

If the member would check www.gc.ca and under government departments look at Export Development Corporation, she would see the financial statements. In fact she would also see EDC's annual report, which I commend to the member to give her some information which she obviously does not have.

Let me list some of the services provided. Under credit insurance there is global comprehensive insurance; export credit insurance; documentary credit insurance; specific transaction insurance. Under financing there is direct loan operations; line of credit operations; note purchase; purchase receivables; leasing; equity project financing; master accounts receivable guarantee; small exporter guarantee framework; North Star Trade Finance Inc.; the Scotia Americas capital equipment program. Under contracting bonding, which I know the member knows all about, there is bid security guarantees; performance security guarantees; bid security insurance; performance security insurance; surety bond reinsurance; direct surety bond support; political risk insurance.

I went out to the lobby and in two minutes I got this information off the web.

Export Development Corporation is a vibrant financial institution that is helping Canadian companies and companies abroad to do export business which creates jobs in Canada. This is not simply a bunch of people who were arbitrarily politically appointed, which the member summarily reduces the entire EDC to. These are financial professionals who are working on behalf of Canada.

Perhaps the member would like to retract or rethink her view of EDC and the platitudes she has put out and put some specifics on the table as to why she has to condemn this thing. Is it just a matter of her sheer ignorance of EDC or is she simply playing politics?

• (1615)

Ms. Val Meredith: Mr. Speaker, it is quite interesting that the member had to run out and get some information on it. He has been sitting as a member of parliament for the last however many years and he was not aware of what the EDC is. It is not transparent. It is not open.

If EDC is as successful as the hon. member is saying it is and makes so much money, why is it not in direct competition with the banks? Why is the private sector not doing the job that this government crown corporation is interfering with? The government has stepped out of line once more I would suggest.

The member thinks the Canadian taxpayers should be pleased that honourable people are being appointed. I am not doubting that honourable people are being appointed; I am saying there is a direct correlation with the government of the day, the Prime Minister and the Minister for International Trade by appointing this board. That is not transparent. I would suggest it is not what the Canadian taxpayers want to support.

Let the banks in Canada fund these agencies and companies if it is such a good investment. If they make so much money, let the banks make that money. Let private investors make that money.

I would suggest that if his information is correct, the hon. member has given a reason for the government to get out of the business completely.

Mr. Paul Szabo: Mr. Speaker, I do know a lot about the EDC because the minister responsible came to my riding and we had a business forum on this. It was one of the most successful export forums that we have had.

I should also point out that the EDC was voted one of the top 100 companies to work for because of its success. The member seems to think if the federal government is successful with the EDC that it has to get out of the business. I do not understand the false logic.

Ms. Val Meredith: Mr. Speaker, it does not surprise me that the Liberal member across the way does not understand the logic that sometimes government does not belong in the marketplace competing with the private sector. Perhaps this is just one more case where the government should be handing it over completely to the private sector to finance corporations for external trade. If it is such a good investment, the private sector should be more than willing to make that investment. It does not need the government to be doing it.

• (1620)

[Translation]

The Deputy Speaker: Order, please. It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Ottawa—Vanier, Library of Parliament.

* * *

[English]

BUSINESS OF THE HOUSE

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, given the likelihood that the debate on this bill may possibly finish before 5.30 p.m., I believe you would find consent for the following motion. I move:

That the recorded divisions scheduled for today at the end of government orders be taken today at 5.30 p.m.

That allows us, if this debate should finish, to proceed to private members' business and then to come to the vote at the time that everybody anticipates.

The Deputy Speaker: Does the House give the chief government whip unanimous consent to propose the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

* * *

[Translation]

EXPORT DEVELOPMENT ACT

The House resumed consideration of the motion that Bill C-31, an act to amend the Export Development Act and to make consequential amendments to other acts, be read the third time and passed.

Government Orders

Mr. Bernard Bigras (Rosemont—Petite-Patrie, BQ): Mr. Speaker, I am pleased to rise today to speak to Bill C-31. As its title indicates, this is a bill to amend the Export Development Act and to make consequential amendments to other acts.

Obviously we can assume that from the moment this bill becomes law it will probably be the last time we discuss what went under the name of Export Development Corporation for many years. This bill proposes a new name, export development Canada.

As my colleagues, the members for Mercier and Joliette, clearly indicated, we will oppose the bill for reasons that are becoming more and more obvious as the debate progresses.

I should remind members that the Bloc Québécois proposed in committee a number of amendments which, unfortunately, were defeated. We would have liked to see the bill improved or at least to see a number of environmental protection measures included in this bill. We would also have liked the bill to provide for more transparency with regard to the disclosure of information.

Parliamentarians study the way the corporation has had to work and develop in recent years but we are not alone. A number of NGOs, those belonging to the NGO working group on the Export Development Corporation, repeatedly looked at the work the corporation had done in recent years to expand exports and the extent to which funds and aid were given to projects carried out in developing countries.

I can list some of the organizations involved. They include the Canadian Lawyers Association for International Human Rights, the Social Justice Commission of Montreal, the Canadian Council on International Co-operation, the Canadian Labour Congress, Democracy Watch, Development and Peace, Falls Brook Centre, Canadian Friends of Burma, Mining Watch Canada. Many others also considered the potential impact of this bill on aspects of our lives today.

We could debate a number of aspects of the bill, the whole issue of disclosure of information, the place of democracy and human rights, which certain specific organizations in the working group and the standing committee on foreign affairs and human rights considered.

However, my intervention will focus primarily on the environmental framework of the EDC and its involvement, on support for certain projects which the EDC set up or supported in the past, but which also—no point hiding it—violate to some extent a number of environmental parameters Canada and Quebec have debated frequently. These debates naturally concern the funding of projects in developing countries, some aspects of which should have been included in the bill.

The bill is, to say the least, vague, soft and lacking in environmental terms. It is vague as concerns its environmental framework, which, in many ways, is nebulous and inadequate with respect to the need for disclosure of information. I think this should be pointed out.

•(1625)

As for EDC's environmental framework, the objective is far from clear. It is to "implement a simple, clear, and efficient process for reviewing on a timely basis the best available environmental

information on projects for which the Corporation's support is sought".

Through this objective, the EDC is not saying that the purpose of an environmental assessment is to ensure that the projects approved respect the environment and encourage sustainable development. The EDC prefers to qualify its approach in order to give itself some leeway.

Furthermore, the framework is based on two guiding principles. The first is that environmental reviews undertaken by financial institutions to mitigate project risk can help encourage sustainable development by promoting consideration of the environmental benefits and costs of projects in host country jurisdictions.

The end of my sentence, which is included in the bill, is important.

The meaning of this guiding principle from the framework is that consideration will be given to the context in which a project would be carried out and therefore also to the context in which the project is funded.

In certain developing countries, the corporation could be called upon to fund projects which did not respect all the laws, the environmental consensuses, the rules, regulations and environmental values which Canadians and Quebecers have decided are important.

In this regard, I would like to mention one project, although several come to mind. I am thinking of a project funded by the Export Development Corporation. It was criticized for funding and giving \$135 million U.S. in support to a mine in Peru. In this particular case, the compensation to the communities affected was clearly inadequate.

The Candu reactors are another very eloquent example. Is it right that while environmentally based social consensuses must be enforced within Canada's borders and prove acceptable, they would not be enforced for certain other projects which, because of less stringent environmental rules, could be implemented?

One must be consistent in politics. A project that would be unacceptable in Canada for environmental reasons should not be acceptable in some developing countries because their environmental rules are not as strict as ours. That is why we, as well as several environmental groups in Canada, have asked that these projects be assessed under the Canadian Environmental Assessment Act. If that were the case, the values and principles that are agreed upon in Canada could be applied to those projects and not only to Canadian projects.

We must realize that the framework used is not the Canadian framework but could be that of a country where environmental rules are not as strict.

Government Orders

•(1630)

The other aspect, which is the second guiding principle, is that the EDC should decline support for projects which, after taking into account the implementation of mitigation measures, are in its opinion likely to cause significant adverse environmental effects that cannot be justified in the circumstances.

We think the first guiding principle clearly illustrates a watering down of the environmental standards that the EDC intends to apply. As I was saying earlier, why is it necessary to specify that it has to be done in the context of the host country? Several EDC projects are in developing countries where environmental standards are not as strict as they are in Quebec and in Canada.

Moreover, need I remind members of this rather eloquent report from the Auditor General of Canada, a special report dealing with its evaluation of the Export Development Corporation, which pointed out that the EDC did not respect its own environmental framework. According to an evaluation by the Auditor General of Canada, and not by opposition members in this House, the environmental effects had not been assessed properly or not at all in 23 out of 25 projects funded by the EDC. The situation is clear. In some cases, the environmental framework is respected but, in other cases, it is not respected at all. I think we must act quickly to correct this problem.

It is wrong to say that the bill we are looking at will remedy the situation. It creates, in a way, a kind of loophole for the government, a dispensation from even having to respect the environmental consensus that has been reached in Canada.

There is another important aspect: the whole matter of preselecting projects. How does the EDC environmental assessment operate?

The first step is to select the projects that will undergo environmental analysis. Right at the start, the corporation eliminates two-thirds of these projects because it does not submit the short term assurance aspect to any type of environmental review whatsoever. This includes short term client account insurance. It protects exporters from any risk of non-payment by purchasers.

For us it is clear that environmental viability is not related to whether or not a project is carried out on the short or the long term.

Then the project is linked to a risk sector. Whether the mining sector, hydroelectric energy, oil or gas, forestry or pulp and paper, the EDC does an influence test. With it, it determines whether it can bring any influence to bear in order to reduce the risks posed by a project. It carries out a detailed environmental review of a project only when it determines that risk and influence constitute factors.

It can be seen that the Export Development Corporation, soon to become export development Canada, possesses by virtue of what I have just stated, a certain discretionary power in determining whether risk and influence constitute factors to be considered. Rather than subjecting every project to the Canadian Environmental Assessment Act, the corporation gives itself the power to conduct this screening.

The decision ought instead to be based solely on potential environmental risk. A number of other institutions classify their environmental assessment requirements according to potential impact on the environment. This is the case in particular with the

world export and corporation bank in Australia. The greater the repercussions, the more stringent the examination.

•(1635)

I said that this bill leaves much to be desired. It is vague as regards its environmental framework and inadequate as regards its screening and self-assessment processes.

If the EDC feels that it has some influence, it carries out an environmental assessment based on the promoter's information. A guiding principle of the corporation's frame of reference provides that it will not support a project if it feels that the anticipated positive effects do not justify the potential harmful risks to the environment, in spite of the implementation of mitigation measures.

In her May report, the Auditor General of Canada found that there is no methodology to determine if adverse environmental risks can be justified. This means that a project that would have a negative environmental impact could be approved, based on the interpretation of the assessor and on the information provided by the promoter.

No scientific criteria are used. Therefore, it is no surprise that the auditor general found that, for 23 out of 25 projects that were funded by the EDC, the assessment of the impact on the environment had either not been done properly or not been done at all.

We would have liked to see amendments adopted by the committee. We would have liked to see improvements to this bill, including to subsection 10.1(2), which leaves the corporation totally free to determine its own environmental criteria. This clause says that "The Board shall issue a directive respecting the determination referred to in subsection (1)".

As we can see, these projects are not governed by Canadian laws. How could we accept that the arguments, proposals and representations of some promoters be taken into consideration and that a kind of discretionary power be granted to the board of directors of a corporation such as the Export Development Corporation, when the Canadian Environmental Assessment Act is, to some extent, a requirement under other bills?

In conclusion, we would have liked to see major changes to this legislation. We would have liked to see some amendments accepted. This would have prevented giving a discretionary power to the EDC's board of directors and letting it determine what is good, what environmental guidelines and what frame of reference are acceptable. We would have liked to see the provisions of the Canadian Environmental Assessment Act implemented.

We deeply regret the fact that even though amendments were presented in committee, the government refused to accept them. Again, I want to thank the NGOs working group on the Export Development Corporation, which I thanked earlier.

•(1640)

[English]

Mr. Jim Karygiannis (Scarborough—Agincourt, Lib.): Mr. Speaker, Canada is a country built on immigrants who have brought with them a wealth of knowledge of business. In my riding, one of the most ethnically diverse ridings in Canada, there are many such people who are engaged in trades.

EDC serves not only people in my riding but all Canadians who require its much needed support. This support must be enhanced. Bill C-31 is long overdue. In addition to Canadians travelling the globe enhancing and promoting Canadian trade there exist many organizations engaged in international trade that make money and employ Canadians. Trade is the engine which makes our country competitive and keeps it a leader in the global economy.

One such individual whom I have known for many years is Mr. Angelo Rapanos, an individual who has travelled the globe on business and has excellent trade credentials worldwide. Mr. Rapanos has done multinational trade deals for Canada worth many millions of dollars. He has created many jobs with the everlasting assistance of EDC.

EDC changes are needed and they are needed now. Which part of the bill does my hon. colleague across the way disagree with? Which part of us wanting to do business and engage our people across the globe does he disagree with?

[Translation]

Mr. Bernard Bigras: Mr. Speaker, I am inclined to think that my colleague opposite did not listen to my speech, as eloquent as it was.

I believe this is one of the most important aspects of this bill. My colleague made a passionate statement that had absolutely nothing to do with my speech.

Is it normal that a Canadian economic development project would be subject to the Canadian Environmental Assessment Act, whereas an export development project outside Canada would not be subject to the CEAA?

That is what is important. We are not against helping small and medium size businesses find new export markets, but we are saying that these projects must comply with the laws that we have passed here in the House.

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

Some hon. members: Question

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

•(1645)

[English]

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Private Members' Business

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Accordingly the vote is deferred until 5.30 p.m. today.

Mrs. Marlene Catterall: Mr. Speaker, I rise on a point of order. I believe you would find consent to begin private members' hour with the understanding that the said proceedings will be interrupted at 5.30 p.m. for votes and then resume after the said votes.

The Deputy Speaker: Is there agreement to proceed in such a fashion?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

FISHERIES AND OCEANS

Mr. Geoff Regan (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a point of order. Following consultations among House leaders, I believe that if you were to seek it you would find unanimous consent for the following motion. I move:

That ten members of the Standing Committee on Fisheries and Oceans be granted leave to travel from November 19 to November 24, 2001, to British Columbia and the State of Washington, to continue its studies on the Canadian Coast Guard's Marine Communications and Traffic Services and fisheries issues, and that the said group be composed of 2 Alliance members, 1 Bloc Québécois member, 1 NDP member, 1 PC/DR Coalition member and 5 Liberals, and that the necessary staff do accompany the Committee.

The Deputy Speaker: Does the parliamentary secretary have the consent of the House to propose the motion?

Some hon. members: Agreed.

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

Some hon. members: Agreed.

(Motion agreed to)

The Deputy Speaker: It being 4.46 p.m., pursuant to order made earlier today the House will now proceed to the consideration of private members' business as listed on today's order paper.

PRIVATE MEMBERS' BUSINESS

[English]

HEPATITIS C

Ms. Carolyn Bennett (St. Paul's, Lib.) moved:

That, in the opinion of this House, the government should recognize the month of May as Hepatitis C Awareness Month.

Private Members' Business

She said: Mr. Speaker, one of the honours of a member of parliament is to be able to bring forward initiatives that were truly created in the community. On behalf of the Hepatitis C Society of Canada, the Canadian Hemophilia Society and numerous other organizations I am proud to bring this motion forward.

We presented the motion on March 19. Since that time the Minister of Health, in response to a question by the member for Hamilton Mountain, has indicated his support. We hope today's motion will bring momentum to the issue such that by May we will have this in effect.

One of the toughest things in health care is dealing with diseases that people do not know they have. It is extraordinarily important that awareness campaigns be launched to seek out people who may be at risk but who do not know they ought to be tested.

At the moment between 210,000 and 275,000 people are infected with hepatitis C in Canada. Only 30% of those people know they have the virus. They are therefore at extraordinary risk of passing the disease on to others.

When I graduated from medical school in 1974 we did not even know of hepatitis C. We had a form of hepatitis that was neither A nor B. It is only since 1989 that we have begun to name the disease and learn more about its epidemiology and what needs to be done in terms of prevention.

Like all forms of hepatitis, hepatitis C is an inflammation of the liver. Some people experience severe symptoms such as fatigue and jaundice and go on to develop cirrhosis and even liver cancer. However many people have no symptoms. It is those people we are hoping to help by designating the month of May hepatitis C awareness month to raise awareness among those at risk.

There is a hepatitis C prevention, support and research program within Health Canada. The program, like the first Canadian conference on hepatitis C that Health Canada supported last May, intends to increase awareness, promote positive prevention behaviours, expand research activity and augment the government's capacity to respond to this health threat.

It is important to understand that at the moment the major group of people acquiring hepatitis C are the people most at risk. Some of us saw the documentary on CBC about Joyceville Penitentiary where 50% of the inmates may have hepatitis C. This is an extraordinary health burden in that it is the greatest indication for liver transplant and therefore a huge burgeoning cost to our health care system.

The greatest risk is of course among injection drug users and people who engage in high risk behaviours such as tattooing, body piercing, acupuncture and even inter-nasal cocaine use.

Current research shows that the risks of transmitting hepatitis C through sexual intercourse or childbirth are low. However it is extraordinarily important to note that we are seeing up to 8,000 new hepatitis C infections each year, of which approximately 2,000 or less than one-quarter are clinically recognized as acute diseases.

Some 10% to 20% of persons with hepatitis C go on to develop cirrhosis of the liver. This can prevent the liver from functioning properly and eventually require a liver transplant to prevent liver

failure and death. Some 1% to 5% of people with hepatitis C and cirrhosis can go on to develop liver cancer.

It is extraordinarily important that we understand that although there is a help fight liver disease month and many other months, an awareness campaign for this silent illness would be an extraordinarily important step.

• (1650)

Hepatitis C would not get its due in the regular liver month of March. Because it is unique in its scope a specific awareness campaign is necessary. Otherwise it would be the equivalent of calling AIDS just another immune disease and putting it in an immune disease month. It is extraordinarily important that we focus specifically on hepatitis C because of its serious complications and health burden.

There are no comparable infectious diseases in Canada. Even AIDS at the moment does not have as many new infections on a yearly basis. We therefore need an even stronger emphasis on prevention activities for hepatitis C across Canada. A full month of awareness would be an extremely strong format for that. Health Canada could then launch its awareness campaign within that time and benefit from the month of focus.

There are already many activities happening on May 1, including a candlelight ceremony. It could be difficult to co-ordinate a nationwide shift to March should we decide it should be included in help fight liver disease month. The next Canadian conference on hepatitis C will be in May, if not next year then in 2003 or 2004. We feel strongly that by then we will desperately need a month of focus on the issue.

In 1998 Health Canada committed \$50 million over five years to develop and design a prevention, support and research program for Canadians living with hepatitis C. It consists of the five components of prevention and targets programming to prevent transmission of hepatitis C among those currently uninfected, particularly high risk youth and injection drug users.

The program includes community based care and treatment support as well as the extraordinarily important research component. Then there is the program's management and delivery. In partnership with other parts of Health Canada there are other programs, including enhanced hepatitis C surveillance sites, research into hepatitis C among aboriginal street youth and the Canadian Viral Hepatitis Network.

On behalf of these important volunteers who feel their work could be enhanced and made easier by the designation as such, I welcome the minister's support on May 17 of this year. I hope we will shortly hear an announcement from Health Canada regarding the issue.

Private Members' Business

• (1655)

Mr. Rob Merrifield (Yellowhead, Canadian Alliance): Mr. Speaker, it is a pleasure to speak to Motion No. 303 and I thank my colleague for bringing it forward. I also wish to salute the hard work of the Hepatitis C Society of Canada and the Canadian Hemophilia Society in recommending the motion. They have done a lot of work to promote awareness of this disease and to support the victims of hepatitis C.

We all need to understand a little more about the disease and the problems that are caused because of it. I understand there was a conference in Montreal on hepatitis C this past spring with 72 speakers and 900 participants. That is a great example of federal-provincial co-operation coming together to bring awareness to this issue. I would like to congratulate the organizers of that conference and both levels of government for bringing together a conference to address the plight of those who are victimized by hepatitis C.

I remind the House of the individual who was in the gallery here last spring, Joey Haché. Joey, as a young boy of 12 or 14 years of age, was victimized by hepatitis C between the compensation years of 1986 to 1990. He was asking for compensation that was due to him after a three year plight of trying to get compensation. He brought awareness to his plight when he was here and before he got home that day there was a phone call that his settlement had come through. It is absolutely amazing that a government would work so slowly in this case.

There are many facts that need to be known about hepatitis C. We have talked about it many times in the House over the years. I will dismiss with going through some of the actual problems of hepatitis C because I think we all understand it needs further attention. The idea of an awareness month is something that would help in that vein.

We must help those who are living with this terrible disease on a daily basis and we must do whatever we can to prevent any further spread of it. It is worthwhile noting that hepatitis C is much easier to contract than HIV and that some of the strategies used to prevent HIV are not helping to reduce the rates of hepatitis C.

It is something that has been brought up in the health committee, which I vice chair. As deputy health critic I am concerned with prevention in this area, with the idea that we should do whatever we can to keep our blood in this country as safe as possible. The safety of our blood system is being challenged as we speak. We learned a lesson with what happened with hepatitis C and we dare not ignore it.

The idea of an awareness month is very important. The way the Liberal government dealt with hepatitis C and tainted blood has left a shameful legacy. The tainted blood scandal was a dark chapter in the nation's recent history. Thousands of victims contracted hepatitis C out of no fault of their own when they were most in need. They contracted this disease from a blood system that they were depending upon when they were ill and needed blood transfusions.

I have a problem with that situation because not only were they let down in their time of most desperate need, but when compensation finally came it was restricted to a four year period between 1986 and 1990. Many Canadians contracted hepatitis C through the blood

system outside that four year period. Thousands of victims were let down by the federal government. Many who did qualify, like Joey Haché, had to wait years before they were compensated. That is a terrible legacy for the government.

Thankfully there were some bright spots. Some of the provincial governments rose to the occasion, such as Quebec, Ontario and Manitoba. Again, there was co-operation among levels of government. They said they would compensate regardless and they had their own compensation programs. They are to be commended. However, many victims still continue to wait for justice.

• (1700)

The Canadian hepatitis C health consortium filed a class action complaint with the Canadian Human Rights Commission against the federal government and eight provinces. It claimed that victims infected with hepatitis C through tainted blood were treated differently from those with HIV-AIDS.

According to Vicky Boddy, the group's president, HIV-AIDS victims were receiving close to a quarter of a million dollars in compensation. Their drugs were covered and they could access disability insurance under the Canada pension plan, whereas victims of hepatitis C got very little compensation, if at all, and were denied drug coverage and disability pensions.

Boddy contracted hepatitis C through tainted blood when she received multiple transfusions in 1994. She says that everyone should be treated the same. There should not be a distinction when it comes to hepatitis C and HIV-AIDS. Both diseases are killers. She says that their stories are just as horrifying as the stories we hear from people with HIV-AIDS. The disease has changed many aspects of her life as she used to know it.

She noted that thousands of Canadians were dying from hepatitis C every year. The government still has an opportunity to partially right some of the wrongs it inflicted on some of those outside that four year period from 1986 to 1990.

It was brought out in the health committee that there is still a surplus of some \$900 million in the federal-provincial compensation fund that was set aside to deal with this issue. The money was to be used to help those excluded from the plan. According to Mike McCarthy, a policy adviser to the Ontario health ministry:

The numbers reflect that they grossly overstated the numbers of victims that would qualify from 1986 to 1990 in the package and grossly overpredicted the number of people who were excluded.

What a gesture it would be if the federal government used the occasion of this motion to compensate all hepatitis C victims who were infected through tainted blood outside the four year period.

I reiterate my support for the motion. This gesture however will be tainted if it is not accompanied by actual deeds. Unless the government acts hon. members can be sure that we will use the opportunity of hepatitis awareness month each and every May because we are prepared to bring awareness to this issue every year.

Private Members' Business

I look forward to next spring if the motion is not agreed to. I will bring it forward each and every year and as long as it takes until the Liberal government gets on its knees and apologizes for the way it has treated hepatitis C victims who contracted the disease outside the four year period between 1986 and 1990. I appreciate the idea of having an awareness month. Justice needs to be served and we need to have the political will to make sure it happens.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, first I want to congratulate our colleague who brought forward this motion. I would remind the House that we have debated this idea of an awareness month, which would be the month of May, on several occasions. If memory serves me well, last May the New Democratic Party proposed a motion to that effect.

I wish members of the government majority would have been just as enthusiastic about that motion. I wish they would have been just as enthusiastic when we studied the Krever report.

Members will recall that, after three years of inquiry, the first recommendation made by the Krever commission, which had the status of a royal commission, was that all hepatitis C victims would receive compensation regardless of when they contracted the disease.

We know the government agreed to compensate those hepatitis C victims who became contaminated through blood transfusions, but only between 1986 and 1990. Thousands of Canadians were ignored, particularly those who contracted the disease before 1986 or after 1990.

It is rather shameful that, despite a royal commission, despite representations made by several groups, despite the support of all opposition parties in this House and despite the fact that three provinces, namely Quebec, Ontario and British Columbia, have put in place their own compensation schemes, the federal government has not yet followed up on the recommendation contained in the Krever report.

Is that not the role of the government? The government said that it did not have access to the kind of testing that would have enabled it to detect the presence of the virus. However when such a tragedy hits someone—and we know there are different levels of hepatitis C—and it is the result of a blood transfusion, which is a public responsibility, is it not the role of the government to compensate these people and to help them get through such ordeal?

The fact is that hepatitis C is affecting increasing numbers of people. Each year, year in and year out, between 8,000 and 10,000 people acquire hepatitis C, but only 25% to 30% of them are aware of it. These people could be made a bit more aware of precautions to be taken. They might be provided with health care and be able to eventually come to grips with this new reality in their lives.

When we say that only 25% to 30% of people are aware they are hepatitis C carriers, this means that 70% are not. With this disease, there must be a clear differentiation between those who are symptomatic and asymptomatic, those who are contagious and those who are not. That is why the whole matter of prevention and awareness is so important.

Most certainly, there is not much funding available. Reference has been made to \$15 million for the five components of Canada's hepatitis C policy. Fifteen million is most certainly very little, considering the significance of the disease.

True, this is a relatively recent phenomenon. Hepatitis A has been known about for some years, and hepatitis B for several decades, but it was only in the early 1970s that we were able to understand the entire symptomology of hepatitis C, to understand its origins and to have a clearer medical and clinical picture of this medical reality.

Once again, we are in agreement with the principle of having an awareness month.

● (1705)

We want this awareness to involve all the partners, including the Government of Canada, because it has a responsibility in epidemiology and in certain research programs, the provinces, naturally, because they are the primary health care providers, and we must not forget, the various community groups.

In each of our communities, there are groups comprised of volunteers, people who assume responsibilities on boards or who, by providing volunteer support to others who are infected, can provide real comfort.

So a real battle, real hepatitis C awareness, involves a partnership between the governments, federal and provincial, and the various community groups and public bodies, such as CLSCs, hospitals and all care providers.

We will therefore vigorously support this motion. I hope that next May we will have a real public awareness campaign. I also hope that, in the short term, the government will really follow up on the Krever commission and that it will act on its first recommendation and ensure that those who need financial support, or drugs, may find comfort in the federal government, which has the means of its policies and that, as the first recommendation of the Krever report proposes, we may have a compensation plan without regard to chronology.

● (1710)

[*English*]

Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP): Mr. Speaker, I thank the hon. member for St. Paul's for bringing forward this valuable motion to the House to further debate the concerns of victims of hepatitis C.

I want to correct a misconception from the previous two speakers. Canada already has a hepatitis awareness month, which is the month of May. I am pleased to say that I had a private member's bill which was drawn and debated in the last parliament. We tried to make it votable but unfortunately the Parliamentary Secretary to the Minister of health said no. However the minister, who has his own concern, announced at the hepatitis conference in Montreal that from that day forward the month of May would be known as hepatitis awareness month.

Even though the motion deals just with hepatitis C, those who follow the concerns of hepatitis know that there are seven different strains which have infected close to 740,000 Canadians from coast to coast to coast, with hepatitis C infecting over 300,000 Canadians.

I know the hon. member for St. Paul's has done a lot of work on behalf of people afflicted with hepatitis C. She should be congratulated by all members of parliament on both sides of the House for her continuous effort in this field

To reiterate, the month of May already recognizes the seven strains of hepatitis. The member for Yellowhead said he would like to bring forward recognition and awareness of hepatitis year in and year out. I encourage him to do so in his householders, mail outs, in his town hall meetings in his riding or for that matter throughout the country.

I know three individuals who have worked closely on the hepatitis file. They are Joey Haché and his family from Ottawa and two people from my riding specifically, Mr. Neil Van Dusen and Mr. Bruce Devenne. All three have hepatitis C. All three fought hard, not just for themselves but for all Canadians afflicted with hepatitis C, for some sort of financial assistance from the government. However the minister made a decision to make the window between 1986 and 1990. Unfortunately, anyone who contracted hepatitis C outside that window was not entitled to any kind of compensation or assistance in that regard.

I do thank the provinces involved for picking up some of the slack, but unfortunately people who have a disease of that nature are unable to work. While that kind of funding was welcomed, it was not enough to assist them. Canadians, and especially the Minister of Health and the government in charge, need to promote health wellness wherever we can.

The contraction of hepatitis C over the years has not just been through operations in hospitals and blood transfusions. It also comes from needles and other interactions that Canadians involve themselves in on a daily basis. We need to bring awareness to unsuspecting Canadians who may involve themselves in activities of that nature. We need to make them aware that whatever decisions they make may have dire consequences on their long term health or some may even die as a consequence.

I am not just talking about HIV-AIDS, which transmitted sexually or through needles. I am also talking about hepatitis which is very serious and contagious disease that can be contracted through various forms. One of those ways is through needles.

I encourage all Canadians who are listening to tell everyone, including their municipalities and health boards that more awareness of this very serious disease would go a long way toward the

Private Members' Business

education of Canadians. Thus hopefully we can eradicate the disease from not only the face of the country but from the planet as well.

The New Democratic Party definitely supports the motion. Again, I thank the member for St. Paul's for bringing the issue to the floor of the House of Commons.

●(1715)

[*Translation*]

Mr. André Bachand (Richmond—Arthabaska, PC/DR): Mr. Speaker, I am pleased to participate in this debate. I recall the debate and the problem about compensation for victims of hepatitis. The tone was slightly different, and we had a much more heated debate. Let us not forget what happened.

A number of my colleagues have raised the matter of compensation. Unfortunately, there are still problems. People have yet to receive all of the money they are entitled to under the agreement. Some have found themselves outside the terms announced by the federal government so that they could not benefit from the terms of the agreement.

As my colleagues have said, the motion before us concerns hepatitis C, a new disease. It was identified in 1989, that is only 12 years ago.

It is not the first time either that there is talk of making May a month for hepatitis C awareness. As my colleague in the New Democratic Party said, a bill was tabled in the House in this respect, but unfortunately it was not declared votable.

In response to a question, the Minister of Health announced that May would be hepatitis awareness month in Canada but this does not detract from the quality of the motion put forward today, far from it.

On May 17, the Minister of Health said, and I quote:

Mr. Speaker, Health Canada has designated the month of May as Hepatitis Awareness Month in Canada. I thank colleagues in the House for encouraging that step to be taken.

I do not recall that we supported him on this issue, not that we would have had any problem doing so.

Employees from my office did some research on the department's website. I do not know whether they were going at it the wrong way but they found no press release confirming this. They have searched Health Canada's website and found absolutely nothing.

It is therefore a bit strange that, twice now, members of the House have taken steps to designate a hepatitis awareness month in Canada, specifically for hepatitis C as this evening's motion suggests, that the minister has taken a decision, and that the New Democratic Party member says that this month has already been designated, when we can find nothing on the Health Canada website.

It appears that everyone agrees with the motion. Therefore, Mr. Speaker, I would suggest that you seek the consent of the House to make this motion votable.

Private Members' Business

I repeat that the motion put forward this evening has unanimous approval. With the fine speeches we have heard, with the support of the government members and of opposition members, unanimous consent can be sought, because everyone is in agreement. I believe that with unanimous consent we could vote on the motion put forward this evening and officially give our support to the Minister of Health.

In closing, we greatly appreciate the member's work and I once again seek unanimous consent so that the House can officially vote on the motion.

The Acting Speaker (Mr. Bélair): Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Jeannot Castonguay (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I want to take this opportunity to talk about an important subject that concerns all Canadians. I am talking about hepatitis C. I want to congratulate the member for St. Paul's for her dedication to this cause and for her efforts to have the month of May recognized as hepatitis C awareness month.

I know the member has worked tirelessly to defend this cause and I am glad she decided to raise the issue in the House.

Earlier this year, a motion to make the month of May hepatitis awareness month was debated in the House. The motion before us today is very much in line with the previous motion.

I will use the rest of my time to talk about hepatitis C and the initiatives taken by Health Canada to deal with this most important public health concern.

Hepatitis C is a virus that can be transmitted by blood. It infects the liver and can cause serious damage. A test to detect hepatitis C was developed in 1989 and was introduced in Canada when it became commercially available in June 1990. Before that, in cases of hepatitis of an unknown type, it was referred to as non-A, non-B hepatitis.

Among the groups most at risk of contracting hepatitis C are those who received blood transfusions before screening for the virus began in 1990, persons exposed to contaminated needles, and health care staff who suffer needlestick accidents with contaminated needles.

It is believed that the risk of transmission to newborns or transmission via sexual contact with an infected person is low.

In approximately 10% of cases, the source of infection is unknown or undisclosed. According to estimates, up to 8% of Canadians—somewhere between 210,000 and 275,000 people—carry the hepatitis C virus.

While some people may experience symptoms such as fatigue or jaundice, many others present no symptoms at the beginning of infection. The hepatitis C virus progresses slowly within the body. Symptoms may take up to 20 or even 30 years to manifest themselves after the initial infection.

In 1998 the federal government, more specifically Health Canada, allocated \$50 million over five years to design a prevention, support and research program to assist Canadians with hepatitis C.

In addition, over the next 20 years the government will transfer \$300 million to provincial and territorial governments in order to provide the medical care that people with hepatitis C require. This financial assistance guarantees that no Canadians, regardless of where they live, will be forced to pay for needed care and treatment, particularly services and treatment such as new drug therapies and home care nursing.

One of the main objectives of the prevention, support and research program is to educate Canadians and raise awareness about hepatitis C.

Consultations with key stakeholders revealed that the greatest challenge for an awareness campaign would be to inform and educate target groups without frightening them. It is of the utmost importance that messages not create false perceptions regarding the virus, and that they not contribute to stigmatizing those persons who are infected with or affected by the virus.

Among the general public, increased awareness of hepatitis C will help create an environment that is supportive of people infected with or affected by this disease.

For persons who are unaware that they are infected, early diagnosis offers the possibility of adapting their lifestyle to slow the progression of the disease. As well, there are promising developments in treatment options.

The hepatitis C program includes care and treatment support. This component is aimed at raising hepatitis C awareness by making the public better informed about the disease and the risk factors associated with it. During its first two years of existence, the program was aimed mainly at increasing capabilities and developing tools for professionals and other care givers as well as community support groups by providing medical and practical information on hepatitis C.

Prevention and community support are also part of the hepatitis C prevention, support and research program. Community support includes programs aimed at supporting both a strong community response to the needs of people with or living with hepatitis C, and a significant role for community organizations in the program.

Over the past year and a half, Health Canada has financed about 120 community initiatives at the local level, including peer support, hepatitis C education, needs assessments, training and strengthening of community capabilities.

• (1720)

Among the current hepatitis C national initiatives, there is the establishment at the Canadian Centre on Substance Abuse of a database on hepatitis C and injectable drugs; the preparation of a series of working and research papers on topics such as injectable drug use and prevention of hepatitis C.

The research component of the program has increased the amount of available research results, bolstered the research community capabilities, and added a wealth of information to the data used to make decisions regarding hepatitis C policies and programs.

This component has financed 27 research projects and 11 research and salary awards through the Canadian Institutes for Health Research, and has contributed to the financing of a research chair on liver disease at the University of Manitoba Health Sciences Centre Foundation.

Several projects have been financed including HCV-HIV co-infection assessments, the establishment of social networks for injectable drug users as well as a review of the literature on animal models.

In co-operation with the blood borne pathogens division of Health Canada, the research on hepatitis C component has financed better monitoring sites, control of VHC, studies on the economic burden of VHC, and on its prevalence in first nation people and Inuit in four communities.

In partnership with the bureau of HIV/AIDS, STD and TB, the program has financed research on VHC and the young aboriginals on the street.

Finally, the research component has contributed to the creation of the Canadian network on viral hepatitis.

The implementation of the hepatitis C prevention, support and research program is a constant reminder that the Government of Canada is looking after problems such as those raised in the hon. member's motion.

For example, Health Canada supported the proclamation by the Canadian Liver Foundation of the month of March as the Help Fight Liver Disease Month. The hepatitis C virus can cause serious liver diseases.

Health Canada has been one of the main proponents of the first Canadian conference on hepatitis C, held in Montreal in May 2001. This event has been a convergence point for researchers on hepatitis C, caregivers for those affected by hepatitis C and people infected by the virus or affected by the disease.

This instructive conference was an opportunity to present research results, to share ideas, and to update one's knowledge. The Canadian Hemophilia Society, the Hepatitis C Society of Canada, the Canadian Liver Foundation and other not for profit organizations have co-operated with Health Canada so that this conference would be beneficial for all Canadians.

• (1725)

The Acting Speaker (Mr. Bélair): The time provided for the consideration of private members' business has now expired.

As the motion has not been designated as a votable item, the order is dropped from the order paper.

[English]

SUSPENSION OF SITTING

The Acting Speaker (Mr. Bélair): The House is suspended until 5.30 p.m.

Government Orders

(The sitting of the House was suspended at 5.28 p.m.)

SITTING RESUMED

The House resumed at 5.30 p.m.

GOVERNMENT ORDERS

• (1730)

[English]

CANADA-COSTA RICA FREE TRADE AGREEMENT IMPLEMENTATION ACT

The House resumed from October 25 consideration of the motion that Bill C-32, an act to implement the Free Trade Agreement between the Government of Canada and the Government of the Republic of Costa Rica, be read the third time and passed.

The Acting Speaker (Mr. Bélair): It being 5.30 p.m. the House will proceed to the taking of the deferred recorded division on the motion for third reading of Bill C-32.

Call in the members.

• (1800)

[Translation]

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

(Division No. 157)

YEAS

Members

Abbott
Alcock
Anders
Anderson (Victoria)
Augustine
Bagnell
Barnes
Bélanger
Bennett
Bertrand
Binet
Bonin
Borotsik
Breitkreuz
Brown
Bulte
Byrne
Cadman
Cannis
Carignan
Casson
Catterall
Chatters
Clark
Collenette
Copps
Cummins
Day
Dhaliwal
Doyle
Drouin
Duplain
Eggleton
Epp
Farrah
Fitzpatrick
Fry
Gallant

Adams
Allard
Anderson (Cypress Hills—Grasslands)
Assad
Bachand (Richmond—Arthabaska)
Bakopanos
Bélair
Bellemare
Benoit
Bevilacqua
Blondin-Andrew
Bonwick
Boudria
Brisson
Bryden
Burton
Caccia
Calder
Caplan
Carroll
Castonguay
Cauchon
Chrétien
Coderre
Comuzzi
Cullen
Cuzner
DeVillers
Dion
Dromisky
Duncan
Easter
Elley
Eyking
Finlay
Folco
Gagliano
Godfrey

Supply

Goldring
Graham
Grey (Edmonton North)
Harb
Harvard
Hearn
Hill (Prince George—Peace River)
Ianno
Jaffer
Johnston
Karetak-Lindell
Keddy (South Shore)
Keys
Knutson
Laliberte
Lee
Lincoln
Lunn (Saanich—Gulf Islands)
MacAulay
Macklin
Maloney
Marleau
McCormick
McKay (Scarborough East)
McNally
Meredith
Mitchell
Murphy
Nault
O'Brien (Labrador)
O'Reilly
Owen
Pallister
Paradis
Patry
Peric
Pettigrew
Pillitteri
Proulx
Redman
Regan
Reynolds
Ritz
Saada
Scherrer
Scott
Sgro
Skelton
Sorenson
Spencer
St-Julien
Steckle
Stinson
Szabo
Thibault (West Nova)
Thompson (New Brunswick Southwest)
Toews
Torsney
Vanclief
Volpe
Whelan
Wilfert
Wood-201

Goodale
Grewal
Guarnieri
Harris
Harvey
Hill (Macleod)
Hinton
Jackson
Jennings
Jordan
Karygiannis
Kenney (Calgary Southeast)
Kilgour (Edmonton Southeast)
Kraft Sloan
LeBlanc
Leung
Longfield
Lunny (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)
Malhi
Marcil
Martin (LaSalle—Émard)
McGuire
McLellan
McTeague
Merrifield
Moore
Myers
Normand
O'Brien (London—Fanshawe)
Obhrai
Pagtakhan
Pankiw
Parrish
Penson
Peterson
Phinney
Pratt
Rajotte
Reed (Halton)
Reid (Lanark—Carleton)
Richardson
Robillard
Savoy
Schmidt
Serré
Shepherd
Solberg
Speller
St-Jacques
St. Denis
Stewart
Strahl
Telegdi
Thibeault (Saint-Lambert)
Tirabassi
Tonks
Ur
Vellacott
Wappel
White (North Vancouver)
Williams

Nystrom
Perron
Plamondon
Robinson
Roy
St-Hilaire
Tremblay (Lac-Saint-Jean—Saguenay)
Venne

Paquette
Picard (Drummond)
Proctor
Rocheleau
Sauvageau
Stoffer
Tremblay (Rimouski-Neigette-et-la Mitis)
Wayne-48

PAIRED

Members

Asselin
Dalphond-Guiral
Fontana
Gray (Windsor West)

Charbonneau
Desrochers
Girard-Bujold
Valeri-8

The Speaker: I declare the motion carried.

(Bill read the third time and passed)

* * *

[*English*]

SUPPLY

ALLOTTED DAY—INTERNATIONAL AID POLICY

The House resumed from October 29 consideration of the motion.

The Speaker: Pursuant to the order adopted Monday, October 29, the House will now proceed to the taking of the deferred recorded division on the opposition motion standing in the name of the hon. member for Lac-Saint-Jean—Saguenay.

Ms. Marlene Catterall: Mr. Speaker, I think you would find unanimous consent in the House that those who voted on the previous motion be recorded as voting on the motion now before the House, with Liberal members voting yes.

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

Some hon. members: Agreed.

Mr. Richard Harris: Mr. Speaker, Canadian Alliance members will be voting no on this motion.

[*Translation*]

Mr. Pierre Brien: Mr. Speaker, members of the Bloc Québécois are in favour of this motion.

Mr. Yvon Godin: Mr. Speaker, members of the New Democratic Party who are present will vote yes on this motion.

[*English*]

Mr. Jay Hill: Mr. Speaker, members of the PC/DR coalition present this evening will be voting in favour of the motion.

[*Translation*]

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

(*Division No. 158*)

YEAS

Members

Adams
Allard
Assad
Bachand (Richmond—Arthabaska)
Bagnell
Barnes
Bélanger
Bellemare

Alcock
Anderson (Victoria)
Augustine
Bachand (Saint-Jean)
Bakopanos
Bélaïr
Bellehumeur
Bennett

NAYS

Members

Bachand (Saint-Jean)
Bergeron
Blaikie
Brien
Comartin
Davies
Dubé
Fournier
Gagnon (Québec)
Godin
Guimond
Laframboise
Lancôt
Lill
Marceau
McDonough

Bellehumeur
Bigras
Bourgeois
Cardin
Crête
Desjarlais
Duceppe
Gagnon (Champlain)
Gauthier
Guay
Herron
Lalonde
Lebel
Loubier
Martin (Winnipeg Centre)
Ménard

Government Orders

Bergeron
Bevilacqua
Binet
Blondin-Andrew
Bonwick
Boudria
Brien
Brown
Bulte
Caccia
Cannis
Cardin
Carroll
Catterall
Chrétien
Coderre
Comartin
Copp
Cullen
Davies
DeVillers
Dion
Dromisky
Dubé
Duplain
Eggleton
Farrah
Folco
Fry
Gagnon (Québec)
Gauthier
Godin
Graham
Guarnieri
Guimond
Harvard
Hearn
Hill (Prince George—Peace River)
Jackson
Jordan
Karygiannis
Keys
Knutson
Laframboise
Lalonde
Lebel
Lee
Lill
Longfield
Lunn (Saamich—Gulf Islands)
MacKay (Pictou—Antigonish—Guysborough)
Malhi
Marceau
Marleau
Martin (LaSalle—Émard)
McDonough
McKay (Scarborough East)
McNally
Ménard
Mitchell
Myers
Normand
O'Brien (Labrador)
O'Reilly
Pagtakhan
Paquette
Parrish
Peric
Peterson
Phinney
Pillitteri
Pratt
Proulx
Reed (Halton)
Richardson
Robinson
Roy
Sauvageau
Scherrer
Serré
Shepherd
St-Hilaire
St-Julien
Steckle

Bertrand
Bigras
Blaikie
Bonin
Borotsik
Bourgeois
Brisson
Bryden
Byrne
Calder
Caplan
Carignan
Castonguay
Cauchon
Clark
Collenette
Comuzzi
Crête
Cuzner
Desjarlais
Dhaliwal
Doyle
Drouin
Duceppe
Easter
Eyking
Finlay
Fournier
Gagliano
Gagnon (Champlain)
Godfrey
Goodale
Grey (Edmonton North)
Guay
Harb
Harvey
Herron
Ianno
Jennings
Karetak-Lindell
Keddy (South Shore)
Kilgour (Edmonton Southeast)
Kraft Sloan
Laliberté
Lancôt
LeBlanc
Leung
Lincoln
Loubier
MacAulay
Macklin
Maloney
Marcil
Martin (Winnipeg Centre)
McCormick
McGuire
McLellan
McTeague
Meredith
Murphy
Nault
Nystrom
O'Brien (London—Fanshawe)
Owen
Pankiw
Paradis
Patry
Perron
Pettigrew
Picard (Drummond)
Plamondon
Proctor
Redman
Regan
Robillard
Rocheleau
Saada
Savoy
Scott
Sgro
Speller
St-Jacques
St. Denis
Stewart

Stoffer
Szabo
Thibault (West Nova)
Thompson (New Brunswick Southwest)
Tonks
Tremblay (Lac-Saint-Jean—Saguenay)
Ur
Venne
Wappel
Whelan
Wood-205

Strahl
Telegdi
Thibault (Saint-Lambert)
Tirabassi
Torsney
Tremblay (Rimouski-Neigette-et-la Mitis)
Vanclief
Volpe
Wayne
Wilfert

NAYS

Members

Abbott
Anderson (Cypress Hills—Grasslands)
Breitkreuz
Cadman
Chatters
Day
Elley
Fitzpatrick
Goldring
Harris
Hinton
Johnston
Lunney (Nanaimo—Alberni)
Moore
Pallister
Rajotte
Reynolds
Schmidt
Solberg
Spencer
Toews
White (North Vancouver)

Anders
Benoit
Burton
Casson
Cummins
Duncan
Epp
Gallant
Grewal
Hill (MacLeod)
Jaffer
Kenney (Calgary Southeast)
Merrifield
Obhrai
Penson
Reid (Lanark—Carleton)
Ritz
Skelton
Sorenson
Stinson
Vellacott
Williams-44

PAIRED

Members

Asselin
Dalphond-Guiral
Fontana
Gray (Windsor West)

Charbonneau
Desrochers
Girard-Bujold
Valeri-8

The Speaker: I declare the motion carried.

(Motion agreed to)

* * *

[English]

EXPORT DEVELOPMENT ACT

The House resumed consideration of the motion that Bill C-31, an act to amend the Export Development Act and to make consequential amendments to other acts, be read the third time and passed.

The Speaker: Pursuant to the order adopted earlier today, the House will now proceed to the reading of the deferred recorded division at the third reading stage of Bill C-31.

Ms. Marlene Catterall: Mr. Speaker, again if you seek it I think you would find consent that members who voted on the previous motion be recorded as voting on the motion now before the House, with Liberals members voting yes.

● (1805)

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

Some hon. members: Agreed.

Mr. Richard Harris: Mr. Speaker, the Canadian Alliance will be voting no to the motion.

Government Orders

[Translation]

Mr. Pierre Brien: Mr. Speaker, members of the Bloc Québécois will vote no on this motion.

[English]

Mr. Yvon Godin: Mr. Speaker, the NDP members present are voting no to the motion.

Mr. Jay Hill: Mr. Speaker, coalition members are opposed to the motion.

* * *

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

(Division No. 159)

YEAS

Members

| | |
|------------------------------|---------------------------|
| Adams | Alcock |
| Allard | Anderson (Victoria) |
| Assad | Augustine |
| Bagnell | Bakopanos |
| Barnes | Bélair |
| Bélangier | Bellemare |
| Bennett | Bertrand |
| Bevilacqua | Binet |
| Blondin-Andrew | Bonin |
| Bonwick | Boudria |
| Brown | Bryden |
| Bulte | Byrne |
| Caccia | Calder |
| Cannis | Caplan |
| Carignan | Carroll |
| Castonguay | Catterall |
| Cauchon | Chrétien |
| Coderre | Collenette |
| Comuzzi | Copps |
| Cullen | Cuzner |
| DeVillers | Dhaliwal |
| Dion | Dromisky |
| Drouin | Duplain |
| Easter | Eggleton |
| Eyking | Farah |
| Finlay | Folco |
| Fry | Gagliano |
| Godfrey | Goodale |
| Graham | Guarnieri |
| Harb | Harvard |
| Harvey | Ianno |
| Jackson | Jennings |
| Jordan | Karetak-Lindell |
| Karygiannis | Keyes |
| Kilgour (Edmonton Southeast) | Knutson |
| Kraft Sloan | Laliberte |
| LeBlanc | Lee |
| Leung | Lincoln |
| Longfield | MacAulay |
| Macklin | Malhi |
| Maloney | Marcil |
| Marleau | Martin (LaSalle—Émard) |
| McCormick | McGuire |
| McKay (Scarborough East) | McLellan |
| McTeague | Mitchell |
| Murphy | Myers |
| Nault | Normand |
| O'Brien (Labrador) | O'Brien (London—Fanshawe) |
| O'Reilly | Owen |
| Pagtakhan | Paradis |
| Parrish | Patry |
| Peric | Peterson |
| Pettigrew | Phinney |
| Pillitteri | Pratt |
| Proulx | Redman |
| Reed (Halton) | Regan |

Richardson
Saada
Scherrer
Serré
Shepherd
St-Jacques
St. Denis
Stewart
Telegdi
Thibeault (Saint-Lambert)
Tonks
Ur
Volpe
Whelan
Wood-141

Robillard
Savoy
Scott
Sgro
Speller
St-Julien
Steckle
Szabo
Thibault (West Nova)
Tirabassi
Torsney
Vancief
Wappel
Wilfert

NAYS

Members

| | |
|--|--|
| Abbott | Anders |
| Anderson (Cypress Hills—Grasslands) | Bachand (Richmond—Arthabaska) |
| Bachand (Saint-Jean) | Bellehumeur |
| Benoit | Bergeron |
| Bigras | Blaikie |
| Borotsik | Bourgeois |
| Breitkreuz | Brien |
| Brisson | Burton |
| Cadman | Cardin |
| Casson | Chatters |
| Clark | Comartin |
| Crête | Cummins |
| Davies | Day |
| Desjarlais | Doyle |
| Dubé | Duceppe |
| Duncan | Elley |
| Epp | Fitzpatrick |
| Fournier | Gagnon (Québec) |
| Gagnon (Champlain) | Gallant |
| Gauthier | Godin |
| Goldring | Grewal |
| Grey (Edmonton North) | Guay |
| Guimond | Harris |
| Hearn | Herron |
| Hill (Macleod) | Hill (Prince George—Peace River) |
| Hinton | Jaffer |
| Johnston | Keddy (South Shore) |
| Kenney (Calgary Southeast) | Laframboise |
| Lalonde | Laucôt |
| Lebel | Lill |
| Loubier | Lunn (Saanich—Gulf Islands) |
| Lunney (Nanaimo—Alberni) | MacKay (Pictou—Antigonish—Guysborough) |
| Marceau | Martin (Winnipeg Centre) |
| McDonough | McNally |
| Ménard | Meredith |
| Merrifield | Moore |
| Nystrom | Obhrai |
| Pallister | Pankiw |
| Paquette | Penson |
| Perron | Picard (Drummond) |
| Plamondon | Proctor |
| Rajotte | Reid (Lanark—Carleton) |
| Reynolds | Ritz |
| Robinson | Rocheleau |
| Roy | Sauvageau |
| Schmidt | Skelton |
| Solberg | Sorenson |
| Spencer | St-Hilaire |
| Stinson | Stoffer |
| Strahl | Thompson (New Brunswick Southwest) |
| Toews | Tremblay (Lac-Saint-Jean—Saguenay) |
| Tremblay (Rimouski-Neigette-et-la Mitis) | Vellacott |
| Venne | Wayne |
| White (North Vancouver) | Williams-108 |

PAIRED

Members

| | |
|---------------------|---------------|
| Asselin | Charbonneau |
| Dalphond-Guiral | Desrochers |
| Fontana | Girard-Bujold |
| Gray (Windsor West) | Valeri-8 |

The Speaker: I declare the motion carried.

Adjournment Debate

(Bill read the third time and passed)

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

LIBRARY OF PARLIAMENT

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, I want to use this opportunity to raise with my colleagues something that has troubled me concerning the Library of Parliament, a tool that is essential to us.

I had raised the question with the member for Ottawa West—Nepean as the spokesperson for the Board of Internal Economy back in May and requested an opportunity to respond to the question because I was not satisfied. I will break this into two parts, the issue itself and then the matter of accountability and the difficulty I and other colleagues will find ourselves in in trying to make the library accountable.

The difficulty is that the Library of Parliament issued a request for proposal for a news gathering service. One company that wanted to respond to the request for proposal uses a different system than the system that was specified in the request for proposal. It tried to get the library to correct that by calling for a generic system as opposed to a specific system on which the computer system was based. The library proceeded nonetheless.

The company appealed to the Canadian International Trade Tribunal. Through a series of protracted discussions and so forth, at the end of the day, the tribunal ruled that the library was in error, that the library had to correct its request for proposal or start over. This was a rather lengthy effort.

The library concluded by saying it was cancelling the request, that it did not need the service any more because it had fixed the problem. This begs the question as to why it was not fixed in the first place. The response it gave for cancelling the request for proposal and not issuing another one as per the CITT ruling was that it had used up all its money in defending itself at the CITT.

I have a problem with that. This was not a one year project; it was an ongoing one. Perhaps it could have delayed it, as I hope is the intent of the Library of Parliament, but not cancelled it outright, never to revisit it and never call for a proposal for implementing the system that might be required.

I have some problems with the rationale the Library of Parliament is using. The biggest problem I have is the total lack of accountability of the Library of Parliament to the House.

The Library of Parliament is accountable to the Speakers, the Speaker of the House and the Speaker in the Senate, yet members in the House cannot ask questions of the Speaker. We have to go to the Board of Internal Economy, yet we are told that the Board of Internal Economy is not responsible for the Library of Parliament.

Once, I managed to ask a question of the representative of the Board of Internal Economy in the House on the basis that the library offers services to the members, I am not sure that the Speaker would again allow me to do that.

We cannot ask a question of the Speaker. The library is not accountable to the Board of Internal Economy. The joint Senate and House of Commons committee on the library has not met. It has not even been struck. Therefore, I cannot ask a question of the chair of that committee in the House. There is no accountability. We are now almost into November. We have been sitting for a month and a half now and that committee has yet to be struck.

At some point the rules of the House are going to have to be changed so that the Library of Parliament is accountable to the members of the House. Then we can get information about the library without having to go through the hoops and a system that does not seem to work.

• (1810)

[*Translation*]

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, as I said in my answer of May 30, the Board of Internal Economy does not normally deal with issues relating to the Library of Parliament. However, in the hope of clarifying this issue, I am pleased to have this opportunity to respond, on behalf of the board, to the member's question.

[*English*]

On May 30, 2001, the hon. member for Ottawa—Vanier raised the question concerning a request for proposal, which in fact is a call for tender, issued by the Library of Parliament for an electronic news monitoring service and which had been referred to the Canadian International Trade Tribunal.

P&L Communications filed a complaint with the trade tribunal related to the library's procurement process, arguing that the library was subject to the agreement on internal trade and was therefore subject to the authority of the tribunal.

As the library's original deadline for the filing of proposals for the tender was June 1, it appeared unlikely that the trade tribunal would hear the case prior to the deadline. Therefore, at the request of an hon. member, the co-chair of the Standing Committee of the Library of Parliament, the parliamentary library agreed to extend the bid until June 31, 2001.

After several exchanges of arguments by the parties, on July 24, 2001, the tribunal informed the Library of Parliament that it had ruled in favour of P&L Communications and that it would issue its reasons for the determination at a later date.

According to the library's legal adviser and pursuant to the CITT act, the library had the obligation to inform the tribunal of its response to its decision on or before the deadline of August 13, 2001.

Adjournment Debate

In light of this situation and based on an article of the library's request for tender, which stipulates that the Library of Parliament may at its discretion cancel and/or re-issue this RFP at any time, the library decided to cancel the request for proposal immediately to ensure that it would respect the reasons for determination of the tribunal.

The decision by the library was based on the following reasons.

First, as a result of the tribunal's decision the library had incurred legal costs. It was required to pay both the petitioner's and its own legal costs and, therefore, had insufficient budget to proceed with the project.

Second, since the request for proposal was posted the library has been able, with the technical assistance of the information services directorate of the House of Commons, to make improvements to the existing electronic news monitoring service, allowing the library to maintain these services for the foreseeable future.

● (1815)

[*Translation*]

In a memo dated September 25 and addressed to both chairs and to the members of the Standing Joint Committee on the Library of Parliament, the parliamentary librarian said that the library never intended to defy the tribunal. He also said that all parliamentarians could be assured that, from now on, requests for proposals from the Library of Parliament would comply with procurement rules.

Mr. Mauril Bélanger: Mr. Speaker, I find this answer very weak since the fact that the Library of Parliament is accountable to this House was not even mentioned.

[*English*]

We have a situation where the Library of Parliament serving members is totally unaccountable to the members of the House. We have no access to the library. We cannot ask questions of anyone

speaking on behalf of the library in the House and the committee that is supposed to be overseeing it has not even been struck.

I would implore the chief government whip to make sure that the committee is struck as rapidly as possible because there is throughout this whole issue a sense of lack of respect for the members of the House by the library.

We have to get to the bottom of it. Why would they not have fixed the problem? Twice they requested proposals and twice they cancelled. Twice they were wrong.

All this mess, if I can call it that, has to be investigated by the committee which has not been struck. At the very least, the government should get on with striking the committee so that it can do its work.

Ms. Marlene Catterall: Mr. Speaker, I can only point out that the government is not responsible for the operation of parliament, but I believe the member has raised an important question.

It is not a question, frankly, that he raised in his original question in the House. The library committee will be having its first meeting later this week. It was delayed simply because the person proposed to be nominated as chair of the library committee was not in the country for the last couple of weeks.

The committee will be meeting. I suggest very strongly that the member take his concerns there and that he encourage the committee, as I will do personally, to pursue this matter.

The Acting Speaker (Mr. Bélair): Pursuant to Standing Order 38 (5), the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.18 p.m.)

CONTENTS

Tuesday, October 30, 2001

ROUTINE PROCEEDINGS

Yukon Northern Affairs Program Devolution Transfer Agreement

Mr. Nault 6695

Government Response to Petitions

Mr. Regan 6695

Committees of the House

Procedure and House Affairs

Mr. Adams 6695

Motion for concurrence 6695

(Motion agreed to) 6695

Petitions

Kidney Disease

Mr. Adams 6695

Questions on the Order Paper

Mr. Regan 6695

GOVERNMENT ORDERS

Constitution of Canada

Mr. Tobin 6695

Motion 6695

Mr. O'Brien (Labrador) 6697

Mr. Reid 6698

Mr. Marceau 6700

Mr. Blaikie 6703

Mr. Doyle 6704

Mr. Stoffer 6705

Mr. Hearn 6705

Mr. O'Brien (London—Fanshawe) 6706

Mr. Stoffer 6706

Mr. Kilger 6706

(Motion agreed to) 6707

Export Development Act

Bill C-31. Report stage 6707

Motion for concurrence 6707

(Motion agreed to) 6707

Bill C-31. Third reading 6707

Mr. O'Brien (London—Fanshawe) 6707

Mr. Duncan 6710

Mr. Paquette 6712

Mr. Robinson 6717

Mr. Dubé 6719

Mr. Lunn 6720

Mr. Williams 6722

STATEMENTS BY MEMBERS

Tobacco

Mr. Adams 6724

Prostate Cancer

Mr. White (North Vancouver) 6724

Communities in Bloom

Mr. Murphy 6724

Jean-Marc Ouellet

Mrs. Jennings 6724

The Environment

Mr. Caccia 6725

Terrorism

Mr. Reid 6725

E-Commerce

Mr. Alcock 6725

Trade Disputes

Ms. Guay 6725

Aboriginal Youth Conference

Mr. O'Brien (Labrador) 6725

1972 Election

Mr. Reynolds 6726

Fallen Heroes Fund

Mr. O'Brien (London—Fanshawe) 6726

Energy

Mr. Comartin 6726

Délégation Générale du Québec in Paris

Mr. Marceau 6726

Yukon

Mr. Bagnell 6726

Trade

Mrs. Wayne 6727

ORAL QUESTION PERIOD

Immigration

Mr. Day 6727

Mr. Chrétien 6727

Mr. Day 6727

Mr. Chrétien 6727

Mr. Day 6727

Ms. Caplan 6728

Mr. Hill (MacLeod) 6728

Ms. Caplan 6728

Mr. Hill (MacLeod) 6728

Ms. Caplan 6728

Terrorism

Mr. Duceppe 6728

Mr. Chrétien 6728

Mr. Duceppe 6728

Mr. Chrétien 6728

Ms. Lalonde 6728

Mr. Chrétien 6728

Ms. Lalonde 6729

Mr. Chrétien 6729

| | | | |
|--|------|-------------------------------------|------|
| Ms. McDonough | 6729 | North American Security | |
| Mr. Chrétien | 6729 | Mr. Paquette | 6733 |
| Ms. McDonough | 6729 | Mr. Gray | 6733 |
| Mr. Chrétien | 6729 | Mr. Paquette | 6733 |
| Mr. Clark | 6729 | Mr. Gray | 6733 |
| Mr. Chrétien | 6729 | Health | |
| Mr. Clark | 6729 | Mrs. Ablonczy | 6733 |
| Mr. Chrétien | 6729 | Mr. Rock | 6733 |
| National Security | | Mrs. Ablonczy | 6733 |
| Mr. Jaffer | 6730 | Mr. Rock | 6733 |
| Mr. Cauchon | 6730 | International Exchanges | |
| Mr. Jaffer | 6730 | Mr. McTeague | 6734 |
| Mr. Cauchon | 6730 | Mr. Normand | 6734 |
| International Aid | | National Security | |
| Mr. Tremblay (Lac-Saint-Jean—Saguenay) | 6730 | Mr. Abbott | 6734 |
| Mrs. Jennings | 6730 | Mr. Cauchon | 6734 |
| Mr. Tremblay (Lac-Saint-Jean—Saguenay) | 6730 | Mr. Abbott | 6734 |
| Mrs. Jennings | 6730 | Mr. Cauchon | 6734 |
| Immigration | | Anti-Terrorism Legislation | |
| Mr. Benoit | 6730 | Mr. Bellehumeur | 6734 |
| Ms. Caplan | 6730 | Ms. McLellan | 6734 |
| Mr. Benoit | 6730 | Airline Industry | |
| Ms. Caplan | 6731 | Mr. Laframboise | 6734 |
| Finance | | Mr. Collenette | 6734 |
| Mr. Loubier | 6731 | The Budget | |
| Mr. Martin (LaSalle—Émard) | 6731 | Mr. Comartin | 6734 |
| Mr. Loubier | 6731 | Mr. Goodale | 6735 |
| Mr. Martin (LaSalle—Émard) | 6731 | Lumber Industry | |
| Terrorism | | Mr. Lunn | 6735 |
| Mr. Sorenson | 6731 | The Speaker | 6735 |
| Mr. MacAulay | 6731 | Mr. O'Brien (London—Fanshawe) | 6735 |
| Mr. Sorenson | 6731 | Terrorism | |
| Mr. MacAulay | 6731 | Mr. Grewal | 6735 |
| Lumber Industry | | Mr. Goodale | 6735 |
| Mr. Bertrand | 6731 | Presence in Gallery | |
| Mr. Goodale | 6731 | The Speaker | 6735 |
| The Economy | | Points of Order | |
| Mr. Nystrom | 6732 | Oral Question Period | |
| Mr. Martin (LaSalle—Émard) | 6732 | Mr. Abbott | 6735 |
| Lumber Industry | | The Speaker | 6735 |
| Mrs. Desjarlais | 6732 | Privilege | |
| Mr. O'Brien (London—Fanshawe) | 6732 | Firearms Act | |
| National Security | | Mr. Grewal | 6735 |
| Mr. Hill (Prince George—Peace River) | 6732 | Mr. Boudria | 6737 |
| Mr. Cauchon | 6732 | Mr. Breitzkreuz | 6737 |
| National Defence | | GOVERNMENT ORDERS | |
| Mrs. Wayne | 6732 | Export Development Act | |
| Mr. Eggleton | 6732 | Bill C-31. Third reading | 6737 |
| Anti-Terrorism Legislation | | Ms. Lalonde | 6737 |
| Mr. Toews | 6733 | Mr. Grewal | 6739 |
| Ms. McLellan | 6733 | Mr. Schmidt | 6741 |
| Mr. Toews | 6733 | Mr. Szabo | 6742 |
| Ms. McLellan | 6733 | | |

| | |
|-----------------------------------|------|
| Ms. Meredith | 6742 |
| Mr. Szabo | 6743 |
| Business of the House | |
| Ms. Catterall | 6744 |
| Motion | 6744 |
| Mr. Kilger | 6744 |
| (Motion agreed to) | 6744 |
| Export Development Act | |
| Bill C-31. Third reading | 6745 |
| Mr. Bigras | 6745 |
| Mr. Karygiannis | 6747 |
| Mr. Kilger | 6747 |
| Division on motion deferred | 6747 |
| Mr. Kilger | 6747 |

ROUTINE PROCEEDINGS

| | |
|--------------------------------|------|
| Committees of the House | |
| Fisheries and Oceans | |
| Mr. Regan | 6747 |
| Motion | 6747 |
| (Motion agreed to) | 6747 |

PRIVATE MEMBERS' BUSINESS

| | |
|---|------|
| Hepatitis C | |
| Ms. Bennett | 6747 |
| Motion | 6747 |
| Mr. Merrifield | 6749 |
| Mr. Ménard | 6750 |
| Mr. Stoffer | 6750 |
| Mr. Bachand (Richmond—Arthabaska) | 6751 |
| Mr. Castonguay | 6752 |
| The Acting Speaker (Mr. Bélair) | 6753 |

| | |
|--|------|
| Suspension of Sitting | |
| The Acting Speaker (Mr. Bélair) | 6753 |
| (The sitting of the House was suspended at 5.28 p.m.) .. | 6753 |
| Sitting Resumed | |
| The House resumed at 5.30 p.m. | 6753 |

GOVERNMENT ORDERS

| | |
|--|------|
| Canada-Costa Rica Free Trade Agreement Implemen- tation Act | |
| Bill C-32. Third reading | 6753 |
| The Acting Speaker (Mr. Bélair) | 6753 |
| Mr. Milliken | 6754 |
| (Bill read the third time and passed) | 6754 |

Supply

| | |
|--|------|
| Allotted Day—International Aid Policy | |
| Motion | 6754 |
| The Speaker | 6754 |
| Mr. Milliken | 6755 |
| (Motion agreed to) | 6755 |

Export Development Act

| | |
|--------------------------------|------|
| Bill C-31. Third Reading | 6755 |
| The Speaker | 6755 |
| Mr. Milliken | 6755 |

| | |
|---|------|
| Motion agreed to | 6756 |
| (Bill read the third time and passed) | 6757 |

ADJOURNMENT PROCEEDINGS

Library of Parliament

| | |
|---------------------|------|
| Mr. Bélanger | 6757 |
| Ms. Catterall | 6757 |

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:

Communication Canada - Publishing
Ottawa, Ontario K1A 0S9

En cas de non-livraison,

retourner cette COUVERTURE SEULEMENT à :

Communication Canada - Édition
Ottawa (Ontario) K1A 0S9

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

Also available on the Parliamentary Internet Parlementaire at the following address:

Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :

<http://www.parl.gc.ca>

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Additional copies may be obtained from Communication Canada - Canadian Government Publishing, Ottawa, Ontario K1A 0S9

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

On peut obtenir des copies supplémentaires en écrivant à : Communication Canada - Édition, Ottawa (Ontario) K1A 0S9

**On peut obtenir la version française de cette publication en écrivant à : Communication Canada - Édition
Ottawa (Ontario) K1A 0S9**