



CANADA

# House of Commons Debates

---

VOLUME 137 • NUMBER 153 • 1st SESSION • 37th PARLIAMENT

---

OFFICIAL REPORT  
(HANSARD)

**Monday, March 11, 2002**

—  
**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

Monday, March 11, 2002

The House met at 11 a.m.

---

*Prayers*

---

● (1100)

[English]

## BUSINESS OF THE HOUSE

**The Speaker:** It is my duty pursuant to Standing Order 81(14) to inform the House that the motion to be considered tomorrow during consideration of the business of supply is as follows:

That this House condemn the government for its failure to implement a national security policy to address the broad range of security issues, including those at Canadian ports of entry and borders, and call on the government to reassert parliament's relevance in addressing these and other public policy issues.

[Translation]

This motion, standing in the name of the hon. member for Pictou—Antigonish—Guysborough, is votable. Copies of the motion are available at the table.

\* \* \*

● (1105)

[English]

## POINTS OF ORDER

### ALLOTTED DAY MOTION

**Mr. Randy White (Langley—Abbotsford, Canadian Alliance):** Mr. Speaker, I rise on a point of order. I would like to clarify the opposition motion scheduled for tomorrow. It should be non-votable and not votable. Its allocation of votable motions has already been used up.

**The Speaker:** I will take the point under advisement and the matter will be examined with great care. If the Chair is in error, we will rectify the error later this day.

---

## PRIVATE MEMBERS' BUSINESS

[English]

### OBSERVANCE OF TWO MINUTES OF SILENCE ON REMEMBRANCE DAY ACT

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance)** moved that Bill C-297, an act to promote the observance of two minutes of silence on Remembrance Day, be read the second time and referred to a committee.

He said: Mr. Speaker, this is the second time I have had the privilege of bringing the bill forward to the House for consideration. I regret that it does not have votable status because it has received more petition signatures in its support than any other legislation by the government or private members in this parliament.

In December I had the honour of tabling some 65,000 petition signatures in support of Bill C-297, a bill that has been endorsed by virtually every major veterans organization in the country, including the Royal Canadian Legion.

The bill formally calls upon Canadians to properly recognize the customary two minutes of silence at 11 o'clock on November 11 as our moment of remembrance.

Many Canadians might say that if this is already a custom why do we need legislation to formalize it. I would argue that the reason I brought forward the legislation was at the behest of organizations such as the Royal Canadian Legion.

Over the past decades Canadians have seen a significant diminishment in our remembrance of the sacrifices of our war dead and a troubling growth in ignorance about our military history which is definitive to what we are as a nation.

What initially provoked me to draft the bill was reviewing public opinion survey results that were conducted by an excellent new organization dedicated to promoting remembrance of Canadian history called The Dominion Institute. In 1998 the institute conducted a survey in which it found, shockingly, that 65% of Canadians could not identify the significance of D-Day and that only 11% could name two countries that Canada fought against in the first world war. This was among younger Canadians aged 18 to 24, Canadians who had presumably graduated from high school and many from college. Sixty-nine per cent of Canada's youth did not know that Vimy Ridge was an important Canadian victory and 67% did not know that November 11 was the end of the great war.

In more recent survey data conducted by the same organization, among the general population only 38% of Canadians could identify the War of 1812 as the military incursion by the United States into Canada, and only 47% could properly identify the event of D-Day in 1944. That is to say that 53% of Canadians in the general population could not identify arguably the most significant day of the most significant war of modern history and Canada's role in it.

This growing ignorance about our history and our sacrifices we see in a diminished recognition of that moment of remembrance.

*Private Members' Business*

The two minute moment of silence on Armistice Day began as a custom in South Africa following the first world war when citizens looked for a way to honour the many thousands of South African war dead who sacrificed themselves for the British empire. It was suggested that they stop all commerce, business and activity for a couple of minutes at 11 o'clock, the moment of armistice on Remembrance Day.

That custom quickly spread throughout the empire, the Commonwealth and to Canada where in the 1920s and 1930s the entire nation stopped for two minutes. If we speak to people who remember that custom or read the history, the factories would blow their whistles and the workers would stand at rest for two minutes. The radio broadcasters would broadcast dead air for two minutes. Public spaces would be still and quiet for that moment. This was a custom that was very widely observed until the last two or three decades.

●(1110)

While it is true that many Canadians do gather at cenotaphs in their communities on November 11 to observe the moment of silence, it is equally true that many millions more go about their daily activity without recognizing the sacred moment.

What the bill seeks to do is remind Canadians on behalf of parliament that this is a sacred moment that we must all observe. It is not an idea that I have come to on my own. The bill is modelled on similar legislation that passed the mother parliament at Westminster several years ago and the Ontario legislature in 1996.

There is nothing more important we could do as Canadians than to recognize the sacrifice of our war dead. This is more relevant now than ever. For the first time since Korea Canadian troops are in forward, frontline positions in offensive actions in a real ground war. This calls to mind for our own generation the risks which hundreds of thousands of Canadians took for their country in the last century.

Over 300,000 Canadians served in the first world war and 65,000 of them did not come home. Every small community in this country has at its heart a cenotaph in remembrance of the young men who left those communities in 1914 through 1918 to serve and ultimately die for their country. In the second world war a million Canadians served in a variety of capacities and some 50,000 gave their lives in that war against tyranny.

When we use those numbers, they are so large: 65,000, 50,000, 117,000 Canadian war dead in the last century. They almost inure us to the significance of them. However each single one of those war dead represented a son, a father, a brother, a husband who was lost forever and for whom hundreds of thousands of Canadian families still feel the grief. Of those Canadians some died in the frigid cold of the north Atlantic after having been attacked by U-boats, or in the unimaginable horror of the trenches of the first world war, or in the Canadian air force flying over Europe in the battle of Britain. Thousands of Canadians gave that ultimate sacrifice in so many horrible ways.

This building itself is in some respects a testament to their sacrifice. In the heart of the Peace Tower is the chapel of remembrance where just a moment ago the ceremony of the changing of the book of remembrance was conducted. These are all things that are very much at the heart of our symbols as a nation

because we came of age in that first world war. The Peace Tower was constructed as a commemoration of the war dead.

It is encouraging to see some small renewal of the symbols of our national sacrifice such as the entombment of the unknown soldier at the war memorial two years ago. Nevertheless we as a nation are losing our hold on our collective memory about these, the most significant events in our history.

I invite all members to join with me, the Royal Canadian Legion, and with all the remaining veterans of past wars in doing everything we can symbolically to rekindle a serious, deep, profound, and lasting national remembrance.

There is no single symbol that can accomplish that. However I suggest that across the country at 11 o'clock on Remembrance Day people should pull to the side of the road and broadcasters should broadcast silence for two minutes on every television and radio station. Places of work should broadcast a moment of remembrance and ask people to stop, be quiet and reflect.

●(1115)

I remember last year I was at my local legion cenotaph at 11 o'clock and a city transit train went careening by just at that moment when veterans and their families were engaged in that moment of silence. If Bill C-297 were to pass we would invite public transit authorities not to insult us but rather to respect that moment of silence by terminating service for a couple of minutes at 11 o'clock.

Can members imagine how significant a symbol that would be, if the whole nation came to a silent moment of reprieve for a couple of minutes? It would be a symbol that would cause each of us to reflect upon the sacrifices made by the 117,000 Canadian war dead and the 1.4 million Canadians who served in wars in the last century. The sacrifices were not just for themselves and their families in their own time but for generations that followed including ourselves.

I was born in 1968. I am of a generation for whom these things are not even memories. That is precisely why the new generation of Canadians must take leadership in promoting a renewal of remembrance. That is what the bill seeks to do.

I remind the House once again that the bill received more support in terms of petition signatures than any other bill. I am distressed with the process for the designation of votable status for private members' bills when 65,000 Canadians indicated their support for a bill through petitions tabled in parliament. The committee delegated with the task of granting votable status to bills determined in its wisdom that those 65,000 Canadians were wrong along with every major veterans organization in the country. I submit there is something wrong with the system.

I hope there is some way we can make the bill votable. It should not be controversial. I commend the veterans affairs department for having co-operated with the Royal Canadian Legion in promoting the two minutes of silence. I see no reason why we could not simply as a matter of consent pass through the House this official recognition which has been adopted by both the British and the Ontario parliaments.

A friend of mine and a western author, Ted Fife, wrote an article in 1995 that stated:

*Private Members' Business*

We are not a militant people. We do not seek to extend our borders, or impose our views upon those who live beyond them. But when our ways and freedom are threatened by foes who would enslave us, we rise and fight with fierce and deadly skill, and we have left scars upon our enemies and our names indelible upon the battlefields and battle skies of the world.

We talked about Canada's presence in the international community. There is no presence more poignant, no more lasting than the fact that there are tens of thousands of Canadians buried in 79 countries in cemeteries abroad.

Just before coming to debate the bill I visited the chapel of remembrance. I encourage all members to do so. It is symbolically one of the most significant places in this country. Inscribed in granite are these words from Psalm 139 which I would like to offer in remembrance:

If I ascend up into heaven, thou art there: if I make my bed in hell, behold, thou art there.

If I take the wings of the morning, and dwell in the uttermost parts of the sea; Even there shall thy hand lead me, and thy right hand shall hold me.

● (1120)

**Mr. Bob Wood (Nipissing, Lib.):** Mr. Speaker, I am delighted to have the opportunity today to join the debate on Bill C-297, an act to promote the observance of two minutes of silence on Remembrance Day.

I congratulate the hon. member for Calgary Southeast for his efforts to remember the service and sacrifice of our war veterans. As the hon. member has said, he brought an identical piece of legislation forward in 1998. At that time there was general support for its purpose to promote the observance of two minutes of silence.

Since we all agree with the principle, this debate gives us an opportunity to discuss how we can best honour the more than 1.4 million young Canadians who volunteered to serve in our military, and the more than 116,000 Canadians who gave their lives defending our values of peace and freedom.

There is no doubt that our war era veterans are getting older. Those from the first world war would all be centenarians. One day in the not too distant future we may well hear that the last veterans from the great war have passed on and we will have lost forever the firsthand witnesses to that terrible time. Veterans from the second world war are now in their eighties. Many are facing the battles that occupy advancing age. Fifty years ago we were waging battle on the Korean peninsula.

We also pay tribute to our peacekeepers who have served and continue to serve in missions on virtually every continent. Through their experiences and recollections, our veterans tell us about the real cost of war and the price of peace that is often taken for granted. In return, on November 11, they simply ask that we take the time to remember. They are passing the torch of remembrance to younger generations. Canadians are responding to that challenge.

The horrible events of September 11 gave us all a profound appreciation of what was at stake when our veterans fought on foreign soil. With members of our own Canadian forces today serving in the war on terrorism, last year's Remembrance Day ceremonies were even more poignant and powerful.

The Government of Canada is committed to continuing the commemoration of heroic actions of all our veterans, Canadian forces members and peacekeepers. The act of remembrance brings us together as Canadians united by a sense of pride, a feeling of belonging and an ongoing commitment to shared values. We must dedicate our energy, initiative and time to this noble cause. We must sustain the rising interest and welcome good ideas.

Our veterans, as well as the families of those Canadian forces members serving abroad, must have been heartened by the tremendous support of the many thousands of Canadians who took part in last year's Remembrance Day ceremonies. We recall that many branches of the Royal Canadian Legion ran out of poppies during veterans' week. That had never happened before.

As has been pointed out in previous debates the idea of a moment of silence is hardly new. Ever since armistice the notion and the practice of two minutes of silence has been at one time or another part of the remembrance ceremonies for many Commonwealth countries.

Since the mid-1990s Commonwealth countries, including Canada, Australia and Britain, have been encouraging the revival of this unique custom. In 1996 the British took up the Royal British Legion's call to observe a two minute silence on Remembrance Day. Indeed the Royal Canadian Legion has launched a very active campaign for two minutes of silence. In 1999 the Prime Minister promoted the two minutes of silence in his special Remembrance Day message.

We encourage Canadians to observe the two minutes of silence. The very act of citizens stopping what they are doing and pausing for two minutes of silent tribute is a meaningful way for all of us collectively to honour our veterans and to pledge that we will remember their sacrifices long after they have passed on to greater rewards. However just as importantly, for the generations of Canadians who have never known war the two minutes gives us an opportunity to stop and actively think of the sacrifices of those who contributed so much for our beloved Canada throughout the nation's military history.

The suggestions of ways in which the people of Canada could promote the observance of two minutes of silence are worthy of consideration.

● (1125)

Most of all, it is quite practical and do-able. Silence at Remembrance Day services is relatively easy to arrange. However as much as any of us might promote the observance of a two minute period of silence we should be mindful of certain practical concerns. While there are opportunities for moments of silence in our schools and churches it might not be possible for drivers and many others involved in our transportation, health care and other critical sectors to participate.

*Private Members' Business*

Some people have advanced the idea that Canadians all pause at the same time for two minutes. We live in a nation with five time zones. That is why the Royal Canadian Legion initiated the two minute wave of silence. The wave begins in Newfoundland and Labrador and subsequently repeats at the same time in each time zone in the other provinces across this great country. We should continue the practice.

As I mentioned, the legion and Veterans Affairs Canada have been actively promoting the two minute cause for quite some time as part of their activities during National Veterans Week. I am not quite sure we need a bill to do what is in our power to do anyway without the sanction of legislation. I trust all hon. members supporting the measure will vigorously promote the two minutes of silence in their constituencies and encourage the participation of their school districts, businesses and labour, city and business councils. There is nothing stopping any of us from encouraging the practice. It takes no act of parliament to encourage people to take time out and show respect for our veterans.

As a starting point we all might want to advance the cause by noting the idea of a two minute silence in our constituency newsletters in September or October. It might help get the ball rolling on our home turfs. We could encourage our constituents to promote the concept in their places of work, play and worship.

As individual members of parliament we should all work with the Royal Canadian Legion and Veterans Affairs Canada and their many partners to promote and encourage Canadians to participate in remembrance activities including the observance of two minutes of silence. I strongly support the sentiment of Bill C-297 regarding the observance of a two minute silence. However we do not need a piece of legislation to do the right thing.

• (1130)

[*Translation*]

**Mr. Claude Bachand (Saint-Jean, BQ):** Mr. Speaker, I too am pleased to speak to the motion of my colleague from Calgary Southeast, whom I wish to congratulate, moreover, because I feel it is very important that, at least once a year, we pause for a moment together to reflect on the great sacrifice that has been made.

Personally, I do not want to get involved in debates about time differences depending on whether people are in the east or the west. It seems important to me that the House of Commons can make at least a symbolic decision, that all elected representatives of the people can say "It is important to take this step". It is obvious to me that, should this proposal ever get to the vote stage, the Bloc Québécois would be very much in favour of it.

It seems to me that it is important for us to pause for two minutes, and that this must be on the 11th day of the 11th month at the 11th hour.

As I have already said, it is certainly likely that some will be doing so earlier than others, because we are not all in the same time zone. The importance, however, relates to the symbolism of that pause, and to the fact that we are reflecting for two minutes on war and all the aftermaths of war.

War is always terrible and leads to terrible events. When war breaks out, it is often the people who suffer. The man in the street

generally does not want war, but the leaders are the ones who declare war. When they do, people are needed to defend our values.

Let us look at past wars, the first and second world wars, as well as the Korean war. At that time and in that part of the world, there were people who saw things very differently from us, as far as democracy, justice and freedom are concerned. This forced free and democratic peoples to engage side by side in defending these fundamental values.

Some people sacrificed their lives, while others sacrificed their health. Many came back from war with mental or physical wounds. It is important that we think about this, and that we reflect together.

There is more than one way to reflect. It is certain that we are not always obliged to observe silence in order to reflect, but silence encourages a turning in upon ourselves, an awareness, a calling up of many memories for us all.

On Remembrance Day, when I am observing the two minutes of silence or when I pause before the cenotaph as I lay a wreath, I myself think of my father, who took part in the liberation of Holland. He was a member of the Fusiliers Mont-Royal and bore the scars of the war. They may not have been physical scars, but they were certainly mental and psychological ones. He was a man who found it very hard to talk about what had taken place on the battlefields.

There are probably many people like myself, people of my generation, who need to stop what they are doing for a few minutes and give quiet thanks to all these people who went off to defend our values.

When I am observing the two minutes of silence or laying a wreath on Remembrance Day, I also automatically think of the folks at the Iberville branch of the Royal Canadian Legion, to which I belong. Even though they did not fight in the war, people of my generation may become legion members provided that their father fought for their country. Since my father did just that, I was therefore pleased to join the Iberville branch of the Royal Canadian Legion and I often meet with the members there. These are people who have been through a lot. It is in talking with these veterans over a beer or a bite to eat that one understands how much they have sacrificed.

Not only did they lose fellow members of the legion, not only did they lose friends, but they also carry psychological wounds. These wounds are always there for the veterans of the major theatres of operation. It is touching to see these veterans shed a tear as they go back over these memories. It is also touching to watch them point to their scars and tell what caused them, a shell or a bullet. What is less obvious, however, are the psychological scars. It is touching to see men of this age cry as they remember what were some very difficult times for them.

It is therefore important that we be able to stop and reflect from time to time. By the way, I wish to pay tribute to the president of the Iberville Canadian Legion, Mrs. Côté. This was an idea I had this morning as I was thinking about what I would say.

*Private Members' Business*

•(1135)

While preparing my speech this morning, I thought that Mrs. Côté would be quite pleased if I mentioned her name in the House of Commons. Now that that is done, I will be happy to send a copy of my speech to the Canadian Legion to show them that my relationship with them is not just symbolic, but also practical.

It is important to remember the dead and the wounded, and not only those who were physically wounded, but also those who suffered psychological traumas. It is also important to recall, during these two minutes, those who continue this fight.

As I mentioned earlier, one never wishes for war. It is important to do everything in our power to avoid war. However, when war does break out, people must stand up to defend our values. Today, we must think about all those soldiers who are in Afghanistan, and of others who have a very important job to do, keeping the peace. Currently, there are some 2,000 persons, many of whom are part of the Royal 22nd Regiment, in Bosnia. A great number of people contribute to our military efforts, whether it be in combat or in peacekeeping. A moment of reflection is therefore very important.

I am one of those who believes that it is hard to stop a streetcar when it is in the middle of a trip; it will not be stopped. However, I think that it is not difficult to stop a bus or a cab, or even to ask a cab driver to stop and observe two minutes' silence. It is important, and I believe that we owe it to those who gave their lives.

It would also be an excellent movement, if it were symbolically recognized by the House of Commons, to encourage not only members of my generation and previous generations, but also those that will follow, young people, to remember the stories of those who fought for them, and those who continue to fight for them, at this very moment, for our system of values, which includes justice, freedom and democracy.

I hope that my colleague, the member for Calgary Southeast will propose this. Either way, he can count on the support of the Bloc Québécois. As I mentioned earlier, this is a symbolic question, and he will have the support of the Bloc Québécois if he moves this motion.

[English]

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, I would like to also thank and congratulate the hon. member from the Alliance Party for bringing this worthwhile motion to the floor of the House of Commons, which is exactly where this type of debate should take place.

At the outset, the New Democratic Party will be supporting this motion. We think anything that gives recognition to our valued veterans and their families is long overdue and something we should vote on fairly quickly. I am surprised that it is not votable at this time but I hope the hon. member will bring it back, that it will be made votable and that the governing party, the Liberals in this case, will get behind this initiative and support it.

I met with members of various legions throughout my riding and discussed many of today's issues dealing with veterans and their families. They of course are not just issues in terms of health care and various financial concerns veterans have, but also the symbolism

of what veterans require so that they indeed will not be forgotten in years ahead.

Anyone who gets the *Legion* magazine on a regular basis, such as myself, and reads the section of the publication called "The Last Post" will know that we are losing our veterans and military personnel who fought in various conflicts throughout the years at a very rapid pace. In fact, every month we seem to lose more and more of our World War II and Korean vets. There is only a handful of World War I veterans left as we speak.

Prior to any more veterans being laid to rest, it is imperative that we put forward a motion and vote on it as soon as possible which would allow two minutes of silence in their honour. One can imagine being in St. John's, Newfoundland on the 11th day of the 11th month at the 11th hour and having a wave of two minutes of silence across the country all the way to Victoria and into the Yukon. That symbolism would indeed tell our past serving military personnel and their families that they would be remembered forever and that their contributions would not be forgotten in any undiluted form whatsoever.

As well, it is for our military personnel who are currently overseas or at home. When they retire, they and their families will also be remembered at the various legion and Remembrance Day ceremonies. This is not just for those who fought in the world wars. It will be for those who served in the gulf war or in Afghanistan or who will serve in many other future conflicts in which I am sure Canada will be involved. When we are willing to send our brave, young men and women overseas or wherever conflicts arise to help the peoples of those countries and to help spread democracy throughout the world, we need to do whatever we can to honour and value their sacrifices.

It is not just those who are killed in conflicts. As my colleague from the Bloc said, it is also to recognize the psychological stress that these people were under. Imagine what it is like for our people who are currently in Afghanistan. They are faced with flying shrapnel and whatever. They are not only worried not about their own personal safety but also about the safety of their families back home. Imagine what they must be thinking.

I have had the honour of representing the riding of Sackville—Musquodoboit Valley—Eastern Shore which comprises the great air base of Shearwater. Just recently I attended the homecomings of two frigates, the *Halifax* and the *Charlottetown*. To see the looks on the faces of the families of these military personnel once they were home safely put a lump in everyone's throat.

*Private Members' Business*

When the *Halifax* returned home I will never forget a little girl saying "Welcome home, daddy." She was there with her sister. I asked her what was the first thing she would ask her Dad to do when he got off the ship. She replied "Take me bowling." That is all this little girl could think. Her father had been away for over six months in a very dangerous situation and all this little girl thought about was having dad take her bowling. That is what our military personnel represent: a sense of family, pride and duty. The least we can do as legislators is provide them with the honorary symbolism they deserve. Two minutes of silence would definitely honour them, and this is long overdue.

I did not want to take up too much time in the House today but I would like to thank the hon. member from Alliance Party whose parents I know happen to live in the great riding of Sackville—Musquodoboit Valley—Eastern Shore. They must be awfully proud of his initiative today. I encourage all members in the House and the other place, the Senate, to look at this motion with seriousness and give it the attention it so rightfully deserves.

• (1140)

On behalf of all the veterans and the military personnel in my riding and across the country, we want to thank the member once again. We hope this motion will pass fairly quickly.

**The Deputy Speaker:** Before resuming debate, the Chair will take a bit of a liberty, given the context of the deliberations presently on the floor of the House and given that we have a number of young air cadets in the gallery. I know that we all wish we could recognize people when they are in the public gallery, but we know that is not consistent with our rules. If we could, we would. In the hon. member's name, I wish to welcome them.

**Some hon. members:** Hear, hear.

**Mr. Loyola Hearn (St. John's West, PC/DR):** Mr. Speaker, it is very appropriate today that we have young cadets in the House, listening to the ongoing debate. It is truly young people like that, and through the youth of our country, who will remember the sacrifices which others made for us.

Let me, as my colleague before me did, congratulate the member who brought the bill forward. It is something that is of extreme importance to all of us, to the veterans who are still alive, to the ones whose families are here and, in general, to the people of the country, not only the people who are Canadian, have been Canadian and were Canadian when the wars took place, but also others who were not.

We have to remember that during the first and second world wars people from two great nations were represented; Canada and Newfoundland. As members would know, Canada did not join Newfoundland until 1949. Consequently, we cannot forget that. In fact, every year we have the celebrations at Beaumont Hamel. Who cannot remember the Newfoundlanders who went over the top and only a handful, less than 10%, answered the roll call the next day to pave the way for victory with their lives? That is what Newfoundlanders and all Canadians did. Their sacrifices gave us this great, free, democratic nation that we have today. This cannot be forgotten.

Each year we remember on November 11, particularly in Newfoundland where it is not only a holiday but a holiday which

must be observed on that exact day. We cannot transfer the holiday to the following Monday or whatever should it fall on the weekend. The holiday is observed on November 11, as it should be and perhaps as it should be throughout the country.

The least we can do at this stage is to ensure that we have some remembrance for all this. Two minutes of silence across Canada is very significant. I can picture the country coming to a standstill, as the world perhaps came to a standstill when we realized that the great wars were over, that we could start rebuilding and that there would be peace.

However, as we know that is an awful lot for which to hope and wish. We have never found lasting peace in the world but perhaps we have avoided major world conflicts and hopefully we always will. However we can only do that if the young people today learn from the past. The old saying is "If we don't learn from the past we're doomed to repeat it".

Hopefully, by having this two minutes of silence, people will ask this is being done. Hopefully the answers they get will lead them to appreciate the sacrifices made by the people who went to the fronts, who sailed in our naval ships and who flew in our planes to ensure that Canada was protected, that our freedoms were protected and that forever and a day we would be the great nation that we are. In return, it is very little to ask that we pause and keep quiet for two minutes each year to remember their sacrifices.

We certainly support the bill. Again, I congratulate the member. It is a significant gesture that we cannot, and I am sure nobody will, say no to.

• (1145)

**The Deputy Speaker:** The Chair will recognize under right of reply for the next five minutes the hon. member for Calgary Southeast.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, I would like to thank all of my hon. colleagues for their interventions. I appreciate their support for this bill in principle.

Let me respond briefly to the Parliamentary Secretary to the Minister of Veterans Affairs who was the only member to, in a sense, speak against the legislation by suggesting that it was unnecessary.

This bill has been endorsed by The Royal Canadian Legion, by virtually every major veterans organization and by 65,000 Canadians who signed the petition that I tabled in this place. All felt that this would be a worthwhile symbolic gesture for parliament to formally endorse the two minute wave of silence across the country. The parliamentary secretary seems to suggest that the government has this matter well in hand. It does not.



Precisely witness the evidence of a declining recognition of the moment of silence across the country. I referenced the polling data which showed a really quite shockingly deplorable lack of public knowledge about our military history: 65% of young Canadians did not know what D-Day was about; 11% could not name two countries Canada fought against in the first world war; and 69% did not know that Vimy Ridge was an important Canadian victory. That was 69% of young Canadians from 18 to 25. Let us wake up here. Nearly 7 out of 10 young Canadians did not know about the most significant battle in Canadian military history and 67% did not know that November 11 was the end of the great war. Two-thirds of young Canadians did not even know the significance of Remembrance Day.

The parliamentary secretary gave us a speech as though the government had this commemoration of our military history well in hand. It does not.

This is not a partisan point. I am not blaming this government. I am blaming a couple of generations of Canadian leadership that failed to emphasize the centrality to our history of the sacrifices of our war debt. That is why this bill, on behalf of all parliamentarians, if passed will be a formal way to recognize this very important symbol of silence for two minutes on Remembrance Day across the country.

Furthermore, the British parliament had the good sense to adopt this when asked to by the royal legion. The Ontario provincial parliament has done likewise through a private member's bill.

In closing, once again I do appreciate the support in principle. I have heard members of other opposition parties invite me to seek to make this votable. I want to emphasize one more time that this came before the committee which was charged with determining which private members' bills were votable or not. That committee knew that the bill had received more petitions in support of it than any other piece of legislation or motion or policy before this parliament since it convened; 65,000 signatures.

On behalf of those 65,000 Canadians, on behalf of the several hundred thousand members of the Royal Canadian Legion and other veterans organizations who have endorsed this bill and on behalf of the members of all parties who seem to endorse it in principle, I seek leave to obtain unanimous consent to make Bill C-297 votable.

• (1150)

**The Deputy Speaker:** Does the hon. member for Calgary Southeast have unanimous consent?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**Mr. Jason Kenney:** Mr. Speaker, I rise on a point of order. I do not understand why the Liberal members opposite have denied unanimous consent to this bill. They granted unanimous consent to a motion from the—

**The Deputy Speaker:** Order, please. I believe we are engaging into a debate that is not a point of order.

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.

### *Government Orders*

**Hon. Gar Knutson:** Mr. Speaker, I rise on a point of order. Could we suspend until 12 o'clock?

SUSPENSION OF SITTING

**The Deputy Speaker:** Is it agreed to suspend the sitting?

**Some hon. members:** Agreed.

**The Deputy Speaker:** The House will suspend until 12 o'clock. (The sitting of the House was suspended at 11.54 a.m.)

SITTING RESUMED

The House resumed at 12.04 p.m.

---

## GOVERNMENT ORDERS

• (1200)

[*English*]

### BUDGET IMPLEMENTATION ACT, 2001

The House resumed from March 1 consideration of Bill C-49, an act to implement certain provisions of the budget tabled in Parliament on December 10, 2001, as reported (with amendment) from the committee, and of the motions in Group No. 1.

**The Deputy Speaker:** On a point of order, the Leader of the Government in the House of Commons.

BILL C-49—TIME ALLOCATION MOTION

**Hon. Ralph Goodale (Leader of the Government in the House of Commons, Minister responsible for the Canadian Wheat Board and Federal Interlocutor for Métis and Non-Status Indians, Lib.):** Mr. Speaker, I move:

That in relation to Bill C-49, an act to implement certain provisions of the budget tabled in Parliament on December 10, 2001, not more than one further sitting day shall be allotted to the consideration of the report stage of the bill and two sitting days shall be allotted to the third reading stage of the said bill and, fifteen minutes before the expiry of the time provided for government business on the day allotted to the consideration of the report stage and on the second day allotted to the third reading stage of the said bill, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the stage of the bill then under consideration shall be put forthwith and successively without further debate or amendment.

• (1205)

**Mr. Randy White:** Mr. Speaker, I rise on a point of order. I am trying to recall the standing orders, but I do not believe the minister can raise this motion on a point of order. I would like to ask the Chair whether or not my understanding of that is right.

**The Deputy Speaker:** I thank the hon. member for his intervention. Having consulted with our Table officers, in fact the proceedings are consistent with our practices in the House at this moment. Members will recall that on the previous Friday that we sat, the minister gave notice that the government would proceed accordingly. We are in government orders and of course on Monday routine proceedings will come later, after question period, so in fact we are well within the spirit and the letter of our proceedings.

Pursuant to Standing Order 67, there will now be a 30 minute question period. I am given to understand from the government that the Secretary of State for International Financial Institutions will be taking the questions.

*Government Orders*

If the Chair could have some indication as to the number of members who possibly could be participating in this 30 minute period, given the interest on the subject matter, I would hope with the co-operation of members to give as many members as possible the opportunity to participate.

We will proceed in the following fashion. In the first round, recognizing one member from each of the official opposition parties, I will allow two minutes for the question and subsequently a maximum of two minutes for the reply from the government side from the secretary of state.

**Mr. Jason Kenney:** Mr. Speaker, I rise on a point of order. Your Honour has indicated that pursuant to Standing Order 67.1(1)(a) there will be a 30 minute period for questions. You have indicated that the government will be represented by the hon. Secretary of State for International Financial Institutions. I would refer Your Honour to Standing Order 67.1(1)(a), which states:

When a motion has been proposed pursuant to Standing Order 57 or 78(3), there shall be a period of not more than thirty minutes during which time Members may put brief questions to the Minister responsible for the item which has been subject to the motion—

Mr. Speaker, Bill C-49 is presented in the name of the hon. Minister of Finance, not the Secretary of State for International Financial Institutions. This arrangement violates the standing orders. I, on behalf of this party, would request that Your Honour suspend this question period until the minister responsible appears in the House and is available for questioning.

• (1210)

**The Deputy Speaker:** I think I will be repeating something I just heard across the floor of the House, but for the sake of everyone who did not hear that exchange, in that same citation under 67.1(1)(a), the member for Calgary Southeast raises the prospect that the government should only be able to put the question:

—to the Minister responsible for the item which has been subject to the motion pursuant to Standing Order 57 or 78(3)—

Then I follow with:

—or to the Minister acting on behalf of the Minister sponsoring the item, and the said Minister may make a corresponding reply.

Again I think that in fact we are well within the confines of our rules.

**Mr. Randy White:** Mr. Speaker, I rise on a different point of order. I do not wish to challenge the Chair on your two minute ruling, but surely at this stage of the House of Commons in this session we are able to ask questions and get answers in a little shorter time than two minutes. Might I suggest one minute to allow more members more questions?

**The Deputy Speaker:** Certainly what I put forward is not a rule. It is simply a guideline. If members want to act accordingly and take a little less time, I fully concur with the member for Langley—Abbotsford that it would give more members an opportunity to participate. The Chair would be only too happy to facilitate that exchange during the next 30 minute period. I will begin with the hon. member for Calgary Southeast.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, first let me say at the outset that I am disappointed that

the Minister of Finance never appears in the House to defend his bills. That is not the convention—

**The Deputy Speaker:** Order, please. I know that the member for Calgary Southeast is a very experienced member of the House. I am sure he will recognize that it is not consistent with the practice of the House to reflect on the absence of any one member at any time.

**Mr. Jason Kenney:** Mr. Speaker, let me put it this way. In the mother parliament, Westminster, the chancellor of the exchequer is present in the house of commons to represent his position on bills before that house. It is unfortunate that we have lost that convention here.

It is doubly unfortunate because in fact the bill and the provisions which we will be focusing on overwhelmingly concern the Department of Transport, and the Minister of Transport has basically admitted in public that his recommendations on the bill were overridden by the Department of Finance.

The \$24 return flat tax on air travel will have a devastating effect on air travel, particularly for short haul, low cost airlines. We received testimony from eight witnesses at committee and every single one opposed the \$24 round trip tax, including the Canadian air transportation agency, the Canadian pilots' association, WestJet and the unions representing the industry, all of them saying that the impact of this could be devastating.

Does the secretary of state not recognize that a flat \$24 fee levied on a short haul, low cost carrier for an airfare from Vancouver to Victoria, where the base ticket price may be \$60, is all out of proportion to a \$24 charge assessed for a business class ticket from Victoria to St. John's, Newfoundland on a \$4,500 full fare ticket?

Does the secretary of state not understand that his government may be responsible for putting out of business low cost, short haul air carriers such as WestJet and smaller companies and that it would destroy whatever vestiges of air competition we have in the country?

**Hon. John McCallum (Secretary of State (International Financial Institutions), Lib.):** Mr. Speaker, there are two answers to the question. First, the \$12 charge has the virtue of simplicity. Second, it is fair in the sense that the cost of the additional security is not a function of the cost of the ticket. It is not a function of the distance travelled. The security cost to fly from Victoria to Vancouver is the same as the security cost to fly from Victoria to St. John's. In that sense it is fair.

That having been said, the government is committed to a full review of the program in the fall, at which point the legislation mandates the government to reduce the charge if circumstances warrant. In addition to that, the government will even be open to representations from interested parties that might want to recommend an alternative structure.

• (1215)

[Translation]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, I agree with the hon. member. One wonders why the government is so anxious to quickly pass this bill, when it is so controversial. The more we talk about this legislation, the more issues are raised.

*Government Orders*

WestJet was mentioned, but the whole tourism industry is affected. Witnesses appeared before the Standing Committee on Finance to condemn Bill C-49 and the air transportation tax. They all said that it will have a disastrous impact on their industry. It is the same thing for regional carriers and small airports.

I have a question for the secretary of state. When he told us about the impact of that new tax, how could he state that it will have no or only insignificant effects and that our questions regarding this new transportation tax were totally ridiculous, as he did not have any impact study on the implementation of such a tax?

How can he be so sure when his comments are not based on anything?

**Hon. John McCallum:** Mr. Speaker, we want to proceed quickly, because we experienced a real crisis on September 11. The airline industry suffered huge losses. It is absolutely critical to have the confidence of those who fly.

Long delays mean that the new agency cannot begin to improve security. The more the legislation is delayed, the more the implementation of these security measures is delayed.

Following the September 11 events, these security measures have become absolutely essential to restore traveller confidence and ensure Canadians' security. This is the responsible thing to do and this is why we are doing it.

[*English*]

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, the minister is a relatively new member of the House and the cabinet so I want to ask him two questions. One concerns reforming this place. The other one is on the substantive issue itself.

The all party committee agreed to one of my amendments, which was to put labour representation on the new board of directors of the security authority, the new crown corporation that is created. We had an amendment saying that the labour unions, representing the security workers themselves, would be sitting at the boardroom table. That was an amendment accepted by the all party committee with support from some members of every party in the House.

In terms of the independence of the finance committee, as the member was a member of the finance committee at one time I would like him to comment on whether he is happy with the government's decision, which I assume is directly from the PMO, to override what the committee recommended in terms of having labour trade union representation on the board of directors.

This was a committee decision and it came to the House as a bill that was amended to include representatives from the trade union movement, two representatives, in fact. The idea was put forward by the national director of the United Steelworkers of America, Lawrence McBrearty, and it was very well received by the committee. The amendment was accepted, voted on, carried and became part of the legislation. Why do we have a committee system in the House and spend all kinds of money on that committee system if the government can override what the committee decides? That is fundamental parliamentary democracy. I am concerned about that and I hope that the minister across the way, as a very new member of the cabinet, would get up and express the same kind of concern.

Then substantively I would ask him, what has he against putting in legislation a guarantee that the people who are the frontline workers, the security workers in the airports in this country, have some representation at the boardroom table?

**Hon. John McCallum:** Mr. Speaker, I would think that the fundamental principle of democracy is that the House of Commons makes the ultimate decision, not the committees, and that is indeed what is happening in this case.

That having been said, I did promise to the hon. member that I would convey his desire for labour representatives to the Minister of Transport, which I have done. It is really a decision for the Minister of Transport and the new agency to make, not the Department of Finance.

• (1220)

**Mr. Scott Brison (Kings—Hants, PC/DR):** Mr. Speaker, it is unfortunate the government is again using time allocation to railroad legislation through the House of Commons at a time when there is not an active legislative agenda for the government. There should be no rush. We could describe it as an anemic legislative agenda.

Why was there no impact analysis whatsoever of the impact of a \$2.2 billion tax on the regions of Canada, on discount and short haul carriers that are so important and necessary for air competition, and on struggling airports? Why was no impact analysis done?

Why have the government, the Minister of Finance and the Department of Finance priced the air traveller tax so high? The U.S. equivalent is \$2.50. In Canada it would be \$12. Arguably the Liberal plan in the long term to devalue the Canadian dollar would help equalize it in time, but in the short term is security a premium?

Finance officials have stated publicly that they based the fee on questionable data which significantly underestimates Canadian air travel over the next year. Based on current air traveller traffic the government would take in over \$1 billion more with the tax than it would spend on implementing security measures.

The government is trying to profit on the back of Canada's most vulnerable industry, the airline industry. It is exploiting the September 11 tragedy in many ways to raise revenue for Liberal spending.

The government and the minister have stated that they would reduce the tax if they discovered after the first year that it took in more revenue than was required. Why will the government not amend the legislation to ensure the tax would be reduced if it took in more revenue than was required to implement the security measures all Canadians agree are necessary?

**Hon. John McCallum:** Mr. Speaker, 20-20 hindsight is wonderful. However I will take the hon. member back to September 11.

*Government Orders*

There was a sense of crisis, a sense that Canadians demanded action to improve security at airports. It was not a time for more studies. It was a time for resolute action and leadership to provide security to air travellers and restore the confidence of Canadians in air travel. That is precisely why the government has taken this firm action rather than requiring months of studies as the opposition seems to demand. The time was for action, not studies.

That having been said, in the fall we are committed. The legislation would give the government the right through order in council to reduce the charge. As we have said many times, this is precisely what we would do in the event the revenues appeared to exceed the expenditures.

**Mr. Charlie Penson (Peace River, Canadian Alliance):** Mr. Speaker, the Secretary of State for International Financial Institutions seems to suggest there is a such a hurry that we can go down the wrong road if need be to apply security fees.

Security in Canada should not be based on a user fee process. We do not charge user fees at our ports where there are security issues with the containers coming in. We do not charge user fees in our cities where there are problems with bikers who pose a security risk. It is a general concept that security in Canada is paid for by all taxpayers. The concept should be recognized in the case of airport security as well.

The system the government is proposing would cause companies like WestJet to withdraw from my hometown of Grande Prairie, Alberta on flights to Calgary and Edmonton because they would be competing against people who drive. The added cost of an airport security fee would be a big expense to WestJet. It would cause the loss of a carrier.

There is a need for more security at airports. That was evident after September 11. I agree with the secretary of state. However let us not get it wrong. Let us get the process right. The fee should come out of the general revenue. The government must recognize this. It is a concept we use all the time. If there are a lot of speeders on a highway who pose a security risk the RCMP does not tax the people along the highway. It comes out of the general revenue.

We must think in terms of a broader approach. I ask the secretary of state to reconsider the whole concept.

• (1225)

**Hon. John McCallum:** Mr. Speaker, the great bulk of the additional security costs the government has implemented come out of the general revenue. The measures announced in the budget to improve security would total \$7.7 billion. All that would come out of the general revenue except for the \$2.2 billion, about 30% of the total, that would be applied to air travel.

The government believes it is fair and reasonable in the case of air travel that a user charge or the equivalent of a user charge be borne by those who are the principal beneficiaries and users of the system. It is not an unreasonable position. WestJet has recently bought new airplanes and issued new dividends to its shareholders. It is not about to go bankrupt. In any event, as I have said several times, the whole program will be reviewed in the fall.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I cannot tell the House how incensed I am that the government is not listening.

I was on the finance committee. Every witness said this was wrong because it would kill service to small communities. Yet the government is invoking time allocation to speed through a process of collecting a tax. It has nothing to do with increased security. Security would be there anyway. We are told in any case that no new measures would be in place until the fall.

The government is invoking time allocation to collect a new tax which would be punitive to small carriers, detrimental to our economy and way beyond what is necessary. It is incredible that we want to jam it through parliament when the committee asked for studies and the studies have not been done.

The secretary of state talked about 20:20 hindsight. He is projecting that the government will use hindsight. It will wait until the carriers are pushed under. Next fall it will look back to see how many of them went belly up. Then it will change the tax. I say big deal. Why do we not look ahead and say this is the anticipated result?

The secretary of state is an economist. He is supposed to be a specialist in projecting the future, not simply looking back. It is time the government listened and did the right thing. Why should we jam the bill through, do it incorrectly and kill the industry?

Before September 11 the airlines were in trouble because our economy was going down. September 11 made it much worse. Invoking time allocation on the bill would hasten the demise of our small air carriers. That is what the government has as its priority.

Can the secretary of state tell us why there is a big hurry when the facts are not even in? We should be looking at the facts of the case and not blindly following an agenda.

**Hon. John McCallum:** Mr. Speaker, it is the Liberal government that is forward looking. It is the Canadian Alliance that is mired in the old fashioned ideas of the 1950s and 1850s.

The hon. member displays his usual lamentable ignorance about the facts of the matter. The essential need is to establish the new Canadian Air Transport Security Authority. The intent is to have it established by April 1. We can then move as fast as possible to bring in the enhanced security measures. Every day of delay beyond April 1 is a delay in bringing in the enhanced security measures Canadians need for security and to restore confidence. That is the essential reason for the need for speed.

• (1230)

**Ms. Val Meredith (South Surrey—White Rock—Langley, PC/DR):** Mr. Speaker, I find it interesting that all the questions concern an airport security tax when this is a budget implementation bill. It should show the government the seriousness and concern all members of the House have regarding one part of the budget implementation bill.

*Government Orders*

This is the same government that collects billions of dollars in employment insurance premiums to the tune that it has three times the amount of money that people who deal with these things say is required for future downturns in the economy.

This is an opportunity for the government to do the right thing. The parliamentary committee on transportation studied the issue for three months. It went into great detail and recommended to the government that the costs of airline security be borne across the board by taxpayers, industry and consumers. The government has decided to ignore the recommendations of the committee and implement the airline security tax.

There is another issue I will ask about. The government gave security equipment to an association to maintain and look after it. Will the government use this money to pay for the equipment it bought and then gave away? Will it double pay for something that belonged to it in the first place?

The government is not only ignoring the recommendation of the committee, which is an abuse of parliament. It is paying twice for something Canadian taxpayers have already paid for. Will the government get the equipment back without paying for it?

**Hon. John McCallum:** Mr. Speaker, the government is not in the business of double paying. Apart from that I did not hear any question in the hon. member's statement.

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I will ask the secretary of state for financial institutions about the amendment carried by the finance committee that would allow trade unions representing security workers to sit on boards of directors of new crown corporations. He said it was democratic because parliament would decide.

I remind the secretary of state that a committee of the House is also parliament. It is part of parliament. It is not a committee of the whole where the Prime Minister's Office can override what parliamentary committees have decided. Parliamentary committees have more expertise on issues than parliament as a whole because people from all five parties who sit on the committees are responsible to know and study the issues, hear and question witnesses, and consider seriously all the amendments put forward.

The finance committee in its wisdom decided to support the amendment. Members from all political parties voted yes. Is the secretary of state comfortable with the role the Prime Minister's Office has played by overriding, through the Minister of Transport, the wisdom of the finance committee?

Surely to goodness we could have some independence from the secretary of state across the way. Surely he or some other minister could say he was uncomfortable with the interference of the Prime Minister's Office in overriding the wishes of the committee. If not, why do we have committees? Why do we waste our time going to committees? Why do we put all the time into the issue if the Prime Minister's Office can come in here and say it does not matter anyway? Why do we put in the time if the PMO can override the witnesses, disregard the wisdom of all the Liberal and opposition members of parliament and ignore what the committee is saying?

**Hon. John McCallum:** Mr. Speaker, I am very comfortable with the role the Prime Minister's Office has been playing in the matter.

The government takes seriously the recommendations of committees, but committee recommendations are not necessarily the final word because ultimately in a democracy a government has a responsibility to govern. In the relatively few cases where the government disagrees with a committee's recommendations it is entirely appropriate for the government to govern in the House of Commons, as is happening in this case.

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, last year the pre-screening of passengers cost \$1.10 per passenger. Under Bill C-49 the government would charge passengers \$12 a head. Can the secretary of state tell the House if Canadians could expect tenfold the security measures they experienced last year? Precisely what would they get for ten times the amount of money?

Last year the Air Transport Association of Canada estimated that 43 million people walked through airport security checkpoints in Canada, and last year was the worst on record for commercial air traffic. The government's tax and its revenue is based on an estimated 36 million passengers. How did the government arrive at such a low number of 36 million given that WestJet last week bought two brand new 767s, Air Canada has rehired staff and its March traffic is equal to last year's prior to September 11?

If this year's traffic matches last year's of 43 million people, which again was the worst year on record, we could raise the \$430 million the finance minister needs this year by asking each passenger to pay \$9.14 rather than \$12. Why is the government proposing to charge \$12 if \$9.14, given the traffic of last year which was the lowest ever, would give it the same revenue? Why is it overtaxing?

• (1235)

**Hon. John McCallum:** Mr. Speaker, we are not overtaxing given the information we have at this time. The point the hon. member and the newspaper article fail to grasp is that the number of emplanements is not the same as the number of \$12 charges. Some people flying from A to B to C will pay only \$12 but when they fly from A to B and then from B to C that will be two emplanements. In calculating the number of emplanements we reduced the gross total by 25% to allow for these flights from A to B to C. That was the logic.

As I have said a hundred times by now, if air travel proves to be stronger than thought at the time it will be cause for celebration because the economy will be improving faster than we had believed. Should that be the case, at the appropriate time the government has the authority to lower the charge.

*Government Orders*

**Mr. Gerald Keddy (South Shore, PC/DR):** Mr. Speaker, because the debate pertains to budget implementation, I have two questions. The first question is for the secretary of state and it concerns the \$7.2 billion designated for actual security in this country. How long will it be before that security spending is in place? Most of the promises we have heard in the budget are simply to do something at some time in the future.

My second question concerns the capital gains deferral promised in the last budget for private woodlot owners. The regulatory regime to go along with that is not in place yet. Who will actually benefit from this new capital gains deferral and by that I mean who will be described as a private woodlot owner? Who will intergenerational apply to and what will be the definition of sustainable woodlot?

What we do not want to see in the budget is a repeat of the last budget where we saw volunteer firefighters get a \$500 tax deduction that did not apply to them.

**Hon. John McCallum:** Mr. Speaker, with respect to the hon. member's first question, I believe the budget announced \$7.7 billion for security over a period of five years.

The second question was of a technical nature regarding the woodlot owners. I do not have all the answers to that question but I will get back to the member as soon as I can.

**Hon. Lorne Nystrom:** Mr. Speaker, I want to ask the minister a question in his capacity as an economist. He is saying to the House on the \$24 tax that whether it is a long haul flight or a short haul flight, the cost of security is still the same.

If we buy the argument that the cost of security is still the same because it is going through the same security people, as an economist what is his prediction as to how this will affect people flying a short haul distance as opposed to long haul distance? The cost of the ticket will be increased by a much larger percentage on a Regina to Winnipeg flight than on a Vancouver to Toronto flight for example. As an economist, when there is that kind of increase, which would be a considerable percentage increase, what kind of a slowdown does he predict we will see in traffic on short haul flights?

I think of the small airports such as Grande Prairie, Alberta and Prince Albert, Saskatchewan where many flights are extremely short haul, where a \$24 tax on a return ticket can be well over 10% or 12% of the ticket. However if there is a \$24 tax on a ticket from Vancouver to Toronto return, it is only 1% of the cost of the ticket.

What is his projection as to the impact on travel for short haul flights if this tax remains in effect for a year at the \$24 rate? I know he will say that it will be reviewed in the fall but let us assume it will stay in place for a year. What will be the impact on short haul travel as opposed to long haul travel in this country and the impact on some of the small airports?

• (1240)

**Hon. John McCallum:** Mr. Speaker, there is less than a year between now and the fall so there is a possibility of adjustment in less than a year. I would defend the \$12 fixed amount on grounds of equity principally because the cost of this additional security is not a function of the price of the ticket and it is not a function of the length of the flight. The security cost is as great for Victoria to Vancouver as for Victoria to St. John's, so it is fair.

I take the member's point that the impact may be greater on the short haul flights because it is a larger percentage of the total ticket. However it is still equitable to allocate the charge according to where the actual costs are incurred which is what this measure does.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, witnesses from the transport department admitted at committee that this tax would be imposed on travel even from airports which do not provide security service.

The Vancouver International Airport Authority, for instance, operates a subterminal called the Vancouver South Terminal, out of which there are 10 and 15 minute float plane flights to places like Salt Spring Island, with a \$30 or \$40 fare. The transport official told us at committee that people flying out of a subterminal of the Vancouver airport will end up paying the \$24 round trip tax on what could be a \$30 base price ticket but that there will be no security there. One does not go through a screening machine to get on a four person float plane to go to Salt Spring Island from Vancouver.

How can the government charge a tax for a service that is not rendered? How can it force people to pay for security that they do not get and, frankly, in that instance they do not need?

**Hon. John McCallum:** Mr. Speaker, I believe 89 airports have security processes and they are the ones subject to this charge. If one is flying from a small airport in the north to another small airport in the north which do not have those security services, then one does not pay the charge.

The list of airports affected is a dynamic, ongoing list. If there are additions or subtractions to the security services at any given airport, it will be reflected in changes to the list going forward.

[Translation]

**Mr. Yvan Loubier:** Mr. Speaker, I would like to ask the secretary of state a question. I have already asked it of the Minister of Finance, who has, as usual, given me a non-answer.

When reference is made to the user pay principle in connection with this air security tax, is it not incorrect to apply it in this context, because we know very well it is not a matter of user pay? It is not merely passenger security that is involved, but everyone's security. Six months after the events of September 11, we know that the passengers on the planes were not the only victims. There were also the people in the twin towers.

Would it not be a good idea, then, for everyone in Canada to pay for these new security provisions, not just the carriers, because this will mean the death of some of them?

**Hon. John McCallum:** Mr. Speaker, as I have said, the costs are not wholly borne by users. They pay \$2.2 billion of the total of \$7.7 billion, or 30% of the costs.

It seems to us reasonable that users pay 30% of the costs; this is not the entire cost.

[English]

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

**Some hon. members:** Question.

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

**Some hon. members:** Agreed.

**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.

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

*And more than five members having risen:*

**The Deputy Speaker:** Call in the members.

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

*(Division No. 236)*

**YEAS**

Members

Adams	Alcock
Allard	Assad
Assadourian	Bagnell
Barnes	Bélanger
Bellemare	Bennett
Bertrand	Bevilacqua
Binet	Blondin-Andrew
Bonin	Boudria
Bradshaw	Brown
Bryden	Byrne
Calder	Cannis
Caplan	Carroll
Castonguay	Catterall
Charbonneau	Chrétien
Coderre	Collenette
Copps	Cotler
Cullen	Cuzner
DeVillers	Dhaliwal
Dion	Dromisky
Drouin	Duplain
Easter	Eggleton
Eyking	Farrah
Folco	Galloway
Godfrey	Goodale
Graham	Harb
Harvey	Jackson
Jordan	Karetak-Lindell
Karygiannis	Keys
Kilgour (Edmonton Southeast)	Knutson
Kraft Sloan	Laliberte
Lastewka	LeBlanc
Lee	Leung
Lincoln	Longfield
MacAulay	Macklin
Mahoney	Malhi
Manley	Marcil
Martin (LaSalle—Émard)	Matthews
McCallum	McGuire
McKay (Scarborough East)	McLellan

Mills (Toronto—Danforth)
Mitchell
Myers
Normand
O'Reilly
Pagtakhan
Peric
Pettigrew
Pickard (Chatham—Kent Essex)
Pratt
Proulx
Regan
Robillard
Saada
Scherrer
Sgro
St-Jacques
Stewart
Telegdi
Thibeault (Saint-Lambert)
Tonks
Valeri
Wilfert

*Government Orders*

Minna
Murphy
Neville
O'Brien (Labrador)
Owen
Paradis
Peschisolido
Phinney
Pillitteri
Price
Reed (Halton)
Richardson
Rock
Savoy
Scott
Shepherd
St. Denis
Szabo
Thibault (West Nova)
Tirabassi
Torsney
Vancief
Wood— 124

**NAYS**

Members

Bachand (Saint-Jean)	Bellehumeur
Brisson	Burton
Cardin	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Duceppe
Duncan	Epp
Forseth	Fournier
Gagnon (Québec)	Gauthier
Godin	Grewal
Guimond	Harris
Hearn	Hill (Prince George—Peace River)
Hinton	Jaffer
Keddy (South Shore)	Kenney (Calgary Southeast)
Laframboise	Lauctôt
Lebel	Loubier
Lunn (Saanich—Gulf Islands)	Lunney (Nanaimo—Alberni)
MacKay (Pictou—Antigonish—Guysborough)	Marceau
Mark	Mayfield
Meredith	Merrifield
Moore	Nystrom
Penson	Picard (Drummond)
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Rocheleau	Roy
Skelton	Solberg
Sorenson	Stoffer
Strahl	Thompson (Wild Rose)
White (Langley—Abbotsford)	Yelich— 58

**PAIRED**

Members

Anderson (Victoria)	Asselin
Augustine	Baker
Beaumier	Bergeron
Bigras	Bourgeois
Brien	Bulte
Caccia	Cauchon
Comuzzi	Desrochers
Gagnon (Champlain)	Guay
Harvard	Hubbard
Jennings	Lalonde
Lavigne	McCormick
Nault	Paquette
Perron	Plamondon
St-Hilaire	Steckle
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)— 30

● (1325)

**The Deputy Speaker:** I declare the motion carried.

*Government Orders*

I wish to inform the House that because of the proceedings on the time allocation motion, government orders will be extended by 30 minutes.

• (1330)

## REPORT STAGE

The House resumed from March 1 consideration of Bill C-49, an act to implement certain provisions of the budget tabled in Parliament on December 10, 2001, as reported (with amendment) from the committee, and of the motions in Group No. 1.

**Mr. Ken Epp (Elk Island, Canadian Alliance):** Mr. Speaker, I am very upset about what is happening in the House. I am starting to feel the same as did the former member for Cypress Hills—Grasslands, Lee Morrison. In his last statement in the House he made reference to the fact that he considered his years in parliament to be a waste of time. I am starting to feel that way too, Mr. Speaker. I am starting to feel as though I should stay at home with my family and enjoy my life because this place is becoming increasingly useless.

**The Deputy Speaker:** Order. I would ask members to take their discussions to the appropriate lobbies.

**Mr. Ken Epp:** Mr. Speaker, I would have been more pleased had you invited them to be quiet and listen to what I had to say because I think it is important.

My former colleague from Grasslands in Saskatchewan said that his years here were a waste of time. This is what I am starting to feel.

We have had a number of good times in the finance committee over the last three or four years. I have served with some enthusiasm on that committee. We have had a considerable impact. We have had a good collegial attitude. We have been professional. We have listened to witnesses and have included what they have said in our reports.

Unfortunately, as I mentioned in my speech on the budget, most of our budget recommendations were not included in the finance minister's budget this year. However, we worked independently as a committee to give the finance minister advice so that the tax burden and the expenditure of public moneys would be in line with what Canadians wanted. That has now completely deteriorated. That is so frustrating.

All the Liberals just voted for closure. They said that they want to stop debating this. I have an inkling that most of them have not read the transcripts from our committee. They do not know what the issues are. All we are told is that they want to get this thing on the road so they can start collecting a tax so please stand up when told to. All of the members, including those who crossed the floor from the opposition benches to the Liberal benches, voted to shut down the debate.

Closure and time allocation would not be necessary if we treated with dignity the ideas and the conclusions of members of parliament and, as a matter of fact, the recommendations of the witnesses at the committee and the questions and concerns expressed by all committee members. I emphasize that all members of the committee were interested in hearing more details. This did not happen.

Instead, when it came time to vote, the members who had heard the witnesses, who had been there to hear our arguments, for the

most part were pulled off the committee. Substitute members were put in whose only credentials were that they were able to vote the way they were told.

In other words, every amendment that came from an opposition party would be routinely defeated. A number of amendments came from the Liberals because the legislation was not perfect. They found a whole bunch of areas in this legislation which they wanted to change at committee stage and so they did. They brought in their amendments and all of those amendments passed and for good reason.

As a matter of fact, if members came to committee with an amendment and said that they had missed something and wanted to fix it, I would vote in favour of it at committee. Why not? My job is to do what is best for the citizens of Canada.

Yet in Bill C-49 there is the imposition of a tax. The parliamentary secretary will use perfect hindsight next fall when he looks at this new tax. He will look in his rearview mirror and will see all of the airlines that have gone out of business or that have cut services. Then the government will adjust the tax, after the damage is done.

Time allocation would have been unnecessary if members of the committee had been free to exercise their own judgment and to recommend to the Minister of Finance that the tax should be revised now to prevent the damage that it will do instead of looking at it in the fall to see what damage has been done. It is atrocious. Parliament is totally missing its responsibility and the opportunity to do what is right. I am appalled by that.

Those members very gladly step up to the plate for the Prime Minister and say that they will have more dignity because the Prime Minister will arrange for them to have bigger and better salaries. I say let them have the dignity of thinking and voting for themselves, whether it is on time allocation or in committee.

• (1335)

Let Liberal members get that dignity, then they will earn their salaries. Right now they could all be replaced by a bunch of little pneumatic dolls with little buttons that run a little air pump so that they stand up to vote on command. That is really atrocious.

I am very appalled. Perhaps next fall we will see on the news the impact this will have had on the airline industry and in services to small communities. Perhaps next fall when we look back at the damage that has been done the Liberals will say that a member of the House and the finance committee had the foresight to see this and warned the members, but they did not pay attention. They blindly went ahead and imposed a head tax for security instead of actually doing what was recommended by common sense, by the witnesses, and I am sure by economists, if they had had a chance to study it.

That brings me to another very important point. Why is closure being used when an economic impact study has not been done? It is incredible that we would put our country's airline industry at risk by imposing a tax when the department officials have admitted that they have not done an economic impact study on what the results of the new tax will be. They are just guessing. The finance minister pulled \$12 and \$24 out of a hat. It is incredible. In the United States the fee for airline passengers is \$2.50 U.S. with a maximum of \$5 on a trip.



Earlier today the parliamentary secretary said it is a very simple tax. That is not what the witnesses told us. That is not what people from the airline community have told us in their submissions to us. They have said this is an incredibly complex tax. It is based upon where a flight starts, where it ends and in some cases where it has been in between.

Did the passengers have to go to a major airport to make a connection to another little town? Perhaps they went from little town *A* to little town *B*, but they happened to go through Vancouver or Toronto to get there. What is the impact and who will pay the security tax? In some cases the passengers do not even go through security because the same gate is used. It is absolutely incredible that these people should be taxed.

The most important consideration is that the burden of funding the security issue is being placed entirely on airline passengers. We are ignoring the fact that on September 11 most of the people who died were not in airplanes. It is of public interest to have secure airways. The excessive tax will kill the very industry that needs to provide safe services. Sure, it will cut off airline terrorism, because there will be no more airlines on which to fly.

Words fail me, which does not happen often. I am out of words to say what a huge error we are making here and how despicable it is that this parliament with all this collective talent, and intellect presumably, is unable to see the situation which is so obvious.

• (1340)

**Mr. Dennis Mills (Toronto—Danforth, Lib.):** Mr. Speaker, I have listened to members of the opposition this morning. There is a far greater challenge that we have in the House in dealing with the budget implementation bill.

I will speak a little about how the public perceived the work of the House over the last few months and I will specifically limit my remarks to the greater Toronto area.

The budget asked us to approve spending in the neighbourhood of some \$150 billion. The greater Toronto area would receive about \$28 billion from the budget approval process that we are talking about in the House today. It would include transfers to the provinces, municipalities, grants from various government departments, from agriculture right through to veterans affairs, environment, and heritage.

This amount of government expenditure has been going on in the greater Toronto area for the last four years. To put it all in perspective, the taxpayers of the greater Toronto area send close to \$35 billion to the treasury. That means there is close to \$7 billion that is used for interest payments, debt reduction, and equalization to those regions of the country that do not have the economic opportunity of the greater Toronto area.

My point today that I think is extremely relevant for all members of parliament has to do with the communications that flow from the budget exercise. Over the last three months we have heard repeatedly in the Toronto media that the Government of Canada presence in the Toronto area was marginal. Headlines in our largest newspaper, the Toronto *Star* were saying that members of parliament in the greater Toronto area were missing in action and that there was no federal support for activities in the GTA. The mayor of our city, on radio,

### *Government Orders*

television and print, publicly called for the defeat of all Toronto members because he believed that there was very little Government of Canada activity happening in the greater Toronto area.

Toronto would receive \$28 billion of appropriations from the budget. I believe this is a problem not just in the greater Toronto area. Most government grants and allocations of funds that flow from the budget are essentially handled in a way where there is little communication with the people in the community.

It has come to a point where we now have a crisis in the country. More and more people are asking, and I have heard this in other regions of the country as well, "What do you do when you go to Ottawa?"

• (1345)

The reality is there is not a member of parliament, whether a government member or an opposition member, that is outside the loop of receiving from some department or another government support to help stimulate the economic activity in his or her community.

My own view is that 99% and maybe even more of this money is essentially managed and allocated through the bureaucratic process in government. Many times MPs do not know how that money is being disbursed. The only people who really know are the few people receiving it because the federal presence around this money is not there.

By contrast, in the province of Ontario which I come from, people can go to any radio station or read any newspaper and they will see SuperBuild ads everywhere. These ads indicate what the province of Ontario would do through SuperBuild in the province and in communities in Ontario. People cannot drive down a new piece of paved road without seeing half a dozen SuperBuild signs educating the public on where their provincial tax dollars are going.

I seek unanimous consent of the House to propose an amendment to Bill C-49, the budget implementation bill, before us today by adding a new clause after line 22 on page 112 that the governor in council shall allocate one-half of 1% of all moneys appropriated by this act for the purpose of disseminating information concerning the provision of programs and services by the Government of Canada under this act to ensure that the people of Canada are properly informed as to those programs and services.

• (1350)

**The Deputy Speaker:** Does the hon. member for Toronto—Danforth have unanimous consent of the House to propose the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

[*Translation*]

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, it is with pleasure that I rise to speak to the first group of amendments, most of which were put forward by the Canadian Alliance members.

*Government Orders*

One of the motions moved by a Canadian Alliance member is particularly interesting. It moves that there be periodic reviews of the impact of the new tax proposed to pay for airline security.

When I listened to the evidence of public servants during the hearings of the Standing Committee on Finance, I was surprised to learn that there had never been any sort of study done of the impact of introducing a new air travel tax.

At the time, I moved a motion that all impact studies and analyses related to the introduction of this new tax be made available to committee members. To my great surprise, the General Director of the Tax Policy Branch, Mr. Dupont, candidly admitted that he had done no analysis of the impact on air travel demand, on the survival of small regional airports—those in Baie-Comeau, Sept-Îles and elsewhere—and on the implications of this new tax for the Canadian tourism industry. No questions had been asked about the impact such a tax would have on the development of the regions. I was flabbergasted.

Analyses and impact studies are often done for much less significant measures. In a sector such as the airlines, which has been sorely tested since September 11, and even before because of the economic downturn, such a tax can be fatal. It can make it impossible for small airports and small carriers to continue to operate.

What does this mean? It means that in this country there are two kinds of citizens: those who have access to services because they live in major centres and will still have access to these services at fairly competitive rates; and those who live in remote areas, who will be cut off from major centres—such a trend is already apparent—who will not have access to adequate air services, and who will not have access to frequent flights between so-called remote areas and major centres.

Even before the minister had such a stupid idea as to introduce a new tax in the airline industry, we were hearing warning bells in the regions. When the Bloc Québécois held prebudget consultations in the regions, we were told that because of the increase in ticket prices since 1983, it was already getting difficult to keep regional carriers afloat and maintain connections with large centres.

Despite their natural beauty, some areas such as Abitibi-Témiscamingue, the Gaspé Peninsula, the Magdalen Islands, and others, are unable to set up a tourism development plan, due to the lack of flights—my colleague from Sept-Îles can confirm this—since this is often the only efficient means of transportation to link a large centre or part of a remote area with another even more remote area.

The Minister of Finance comes up with this stupid idea of imposing a tax on air transportation that will add to the already very expensive ticket prices in Canada. For example, since 1983, there has been a 10% increase in airline ticket prices in Canada. Some may say that since 1983, 10% is not much, but during this same time in the United States, ticket prices have dropped 43%.

So we find ourselves in a situation where the airline industry is having problems, aggravated by the events of September 11, when it was already suffering from a lack of competition that did not allow it to take advantage of profit margins as much as Americans or others could. It is important to understand that our population density is not

comparable to that of the United States, Asia or Europe. How then can such a new tax be justified?

● (1355)

Over the weekend, our brilliant Minister of Transport said that carriers should lower airfares. How can they lower airfares when they are having difficulties ensuring their survival?

Also, what is being replaced right now are expenditures for which airports, in particular, were responsible, to the tune of \$120 million annually. Now, they are being asked to fund a new \$2.5 billion tax. This is more than triple what they were asked before, and the Minister of Transport is telling us “There is no problem. Carriers can absorb these new costs, because they no longer absorb the previous security related expenditures. These are assumed by the government. Moreover, carriers have enough flexibility to hide this tax in the airfares without increasing them and get away with it.”

To present things in that fashion is really not to know the industry at all. I remind those who are listening to us that all members of the Standing Committee on Finance, including government members, were stunned to learn that no impact study had been done before deciding to impose such a tax. This morning the secretary of state tried to justify somewhat the government's actions by saying “As you know, we have had to act quickly since September 11. We had to act quickly and propose such a tax”. To act quickly is one thing, but to do things intelligently is another matter.

This government is not acting properly when it is considering imposing this tax as of April 1. It is time the government got into a better frame of mind. It has had time to do some thinking over the past six months, since September 11. Then why, in spite of the unanimity among the airline and tourism industries, among stakeholders involved in regional development, among people who manage air transportation and tourism services, as well as small airports on a daily basis, does the government not listen to the arguments of all these stakeholders, who unanimously condemn such a tax? Why did the Minister of Finance, who believes that there is no fiscal imbalance—people are again making fun of him—with his huge hidden surpluses, not show some flexibility and provide \$2.5 billion over a five year period—it is not much—to fund all these security initiatives?

Security concerns everyone, not just those who fly, particularly when such a measure could jeopardize air connections between major centres and so-called remote regions. The development of these regions is being jeopardized.

This is why I will support the Canadian Alliance motion. The Bloc Québécois will continue to condemn this tax, which does not make any sense.

## STATEMENTS BY MEMBERS

[English]

### TERRORISM

**Mr. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, six months from September 11, the foundational principles of counterterrorism law and policy bear recall and reaffirmation, particularly in light of the horrific terrorist assaults on civilians in Jerusalem this past weekend.

First, terrorism, the deliberate maiming, murder and terrorizing of innocents, can never be justified. Canada, as the Prime Minister put it, condemns without equivocation this use of terrorist violence for political objectives.

Second, the transnational networks of super-terrorists, with access to weapons of mass destruction, constitute an existential threat to the right to life, liberty and the security of the person.

Third, freedom from acts of terror and freedom from fear of terror constitute a cornerstone of human security.

Fourth, there can be no moral equivalence or similitude between terrorism and counterterrorism.

Fifth, support and sanctuary for groups responsible for terrorism, as the Prime Minister put it, is unacceptable.

Sixth, counterterrorism must always comport with human rights and humanitarian norms.

Canada extends its deepest sympathies and condolences to the families of the victims of terror on this six month anniversary of September 11.

\* \* \*

● (1400)

### FIREARMS

**Mr. Philip Mayfield (Cariboo—Chilcotin, Canadian Alliance):** Mr. Speaker, the safety course the government has forced law-abiding responsible firearms owners in British Columbia to take is no more than a Liberal anti-gun re-education exercise.

There was no need for the federal government to spend over \$7 million on yet another level of bureaucracy of firearms instruction. The British Columbia conservation outdoor recreation education course offers students the ability to shoot a gun and learn with firsthand experience the proper way to handle a firearm, including the significance of safety concerns and the difficulties of hitting a target. The federal course does not even do that.

My constituents compare the federal course to teaching individuals to drive a car without ever allowing them behind the wheel. The RCMP has backed away from the Liberal gun registry. Public safety and fighting crime have not been the priorities of the government's firearms laws. These laws are causing great hardship to hunters and families who need firearms to protect themselves and live safely in remote areas of our country.

Sixty-eight years of handgun registration did nothing for public safety and neither does this firearms safety course.

*S. O. 31*

### KIDS HELP PHONE

**Mr. John Godfrey (Don Valley West, Lib.):** Mr. Speaker, every day there are some 1,000 Canadian children who pick up the phone because they need to call someone to talk about their problems. Kids Help Phone is there to answer these calls.

Kids Help Phone is provided to children by way of a toll-free number 24 hours a day and with no worries of confidentiality. Calls to Kids Help Phone are answered by professional counsellors who talk with children, help them to define their problems, figure out what is important in their lives, and what they can do next.

In 2000 12% of calls received by Kids Help Phone dealt with problems related to abusive behaviours or violence, making abusive behaviours and violence the third most common call placed to Kids Help Phone. During this week of violence and bullying prevention it is important we remember this fact and acknowledge that we can work toward finding a solution to this problem.

Kids Help Phone is part of that solution. I congratulate it on its continuing outstanding work.

\* \* \*

### 2002 WINTER PARALYMPIC GAMES

**Ms. Carolyn Bennett (St. Paul's, Lib.):** Mr. Speaker, I wish to pay tribute today to the members of Canada's paralympic team which presently is in Salt Lake City participating in the 2002 Winter Paralympic Games from March 7 to 16.

The games opened on March 7 with Mr. Mark Ludbrook as Canada's flag bearer. Mr. Ludbrook, who is participating in his fifth paralympics, led a proud Canadian team consisting of 29 athletes and 30 coaches and staff. Over the weekend the accomplishments were stellar. The team brought home four medals and nine top eight finishes.

In nordic skiing Shauna Maria Whyte placed fourth in the women's 7.5 km biathlon on March 8 and placed fifth in women's cross country short distance on March 10. Brian McKeever, with guide Robin McKeever, placed sixth in the men's biathlon on March 8 and also won Canada's first gold medal in men's cross country short distance on March 10. Colette Bourgonje placed fourth in women's cross country short distance on March 10. Karolina Wisniewska brought home the bronze medal in women's downhill.

\* \* \*

[Translation]

### RENDEZ-VOUS DE LA FRANCOPHONIE

**Mr. Claude Duplain (Portneuf, Lib.):** Mr. Speaker, from March 11 to 24, everyone is invited to the Rendez-Vous de la Francophonie, which takes place around the Semaine nationale de la Francophonie. The Journée internationale de la Francophonie will be on March 20.

This is the ideal opportunity for those who love the French language to come together and celebrate it. Let us all demonstrate that our language is very much alive here in Canada, and that it is important for it to remain so.

*S. O. 31*

Over 9 million Canadians speak French, including 6.6 million for whom French is their mother tongue. Their contribution to Canadian culture is both incredible and beyond compare.

Throughout the country there will be many activities around the Rendez-vous de la Francophonie, and I invite all Canadians to take part.

\* \* \*

**GALA DES OLIVIER**

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, last evening, TVA broadcast the Olivier awards ceremonies, showcasing the exceptional talent of Quebec humorists. Lise Dion was belle of the ball, with four of the nine Oliviers: best comedian, best comic performance, best stage performance and best comedy number of the year.

The public also honoured Lise Dion with the people's award for best comedian of the year.

Among the other honourees were Sylvain Larocque, Louis-José Houde and François Lèveillé, writers of the year for *Tueurs à gags*; Louis-José Houde, discovery of the year; Jean-Michel Ancil, most popular performance of the year; Gilbert Rozon, who was awarded an Olivier in special recognition for his *Just for Laughs Festival* and the former group Rock et Belles Oreilles, who were awarded a special Olivier.

The Bloc Québécois extends warm congratulations to all these artists and thanks them for their extraordinary contribution to bringing laughter to Quebecers.

\* \* \*

• (1405)

[English]

**2002 WINTER PARALYMPIC GAMES**

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I rise to congratulate all Canadian paralympians participating in the 2002 Salt Lake City Paralympic Games currently underway.

I congratulate Brian McKeever of Canmore, Alberta, who teamed up with his brother and guide Robin and won the gold in the five kilometre cross country classic ski race; Daniel Wesley of New Westminster, British Columbia, who became Canada's first multiple medallist by winning a silver medal in the sit-ski Super G to add to the bronze medal he won on Saturday; and Karolina Wisniewska of Calgary who captured bronze in the standing downhill. Once again the CBC has provided superb coverage of our athletes and all the excitement that is unfolding as these games go into full gear.

The country is behind team Canada and it makes us all proud today.

\* \* \*

**RESEARCH AND DEVELOPMENT**

**Mr. Janko Peric (Cambridge, Lib.):** Mr. Speaker, recently the NSERC-COM DEV industrial research chair in filter and switch technologies was established at the University of Waterloo.

COM DEV International Ltd. of Cambridge and the Natural Sciences and Engineering Research Council of Canada each put up \$1 million over five years to establish this research chair. This is an investment in the future. It will help develop the next generation of filters and switches for the wireless and satellite technology fields and will keep Canada on the cutting edge of telecommunications research. COM DEV is a leader in Canada's aerospace electronics industry and has once again shown its outstanding community leadership.

I welcome the positive role played by the federal government in supporting leading edge R and D in Canada.

\* \* \*

**SOFTWOOD LUMBER**

**Mr. Gerald Keddy (South Shore, PC/DR):** Mr. Speaker, there is talk that Canada may accept an export tax in the softwood lumber dispute. This would be a reversal of Canadian policy and could have been done a year ago. It may be portrayed by the Liberal government as a success story but at what cost to Canadian lumber producers?

Although a self-administered export tax would allow Canada to retain the tax revenue, it would send the wrong message about who controls Canada's forests. Canadians have the right to establish prices that reflect market conditions in Canada. This must be a short term measure and the government's real interest must be to negotiate a permanent softwood lumber solution.

What the Americans really want is increased access to Canadian round logs. Can the Liberal government tell us why Canadians should not benefit from all the value added revenue?

The lesson to be learned here is that the Prime Minister and the Minister for International Trade talk about being favoured trading partners of the United States, yet they have completely failed to negotiate a fair trade deal on softwood lumber.

We need a solution that is fair. Will the Liberal government show backbone and deliver a fair deal?

\* \* \*

**ABORIGINAL AFFAIRS**

**Mr. Andy Burton (Skeena, Canadian Alliance):** Mr. Speaker, the recent writ filed in the B.C. supreme court by the Council of the Haida Nation brings to the forefront the uncertainty that unsettled land claims foster.

The future of resource based industries in B.C. is in jeopardy. No doubt this case will ultimately proceed to the Supreme Court of Canada effectively tying up economic development until it is resolved. Without certainty of tenure, companies in the mining, logging, oil and gas, even agriculture and fishing industries will not proceed with new development or expansion plans.

While we do not necessarily agree with the Haida claim we can understand the frustration over the failed treaty process. It is a process that does not bring finality, affordability, respect and agreement with rights supported under the Canadian constitution, nor does it respect the protection of private property rights for all Canadians.

This is a prime example of the failure of the treaty process in B.C., a process in which the federal government does play a significant role.

\* \* \*

#### COMMONWEALTH DAY

**Mrs. Sue Barnes (London West, Lib.):** Mr. Speaker, today is Commonwealth Day. This day originated with a Canadian proposal in 1976 to set aside the second Monday in March as a day of observance to promote global understanding.

Over one billion people will acknowledge their common bonds and celebrate the contribution of the Commonwealth of Nations to democracy, human rights and global harmony.

Particularly today, as we monitor elections in Zimbabwe and share concerns about other regions where democracy may be threatened, Canada is committed to the principles that unite all Commonwealth countries and transcend national, ethnic, cultural and economic differences that they have.

I ask all members of the House to join with me today to celebrate Commonwealth Day in the spirit of international co-operation.

\* \* \*

• (1410)

[Translation]

#### TERRORISM

**Mr. Michel Guimond (Beauport—Montmorency—Côte-de-Beaupré—Île-d'Orléans, BQ):** Mr. Speaker, six months ago today, terrorists hijacked planes that would strike the World Trade Center and the Pentagon, thereby committing an unprecedented act of terror that caused the death of more than 3,000 people.

These attacks started a shock wave that was felt around the world and led to an immense mobilization of countries wanting to eradicate terrorism and defend the very democratic values that the terrorists attacked.

With these same democratic values in mind, the Bloc Québécois wanted to ensure that the measures taken following the attacks did not limit our freedoms. Our approach was to criticize these measures, in particular, Bills C-26 and C-42, which violate the just balance between security and the freedom that we so dearly want to protect.

Today more than ever, we must continue to defend these values in order to affirm that the terrorists will not win.

\* \* \*

#### COMMONWEALTH DAY

**Mr. Gérard Binet (Frontenac—Mégantic, Lib.):** Mr. Speaker, today is Commonwealth Day. Known as a model of multiculturalism, the Commonwealth provides Canada with the opportunity to considerably strengthen its ties with other member countries and promote our foreign policy interests.

The ties that bind peoples together through traditions, cultures, and diverse values are numerous, and they are present in every sector of activity.

*S. O. 31*

Our country benefits enormously from its membership in the Commonwealth and Canada, in turn, brings its unwavering support to this venerable institution.

\* \* \*

#### BENOÎT LÉCUYER

**Mr. Scott Reid (Lanark—Carleton, Canadian Alliance):** Mr. Speaker, it is with sorrow that I rise in the House today to pay tribute to a brave man who gave his life to protect our roads and our freedom. Constable Benoît Lécuyer, who was shot down in cold blood on February 28 during a routine arrest for speeding, will not be forgotten.

On behalf of the Canadian Alliance and all Canadians, I offer my deepest condolences to Mr. Lécuyer's family, especially his wife, Anick Royer, his children, Joël and Marianne, his brother Éric, also a police officer, and his mother, Micheline.

We thank you for your courage. The country is indebted to you for your sacrifice.

\* \* \*

[English]

#### TERRORISM

**Mrs. Elsie Wayne (Saint John, PC/DR):** Mr. Speaker, six months ago today the people of the world were left in shock and horror by the series of cowardly attacks on the great American cities of New York and Washington.

While the targets were found on American soil the victims of September 11 were the sons and daughters of many nations. That fact has already been recognized today in memorials on both sides of the Atlantic in Great Britain and in the United States.

If ever we begin to feel that the tragedy of September 11 was not an attack on Canada, if ever we begin to think that the war on terrorism is not Canada's fight, let us always remember that 25 innocent Canadian lives were taken from us.

Today we will pause and reflect each in our own way on the meaning of that day. We will think of all who died, both the fallen heroes and the innocent victims. We will pause in silence to renew our vigour, renew our courage and renew our resolve. Above all else, let us pause to renew our vow to fight this campaign against terrorism until it is won.

\* \* \*

#### RADIO MUSIC AWARDS

**Mr. Rodger Cuzner (Bras d'Or—Cape Breton, Lib.):** Mr. Speaker, I take this opportunity to congratulate the winners of the Canadian Radio Music Awards. The awards were presented during Canadian Music Week in Toronto on March 2. Created and funded by Canada's private radio broadcasters the CRMA profiles and recognizes Canada's emerging English language music stars.

*Oral Questions*

Among the awards presented it was announced that The Guess Who will be inducted into the Canadian music industry hall of fame. It has recorded several hit songs and was among the first Canadian rock groups to become famous across North America. Other winners announced on March 2 included Wave, the Ennis Sisters, Nellie Furtado and my fellow Cape Bretoner Jimmy Rankin.

Since 1970 the government has worked with broadcasters in the sound recording industry to bring Canadian voices to our airwaves. Most recently the government announced a comprehensive Canada music fund to ensure that the music industry is equipped to succeed in the new economy and that Canadians and the world have access to diverse choices in Canada music.

I ask the House to join me in congratulating this year's winners of the Canadian Radio Music Awards.

\* \* \*

• (1415)

**RESEARCH AND DEVELOPMENT**

**Mr. James Rajotte (Edmonton Southwest, Canadian Alliance):** Mr. Speaker, the recent announcement that embryonic stem cell research will be given public funding has never been discussed in parliament. This causes the Canadian Alliance a great deal of concern.

Embryonic stem cells and the rights of the fetus are difficult issues for many individuals to debate, but there will always be situations where what is scientifically possible and what is ethically acceptable conflict. Therefore this issue should not be avoided as the government is doing. We should never be afraid to debate new science and the ethical implications of that science in the House.

Research into embryonic stem cells is a topic of concern to all parliamentarians because the results of that research will substantially impact the entire human race.

I urge the Liberal government to table legislation on assisted human reproduction, cloning and stem cells immediately. I would further recommend because of the difficult moral and ethical dimensions of legislation dealing with assisted human reproduction and related research that all parties permit a free vote on this issue when legislation is finally tabled.

\* \* \*

[*Translation*]

**EVENTS OF SEPTEMBER 11**

**The Speaker:** Before proceeding with oral question period, I believe that there is consensus that the House observe one minute of silence in memory of the tragic events that took place on September 11 in the United States.

I therefore invite all members to rise to observe one minute of silence.

[*Editor's Note: The House stood in silence.*]

**ORAL QUESTION PERIOD**

[*English*]

**SOFTWOOD LUMBER**

**Mr. John Reynolds (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, in Ottawa today we have over 30 people from British Columbia: the minister of forests from the government of British Columbia, MLAs from British Columbia, mayors from British Columbia, industry leaders from British Columbia and the first nations from British Columbia. They are all as concerned about the softwood file as we are in the House.

There is one question they would all like to ask the government. Will the government assure the House and Canadians that any deal Canada reaches will include the establishment of a binding binational panel for softwood dispute resolutions?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, I welcome the Leader of the Opposition's question. It is a very pertinent one. I thank Minister Michael de Jong and the British Columbia delegation who are in Ottawa today expressing support for the Canadian approach in the negotiations we are having. This is very welcome at this time.

We have 10 more days before the final determination. We are working extremely energetically at finding a long term policy based solution to the softwood lumber dispute.

**Mr. John Reynolds (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, we are pleased that Minister de Jong is here with the other representatives. We are also pleased that we have met all the members from British Columbia, most in the House today.

However we would also like an answer from the minister. Will he guarantee that he will fight for a binding binational panel when he goes to Washington? That is what we are all asking. We are trying to work together as good Canadians to make sure we all go there with one issue and fight together to let the Americans know this is one issue we will not back down on.

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, let me be very clear it has been the position of the government that an unfettered market access guarantee in the United States is the objective the government has, has had for years and will have until we resolve this issue.

**Mr. John Reynolds (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, I was elected in 1972. I have been representing British Columbia for an awfully long time. It is the first time I can remember that over 30 people—

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

**Mr. John Reynolds:** Mr. Speaker, they can make fun of us in British Columbia but I do not like it. I am here to try to work with the government. We are all here to try to help him solve this serious problem for over 20,000 people who are unemployed.

Will the minister guarantee that he will make sure we have this agreement, the one we are working together to have? We will back him up if he will tell us yes, that is what he is going after.

*Oral Questions*

● (1420)

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):**

Mr. Speaker, absolutely. Everyone on this side of the House has been extremely supportive of the British Columbia situation on softwood lumber. We are well aware that British Columbia alone is responsible for 50% of the exports.

We will stand by British Columbia until we have unfettered market access to the United States, whatever means we have to take. This is what we want.

**Mr. John Duncan (Vancouver Island North, Canadian Alliance):** Mr. Speaker, the government has had since 1996 to fix the problem of the U.S. lumber lobby limiting Canadian access to the U.S. lumber market.

On March 21, in another 10 days, the U.S. department of commerce will announce duties on Canadian softwood lumber. Now at the 11th hour the Prime Minister is heading to Washington to try to broker some kind of a deal.

Will the Prime Minister assure Canadians that Canada will insist western red cedar specialty and value added products will be exempt from duties in our insurances?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I am happy to say to the hon. member that I have discussed with the president of the United States the softwood lumber issue every time I have talked with him. I will be there on Thursday to try to finalize as quickly as possible a deal with them.

In theory the best solution is to apply the free trade agreement on all wood products coming from Canada to the United States. We will try to have this deal with the Americans when we will talk with them, but there are some problems in relation to the way some provinces operate their lumber operations that have to be negotiated at the same time. I hope to have good results before the end of the month.

**Mr. John Duncan (Vancouver Island North, Canadian Alliance):** Mr. Speaker, the problem is not the provinces. It rests right here and the very existence of whole Canadian communities and thousands of jobs are at stake.

Canadians have the right to know what is on the table at these negotiations. Will the Prime Minister tell us what at a minimum is not to be bargained away by the government?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):**

Mr. Speaker, unfettered market access is not to be bargained away. This is what we want in the United States.

As for the exemptions the member has been referring to, whether we are talking about red cedar or whether we are talking about the remanufacturers that add value to the wood, we have always been saying as a government that these should be exempted from any action and any trade actions the Americans would take.

We have been asking for the exclusion and the exemption of red cedar. We are asking for the exemption of remanufacturers as well.

[Translation]

**TAXATION**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the Séguin commission has confirmed the existence of a considerable tax imbalance in Canada, resulting in Ottawa's pocketing the bulk of tax revenue, while Quebec and the provinces are having to cope with astronomical increases in the costs of health and education, with fewer resources.

Instead of denying the existence of a tax imbalance, will the Minister of Finance acknowledge that health and education, which represent challenges both now and in the future as far as the management of public funds is concerned, are not a federal responsibility and that, in order for Quebec and the provinces to meet these challenges, they must have available to them a larger share of the money in Ottawa's hands, as the Séguin commission recommends?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, in order to lend its projections credibility, the Séguin commission draws on the projections of the conference board.

Looking at the conference board's projections in detail, we can see that it really does support the position of the Canadian government.

The leader of the Bloc Québécois has two choices, therefore: accept the conference board projections and thus the thesis of the Canadian government, or not accept these projections, in which case he is denying that the Séguin commission and its projections have any credibility.

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** This is a kind of flip-flop we have here, Mr. Speaker. This is the very minister who said a few days ago that the conference board had no credibility whatsoever.

The minister, it must be said, is being a bit comical here. He knows very well that there is a tax imbalance and a sizeable one, but refuses to acknowledge it because the government has a hidden agenda.

Will the Minister of Finance at least be frank enough to admit that, if Ottawa insists on keeping the most profitable areas of taxation for itself and the billions of dollars they represent, its purpose in doing so is to encroach at will upon areas of jurisdiction belonging to Quebec and the provinces? That is what the real reason is.

● (1425)

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, if the leader of the Bloc Québécois wants to accept the projections of the conference board, then he will also have to accept that there is no imbalance over the next four years. There is no imbalance, nor is there any federal government surplus, any excess money, according to the conference board projections.

Thereafter, in the next fifteen years, any federal surplus will only be based on some very unrealistic hypotheses.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, the credibility of the man who denies the existence of a fiscal imbalance is compromised to say the least, as, over the past five years, he has been off by more than 100% in his forecasts regarding surpluses.

*Oral Questions*

If the Minister of Finance thinks that the Conference Board erred by presenting forecasts for a 20 year period, can he give us his surplus forecasts for the current fiscal year, which ends in less than a month?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, allow me to quote the Conference Board's forecasts. For the coming year, they anticipate a surplus of less than \$200 million; for the following year, it is \$2 billion; the year after, \$2 billion. This is less than our contingency reserve. These are certainly not staggering surpluses.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, instead of running away like a hare, the minister should agree to a public debate on this issue. But in the meantime, if he wants to improve his credibility, he should pledge, before this House, to allocate at least half of the surpluses anticipated in less than three weeks, that is about \$9 billion, to help the provinces fund health and education through the Canada social transfer.

This would be real evidence of the minister's credibility. He should take advantage of the legislative void to introduce a bill that all of us here would readily support.

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, instead of working himself into a state, the Bloc Québécois critic should read the report of the conference board, which, if we look at the forecasts for the next four years and at the basic assumptions, supports the Canadian government's position.

\* \* \*

[English]

**STEEL INDUSTRY**

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

In view of the tariff imposed by the United States on imported steel from which Canada was exempt, and in view of the very real worry that much of the steel which was headed for the United States may now be diverted into the Canadian market with disastrous consequences for the Canadian steel industry, could the minister tell the House today whether he is prepared to implement safeguards now in order to prevent that kind of negative consequence from happening here to the steel industry?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, let me first express my great satisfaction with the fact that we have been exempted by the United States on the steel action which is taking place around the world. This is very good news for Canada and demonstrates that our work has been working in Washington. I am very pleased with that.

We have been discussing with industry for some time what to do next. I can say that for months we have been monitoring very closely steel imports into Canada to make sure that there will be no such surge. We continue to monitor exports very closely.

Industry has now asked us to impose some safeguards to avoid Canada becoming a dumping ground. We are reviewing that request and we will be meeting with industry in the next week or so.

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, it will not be good news if the Canadian market is flooded with steel

that otherwise would have gone to the United States. Therefore I say to the minister that the time for safeguards is now.

We do not want the minister to spend his time monitoring what is happening in the industry. The industry wants him to implement safeguards now. That is the position of the unions, of the companies, of all stakeholders, and they want that done now. Will the minister make a commitment to do that rather than just monitor the situation?

**Hon. Pierre Pettigrew (Minister for International Trade, Lib.):** Mr. Speaker, the industry has now requested safeguard action on the part of the Government of Canada. That safeguard request is being reviewed as a priority for the government.

I can say that we will make absolutely sure that Canada does not become a diverting ground for steel dumping in the world.

\* \* \*

**SOFTWOOD LUMBER**

**Right Hon. Joe Clark (Calgary Centre, PC/DR):** Mr. Speaker, I understand the Prime Minister is meeting with President Bush. Will the Prime Minister be making specific proposals to resolve the softwood dispute?

Would it strengthen Canada's hand in this negotiation if the House of Commons were to endorse in advance the Canadian proposals which the Prime Minister will take to Washington? If so, will the government consider seeking the support of parliament on these proposals?

• (1430)

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I take all the support I can get. The position of the Canadian government is very clear. We want the American government to implement the free trade agreement that we signed with it. If the House of Commons wants to vote for that, it is fine with me.

**Right Hon. Joe Clark (Calgary Centre, PC/DR):** Mr. Speaker, the Prime Minister is planning one meeting that will have to do with softwood with the president, I gather on Thursday. We hope he achieves an acceptable long term solution.

However, if he does not, may we have a guarantee now that the Prime Minister will stay engaged personally in this critically important softwood file and that he will maintain active leader to leader discussion with the president until the softwood issue is resolved?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I am always talking about softwood lumber with President Bush. He knows much about it because I keep telling him that they want our oil and our gas, and if we were to stop, they would need to buy a lot of softwood lumber to heat their homes. He found it quite funny.

\* \* \*

**TERRORISM**

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, today marks six months since the September 11 attack on North America, but the government has shamefully neglected to offer any memorial to the two dozen Canadians who were killed in that terrorist attack.



*Oral Questions*

Could the Prime Minister explain why the government has failed to honour fellow Canadians who lost their lives on September 11?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the Canadian people have expressed clearly to the families the sorrows that we all share because of the death of these people.

I went to New York City and had the occasion to meet with the families of many of the victims. The question of having a special monument erected for them at this moment has not been contemplated. There are other tragedies that occur from time to time. Perhaps he can suggest that we look into that, but I do not feel it is absolutely necessary to have a monument built for that occasion.

**Mr. Monte Solberg (Medicine Hat, Canadian Alliance):** Mr. Speaker, some real action from the government would have been a fitting memorial also, but the government has failed to do that.

We know that our ports have been infiltrated by organized crime. Last week the U.S. state department condemned our lax immigration laws. The RCMP and CSIS are not talking to one another. Now we understand that the RCMP and customs are not communicating.

With all these failures, how can the government make any claim to have learned any lessons from September 11?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, in the old days when he had some clout in his party, the hon. member was more serious than that.

I just want to say that he is ignoring, for example, that we have 4,000 soldiers who are working very diligently at this time in Afghanistan. He will know that we were very diligent in passing two bills in the House of Commons, and they were delayed by the opposition. Otherwise the bills would have been passed earlier. We have invested \$7.5 billion of resources to ensure that we have a more secure border and better security.

\* \* \*

[Translation]

**TAXATION**

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, this year's surplus figures, like those from previous years, demonstrate eloquently how the federal government is collecting too much money for its responsibilities, whereas the provincial governments, which are responsible for dealing with the challenges presented by health care and education, do not have access to a large enough tax field.

Will the Minister of Finance confirm whether or not he intends to put the issue of the fiscal imbalance on the agenda at the next conference of finance ministers, in April?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the Bloc Québécois wants to use the conference board's projections to prove their case.

When we look at the projections for the next five years, the projected surplus for each year is less than our reserves for prudence. So, how can the member say that there is a fiscal imbalance even using the PQ's projections?

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, given public opinion, the minister will not be able to hold this position much longer.

Does he not understand that it is unacceptable for him to collect too much of taxpayers' money when it is the provinces that are bearing the rising costs of health and education?

• (1435)

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, all I can ask is that if the member's argument is valid, how is it that it is not borne out by her own projections, by the projections of the conference board?

\* \* \*

**GROUPACTION MARKETING**

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, Groupaction Marketing Ltd. gave the Liberals \$70,000 in exchange for a contract worth over half a million dollars for a sham report on visibility which the government has lost.

This is the same government which tells us we are missing the point when we ask it to cut some of the fat, to stop buying Quebecers with visibility and little else, to end the patronage.

With this report now missing, this government has shown us that it is missing the point. When will it stop being dishonest with taxpayers?

**Hon. Don Boudria (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the two reports in question were indeed prepared. In the case of one of them, supporting documentation was given to a journalist who requested it.

As for the final report, I agree with the member that it is unacceptable that the report is not available today, three years after it was prepared.

That having been said, the member is telling us nothing new. This issue was raised in May 2001. He is therefore telling us nothing new.

[English]

**Mr. Rahim Jaffer (Edmonton—Strathcona, Canadian Alliance):** Mr. Speaker, do you know what is not new is the fact that the government loves patronage and there are some big returns. Groupaction gave \$70,000 to the Liberal coffers and received two contracts of over \$1 million for analytical reports. That is not a bad investment. The only record left of the reports is a list of cultural events that any smart 13 year old could have put together in a good night of Internet searching.

The Liberals say that there is no red tape to cut, no money for the military and no further tax cut or debt reduction, and then we see this kind of pork. When will the government stop acting like patronage junkies, clean up its act and table this report?

*Oral Questions*

**Hon. Don Boudria (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I do not know who is being overpaid to write these lines but it is not going to do the hon. member any good. He should stick with the facts.

Two reports have been prepared. I indicated to the hon. member that the final report prepared three years ago was no longer available. The supporting documents were. They were made available to the reporter who in fact made the inquiry. If the hon. member would stop heckling and listen to the answer, he would then know what he is talking about.

\* \* \*

[Translation]

**MIDDLE EAST**

**Mr. Yves Rocheleau (Trois-Rivières, BQ):** Mr. Speaker, in the written speech that he was supposed to deliver to the Canada-Israel Committee, the Minister of Foreign Affairs wrote, and I quote, "incursions into refugee camps only seem to exacerbate the situation and continuing settlement activity undermines Palestinian hopes, prejudicing the prospects for a fair-minded peace".

Will the minister explain why he omitted this passage from his final text?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, it is not my practice to comment on speeches that I have not given.

However, I can assure the hon. member that this government's policy has always been to pursue peace with all parties in the Middle East, and that we are good and loyal friends to Israel, as the President of Israel said during his trip. We will always try our best to work for peace in the Middle East.

**Mr. Yves Rocheleau (Trois-Rivières, BQ):** Mr. Speaker, I remind the minister that this is the text that was given to journalists.

Back when he was chairing the Standing Committee on Foreign Affairs, the minister hoped to have Palestinian and Israeli parliamentarians come to Canada in order to find a solution to the enduring conflict in the Middle East.

Now that he is the minister and has much greater means, does he intend to follow up on this project which he was working on only a few months ago?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, as the member is very much aware, this project, which is a project entertained by a number of members of this House, is still in place.

It is a goal of our government, and of parliamentarians from all parties, to have participants from the Middle East come to Canada to discuss peace.

\* \* \*

[English]

**RESEARCH AND DEVELOPMENT**

**Mr. Rob Merrifield (Yellowhead, Canadian Alliance):** Mr. Speaker, critical decisions about human life should be made by parliament, but last week the Canadian Institutes of Health Research

decided to push ahead with taxpayer funded research on human embryos. Parliament, not unelected and unaccountable bureaucrats, should be making these decisions. Instead the minister has chosen to hide behind elected bureaucrats to do her dirty work.

Will the minister show some leadership and today table a bill so Canadians can be heard on these life and death matters?

• (1440)

**Hon. Anne McLellan (Minister of Health, Lib.):** Mr. Speaker, as the hon. member is fully aware, when I appeared before the Standing Committee on Health two weeks ago, in response to a question asked by him I indicated that the government would be tabling legislation in relation to assisted human reproduction no later than May 10 of this year. Let me reassure the hon. member that if the guidelines produced by the CIHR last week are in any way in conflict or inconsistent with that legislation they will be changed.

**Mr. Rob Merrifield (Yellowhead, Canadian Alliance):** Mr. Speaker, the Standing Committee on Health carefully reviewed the draft legislation and made recommendations. The new CIHR rules contradict the standing committee's report but the minister has praised the new rules and thus has shown her contempt for parliament. It is not the first time for this minister.

Will the minister suspend the CIHR rules until federal legislation is in place?

**Hon. Anne McLellan (Minister of Health, Lib.):** Mr. Speaker, this came up last week in response to the production of the CIHR guidelines. They are certainly consistent with the draft legislation that my predecessor put before the House. They are generally consistent with the work of the Standing Committee on Health in relation to this area. As I have indicated, I will be coming forward no later than May 10 with legislation in relation to this area of importance to all Canadians.

\* \* \*

**IMMIGRATION**

**Ms. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, last week the Minister of Citizenship and Immigration was in Manitoba to conduct a broad based community consultation. Would the minister please advise the House of the outcome of the Manitoba meetings?

**Hon. Denis Coderre (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, that is a very good question. After discussions with the hon. Becky Barrett, Manitoba's minister of labour responsible for immigration, we are happy to announce to the House today that the provincial immigrant nominee program will be increased from 750 to 1,000 cases.

[Translation]

We have also discussed the possibility of pilot projects to encourage Francophone immigration in Franco-Manitoban communities, as well as a comprehensive immigration strategy for the west.

[English]

I would like to pay tribute to the people of Manitoba for their great contribution. Today's announcement is a direct consequence of what we can accomplish together.

### THE ENVIRONMENT

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, a new study by the University of Toronto has uncovered clinical evidence directly linking air pollution to heart attacks. Those findings follow a study published last week by the American Medical Association linking air pollution to lung cancer and heart disease. Despite the growing evidence of harmful effects of greenhouse emissions and air pollution, the federal government's proposed clean air quality standard is only half that of the U.S., and in fact it continues to waffle on Kyoto.

Will the government today take immediate actions to toughen our air pollution standards to at least meet those of the U.S. and perhaps even think of making them a little stronger?

**Hon. Robert Thibault (Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, the government works in collaboration with the provinces and international governments to strengthen our emission standards. Emissions on sulphur will, as of July of this year, be among the most stringent in the world, and we will continue to work with proposals such as Kyoto to improve greenhouse emissions.

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, those standards will not be tougher. Let me talk about another point that is more pertinent to what is happening now. As I said, the government has already waffled on Kyoto. In addition it has refused to renew the funding for the research group that did the research which I referred to earlier.

Will the federal government commit today to extend the funding for the toxic research initiative under Health Canada and Environment Canada to ensure that the work of this lab and others continues? Yes or no.

**Hon. Robert Thibault (Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, funding from the government on all environmental matters has been unsurpassed in history. We have worked with all institutions and provinces and will continue to do so. It is a priority of the government.

The member raises a specific point that I will take under advisement, and the minister will respond once he returns to the House.

\* \* \*

•(1445)

### HEALTH

**Mr. Chuck Strahl (Fraser Valley, PC/DR):** Mr. Speaker, last fall when officials from Health Canada ordered a generic version of the anti-anthrax drug Cipro, they broke Canada's patent laws. The minister said that his officials were responsible and argued that they acted in good faith and, besides that, he knew nothing about it. Now an access to information request has shown that the minister was indeed informed about the problems with the patent laws ahead of time but chose to ignore them.

Why did the minister pass on his chance to do the right and legal thing and instead break the very laws which he is now responsible for as the Minister of Industry?

**Hon. Allan Rock (Minister of Industry, Lib.):** Mr. Speaker, first, it is important to note that the documents released last week confirm and support exactly what was said all along about the series

### Oral Questions

of events between Health Canada and Bayer. It is also important to note the memorandum in question simply lays out what should have been followed as the process under the law. What has been made clear is that the officials acted in good faith when they took another course.

As minister, I did not see that memorandum until after the order was placed with Apotex. Of course, as I have said all along, I did not direct anybody to place that order with any particular company.

**Mr. Chuck Strahl (Fraser Valley, PC/DR):** Mr. Speaker, it is not good enough to be in good faith. We have to follow the law. The minister knew that the drug Cipro was protected under Canada's patent laws, yet he chose to ignore them.

He could have done one of three things. If it was an emergency, he could have declared an emergency and got the drugs that way. Second, he could have asked the patent commissioner for authorization to produce the drugs under a generic producer, but he failed to do so. Finally, he could have picked up the phone and phoned Bayer and said "Listen, we need the drugs. Could we infringe upon your patent protection?"

He did not do any of these things. Why did he choose to break the patent laws of Canada instead of obeying the law like he should have?

**Hon. Allan Rock (Minister of Industry, Lib.):** Mr. Speaker, the member is going over ground well trodden.

It is very clear. First of all, the officials acted in good faith in doing what they did. In fact, they acted to protect the public interest at a time of emergency when people wanted access to medications. In any event, the record is clear. The documents of last week confirm and support all that has been said. At the end of the day, this government, as always, acted to protect the public interest.

\* \* \*

### FOREIGN AFFAIRS

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, last week the foreign minister and the Prime Minister were playing a good cop, bad cop routine over Israel, but they ended up just looking like the Keystone Kops.

The foreign minister was rightly booed by the Canada-Israel committee when he suggested that the Israeli government and Palestinian terrorists are equally at fault for civilian casualties.

After this weekend's suicide bombings in a Jerusalem café, does the minister still believe that military action to root out terrorists is the moral equivalent of those terrorists killing innocent civilians?

*Oral Questions*

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, I categorically reject the suggestion in the question that I made any moral equivalence whatsoever. My speech was very clear. We condemned all acts of terrorism. The member is playing petty politics.

I suggest that the member check with his lords and masters in Washington. He will find that General Powell said very much the same thing I did.

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, it sounds like we hit a nerve, and that minister hit a nerve with the Canada-Israel committee last week when he suggested that in fact the Israelis are guilty of escalation when what they are guilty of is defending their security.

How can this minister continue to suggest that they are putting pressure on the Palestinians when they are continuing to finance the Palestinian authority through CIDA and when they have not yet banned Hezbollah?

When will this minister put serious pressure on Yasser Arafat so that he knows that his continued sponsorship and toleration of terrorism will not be accepted by this country?

**Hon. Bill Graham (Minister of Foreign Affairs, Lib.):** Mr. Speaker, we have put pressure on Mr. Arafat. The Prime Minister has continually put pressure on Mr. Arafat. I put pressure on the speaker of the Palestinian assembly when he was here, in the House. We have continually put pressure on the government to do what they do.

We have also, as friends of Israel, urged Israel to do everything that will bring peace in the Middle East. That is all we urge, as friends with Israel, as respective partners in a search for peace.

\* \* \*

[Translation]

**GROUPACTION MARKETING**

**Mr. Ghislain Lebel (Chambly, BQ):** Mr. Speaker, this morning's *Globe and Mail* reported that the public works minister is unable to locate a study which his department ordered from Groupaction Marketing Ltd, and for which it paid over half a million dollars.

Will the public works minister tell us whether he thinks it is right that his department should be unable to locate a study that cost us an arm and a leg?

• (1450)

**Hon. Don Boudria (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, as I indicated in response to an earlier question today, I am certainly not happy that the document in question, which was prepared three years ago, is no longer available today.

That having been said, the letter which accompanied the document, in addition to supporting documentation, was provided to the journalist in question or, in any event, was offered to the *Globe and Mail* journalist, who was invited to consult this material later.

**Mr. Ghislain Lebel (Chambly, BQ):** Mr. Speaker, if I understand correctly, the letter is costing us a half a million dollars. But it is the report we are interested in.

A responsible government is one which is accountable to the public for moneys spent or committed on its behalf.

Either the report does not exist, and we paid a half a million dollars to Groupaction in exchange for its \$70,000 contribution to the Liberal Party of Canada, or the contents of the report are not fit to be seen. The minister can take his pick. Which is it?

**Hon. Don Boudria (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, not surprisingly perhaps, neither, because that is not the answer to the question.

Both contracts were in fact prepared in accordance with Treasury Board guidelines. This is known; it has already been established. In both cases, there is administrative proof that the work was done.

That having been said, I agree with the member that the documents should still be available today.

\* \* \*

[English]

**ZIMBABWE**

**Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance):** Mr. Speaker, by all accounts the election in Zimbabwe has degenerated into chaos as President Mugabe uses every means at his disposal to cling desperately to power.

The Commonwealth had an opportunity last week to take a forceful stand against a murderous regime, but thanks in large part to the actions of the Prime Minister, it failed to do so.

Why did the Government of Canada refuse to stand up against the Mugabe regime, which was responsible for the deaths of tens of thousands of people over the last two decades?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, Canada thought that one week before an election the wise thing to do was to let the people of Zimbabwe express their wishes.

The vote was held on Saturday and Sunday, and they are voting again today, because the people of Zimbabwe have decided to speak with their votes.

If it is proven after the vote that the election was not a fair election, the Commonwealth can suspend Zimbabwe, but I thought the best thing was to first let the people of Zimbabwe speak. If the election is not a fair one we made provision in Australia to make sure that action will be taken against the government.

**Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance):** Mr. Speaker, all too often we see a wait and see approach from the government. Unfortunately we cannot tell that to the 20,000 people murdered in Matabeleland and in Congo in recent years. Over 20,000 have been murdered by this regime.

Over the weekend, the Prince of Wales said "if the Commonwealth could not stand up for liberal democracy and human rights, it deserved to be treated with international contempt".

Why did the government choose to ignore human rights violations in Zimbabwe and further undermine the credibility of the Commonwealth process?

*Oral Questions*

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the actions of the Canadian government made sure that the Commonwealth remains united and that action of the Commonwealth can be proceeded with after the election. I think it was better like that. Some people who were at the conference told me that the opposition might wait. I said, of course, if the opposition waits it is because democracy might work in Zimbabwe. We will see next week if it is true or not. At that time the Commonwealth will be able to act, knowing all the facts.

\* \* \*

**PERSONS WITH DISABILITIES**

**Mr. John Godfrey (Don Valley West, Lib.):** Mr. Speaker, it is essential that all Canadian children get off to a good start in life, including children with disabilities. These children and their parents often face additional challenges and need extra help.

Could the Secretary of State for Children and Youth please tell the House how the Government of Canada is helping children with disabilities and their families?

**Hon. Ethel Blondin-Andrew (Secretary of State (Children and Youth), Lib.):** Mr. Speaker, the Government of Canada recognizes that children with disabilities and their families face additional challenges and we are committed to ensuring that they have the necessary supports to reach their full potential by having measures in place like the national child benefit and enhanced tax based support to persons with disabilities, which includes the families of these children.

In addition to that, we have early childhood development that recognizes that effective programming should be inclusive of and sensitive to children with different abilities.

We will continue to play a leadership role in empowering disabled children and their families.

\* \* \*

● (1455)

**KYOTO PROTOCOL**

**Mr. David Chatters (Athabasca, Canadian Alliance):** Mr. Speaker, the government has promised Canadians that there will be public consultations before a final decision is made regarding Canada's role in the Kyoto accord.

To date, consultations with the provinces and industry are ongoing, but Canadian consumers need to have input into the issue. When will public consultations begin and what form will these consultations take?

**Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.):** Mr. Speaker, we believe it is extremely important that we have consultations in regard to Kyoto. That has already been started. There are extensive consultations at the provincial-territorial level. There are ongoing consultations with industry as well.

Of course Canadians will also have an opportunity. That has already started so that we get input from Canadians. This was outlined at the last ministerial meeting. We will continue to make sure that stakeholders and Canadians have meaningful input into the Kyoto issue.

[Translation]

**EMPLOYMENT INSURANCE**

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, all across Quebec and Canada, seasonal workers in the softwood lumber industry are very concerned. They were laid off earlier than usual in the fall, and they have no idea when they will be called back in the spring.

In light of this situation, is the Minister of Human Resources Development prepared to follow up on the Bloc Québécois' proposal to add 10 weeks of benefits for the unemployed, particularly those in the regions affected by the softwood lumber crisis?

[English]

**Hon. Jane Stewart (Minister of Human Resources Development, Lib.):** Mr. Speaker, we have been very concerned about those who have been laid off in the softwood lumber industry and have been happy to know that the majority of them have been well served by the employment insurance fund.

In the context of partnership, we are working with the provinces as well, including that of the hon. member, which receives almost half a billion dollars every year, to support Canadians who are laid off, including those in the softwood industry.

\* \* \*

**IMMIGRATION**

**Mr. Jay Hill (Prince George—Peace River, PC/DR):** Mr. Speaker, before the parliamentary recess, both I and the member for Fraser Valley questioned the minister of immigration regarding the fraudulent use of IMM 1000 forms. The minister referred to two different issues in his answers. We know there is an ongoing investigation on the issue of the stolen forms, but my question is about the illegal use of recycled forms.

The minister said the RCMP was investigating this matter. My question does not require that he reveal any sensitive details about the investigation. Will the minister just simply tell us the specific date on which the RCMP began this particular investigation?

**Hon. Denis Coderre (Minister of Citizenship and Immigration, Lib.):** Mr. Speaker, you know as well as I that when there is an inquiry we cannot intervene and I surely cannot answer those kinds of questions.

We have said that there is an inquiry. They are doing their jobs. Let them do their jobs. They are doing great.

\* \* \*

**VETERANS AFFAIRS**

**Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.):** Mr. Speaker, now more than ever we recognize the contribution of the men and women who fought for the freedom we enjoy today.

Last week the Minister of Veterans Affairs was in Charlottetown to announce the creation of a new commendation award to recognize the extraordinary voluntary work of our veterans. Could the minister tell the House more about this initiative?

*Oral Questions*

**Hon. Rey Pagtakhan (Minister of Veterans Affairs, Lib.):** Mr. Speaker, the Minister of Veterans Affairs commendation, endorsed by the Governor General, will be awarded to veterans and other Canadians who have made extraordinary contributions to the care and well-being of veterans as well as to the remembrance of their sacrifices and achievements in the interests of peace and freedom.

\* \* \*

**KYOTO PROTOCOL**

**Mr. David Chatters (Athabasca, Canadian Alliance):** Mr. Speaker, to date the government has dismissed warnings from industry groups and the provinces on the cost of Kyoto. Instead, the government seems to embrace the scaremongering of the environmental movement.

Will the minister's and the government's Kyoto plan, to be presented by April of this year, be anything more than the fantasy wish list we have seen so far?

**Hon. Herb Dhaliwal (Minister of Natural Resources, Lib.):** Mr. Speaker, the government will present a plan to the next ministerial meeting. We are working with the provinces to make sure we have the facts on the table.

I want to assure the hon. member that we will make a decision on Kyoto once we have the facts and a clear plan to make sure that we have looked at all the issues, including some of the issues the hon. member has mentioned, and we will continue to make sure we consult with the provinces, territories and Canadians on this extremely important issue for Canadians.

\* \* \*

● (1500)

*[Translation]***HIGHWAY INFRASTRUCTURE**

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, work to extend highway 50 will soon begin, and the federal government has yet to put its financial contribution on the table. It seems that the federal government's intention is to call on the private sector to invest in strategic infrastructures, which means that we could end up with highway 50 being a toll road.

Could the Deputy Prime Minister tell us if he intends to soon announce Ottawa's contribution, and whether his strategy includes making highway 50 a toll road?

**Hon. John Manley (Deputy Prime Minister and Minister of Infrastructure and Crown Corporations, Lib.):** Mr. Speaker, first, the bill is still before the House.

Second, I met the minister, Mr. Boisclair, last week in Montreal. We had an opportunity to discuss the bill on this strategic infrastructure fund. I explained to Mr. Boisclair the plans that already exist regarding this initiative. We are certainly very interested in Quebec's priorities, and in our own priorities.

*[English]***GRANTS AND CONTRIBUTIONS**

**Mr. Bill Blaikie (Winnipeg—Transcona, NDP):** Mr. Speaker, I would like to go back to what the Minister of Public Works and Government Services said about Groupaction Marketing.

It is not enough, frankly, to say that the final report is not available. The minister has an obligation to tell us why the final report is not available. Where is it? Who is responsible for the fact that it is not available and who is being held accountable? Or is the minister looking in his vast repertoire of binders hoping it might have been misplaced there at some point?

**Hon. Don Boudria (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, I will take the last remark as a compliment to the fact that I have several briefing notes and excellent people preparing them.

However, to answer the hon. member's question, I indicated to the House in answer to two other questions that even though the report is, as I said three years old, it should still be available today. I do not have the final document at the present time.

**Mr. Bill Blaikie:** Are you looking for it?

**Hon. Don Boudria:** The hon. member should listen to the answer as I listened to his question.

In terms of the preparatory documents, they have been made available to the reporter who made the access to information request. I have asked that the matter be looked into so that I can get the document—

**The Speaker:** We will have one final question from the right hon. member for Calgary Centre.

\* \* \*

**HEALTH**

**Right Hon. Joe Clark (Calgary Centre, PC/DR):** Mr. Speaker, this is supplemental to the question asked by the hon. member for Yellowhead.

The Minister of Health indicated that the guidelines of the Canadian Institutes of Health Research will be changed if those guidelines are not consistent with the government's new bill.

Does the minister consider those guidelines to be in effect now? Can they be counted on?

**Hon. Anne McLellan (Minister of Health, Lib.):** Mr. Speaker, the CIHR released those guidelines last week. They do apply to publicly funded research that is approved by the CIHR and will continue to apply to that publicly funded research until such time as federal legislation is introduced. If there are inconsistencies then those guidelines will be changed.

\* \* \*

**PRESENCE IN GALLERY**

**The Speaker:** I wish to draw to the attention of hon. members the presence in the gallery of the Hon. Scott Kent, Minister of Energy, Mines and Resources and Minister responsible for Infrastructure in Yukon.

*Privilege*

**Some hon. members:** Hear, hear.

\* \* \*

● (1505)

**PRIVILEGE**

MINISTER OF TRANSPORT

**Hon. David Collenette (Minister of Transport, Lib.):** Mr. Speaker, I rise on a question of privilege raised in the House on March 1 by the member for Port Moody—Coquitlam—Port Coquitlam concerning a report on the grain handling and transportation system for the 2001 crop year, pursuant to subsection 50(3.2) of the Canada Transportation Act.

I sent you a letter on Friday, Mr. Speaker, to explain my position since I was unable to respond on March 1. With the consent of the House I propose to table the letter. I sent a copy to the hon. member and to my colleagues, the House leader and Minister responsible for the Canadian Wheat Board, and the Minister of Agriculture and Agri-Food.

I would like to clarify the matter that was raised by my hon. friend. The government's policy reforms on the grain handling and transportation system announced on May 10, 2000 included a commitment to hire an independent private sector third party to monitor the system.

The intention was for the independent monitor to provide information to the Minister of Transport, the Minister of Agriculture and Agri-Food, the Minister responsible for the Canadian Wheat Board, and other interested parties on the impact of the 2000 policy reforms and on the overall performance of the system.

The Canada Transportation Act was amended in the summer of 2000 to implement the government's policy decision. This included amendments to facilitate grain monitoring.

An amendment to section 51 of the act authorized the Minister of Transport to communicate information, including confidential information, for the purpose of monitoring the grain handling and transportation system. The amendments also specifically added monitoring the grain transportation handling system as a purpose for which regulations on transportation related information could be made under section 50(1).

The government accepted an opposition amendment, and that is very important here, requiring the Minister of Transport to table in parliament a report on the monitoring of the grain handling and transportation system. The amendment is contained in subsection 50(3.2).

I note that the obligation to table a report in parliament under subsection 50(3.2) is conditional on the Minister of Transport making regulations pursuant to paragraph 50(1)(e.1) and the minister using or communicating the information provided under the regulation for the purpose of monitoring the grain handling and transportation system.

The obligation to table a report on the monitoring of the grain handling and transportation system is clearly contingent upon the happening of certain events. Those events are the making or the amending of regulations under the authority of subsection 50(1)

subsequent to the coming into force of the obligation and the use or communication of information under those regulations for the purpose of monitoring.

As regulations have not been made or amended under the authority of subsection 50(1) and since the coming into force of the obligation, there is no legal requirement to table a report.

Rather than resorting to regulations to force industry stakeholders to submit information to the minister to share with the grain monitor, the preferred approach was for industry stakeholders to voluntarily provide information directly to the grain monitor.

I also note that the carriers and transportation and grain handling undertakings information regulations were made pursuant to section 50 and have been in place since 1996. No substantive amendments have been made to these regulations since December 1999.

I wish to emphasize however that it is the Minister of Transport's intention to release a report on grain monitoring and to make copies available to parliamentarians as soon as possible once I have received the annual report for crop year 2000-01 from the grain monitor, Quorum Corporation.

Quorum Corporation was hired last summer through a competitive process to perform the duties of the grain monitor and one of its main responsibilities is to prepare an annual report on the performance of the grain transportation and handling system. The report is to be submitted to the Minister of Agriculture and Agri-Food, the Minister responsible for the Canadian Wheat Board and the Minister of Transport.

The implementation of the grain monitoring program has been fairly complex and has taken a considerable amount of time primarily as a result of work related to the development of a comprehensive database that includes information from the railways, the grain companies, the Canadian Wheat Board, the Canadian Grain Commission and the Canadian Ports Clearance Association.

The information and data received by the monitor provide an objective basis for conducting analysis. This is the first time such an extensive database and analysis has been put in place for monitoring the grain handling and transportation system. Once the process and database are established it is expected that Quorum Corporation will be able to submit its annual report on a more timely basis.

Generally speaking, grain moved well in the 2000-01 crop year and is moving well so far this year.

● (1510)

I might add that was a prediction that my colleague, the Leader of the Government in the House of Commons, and I made during the discussions on Bill C-34 two years ago.

The Canadian Transportation Agency has determined that the grain revenues for CN and CP for crop year 2000-01 were under the revenue caps established as part of the May 2000 policy decision. As well, the Canadian Wheat Board and the grain companies have implemented new commercial arrangements to cover the logistics of wheat board movements.

*Privilege*

Quorum is in the final stages of preparing the annual report for crop year 2000-01. As noted above, it is my intention to release a report on grain monitoring and to make copies available to parliamentarians as soon as possible once he has received the report from Quorum.

I would hope that these remarks would clarify the alleged question of privilege raised by my hon. friend. I submit that there is no prima facie case, that I have met all the statutory requirements and met them faithfully.

**The Speaker:** The hon. member indicated that he was tabling a letter that he sent to me. I do not believe he requires the consent of the House to table the document. Holding the exalted title he has of a minister of the crown, he is therefore entitled to table the document, and I assume we will take it as tabled.

Does the hon. member for Port Moody—Coquitlam—Port Coquitlam have further light to shed on this matter that will assist the Chair in reaching a decision?

**Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance):** Mr. Speaker, the regulations that existed before the passing of Bill C-34, amendments to the Canada Transportation Act in June 2000, required grain handling firms and rail carriers to provide information to the Minister of Transport to collect sufficient information necessary for the monitoring of the grain handling and transportation system.

However, before the passage of Bill C-34, the government did not have the authority to use the information collected under section 50 of the Canada Transportation Act for monitoring. Bill C-34 changed how the information collected under the authority of section 50 of the act could be used by adding section 50(1)(e.1), monitoring the grain transportation and handling system.

It should be noted that the regulations passed pursuant to section 50 of the act cover all parts of section 50 of the act and not individual parts.

The reporting requirements outlined in section 50(3.2) of the act, as inserted by Bill C-34, were triggered when the carriers and transportation and grain handling undertakings information regulations were used to collect information from carriers and grain handling enterprises and this information was communicated to Quorum Corporation to carry out monitoring of the grain, as anticipated in the new sections inserted into the CTA by Bill C-34.

These two necessary conditions have clearly been met. I will quote from the press release issued by the Ministers of Transport, Agriculture and Agri-Food, and the Canadian Wheat Board of June 19, 2001:

The Minister of Transport, the Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, and the Minister of Agriculture and Agri-Food, today announced that Quorum Corporation has been hired to monitor and assess the overall efficiency of Canada's grain handling and transportation system.

The June 19 press release further states:

Quorum Corporation will collect and analyze data from railways, grain companies.

This information is collected under the authority of section 50 of the Canada Transportation Act.

Parliament clearly intended that when the Minister of Transport undertook formal monitoring of the grain handling and transportation system, the minister would report the results of this monitoring effort to parliament at least once per year. The minister is engaging in formal monitoring of the system and is using his authority under section 50 of the act to collect information from grain handlers and rail carriers. The minister is getting quarterly and annual reports, again his own press release states "Quorum Corporation will provide quarterly and annual reports" from Quorum Corporation and yet is refusing to abide by the will of parliament and table a report. Again, I view this as contempt.

The government is correct, the regulations in question were brought into effect on July 1, 1996. However, the specific purpose of "monitoring the grain handling and transportation system" could not have been part of the purpose of the regulations because these provisions did not exist in the act until June 2001.

The government claims that the regulations required to trigger the reporting requirement have not been met. In order for this argument to hold, he must answer two basic questions, which I suggest he cannot do.

First, if the Minister of Transport is not supplying Quorum Corporation with information obtained under the authority granted by section 50 of the Canada Transportation Act, how is Quorum obtaining the information necessary to carry out its contractual mandate of monitoring the grain handling and transportation system?

Second, if Quorum Corporation is obtaining information through the authority granted to the minister in section 50 of the act but is not obtaining the information under section 50(1)(e.1), by what authority is it using this information to monitor the grain handling and transportation system given the fact that this purpose for the collection of the information was not anticipated before section 50(1)(e.1) was inserted into the act with the passing of Bill C-34 in June 2000?

• (1515)

**The Speaker:** I can only advise the House, having heard these quite fascinating arguments on both sides, that the Chair will take the matter under advisement and spend a little time reviewing it.

The hon. member for Port Moody—Coquitlam—Port Coquitlam could perhaps provide additional assistance to the Chair if he could make available to us a copy of the press release to which he referred in his arguments. I think it might be helpful in examining what the minister is alleged to have said on past occasions in terms of what the company is supposed to collect.

Not being an expert in grain handling, I must say this one is perplexing for the Chair, but somehow I will muddle through and come back with a decision at some point to assist the House.



*Speaker's Ruling***ROUTINE PROCEEDINGS***[English]***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**

## FINANCE

**Mrs. Sue Barnes (London West, Lib.):** Mr. Speaker, I have the honour to present the 13th report of the Standing Committee on Finance regarding its order of reference of Tuesday, October 16, 2001, in relation to Bill C-209, an act to amend the Income Tax Act (Public Transportation Costs).

The committee has considered Bill C-209 and recommends that the House not proceed further with the bill.

\* \* \*

*[Translation]***PETITIONS**

## TERRORISM

**Mr. Paul Crête (Kamouraska—Rivière-du-Loup—Témiscouata—Les Basques, BQ):** Mr. Speaker, on this day, six months after the events of September 11, I am tabling a petition signed by more than 800 people in my riding and my region.

The petitioners ask that the UN take the lead role to resolve the conflict; that the Government of Canada provide its citizens with a report on its military operations; that the Anti-terrorism act, which was introduced in the House of Commons, be limited in regard to the provisions that violate human rights, and that its content be reviewed every year; that these clauses of this same bill be null and void after three years; and that the media networks be encouraged to share as much information as possible on this issue.

I think the relevance of this petition speaks for itself.

● (1520)

**Mr. Ghislain Fournier (Manicouagan, BQ):** Mr. Speaker, today being the six-month anniversary of the events of September 11, I am presenting in the House a petition signed by 544 young sixth grade students from my riding of Manicouagan.

In this petition, the students express their concern regarding the events that took place on September 11, and the subsequent events that we have been experiencing since then.

In the hope that the world will one day live in peace, these young people call on government leaders with the following words. "We young people believe that no matter what triggered them, the terrorist acts of September 11 are unacceptable. We ask the Government of Canada to take part in a diplomatic mission and to urge all the governments of the world to adopt political and economic sanctions capable of striking down terrorism".

*[English]***QUESTIONS ON THE ORDER PAPER**

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

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

\* \* \*

**REQUEST FOR EMERGENCY DEBATE**

## RESEARCH AND DEVELOPMENT

**The Speaker:** I am in receipt of a notice of motion under Standing Order 52 from the hon. member for Yellowhead.

**Mr. Rob Merrifield (Yellowhead, Canadian Alliance):** Mr. Speaker, I rise pursuant to Standing Order 52 seeking leave to move that the House now adjourn for the purpose of discussing a specific and important matter requiring urgent consideration.

I provided you with a written notice dated March 7 in which I sought leave to move adjournment for the purpose of discussing last Monday's decision by the Canadian Institutes of Health Research to approve both research on and the destruction of human embryos and to encourage such research by providing federal funding for it.

As members know, the Standing Committee on Health carefully considered the draft legislation on assisted reproduction and related research. It worked hard to submit its report to the House in December. Parliament has been waiting eight years to receive and debate the legislation. We eagerly anticipate it within three months because the minister promised the health committee 18 days ago that it was on its way.

The CIHR announcement effectively pre-empted the debate by allowing research on human embryos to begin before legislation is in place. It is vitally important that the House be seized by the fundamental question of the moral and legal status of human embryos prior to the commencement of research to ensure all future research is focused on enhancing human life.

The CIHR ruled on a question of national and ethical importance when it knew legislation was only months away. It knowingly usurped the authority of parliament and contradicted the recommendations of a standing committee of the House. A decision on a fundamental matter involving the dignity of human life has been made not by representatives of the people of Canada but by a small group headed by an unelected, unrepresented and unaccountable arm of the federal government. Canadians deserve to have their voices heard in parliament before any decision is taken regarding research on human embryos or embryonic stem cells.

I therefore request that you convene an emergency debate on this life and death issue at your earliest convenience.

## SPEAKER'S RULING

**The Speaker:** The Chair has heard the submissions of the hon. member and I had the advantage of course of reading the letter that he sent to me indicating his intention to raise this very important matter this afternoon.

*Government Orders*

I have no doubt that the matter is of considerable importance. The question that concerns the Chair is the one of urgency, and under the standing order I believe that in this case there does not appear to be urgency as required by the standing order.

I note also, without making any further comment on it, that there is an opposition day tomorrow and there is going to be another one on Thursday. It is the hon. member's party's chance on Thursday and I know that he might want to see that the issue is brought forward at that time. Certainly he could do more on an opposition day with a motion than he could at an adjournment debate that I am allowed to grant under the standing order. Accordingly I must decline his request at this time.

---

## GOVERNMENT ORDERS

• (1525)

[*English*]

### BUDGET IMPLEMENTATION ACT, 2001

The House resumed consideration of Bill C-49, an act to implement certain provisions of the budget tabled in Parliament on December 10, 2001, as reported (with amendment) from the committee, and of the motions in Group No. 1.

**Mr. Roy Cullen (Etobicoke North, Lib.):** Mr. Speaker, I am pleased to speak to Bill C-49. The bill deserves the confidence of the House of Commons. Our Minister of Finance and the government introduced a budget on December 10, 2001. The bill would implement the provisions of the budget, a budget announced in the midst of almost unprecedented uncertainty with a slowing economy and the events of September 11.

The Minister of Finance listened to Canadians who asked him and the government to do a number of things. I was and still am on the House of Commons finance committee which travelled across Canada during prebudget consultations. We heard unanimously from Canadians on a number of key points. First, Canadians want the Minister of Finance to protect the largest tax cut in Canadian history: the \$100 billion the government announced in the year 2000.

Second, they want the government to protect the \$23 billion it negotiated with the provinces in the fall of 2000 for investment in health care, post-secondary education and early childhood development.

Third, Canadians want the government to provide funding for a national security agenda to deal with the events of September 11 and move forward. The finance minister provided \$7 billion to deal with a range of issues including cross border security, immigration, investing in CSIS and the RCMP, and a whole host of other initiatives that were tied to the terrible events.

Fourth, they do not want the government to go back into deficit. Canadians have fought long and hard to cut programs and reduce expenditures to get the economy and the fiscal position of the government in good order. They do not want the government to go into deficit.

I am delighted to stand here today and say our Minister of Finance listened to Canadians and did exactly the things they asked of him. As a result of stimulation of our economy, tax cuts, and investments in R and D and infrastructure we have not gone into deficit or recession.

We have missed a recession notwithstanding the comments of members on the opposite benches who have said we are in one. We are not. We missed going into recession because the government has a sound fiscal policy, the Bank of Canada has a sound monetary policy and the two are working together as they are supposed to. That is why jobs are being created, our economy is moving forward and we have the lowest interest rates in 50 years.

I will talk about some of the specifics of the bill. We sometimes get caught up in detail, albeit important detail, but I want to highlight the context within which the minister brought forward his budget in December of last year. It was a difficult budget to deal with in trying times. However the government brought in sound fiscal and monetary policies and we are starting to reap the rewards.

There has been much discussion about the air traveller security charge. I share the concerns that have been raised particularly about short haul fares and the impact the fee might have. The fee would be \$12 one way with no stopovers and \$24 return with no stopovers. The point has been raised many times that for small communities and short hauls a ticket of \$100 to \$120 would be a significant amount. The government has said it understands this and is prepared to monitor it closely. The finance committee could undertake this. If airlines began to cut back services we could be in a predicament where it would be too little too late.

However we need to understand a couple of economic truths. If people are travelling on a short haul, let us say from Vancouver to Kelowna, the fact that they must go through airport security costs the same whether they are travelling from Vancouver to Kelowna or getting on a flight in Toronto and travelling to Vancouver. It is a fixed cost. Travellers must go through the same security measures. The argument, and it is a fairly good one, is that people must pay the cost irrespective of how far they are travelling.

• (1530)

The result of not doing that would be to cross subsidize. Someone who was travelling from Toronto to Vancouver and return would have to pay more and would subsidize someone who was travelling from Vancouver to Kelowna, for example. There is an argument for that but frankly I do not think it is strong enough. We need to test the system.

We have been reading about how air travel has been picking up in Canada. I looked at some of the numbers.

During February 2002 Air Canada experienced 3.1 billion passenger miles. That is up from February 2001 when it was three billion revenue passenger miles. That is not insignificant when we consider what went on after February 2001.

In February 2002 WestJet had 199 million passenger miles compared to 126 million passenger miles. That is an increase of some 58% over February 2001. In the interim, there was the issue of Canada 3000 and I accept that.

*Government Orders*

What I am trying to say is that people are starting to fly again. WestJet has a pretty robust business model. It goes for no frills, low cost travel. I think the jury is still out.

If a \$24 fee is put on a return trip between Calgary and Edmonton, I am not sure that the demand is such that it is going to make a huge difference, but perhaps it will. Perhaps that has to be monitored. To go into the smaller centres perhaps it will make a difference, but I suppose one has to look at what the alternatives are.

No one likes to charge additional costs to get from point *A* to point *B*. The government has indicated it is prepared to monitor the situation very carefully. If WestJet, Air Canada or other companies were to indicate that the demand had fallen way off, I am sure the government would look at that and decide whether there was a more reasonable alternative.

Also in the bill is the establishment of the Canadian air transport security authority. The authority would oversee the security. I believe there is room on the board of the directors of the authority for one union representative. In fact, I supported that at committee. I would hope that over time the government would revisit that.

We have heard stories of people having little pairs of nose scissors taken from them when going through airport security, but then being able to buy little pairs of nose scissors on the other side and take them on the plane.

Workers on the front line could have some valuable input and would feed that to the union rep on the board of the authority. I support that. I supported it at committee. I wish the government would reconsider that and put a union rep on the board. There would be better decisions as a result.

A number of other different initiatives are funded through the bill. There is the \$500 billion for the Africa fund and the \$2 billion for the Canada strategic infrastructure program. These initiatives are worthy of the support of the House.

There are a number of other more minor items, for example the one regarding mechanics tools. This is not minor to mechanics I am sure, especially since it is targeted to apprentices who have to build up their tool kits. The bill gives them a tax deduction for extraordinary costs.

The bill deserves the confidence of the House to implement an excellent budget that was delivered in December by the Minister of Finance and the government.

• (1535)

**Mr. Joe Comartin (Windsor—St. Clair, NDP):** Mr. Speaker, I will start my comments with regard to Group No. 1 on the issue of parliamentary democracy. In the last few weeks the government has run roughshod over that concept. We saw it at the environment committee regarding the endangered species legislation. We saw it at the finance committee with the way it manipulated the election of the chairman. Now we are seeing it in the bill and the motion with regard to representation from the labour community on the airport authority that will be established should the bill go ahead as proposed.

From the sequence of events, it is clear that the parliamentary committee that reviewed this issue felt very strongly about who

should be represented on the agency. It indicated that and passed the information in its proper format on to the minister. Either the minister or, more likely the Prime Minister's Office decided to heck with parliamentary democracy and the knowledgeable work the committee did, and the recommendations which came from all parties on the committee were ignored.

I also want to address the importance of labour representation on the authority. A number of major issues which directly affect workers in the airline industry will come up in front of the agency, for example, decisions on health and safety matters, general work standards and training which will require input. Labour representatives will bring their experience to the table. Based on what we have heard from the minister, he has deemed that as not important enough to have them sitting at the table.

Originally the committee recommended to the minister that there should be two members on the authority from the labour community. What we got initially was floundering by the government which argued for maybe one and now it is an absolute no, that labour does not deserve to be at the table.

One other issue which I want to raise is right in line to be affected by the authority once it is established. That is the whole issue of who will be responsible for the workers in the industry and providing security at the airports.

As it stands, various unions represent the workers. Depending on what decisions are made by the authority, that representation could be completely wiped out. The issue of successor rights, should the responsibility for these workers be transferred from where it is now, is very important to the unions and bargaining units that represent those workers at present. It is another reason that they should be represented on the authority once it has been established.

Another issue with regard to Group No. 1 of Bill C-49 is the \$24 fee which of course is a tax in everything but name.

Looking specifically at the airport in my city of Windsor, that airport is marginal. It is doing okay right now. It is actively promoting itself to be used more extensively. We lost Canadian, but several smaller airlines are currently looking at providing service which is badly needed not just to Toronto where we are really confined to now, but to and from a number of areas around the country.

I have been speaking to a number of officials at the airport in the last few days in anticipation of speaking to Group No. 1. They have raised serious concerns about the impact the \$24 fee will have on the short runs.

• (1540)

These are the areas at which the new small airlines are specifically looking. Because they work within very close margins, the concern is whether the fee will be enough to dissuade them from further exploring coming into the Windsor airport. They have done an excellent job promoting the airport and now they are being confronted with this fee or tax which is a much more severe burden on the people who are travelling than on the general public.

*Government Orders*

Everyone recognizes that sufficient security has not been provided at our airports in the past. I have had many conversations with the workers over the years. They would probably be the first ones to tell us that they are not paid or trained well enough and are not provided with enough equipment, and any equipment they have is out of date.

We know it is going to cost money. That is not the issue and everyone accepts that. However, in order to bolster security, should the individual passenger have to bear the full brunt of that?

Security is not just an airline issue. The tragedies in New York, Washington and Pennsylvania showed that all sorts of other people were affected, a great many of whom lost their lives as we well know.

In doing the tax planning to deal with the social issue of security, the issue then becomes, from where does the government derive the revenue? The issue should be one of fairness, obviously, as in all cases of taxation. How do we spread the cost of the security fairly across the whole of society?

The obvious answer is it is not done by putting the entire burden on the travelling public. One can accept that some of it should be borne by them, almost on a user fee basis, but not the entire amount as is proposed in the bill. It is unfair to the travelling public. Society as a whole should bear more of the burden from general tax revenues.

With regard to the Windsor airport, it is expected that a number of new flights also may not proceed from Air Canada and Air Ontario as we have them now. Not only are we dealing with a situation where the new airlines may not proceed with new flights, but we may lose more of our flights. We recently have lost some. Rather than having any increase, we may lose more short hauls. The biggest number of flights out of Windsor go to Pearson in Toronto. There is some risk that we may lose those as the cost of flying goes up.

Going back to the parliamentary democracy issue, this is a flagrant example of the government running roughshod over it. There is great reason to have proper representation on the agency. There cannot be proper representation unless the labour movement and the workers in the industry are represented at that level.

**Mr. Mac Harb (Ottawa Centre, Lib.):** Mr. Speaker, it is a great pleasure to speak on the motions at report stage, namely Motions Nos. 1, 2, 10, 17, 18 and 20. Some of these motions came from the Standing Committee on Finance.

I had the pleasure of attending one meeting of the committee when it was debating this bill. I knew then, as I knew even before, how important this legislation was for the House, for the Government of Canada and for the people of Canada. As members know, security issues have been identified as being very important for Canadians. Canadians have told us that they have two priorities; first, economic security and second, personal security.

When the Minister of Finance introduced his budget in the House, the focus of the budget in fact targeted those two issues specifically, along with other issues that were important to Canadians.

Bill C-49 is legislation that responds to personal security for Canadians. It is a sensible bill that tries to provide what is necessary

so Canadians can feel comfortable and secure when they travel on airplanes to their destination.

First, I will speak on Motion No. 1, which was proposed by my colleagues from Calgary West and seconded by my colleague from Yellowhead, both opposition members. It asks the government to table in the House a report on annual basis. As members know, committees and agencies report to the House on an annual basis. From time to time standing committees of the House can at their will choose and decide to look at any given issue concerning agencies or crown corporations.

Motion No. 2, which was introduced by the Minister of Transport, states:

Two of the directors must be nominees submitted by the representatives of the airline industry designated under section 11 whom the Minister considers suitable for appointment as directors, and two must be nominees submitted by the representatives of aerodrome operators designated under that section whom the Minister considers suitable for appointment as directors.

I would suggest that this is a very sensible amendment which responds to the need of industry, and it is exceptionally timely for the House to adopt this amendment.

I know one of my colleagues on the opposition side made a submission at the committee level which asked the government to specifically designate two positions for union representatives. The Minister of Transport in the House made a commitment on a number of occasions that union leaders, people of knowledge in the union movement, would be considered and would be appointed to the board. I take his word. He is an honourable member.

If we were to start designating positions for different categories, some of my colleagues might submit that a representative of every component of the industry that has anything to do with airline travel perhaps would have to be on the board. There is nothing in this legislation that would prevent any industry member, organization or association, any individual member of the House or citizen of the country from submitting names to the minister for his consideration. Therefore, if the government saw fit and the individual was qualified, he or she would be appointed to that board.

Nonetheless, there comes a time when we have to move ahead with this legislation. Canadians have told us that they want the government to take immediate action.

● (1545)

This is not the first legislation before the House that deals with security issues. There has been other legislation that the House of Commons has dealt with and government has adopted. This, if anything, is complementary. It is part of an overall package. If we were to go back to see what the government has done in terms of commitments to the armed forces, to our security forces, whether the RCMP or CSIS, to security at airports in terms of efficiency of travel, at border crossings in terms of transportation by road and sea, as well as by train, they are all part and parcel of an overall government agenda that responds to the needs of Canadians.

I appeal to my colleagues to ensure that the bill passes through the House of Commons as fast as possible so it can go through the Senate and be approved as quickly as possible.

*Government Orders*

The government responds, takes leadership and acts. I want to commend the government on its action on this issue. I understand there is no legislation without review. From time to time, for every bill that passes through the House, a committee of the House, as well as the government, the designated ministers have the authority to review the bill.

I know some of my colleagues would like to see this bill reviewed on an annual basis. That may not be suitable. Otherwise, we would end up crippling the wheels of committees, the government and the agency itself that would oversee and monitor the process of this whole issue.

I want to commend the Minister of Transport on his leadership and commend the government for moving ahead with this bill. I urge my colleagues to pass it as quickly as possible.

● (1550)

**Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, Canadian Alliance):** Mr. Speaker, Canadians waited two years for the government to bring in a budget. We all waited for some positive action to be taken to ensure the economic viability of our country. We waited, and in December of 2001 we received a budget, a budget that left us all disappointed.

The government had the opportunity to finally address issues directly affecting Canadians, namely taxation. Instead of helping to alleviate some of the burden of taxation on Canadians, the government chose to add to that burden.

The auditor general stated that priorities needed to be re-examined to ensure that money was spent in priority areas and that this examination could realistically lead to the termination of some areas and departments that were either wasteful or no longer priority areas. According to the government, there was not one area of wasteful spending in any government department. This meant that there was no money available to reallocate to more important areas such as national security.

The events of September 11 affected every one of us. The insecurity and fear of that day linger on. The safety and security of Canadians became a top priority, and rightly so. There were now national security issues that needed to be addressed immediately. We needed to have airport and airplane security in place to ensure the safety of Canadians.

We needed to have a government that would take the initiative to implement a plan that would ensure our safety. Instead, we were met with a government that floundered in the face of this challenge. The United States put together legislation dealing with air travel safety immediately. That same legislation was passed within 10 days of September 11. Its plan was swift and immediate.

Canadians waited for a plan, and we waited and we waited. When a plan was finally submitted, Canadians found that they would be taking care of the bill. One hundred per cent of the airport and airline security measures would be paid for by the travelling public.

The Standing Committee on Transport and Government Operations put together recommendations outlining how these new measures should be paid for. The recommendations from that

committee would be fair to all involved. That recommendation stated:

All stakeholders—including airports, air carriers, airline passengers and/or residents of Canada—contribute to the cost of improved aviation security. In particular, the amounts currently spent by airports and air carriers should be continued, with appropriate adjustments for inflation. A ticket surtax could also be implemented, and any funding shortfalls could be financed out of the Consolidated Revenue Fund.

This recommendation sounds reasonable and fair.

Instead of implementing a sound, fair and financially feasible program, the government chose to ignore the recommendations of the committee. This is a trend that seems to have developed within the Liberal government. The arrogance is astonishing. These committees are set up to deliver fair and reasonable views and solutions that would benefit Canadians. Instead, the government chooses to ignore its committees and acts on its own.

The air security tax to be paid solely by air travellers is neither just nor fair. What is needed in the bill is balance. There must be balance among the needs of Canadians, the security needs of airports and carriers, the travelling public's ability to pay and the government's obligation to Canadians.

At a time when we have seen many air carriers struggling, the government chooses to further endanger the viability of this industry. In adding extra taxes on air travel, it will effectively be reducing the amount of air travel in this country.

We have heard the following analogy before, but it is worth repeating. The high levels of taxes on a pack of cigarettes are there to help discourage people from smoking. It only stands to reason that adding more taxes to airline tickets will then discourage people from flying. This is not fearmongering, it is a logical statement. To make a product more expensive will lead to fewer people buying that product. If this theory were not true, I would be driving a convertible instead of a compact.

If it were only passengers who were to benefit from these new measures, it would make a little more sense to have them paying the bill. That is not the case. These new safety measures will be to the benefit of air carriers and their staff, employees of airports, including shops and services found in those airports, and to the general public.

● (1555)

To force only one group of people to pay for security is unfair and unreasonable.

The amount of this new tax, \$24 for a round trip, is excessive. In some instances it constitutes a full 58% of the total ticket price. If the government cannot see the debilitating effect that it would have on the air industry, then it is not looking hard enough.

In the United States passengers pay \$2.50. Figuring in the exchange rate this is still far below what Canadians are expected to pay. In airports such as Saskatoon, which is in my riding, the amount of tax expected to be collected from passengers would exceed that airport's annual operating budget. Amendments to the bill must be made before it is implemented. The Canadian Alliance proposes that the maximum tax collected from any given airport should not exceed 50% of that airport's annual operating budget.

*Government Orders*

Changes to the bill need to be made to adequately reflect the various airports in Canada. There are some small regional airports that cannot support the burden that this new tax would present. Revisions should be made that would see a progressive tax being applied, 50 that the amount of the tax would be a percentage of the ticket price. There is no reason that a short flight from Saskatoon to Regina should be subject to the same tax level as a flight from Vancouver to Toronto.

I received a letter from the Saskatoon Airport Authority outlining its concerns in relation to the proposed tax implementation. It states:

We are entirely self-financing and all earnings of the Authority are reinvested in airport operations and development of the infrastructure for the benefit of stakeholders including the Community of Saskatoon and the aviation industry in general.

The events of September 11, 2001 have changed the world and produced unprecedented hardship. The financial crisis facing the civil aviation industry is particularly intense with costs skyrocketing and revenues plummeting at a time when economic events before September 11 threatened the financial stability of the industry.

Saskatoon is particularly concerned about the negative effect the proposed tax will have on our operations. We are reliant on short haul flights. The additional charge levied by the Government of Canada will have a negative impact on our airport. We believe that many potential passengers may choose to utilize other modes of transportation.

This letter goes on to outline specific concerns of the Saskatoon Airport Authority in relation to this new tax. They include the accountability for the collection of the funds, the unfair application of the user pay concept, the discriminatory aspect on short haul flights and the lack of a clear link between the fee and the level of security provided.

The government must re-examine the proposed security tax on air travellers. Canadians demand and deserve a fair and equitable source of funding for the added security measures needed.

● (1600)

**Mr. Gary Pillitteri (Niagara Falls, Lib.):** Mr. Speaker, I am pleased to speak to Bill C-49, the budget implementation act.

Today is the six month anniversary of the September 11 tragic attacks on New York City and Washington, D.C. The world is a very different place from what it was just six months ago. Those brutal attacks changed how we look at our security and our relationship with the rest of the civilized world.

After the horror and grief our thoughts turned to broader concerns. Canadians were understandably asking questions about our national security in the wake of those terrible events. Moreover they were worried about the possibility of repercussions on the Canadian economy. While we were not a target of the attack we saw how easily it could happen and how vulnerable we all were. The attacks could come from anywhere, be launched from anywhere, and take us by complete surprise.

It would have been easy to surrender to fear and shut our borders. Because of the terror experienced on September 11 we knew it was essential to restore a sense of personal security for Canadians. We knew something had to be done. It did not mean closing our borders. Our borders are the arteries that feed our economy and our prosperity.

I believe that the Liberal government acted quickly but not impulsively or irrationally.

The budget, dubbed a security budget, was not focused on raising bridges to the outside world or on isolating ourselves from the rest of the civilized world. The budget was aimed at making us better at determining where the threats would come from and to try to stop them before they could cause the sorrow and destruction experienced by our neighbours.

Beefing up security did not mean spending money to build walls but it meant investing wisely to determine who were our friends and who were our enemies. Budget 2001 earmarked \$1.2 billion for border security. More than \$600 million would buy new equipment to help customs officers detect explosives and other dangerous materials while still allowing people and goods to move smoothly.

The added funds would enhance our ability to respond to any unconventional attack, to improve our emergency preparedness and increase support for the military. Additional funds would go the Canadian Security Intelligence Service and the RCMP for intelligence and policing. The screening of new arrivals would be enhanced. In addition, the funds allocated would buy new information-sharing technology that would help Canada and American border authorities screen travellers at airports and other border entry points that line our 4,000 mile frontier.

My riding of Niagara Falls is a border riding where enormous amounts of goods move between Canada and the United States each day. Great numbers of my constituents depend upon the safe, secure and fast movement of people and goods. Many of my constituents feed their families and build their homes and dreams from trade with our great ally, the United States.

In December 2001 I accompanied the Minister of National Revenue to Washington, D.C. There I met with the head of U.S. customs to ensure that the fear and anger that was generated by the kamikaze-like attacks of September 11 would not result in the closure of our borders. The results of a move like that would only make all of us poorer.

Canadians want smarter borders that would maintain our prosperity and build a sense of security in all of us, borders that would tell our greatest trading partner that we are its best defence. More secure borders mean better roads and bridges.

In this budget the government has created a \$600 million program to improve the nation's infrastructure that supports major border crossings.

● (1605)

However the budget is not just about security. It is also about the well-being of Canadians. Lately there have been those who say the federal government is not doing enough to ensure health care for Canadians. Budget 2001 confirms that the publicly funded health care system reflects more than ever the fundamental values shared by all Canadians.

*Government Orders*

This budget confirms that the \$23.4 billion in funding to support the health and early childhood development agreements reached by the first ministers in September 2000 would be fully protected notwithstanding the economic instability that we experienced at the time of the budget. Reinvesting in health care has been the number one priority of our government since balancing the budget. Provinces are receiving \$2.8 billion more in social transfers. Next year the increase would rise to \$3.6 billion and these amounts would keep growing.

I take this opportunity to remind those who insist that the Government of Canada is not doing its part when it comes to health care that by the year 2005-06 the Canada health and social cash transfer would increase by \$5.5 billion. This is a 35% increase over the 2000-01 levels. By then the total cash transfer to the provinces would reach \$40 billion. The federal involvement in health care includes not only health services but also health information and health related research and innovation.

This budget would strengthen the federal government's contribution to Canada's social health care system by providing \$95 million to the Canadian Institute for Health Information. Those who claim that the Government of Canada is not doing enough conveniently forget all about this. They forget that budget 2001 would provide a \$75 million increase to the annual budget of the Canadian Institutes of Health Research.

Budget 2001 would ensure that the environment remains a priority. Both the green municipal enabling funds and the green municipal investment fund would have their funding doubled in this budget by \$25 million and \$150 million respectively. Our commitment and resolve to balanced budgets did not change. Budget 2001 is a balanced budget and we foresee balancing the budget for the next two years as well.

This budget would protect the tax cuts as well as the health and early childhood development agreements with the provinces. The government's sound fiscal management would result in a falling debt to GDP ratio. Next year for the first time in 17 years it would fall below the 50% mark. This is an achievement.

At the same time the government would increase program spending for the year 2001-02. Seventy-five per cent of that program spending would be earmarked for health care, security, employment, insurance benefits and the elderly. Budget 2001 shows how our country is committed to the global campaign against terrorism. With the measures announced in this budget Canada has demonstrated its solidarity with the United States and has pledged its support. However, the government will continue to work hard to manage our economy, to ensure a safe society and to improve the quality of life for Canadians.

Canada has been transformed economically since the Liberal government took office in 1993. We are now facing unforeseen and enormous fiscal pressures. The good news is that, thanks to the efforts of Canadians, our country is well positioned to withstand these pressures and to enjoy renewed growth in the next year. We plan to do this by keeping Canada safe, terrorists out and our borders open.

• (1610)

[*Translation*]

**Ms. Pauline Picard (Drummond, BQ):** Mr. Speaker, although we agree with the proposed amendments, I would like to take advantage of the time allocated to me to once again speak out against the harmful effects implementation of the new security tax will have on the airline and tourist industries.

Effective April 1, 2002, a new tax will be imposed on the users of air travel. This tax, a set fee of \$24 for a round trip, will impact on the industry. When we asked the Minister of Finance to provide us with the impact studies done on this, he admitted candidly that there had been none commissioned. This is unimaginable.

Security is, above all, a national issue. The victims of the September 11 attacks, which brought down the World Trade Center towers, were not all on board the planes. A large number of them were at work in their offices. It is possible to imagine that a cargo plane could have had the same impact.

The government seems in a rush to impose its tax. The Air Transport Association of Canada, which represents the major airlines, travel agencies, airports and reservation systems, has asked for time to study the new tax. The association's request is based on the need to carefully assess the repercussions it will have on ticket prices. It seems the problem lies with stopovers and transfers.

It seems that the airline people have discovered that calculation of the charge might lead to higher ticket prices, because it is so complicated, not to mention the fact that it is not clear how much time will be allowed for a stopover. Some travellers might end up being taxed twice if they were more than a few hours between planes.

There is also the request for a grace period. Inevitably, charging the new tax will result in some mistakes. Will the government give a positive response to any requests made to it?

As the government sets up this new security agency, to be funded by this new tax, its mandate is not yet clearly defined. We know that it will look after passenger safety, among other things, but what other responsibilities does the Minister of Transport plan to give it?

This morning the secretary of state reiterated that urgent action is needed in the aftermath of September 11. Yes, people's safety must be assured, but not willy-nilly.

May I remind the secretary of state that the last act of terrorism involving an aircraft in Canada occurred in 1985 when an Air India aircraft exploded in Toronto, killing 329 people? The bomb was hidden in a suitcase stowed in the baggage compartment. Yet, to this day, it appears that airlines are still not required to conduct security checks on all the baggage that they carry. Every day, baggage is put on board aircraft without adequate inspection.

Sure, people who fly have noticed a number of changes at departure points. But what about what goes on behind the ticket counter, or on in the baggage conveyor area? The Airline Pilots Association is condemning the lack of adequate security measures in certain areas at airports. The only noticeable and visible changes are with crew members, who are implementing stricter control measures.

*Government Orders*

In its December budget, the government allocated \$1 billion to buy a bomb detection system. The problem is that this system, which costs \$1.6 billion, is only made by two companies in the world and they cannot keep up with demand. When will we have these systems in our airports? And how long will it take for all the security measures and necessary equipment to be in place and fully operational?

Let us now look at the financial impact of this tax. The secretary of state should tell us how he calculated his tax. Just last week, the *Toronto Star* wrote that the new tax on airport security would bring in \$130 million more than necessary. By the year 2006, the surplus generated would reach \$250 million.

• (1615)

What we know right now is that this government plans to collect \$2.2 billion dollars over the next five years. It has a duty to tell us exactly how this money will be spent for our security.

A rapid calculation makes it clear that surpluses can be expected. I know that the Minister of finance is not very good at calculating surpluses: I understand that he is incapable of forecasting one.

We estimate a surplus of approximately \$223 million in the first year that the new tax takes effect. Will the government siphon this off, as has become its sorry practice? Is the government telling us that it plans to help itself to the surplus from this tax, as it has done in the case of employment insurance?

Although the government likes to say that this new tax will be used to pay for new security measures in airports and that it will have little or minimal impact, it is unable to provide convincing evidence. Where are the impact studies related to the introduction of this new tax?

We cannot let go by without comment another rather disturbing point, that being the establishment of the federal security authority. Prior to September 11, the provision of security services in airports was contracted out to private companies. We had no special requirements with respect to the hiring of employees.

The establishment of a federal authority held out the possibility of better trained, and certainly better paid, employees. Now we learn that the authority is authorized to award contracts to the same companies now working for the airlines. It is true that the companies will have to meet Transport Canada's requirements, but we do not know what these new standards will be.

In conclusion, much remains to be done. I do not understand why the government wants to move so quickly.

The Minister of Finance said in the House that he would review the application of his tax in the fall. This statement leaves me very confused. This is the same government that got itself elected by promising to eliminate the goods and services tax, the GST. The election took place and the tax remained. Once the tax is in place, the odds are good that it will remain.

Why make Quebecers and Canadians pay a \$24 tax, when our American neighbours are paying only \$10?

This tax is in addition to the GST on some flights, to the fuel tax charge, to security fees, to charges for air navigation and to airport

improvement fees. As a result, once the new tax is applied, the price of a ticket for a flight from Edmonton to Calgary will go from \$100 before September 11, to \$180 after April 1, 2002.

What would happen if travellers gave up on air travel because the costs were too high? Airlines would abandon certain less profitable flights, and it would be the small communities that would pay the price.

What would be the economic consequences? What would be the consequences for development in the regions, in particular the remote regions? Quebecers and people in the other provinces will have to shell out and take it. This is not the first time the Liberals have racked up a surplus, and this tax, without any thought to its consequences, will only further inflate the government's surplus.

We are warning this government: it must hear our appeals and review its position. It has the responsibility to carry out economic impact studies and present us with their findings, now, while there is still time, rather than promising a review once the damage has already been done.

• (1620)

[*English*]

**Mr. John Bryden (Ancaster—Dundas—Flamborough—Aldershot, Lib.):** Mr. Speaker, budget debates are a time traditionally when members of parliament can raise other issues in the House that bear some relationship to things fiscal and financial. I am particularly pleased to see the member for Elk Island here today in the House as I make my speech because the member for Elk Island was one of two members of parliament in this House who raised the issue of gambling and criticized gambling as a problem that is afflicting Canadian society, during a debate in 1998 that had to do with controlled substances.

It was Bill C-51 and that also included the government's proposal that the criminal code be amended so that casino gambling could take place onboard ships. The member took the opportunity to raise the issue to express his concern that gambling in general had become a problem across the United States certainly but across Canada.

The member for Winnipeg—Transcona also raised the issue during that debate. He has a particular interest in it because there are two casinos in Winnipeg and gambling in general in Manitoba is an example where people are genuinely suffering.

The problem is that no one wants to talk about it any more. Nobody is talking about it at all other than these two instances in the House but gambling has become a scourge, an affliction that is doing all kinds of social damage to Canadians at every economic level in society.

Six hundred thousand to a million Canadians are problem gamblers. We have situations where people are losing their houses. They are losing all their worldly goods. They are going to the casino or sometimes the bingo halls, usually the casinos or even worse the video lottery terminals, and they are losing hundreds if not thousands of dollars in a single event. There is a relationship between this occurrence and an increase in certain areas of crime because of course these people have to pay for their habits.



*Government Orders*

I should help you recall, Mr. Speaker, that up until 1969 the criminal code forbade gambling and under pressure from the provinces the federal government amended the code to allow lotteries, and you will remember Lotto Canada started in 1969. Only a year later the provinces persuaded the federal government to offload the responsibility or the right to raise money by gambling through lotteries to the provinces. That was done in exchange for some \$30 million. That was the revenue that the federal government was to get in exchange for giving this right to the provinces.

That has never changed except through inflation. The federal government's total take on gambling across the country after these amendments to the criminal code, and most of the gambling is conducted by the provinces, is only \$43 million but the total take of the provinces is \$9 billion. That is not the figure that really should concern us. The total money spent by people in casinos, at video display terminals and at the track is \$27 billion.

What has happened is that the provincial governments and the charities indeed have become addicted themselves to revenues from gambling. They pay no attention to the social costs. I invite you to do as I have done. I go across the country. I am not a gambler, but I go to every casino that I can and it is amazing to see the social differences in casinos. In the casino in Montreal, for example, it is mostly high stakes tables. In the casino in Winnipeg it is nickel slot machines.

We can see the clientele in the casino in Winnipeg. The people are on social assistance and are senior citizens. What we cannot see and what the few studies that we do have are pointing out is that this scourge of gambling is reaching into the middle class as well. What is happening is the people who are well educated, people who have university degrees and who have good jobs, are now going to these casinos and to these video lottery terminals and are spending money.

• (1625)

The irony is that we are destroying people's lives through these gambling institutions that every province is now supporting and most charities are supporting. We are destroying lives and we are giving nothing in return. There is almost no money being spent on trying to rescue people who have been afflicted by gambling.

Every one of us knows that we do not need fabulous studies to see in our communities people whose lives have been destroyed by gambling. The irony is that if it was not for the fact that the federal government amended the criminal code, if it was not for the fact that the provinces have set up casinos and VLTs wherever they can, these people would not be victims of the disease that afflicts them. We know that gambling is very like alcoholism. It is a weakness we are basically born with, and when the temptation is presented, some people, no matter what their best intentions, are going to fall victim to it.

We are doing nothing about it. All we are doing is pocketing the money and it is basically the provinces that are pocketing the money.

I will give you an example, Mr. Speaker. Federally we spend \$90 million a year on the tobacco reduction strategy. We spend nothing to help problem gambling across the country. There is the odd \$100,000 here or there to some social agency that has it as part of its mandate, but there is no plan, no strategy, at the federal level and

nothing at the provincial level to actually address the problem of problem gamblers.

We are talking about 4% to 6% of all the people who have access to gambling venues. These are the ones who are problem gamblers who cannot control their habit, or pathological gamblers, where they go and go and they will rob banks and will do anything that is necessary in order to feed their habit. This is a very serious affliction.

I feel very strongly that the House has to address the problem of gambling, because it is not going to come from the provinces. I will give the example of Ontario. Ontario takes in \$2 billion in profit from gambling. It says "Ah well, this money is going to be used for charity", but it gives only 5%, that is 5%, to the Trillium Foundation of that \$2 billion. That is the charitable component. Instead, the rest of the money goes to enable the provincial government not to raise taxes.

Mr. Speaker, I will tell you that if gambling is the source of revenue that replaces raising taxes, then what you are doing is raising taxes on the weak and the poor and you are taking advantage of people's weaknesses. I only have contempt for charities that take that money, take the \$100 million from the Ontario government and purport to use it in the public interest when in fact, in a very real sense, if the money comes from casino gambling or VLTs and charities are using it, then in every sense it is blood money.

We have to, as a parliament, do something about this.

**Ms. Val Meredith (South Surrey—White Rock—Langley, PC/DR):** Mr. Speaker, you will appreciate that I am the critic for the coalition on transport so on speaking to this bill I will be dealing mainly with the airport security fee that has been instituted with this piece of legislation.

As we have heard from many others, this security fee is not well thought out. The committee on transport spent three months investigating airline and airport security and how to deal with it. The minister always told us that the security at Canadian airports was far superior to that of the American airports at the time of September 11, and I do not disagree with him. Canada needed it because it was home to a terrorist attack in 1985. The Canadian government and the Canadian airports had to increase the security.

One wonders, when we are already starting from a position of strength where our security apparatus is much greater than that of the Americans, why we felt it necessary to charge so much. Where the Americans are charging \$2.50 one way, we are charging \$12 one way. Canada and Canadian airports already have a lot of the equipment while the Americans are having to buy more equipment and to increase their participation in security to a much greater degree than Canadian airports. Why is the amount of money so much greater here in Canada when we are already starting ahead of the Americans?

*Government Orders*

There is some concern with the manner in which this whole airport security fee has been put on the table. The transport committee investigating this whole issue recommended to the government that it be a shared responsibility, shared with the industry, shared with the taxpayers and shared with the travelling public. The reason was that there were more people who were not flying in airplanes, who did not go through an airport security screening process, who ended up dying on September 11.

This does not just affect people who happen to get themselves into airplanes. This affects everyone who is in an arena, at an event, in a place where people gather and even on the receiving end of water distribution systems. This affects all Canadians, so it seems somewhat unfair that only the Canadian travelling public ends up picking up the costs of a terrorist activity or the potential for a terrorist activity.

The fact is that the government did not look at the variety of airports and the variety of security that is required. The hijackers did not look at a small twin engine airplane that was going from Edmonton to Calgary or even from Las Vegas to Los Angeles. They looked at large transcontinental aircraft that were full of fuel because they would make an impact. A little airplane with a single engine prop is not going to destroy anything except itself if it goes into a building. There is a variety of needs for security and not all airports have the potential or the facilities to provide that kind of security, but that was not part of the plan. There was no impact study done to see what the impact would be on smaller airports, on rural airports, on airports that just have perhaps float planes flying in and out or at a maximum a small twin engine plane, a Dash 8 or Dash 7.

No impact study was done to see what kind of an impact this kind of security fee would have on them or on the airlines that fly those smaller planes. For the Hawkairs of British Columbia or their people to have to get involved in an airline security fee does not make sense. They only fly Dash 8s and Dash 7s from small communities into Vancouver. There should have been an impact study done. There should have been some consideration of the security requirements that vary from larger airlines to smaller airlines and certainly there should have been more of an impact study done on what it will mean to the travelling public.

I would argue with the government that this is what will happen when we have a WestJet flight between Edmonton and Calgary that costs \$100. With this fee they will pay \$89 of taxes on top of that \$100. That is \$189. In essence what it will do is take people out of the airplanes and put them in the congestion of our highways. I do not have to tell the House about the numbers of accidents that happen when more people in cars and trucks use our highways. I suggest that more people die per year in highway accidents on the North American continent than died flying in the aircraft used as weapons on September 11.

•(1630)

It really does make a person wonder whether the government is looking at this security airport fee in the truest sense of it being used for security purposes or if the government had some other reason for it. When we look at \$2.2 billion being set aside from the budget for this security fee, we see \$1 billion for equipment.

The government gave the equipment now in airports to a non-profit company that is a spinoff of the airline association. The government gave that to this association, so the question is this: Will the government get back at no cost all this equipment it gave away or will it be paying this not for profit company for that equipment it gave to the company in the first place?

Is this \$1 billion to be written off all in one year? It is an ordinary Canadian company. It has to amortize the cost of capital expenditures over a period of time. Many transportation companies, particularly rail, have argued that they should be able to amortize that over shorter periods of time because the equipment wears out, but they are not allowed to do that.

Here we have the government putting \$1 billion into equipment, writing it all off in one year and collecting this supposed airport security tax of \$24 per return fare to pay for that equipment, but what we are hearing is that potentially this fee will create such hardship for small companies that they will lose travelling public and it may shut them down. From others we are hearing that the large number of passengers will lead to the accumulation of so much money that it will be far more than \$2.2 billion and will create this huge pot of money. This is where I get back to the purpose of this tax and the government's real agenda.

I would suggest that it is possible the government saw an opportunity to make some money to use for projects other than airport security. I use the example of the employment insurance pot. The people who know how these things work said that \$15 billion would be more than adequate as a rainy day slush fund in order to handle heavier unemployment in the future. They said that \$15 billion was more than enough. The government across the way has now accumulated almost \$40 billion in that fund. Is it used for employment insurance? No.

Time will tell if this fund grows and this money is used for purposes other than airport security. If that happens it is a fraud to the travelling public who have been asked to pay for the cost of providing for airport security.

The government has said that it will be reviewing this airport security fee in six months to see whether or not it is meeting the needs. That is interesting, because earlier today we were also told that the government is already going to start to collect this but that the equipment will not be in place until probably six months down the road. How will the government know whether or not the money it collects will meet the needs of this whole new program if it is not up and running by the time it makes its assessment?

•(1635)

The government has not done an impact study. It has no idea whether it is going to work. It is picking on the travelling public and not sharing the cost among all Canadians who would benefit from this security. This just shows that it was very poorly thought out and should probably be reviewed within the next couple of months rather than in six months. It should probably be set aside if changes are not made to make it more fair to smaller companies and the travelling public.

*Government Orders***POINTS OF ORDER**

## ALLOTTED DAY MOTION—SPEAKER'S RULING

**The Speaker:** Before we resume debate, I want to give a ruling with regard to the point of order raised this morning by the hon. House leader of the official opposition with regard to the status of the motion to be debated during the opposition day tomorrow.

The hon. member for Langley—Abbotsford contends that the motion should be non-votable. I have now looked into the matter and it appears that there is disagreement about the allocation of votable motions among the various parties in opposition.

I wish to refer all hon. members to Standing Order 81(16) which reads in part as follows:

Not more than fourteen opposition motions in total shall be motions that shall come to a vote during the three supply periods provided pursuant to section (10) of this Standing Order.

I do not think I need to read the rest of it. I refer hon. members to Marleau and Montpetit. It is quite clear about the guidance that is given to the Chair in these matters when it states at page 726:

The allocation of the 14 votable motions is worked out in an informal agreement among the opposition parties.

In the absence of such an agreement, Marleau and Montpetit does not suggest that the Chair provide a resolution.

• (1640)

[*Translation*]

I refer you to page 726, and I quote:

However, except in a situation where the limit of allowable votable motions in a Supply period or in any year has been reached, it is not within the competence of the Chair to rule whether or not a particular motion should be votable.

[*English*]

I would therefore invite the opposition House leaders to discuss the matter as soon as possible since this item of business is before the House tomorrow. I would hope that they will be able to resolve the dispute that has arisen and inform the Chair of that resolution. Failing such an agreement, I would propose to proceed with the consideration of tomorrow's motion as it now appears, that is, as a votable motion.

**Mr. Randy White (Langley—Abbotsford, Canadian Alliance):** Mr. Speaker, then you have just made the decision, have you not? You have basically said if we disagree with this and we cannot come to something that is of mutual satisfaction to all parties, then you have declared it votable.

The fact is there are 14 votable days. If you give one more to the Conservatives, then in all equality in the House, you will have to give one more to the NDP. If you do that, you will have to give two more to the Canadian Alliance.

As was previously agreed on by the House leaders—

**The Speaker:** I am afraid the hon. member's statement is incorrect.

I received a letter from one House leader indicating there was an agreement and I promptly received a letter from another House leader saying there was not an agreement. This was a year ago.

As I have said, I hope that the parties can work out some kind of arrangement. I suggest they meet and do so.

The Chair, based on the authorities that I cited, has the power to refuse a votable motion after we reach the limit of 14. We have not reached the limit. Accordingly, I decline to intervene.

The House leaders are free to make arrangements as to who gets which days and which days of the week, and things like that. I would invite them to meet and have further discussions on the subject. I am sure they will be able to come up with something quite reasonable.

**Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC/DR):** Mr. Speaker, I commend you on your ruling.

I was going to reference the letters. You have already referenced the fact that there was no agreement between House leaders.

The interim House leader for the Canadian Alliance Party brought this matter before the House in a rather clandestine way. There was no notice given, but that is to be expected. The rather acerbic comments that he has put forward really do not bode well for any future agreement.

This issue ties into another larger issue you are aware of and on which you have also ruled. That is the fact that the coalition now has 19 members, members of the Democratic Representative caucus and members of the Conservative caucus. It was different when the original arrangement was—

**The Speaker:** Order. The Chair is making no ruling whatever on any of this. The Chair is saying that members should get together and have a little chat about it. I do not think that having the chat here in the House is going to assist in achieving an agreement.

I hope that the hon. member for Langley—Abbotsford and the hon. member for Pictou—Antigonish—Guysborough, helpful as I know they are trying to be to the Chair, would restrain themselves because really, we are making commentary on a ruling which as they know is out of order to do.

There has been a ruling. We all enjoy these comments, but they are not helpful for the Chair after I have made a ruling.

---

**GOVERNMENT ORDERS**

• (1645)

[*English*]

**BUDGET IMPLEMENTATION ACT, 2001**

The House resumed consideration of Bill C-49, an act to implement certain provisions of the budget tabled in parliament on December 10, 2001, as reported (with amendments) from the committee, and of the motions in Group No. 1.

**Mr. Alex Shepherd (Parliamentary Secretary to the President of the Treasury Board, Lib.):** Mr. Speaker, it is my pleasure to enter the debate on Bill C-49, the budget implementation bill.

*Government Orders*

We have discussed back and forth to some extent the concept of the airport security tax. In fact, the member who spoke previously discussed her dissertations in the transport committee of which I am also a member.

It is interesting to note that the agenda of that committee took us as far away as Washington to discuss with the American authorities the implementation of the U.S. airport security tax.

Much has been said in the House about the Canadian tax being \$12 and the American tax being only \$5. The theory is that somehow we are trying to gouge the travelling public in Canada.

We had the opportunity to talk to the director of aviation in the United States. It was clear in discussions with him that the Americans believe the \$5 tax is inadequate to support the cost of the security implementation program and think the tax will have to be increased in the near future.

It is unfortunate that the opposition has focused on this discrepancy because in reality we are shooting at a moving target. We are a much more responsible government here in Canada because we realize the true costs and we are telling the general public what the costs will be. It may well be after the legislation is reviewed in due process that the tax can be reduced. It is better to have a reduction rather than an increase. We will see how it unfolds in the United States.

The previous speaker said that we were using this as an opportunity to increase taxes for the travelling public in Canada. I do not think anything could be more absurd. Today is the six month anniversary, if we can call it that, of the tragic events of September 11. That somebody would stand in the House and say that we are trying to take advantage of a situation as disastrous as that simply to increase taxes is absurd and I say that for what it is.

Debate in committee centred on the issue of who should pay and what and why they should pay. I talked to my constituents. Probably less than 20% of them are regular travellers on the airlines. They asked me why they should pay this tax because they are not users and do not consume the services, that it is the travelling public who do that. I have a lot of empathy for that. That is a fair and reasonable process.

Those people who use the airlines should pay. People who go to the theatre pay to go to the theatre. People who go to hockey games pay to go to those games. It is surprising to me that the Canadian Alliance, a party which believes in user fees, would actually have the whole Canadian population pay for the business people who travel on the airlines from Toronto to Montreal. Such is the strangeness that comes from that side of the House.

A number of members asked about the float planes and so forth. I notice that certified takeoff weight of not more than 2,700 kilograms is exempt from the charge. In other words, smaller aircraft are exempt from the charge. Similarly, the schedule of the legislation states that this charge would be imposed on about 90 airports. That means if it is not on the list, simply put, the fee will not be charged. There is a process to recognize smaller airports and smaller aircraft.

There has been ongoing debate within the country and within this place about whether short haul takeoff and so forth should pay the

same fee as longer duration trips. It makes no difference if somebody has to go through a security system.

● (1650)

It does not matter if it is in Vancouver or Kelowna and it is somewhat irrelevant how many actual kilometres people are travelling, they still have to go through a security system. There is a cost to the government to administer that. Clearly, people have said if people are going to travel, then they are likely going to pay.

Some people in our northern communities and so forth are going to be upset with that. They are going to say that they have to travel. If they need medical help for example they are forced to travel. It is not always a luxury item. There may be other ways to deal with that than trying to use the airport security tax as a way of exempting some and dealing with others.

It is a problem not only in Canada. When we talked to the director of aviation in the United States he said exactly the same thing. There are many places in the United States where they cannot service the outlying areas with the current fee structure.

To use that terrible word subsidize, maybe we should subsidize certain types of travel in certain parts of the country to offset it. I think we are doing that in reality anyway.

It does not take a rocket scientist to know that it costs \$700 return airfare from Toronto to Ottawa. A lot of us could not get halfway to Europe for the same kind of money.

There is a methodology of moving money around. I am sure many routes are not viable in Canada but we defend them because we believe that our country is bigger than simply small concentrated areas of high population.

The airport security tax is fair. Some people are concerned about the accounting methodology. The reality is that the Government of Canada had to pony up \$90 million to start this. The airlines that were directly or indirectly responsible for airline security had not been keeping up.

The equipment that the airline securities corporation absorbed from the government in its setup to my understanding had never been updated. When it showed up on the screen that we needed more equipment and more modern equipment, the federal government had to fork out \$90 million to make the system work. It is a reasonable proposition that the government is now trying to recover that. That is basically what the airline security tax is attempting to do.

People have made disparaging remarks about the accounting procedures and maybe we should amortize the cost of the equipment and so forth over a longer period of time. That is very well and good but the reality is the accounting for the federal government has always been based on fund accounting. That means that when it is off our books, it is off our books.

*Government Orders*

We are getting into a larger argument if people want to find ways to amortize the cost over longer periods of time. We are talking about changing the basic fundamentals of the accounting of the Government of Canada, but I do not think it is really part of the debate on the airline security tax.

In conclusion, I would like to say some positive things about the budget. I always put out a little circular for my constituents, which goes back to 1993 surprisingly enough. Our total expenditures as a percentage of our GDP have gone from 16% to only 12% but in fact the debt as a percentage of our GDP has gone from 70% all the way down to less than 50%. That is an excellent record for this government and one which I support. I am sure we are going to continue with that agenda.

**Mr. Myron Thompson (Wild Rose, Canadian Alliance):** Mr. Speaker, here we go again. This is number 83 in terms of closures and time allocations. It is a new record. It was the Liberal Party that complained about the Mulroney government when it invoked closure and time allocation more than any government had done in the past. The new record holders are here with us. The Liberals have been holding the record for some time.

Let us look at the way we operate in this place. The opposition usually has three or four times as many members present for debates as the government. We might as well shut the House down. No one seems interested in hearing the other side of the argument. That is too bad in a democracy. The government could have its representatives here to seriously debate the issues but that does not happen.

When the parliamentary secretary was answering questions earlier today a question was asked with regard to the committee coming up with a number of amendments that had been agreed to by members on both sides. Committee members had unanimously agreed, based on the testimony of witness after witness opposed to the tax grab, that the amendments were essential and necessary. However we might as well send a bag of hammers to the committees and spread them around the table because when they report back to the House nothing will have happened.

With the government and the way it rules it does not matter what committees recommend or what they hear from witnesses. The government will implement what it will implement whether we, the witnesses or Canadians like it or not. That is what we get because the PMO and all the front line guys that surround the Prime Minister have made up their minds. All the little puppets are prepared to jump up in their seats and support the government of the day even though committees, witnesses and Canadians do not. I say welcome to democracy, particularly in Canada.

I was relaxing on the plane to Ottawa. I was reading the newspaper as most of us do when we are on a plane. Lo and behold there was a nice little article in the newspaper. It said the solicitor general's department would spend \$500 million to create cottage style facilities in our penitentiaries.

I found headlines regarding the air traveller fee. I brought some of them with me. One reads "One billion dollar Grit gouge takes off: Government underestimates passenger numbers in calculating flight surcharge, which will create a huge surplus". Another says basically the same thing. It reads "Rage against the air tax from people who

are affected most". Another talks about "Sniffing out a pile of tax dollars".

The government is good at doing that. For the nine years I have been here government members have sniffed around like a bunch of bloodhounds to find out where to get more tax dollars. Maybe that is why we are number one among the G-8 countries for paying taxes. It is because the government gets to do all these flowery, fuzzy little deals like building cottages in our penitentiaries for \$500 million. Where will it get the money? It will sniff it out. Maybe it will get it from the flyers who go from point to point.

In my province of Alberta I have the pleasure of having a number of WestJet employees in my riding. They have visited me on a number of occasions asking me to fight hard against this kind of thing. We have a lot of flights going back and forth between Edmonton to Calgary. It is about a two and a half hour drive in good conditions, maybe three if one stays within the speed limit. Under Bill C-49 the flights would be \$24 extra for those who go back and forth on them to do business. They would not do it any more. They could not. It would cost too much. They would drive.

Who would be affected? Maybe government members would be happy if WestJet joined Canada 3000 and the other five or six small airlines that went belly up. They would probably smile because they would have destroyed another one.

• (1655)

Thank goodness WestJet is bound and determined to stay strong and be competitive. The little competition it has exists in spite of and not because of the Liberal government. The government's proposed action would have a drastic effect on WestJet's situation and the Liberals know it. They ought to be ashamed for allowing it to go forward. However in their usual democratic process they will pop up in their seats like a bunch of sheep and puppets and do as they are told by the Prime Minister and his cronies. That is the way we operate in Canada. Lord help us.

In the meantime we have a serious situation across the country not just in the western prairie provinces but in Ontario, Quebec and many other areas. Once again in the budget there are zero dollars for agricultural assistance in spite of all the severe droughts we have had over the last three years. If we had another one this year it would be worse than we could imagine. What would it do to the number one industry in the country, the industry that provides more jobs and opportunities in small communities than any other? The government says it will provide zero dollars for extra assistance. What kind of outfit would think that way?

Yet the government can put \$500 million into building cottages for bank robbers, thieves, sexual predators and murderers. That is the Liberal way of thinking. I do not know how much longer the taxpayers of Canada will put up with such nonsense. I do not know why they continually put people like that into positions of authority, people whose priorities are way out of touch with the normal people of our land who work daily to maintain our standing as the number one highest taxed country in the G-8. That is something to be truly proud of.

*Government Orders*

We have people who throw money this way and that way. Some \$500,000 went to a company to provide a report. No one knows what the report is, where it is or what it is all about. The company that got the job to do the report had donated \$70,000 to the Liberal Party. Is that not convenient?

We should not worry. It is only tax dollars. If we run a little short we will tax the airlines and put it under security measures. The U.S. can do it for \$2.50 per head which is a whole lot less. We must do the same thing for \$24 a head. However we must factor in that we have a government that does not care that the Canadian peso is hardly worth much any more.

What do Liberals care about? Is getting elected the most important thing? When will they start caring about victims of crime and doing things for them rather than building cottages for those who perpetrated the crimes against them? When will they do something about people working for minimum wage or maybe a little more who cannot afford to rent a good place? They are jamming together in warehousing situations and trying to exist under a high tax and high gouge government.

I have a hope before I die. Because I am getting pretty old that could happen any time. As long as we put up with people like this it might happen sooner than I want it to. I hope the day will come when Canadians wake up across the land and tell the Liberals enough is enough. I hope they tell them they are throwing money around like it does not mean anything for all these flowery, fuzzy, good Liberal things while they ignore farmers who are our number one industry, victims, homeless, and those living in poverty in the cities. It does not make sense to me. One day the Liberals will pay the price.

• (1700)

**Mr. Larry Bagnell (Yukon, Lib.):** Mr. Speaker, as we are debating security measures in the budget it was appropriate that we had a moment of silence today for the events of September 11. On Saturday of last weekend I attended a gala in Anchorage celebrating Canada-U.S. relations. A plane full of people from Yukon, British Columbia, Alberta and the Northwest Territories went to the event. There were 500 seats available which were sold out weeks in advance. The event was attended primarily by Americans and Alaskans celebrating their relationship with Canada and the way we assisted after September 11. I mention this for the people who might have questioned what we did.

I will start by talking about the amendments we are debating this afternoon. The first amendment is related to a report to the government about the effects of security. I am happy to say it has already been dealt with. The Minister of Finance made the commitment that in the fall there would be a report on the issue. The promise that the issue would be investigated is what convinced members of the finance committee to support the provision. The exact cost of the security measures and equipment and the revenue from the fees cannot yet be determined. However it will all be reviewed.

The second amendment we are dealing with is related to members of the board of directors. Two are to be drawn from the airline industry and two from aerodrome operators. It makes eminent sense that this not be done in isolation by government but that the people

most intricately involved have a chance to provide their input. That is why I support the careful and thoughtful steps as well as the time that the Minister of Transport has taken to put this in place. It is another step in that direction.

The next two amendments deal with the issue of whom the fees would be applicable to. I was happy to see the loyal opposition supporting the fees but asking for certain exemptions. I am delighted that the Minister of Finance has exempted small airports in the territories where there is no screening and the fee would not be necessary. I am delighted he listened to members from the territories and made that consideration.

The fifth and last amendment we are discussing today is related to what appears to be a standard administrative procedure, namely that if a fee or tax is collected by accident an employee should not be blamed. This applies in common sense to administrative situations in general and would not need to be stated for this case.

I will reply to a few comments made by other members during the debate. First, I was delighted that members from the Bloc emphasized that we need security. We are debating only the nature and extent of the security and the fees involved.

I was also happy that the Bloc and the Conservative coalition brought up the Air India terrorist bombing we had many years ago just to keep it on the record. People have approached us and said there is no terrorism in Canada. As members know, we have had acts like that for many years. Increasing vigilance is as necessary in Canada as it is everywhere else.

In relation to the Air India incident, a member from the Bloc said it was important that checked baggage be secure. He seemed to suggest nothing had been done. I can assure the hon. member that checked baggage is carefully examined and more provisions are in place. The hon. member himself mentioned that we have expensive machines for detecting explosives. I have been on a number of flights that have not proceeded until each piece of baggage has been checked with a passenger. Often passengers have gotten off and waited until their baggage got off. That never occurred with any frequency in the past as it does now.

• (1705)

The studies were raised a number of times in the debate and, as I already said, a study will be done. Bloc members also mentioned throughout the debate that there were all kinds of surpluses. I think that will be the exact description in the *Hansard* of this afternoon's debate. They could not have read the budget documents because, as it was a balanced budget, there was no surplus.

*Government Orders*

They went on to suggest elimination of fees or spending on all sorts of items. Those would have to come from somewhere, but, of course, they never mention from where. It does not add up as to where these would come from in a balanced budget, when every dollar of revenue is accounted for with an expenditure.

A member of the Conservative coalition mentioned small planes as if they could not create damage in a terrorist attack or that they would not be used in such a situation. As my colleague mentioned, small planes are exempt. However we all know there are already a number of incidents where people have used small planes for acts against other human beings. A small plane carrying explosives could crash into a crowd. Whether one person or 3,000 people were killed, if the individuals who was killed was a member of one's family that would be just as important. We have to ensure there is security in all areas within our control.

In the feedback I received, a lot more people suggested they were happy with these security provisions. They would not shift to highways, as the member from the coalition suggested.

On the shift to the highways, they are suggesting there is no tax on highways to ensure safety. As everyone knows, there is a substantial gasoline tax for highways. There is a fee to keep that infrastructure and mode of transportation safe as well.

I want to close by commenting on what the preceding speaker said. He suggested that no one ever listened to him. I would like him to know that I listened carefully to his full comments. I was glad he raised the topic of taxes in Canada. What he failed to mention was that this budget maintained the largest tax cut in Canadian history. I would assume he would support us cutting taxes in that manner.

He went on in his remarks to strenuously suggest that we cut a government fee, a government revenue. They have given a whole list of things on which the government could spend more money. This happens quite often. Once again, it does not add up. We cannot cut fees and taxes and then spend money.

His last comment was about the Liberals throwing money around for the things they liked to do. I thought spending on security and improving security for Canadians after September 11 was something the Alliance supported as well. We heard no end of it in the days and weeks following September 11. To suggest it is not a good thing now, in a different context, again does not add up. We have to have some common sense and logic that fills the total picture, not just an individual debate.

• (1710)

**Mr. Gary Lunn (Saanich—Gulf Islands, Canadian Alliance):** Mr. Speaker, I am pleased to rise to debate Bill C-49, the budget implementation act. There are many areas we could talk about that would be affected. I will try to focus my remarks on a few.

The previous member referred to the fact that this government brought forward the largest tax cut in Canadian history. People are now filling out their income tax forms. I had constituents come to me on the break last week who said that that was ironic. They read that the current federal government provided the largest tax decrease in Canadian history. However they asked me why their take home pay was smaller. They said they never got more take home pay, that in fact it had gone down.

The government takes from one hand and then it gives a little back. The government takes a dime and gives two cents back and then wants Canadian people to thank it. We should get down on our knees and thank the government for getting two cents back.

There are a lot of tax increases but government members do not like to talk about that. They talk about the tax cuts but we do not see them. I tell people to look at their paycheque stub. That is the best test to see if they are getting another \$100 more or \$50 more a month. The answer is very clear that we do not. There is probably the odd case where a person actually has more take home pay for a number of reasons, but by and large almost 100% of people get less and less to take home. There is no question about it.

Our dollar, or as some refer to it the peso, this year hit an all-time low of 62¢. In November it hit five record lows. Canadians, with our 62¢ dollar, are still taxed at a 40% greater rate than that of our neighbours to the south. My wife's siblings were raised in Canada. They all have moved to the U.S., not because they wanted to but because of the job opportunities. People say I always talk about the U.S. and that I want to compare our dollar to the U.S. Let us look at the facts.

Since the government took power in 1993, our dollar has fallen 20% compared to the U.S. dollar. It has fallen 15% compared to the U.K. pound. It has fallen 9% compared to the Japanese yen. People ask why our dollar is performing so poorly. It comes back to the government. Our country has experienced poor GDP growth and poor productivity relative to the countries I have just mentioned.

It comes back to the economic policies of the government and its status quo style. The government does not want to engage or provide Canadian people, the entrepreneurs, the young people, the legislative framework or allow them to succeed. There is a mentality in the country that we should punish people who do well. If people are successful, they are taxed even more. This is not the right way to go. If there is a single thing we can do, we can allow people to be successful. We can encourage them.

• (1715)

Quite often we talk about brain drain in Canada. Some people will float out different numbers and say that we have a brain gain. They will do some math which will include the number of immigrants or whomever who come to the country. It is not the amount of people we are losing in this country; it is the quality. It is the entrepreneurs. It is the economic engine 15 years from now. It is the people who will create the wealth in this country and create long lasting sustainable, well paying jobs. These are the people leaving this country. Once they go, they will not come back.

*Government Orders*

If the country does not have a strong economy and if the economic engine is leaving us now, the people 15 years from now who will provide these jobs, we will not be able to afford the social safety nets. We will not be able to afford the public funded health care as we know it today. It is critical that the government act and act now, but we do not see that.

I will give hon. members an example. We have heard a lot about another new tax, which was just announced. Of course this is the airport security tax. The Liberal member stood up and said that it was a good thing, that the government had responded and increased airport security.

What the hon. member did not say was that the government was going to take \$24 out of taxpayer pockets for every round trip ticket to provide that. In the U.S. it probably costs close to \$5 to provide that airport security. Here was the telling part for me.

Members should talk to the airport security people at the airports. The Victoria airport is in my riding. I went through there yesterday. When I went to the screening booth, these people wanted to talk to me. They wanted to know what was going on. They had not heard anything. They did not know if there was a central agency. There was no training and no standards. This is the gospel truth. I was told that there was some new equipment coming in, but the security people were given only one copy of the manual at which they could look. This is airport security.

There is no question that the Canadian people want these security people to do a good job. The airport security tax for a round ticket will be \$24. That will paralyze the new airlines coming on stream, such as WestJet which is providing incredibly good service and is making a profit. Imagine, a person can fly to Calgary from Victoria for \$100. Canadians cannot do that on Air Canada. WestJet has targeted a different market, but it has a successful business plan and is making money. What is the government's objective?

If the government slaps on this new security tax maybe WestJet will move to the U.S. What is the government trying to do? Is it trying to drive another successful operation out? That is where the House needs to focus. How can we help Canadians to succeed? How can we help them keep more of their own wealth? That is what Canadians want.

Canadians do not mind paying taxes, but they want value for their taxes. Canadians want to see where their money is going. If hon. members talk to Canadians now they just about choke because they do not have a clue, They see the unaccountability, the spending and what is happening, and that is not right.

I could go on and on about this airport security tax. Then we have softwood lumber problem which is another whole issue. If I had to summarize the single biggest issue that I think the government should focus on, it is changing its philosophy and mentality of punishing people who are successful. We should be rewarding people who are successful because they will create more wealth, more jobs and encourage more people. Then our country will thrive.

We have the number one resource and that is our people. Our people want to be leaders. We must take the shackles off and reward them instead of punishing them for being successful in this country.

● (1720)

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, I listened to the member opposite with great interest but also with great sadness. He belongs to a party which aspires to govern. It thinks that the only tool available to a government is the tax structure and that the only way to help Canadians is by cutting taxes.

I live in the province of Ontario, Mr. Speaker, as do you. We know that we have a government which cut taxes and simply left the province in a deficit. The people of Ontario are paying a larger and larger debt.

The member mentioned brain drain and sustainable jobs for Canadians. His party wants to cut taxes so that the brain drain will stop and these jobs will magically appear. I must say this is not what Canada is about and it certainly is not what the role of the federal government is in this wonderful Confederation in which we live.

I would like to talk about sustainable jobs. I would like to talk about the spending side of budgets, not only in this budget but also budgets passed. I want to say that we too have cut taxes but we have also increased spending in appropriate areas, those which reduce the brain drain and create the sustainable jobs that the member opposite was talking about.

I was shocked the week before last to hear one of his colleagues attacking our support of the SSHRC which is the main funding council for social science and humanities research in Canada. His colleague read out a list of the grants in support of research into Canadianness which he objected to. That is the sort of thing we need to teach people in Canada, the idea and real understanding of what the country is about.

I want to go back a few budgets to the time when we came into government. We inherited a fiscal situation in which the government of the day, the government which preceded us, was borrowing almost a billion dollars a week to pay its way and was simply adding almost a billion dollars a week to the debt which we are all still paying off. That adds up to about the budget of the province of Ontario being borrowed by the federal government every year and added to the debt for future Canadians.

We came in and we sorted that out; we downsized government. However, in those very years when we were downsizing we started spending money in areas which in the long term, and I understand that it is not easy for governments to think long term, would make for a stronger economy and for a stronger Canada.



*Government Orders*

For example, we started increasing funding for research to the council I just mentioned, or to NSERC which is the engineering and sciences research council, or to what was then the health research council. We steadily increased funding to those councils. That money went to researchers, to graduate students and to universities and colleges to help the quality of work which was being done there.

Another example is the health research council which is now called the Canadian Institutes of Health Research. Last year we doubled the funding for health research in Canada.

This has two effects. First, it improves future health and future health care. It also helps us retain the best and the brightest of health research workers. That is not a casual decision. Its budget went up again significantly in this current budget. That has been a steady and gradual increase in an area which has strengthened Canada. It has strengthened sustainable jobs and reduced the brain drain which the member was talking about.

Over that period we brought in the Canada Foundation for Innovation. One of the problems that our institutions were facing, largely because of decreased provincial funding, was that they lacked the infrastructure for research labs. Our hospitals lacked the infrastructure for research labs. The Canada Foundation for Innovation was brought in to fund that sort of thing and for a number of years now, including this year, it has been flowing money for the infrastructure of research in our hospitals, universities and, I must stress, in our colleges.

● (1725)

We know that applied research is going on in community colleges all across Canada. It is involved at the very grassroots of some areas of technology. A portion of the funding of the Canada foundation for innovation was put aside deliberately for our colleges in every part of the country. A particular part of it was also put aside for smaller institutions, the smaller universities of Canada.

When a small institution finds itself with brilliant young researchers it is often difficult for it to give them the infrastructure backing that they need. One of the roles of a national government is to look in the regions to see where the talent is and to reach out and help tap that talent. Perhaps it is a small province that cannot support it. Perhaps it is in a part of a large province that does not get its share of research funding. That is the Canada foundation for innovation.

I am now talking about a broad sweeping policy addressing the matters that the member opposite was talking about. The government invested in 2,000 fully funded Canada research chairs for universities all across the country. It included support for infrastructure for those chairs so that if a small university got one of the chairs it would be able to either bring back to Canada a researcher who had left or keep a young researcher here who otherwise would have left. It not only got the salary for that researcher but it got some infrastructure support so that it could hold the person who got the research chair. There are 2,000 of those flowing across the country.

In the budget we are discussing today there was another remarkable step. I have already mentioned the infrastructure of research but there was another aspect which was the general indirect costs of research.

For example, a university or a college in northern Ontario may receive a grant of \$100,000 to do some wonderful research that has to do with the lumber industry or mining or whatever. The money would not all go into equipment. There would be costs for research assistants, perhaps some students for the summer to work on the project. The small university or college would not have the money and could not afford the indirect costs. They could perhaps pay the research assistant but would not have a room or a computer. Those are called indirect costs.

For the first time, and the federal government is the first to do so, it has agreed to support indirect costs of research with a formula which means that smaller institutions would get relatively more indirect costs of research than larger ones. The reason is that a big university always has a few spare rooms to house assistants.

There is a progression of five or six years in the budget. It would culminate with keeping the best and brightest here, attracting the best and brightest back, and using the knowledge and research they do to enrich the country. The real wealth of the country is of course the people.

I was shocked at the Canadian Alliance member talking the way he did and thinking that all we had to do was cut taxes and magically the whole country would be better. Of course there should be no unnecessary taxation, but if that party aspires to govern it must learn that there is a tax structure and there are ways in which taxes are spent.

We need to make this country fully sustainable through thoughtful and creative expenditures of the moneys which taxpayers will gladly pay if they know in fact that the country will be stronger in the future because of those expenditures.

● (1730)

[*Translation*]

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, I am pleased to address Bill C-49, an act to implement certain provisions of the budget tabled in Parliament on December 10, 2001.

As the Bloc Québécois critic on transportation, I will discuss the infamous tax on airline security. But I would be remiss if I did not take this opportunity to comment on the remarks made by the Liberal member who just spoke regarding the investments made by this good Liberal government, including in health research.

It was mentioned that the government doubled its investments in health research. This is fine, except that when it comes to finding new technologies to cure sick people and discovering new drugs for them, we must ensure that this is done through the universal medicare program that exists across Canada.

*Government Orders*

When the time comes to pay for the research conducted to help cure the sick—with the product of that research—it is the provinces that foot the bill. The federal government is only contributing 14% of health costs in the Canadian provinces. Such is the reality.

It is fine to double investments for research, but if the government wants to be logical in its approach, it should double its investments in health across Canada and Quebec. That would ensure fairness. Instead, the government is doubling investments for research in health. Again, that is fine, except that in a universal system, it is Quebec's social program that pays to treat the sick, to treat Quebecers who are in poor health, with the product of that research.

The federal government is not ensuring that investments keep pace. It has doubled investments in research, but it has not doubled their amount or their percentage in terms of health costs across Canada, particularly in Quebec. This is why all the Canadian provinces are once again unanimous in saying “the federal government only pays for 14% of health costs across the country”.

What the provinces are asking the federal government is very simple: to up its contribution to 18% in the coming years. But there is nothing in this budget in this regard. Do not try to find new money in all that is proposed in Bill C-49, the act to implement certain provisions of the budget. There is nothing in it for health related costs. Nothing has been increased. There is no indication that investments in health across Canada might be doubled.

I will continue more specifically with the measure that involves a tax, once again. In order to solve security problems—which is all very fine in itself—the government has decided to create a Canadian Air Transport Security Authority for the purpose. The decision was made to allocate to it a budget of \$2.2 billion over five years in order to bolster security in airports across Canada. Obviously, despite a surplus estimated at over \$9 billion—we shall see within a few weeks—the decision was made to create a \$12 air travel tax for an outward bound trip, and \$12 for the return half, for a total of \$24, the famous 12-24 tax.

Taking this past weekend's newspapers—and I do not have any problem with doing so—more particularly a Canadian Press story of Saturday March 9, picked up in *Le Droit*, reference is made to the fact that “The air security tax will apparently bring in more revenue than is necessary”.

So, the decision has been made to create a tax that will bring in more revenue than is necessary. No studies have even been done. This has been proven in the House, because the Minister of Finance has been asked and has responded: “Given the urgency of the situation, we have not had the time to carry out an exhaustive study”.

Today, they are imposing a \$24 tax that will bring in more revenue than necessary. What is more, an article in the *Journal de Montréal* on Sunday March 10 quotes the Minister of Transport as saying “The airlines should cut ticket prices”. The airlines had the responsibility for part of security—spending \$120 million on it—but now it is the responsibility of the state. Quoting again from this article, “The Minister added, however, that any such decision should be left to the discretion of each carrier”. They will not, of course meddle directly in the administration of the airlines, but a tax will, nevertheless, be

imposed, saying “It is up to the companies to lower the price of their tickets”.

This industry has undergone drastic drops in business because of the tragic events of September 11. Yet the federal government has never done anything to bail it out. Forget it, no help has ever been forthcoming.

• (1735)

Companies were compensated for the six days that airspace was closed, which is only right. Then they received a small amount of compensation for the increase in insurance premiums. As for anything else, that was it, nothing.

It was decided that free market forces would be allowed to operate. The result was the closing of Canada 3000 and cut-throat competition by Air Canada, which created subsidiaries, such as Tango, to try to shut down almost all other air carriers throughout Canada.

Free market forces were allowed to operate and Canada's sorely burdened airline industry was saddled with a tax which will not apply to all airports in Canada; we have drawn up a list. Twenty airports in Quebec will be affected, as opposed to 15 in Ontario.

I would like to read the list of airports in Quebec which will be affected: Alma, Bagotville, Baie-Comeau, Chibougamau/Chapais, Gaspé, Îles-de-la-Madeleine, Kuujuaq, Kuujuarapik, La Grande Rivière, La Grande-3, La Grande-4, Lourdes-de-Blanc-Sablon, Mont-Joli, Montréal (Dorval international airport), Montréal (Mirabel international airport), Québec (Jean-Lesage international airport), Roberval, Rouyn-Noranda, Sept-Îles, Val-d'Or.

All these cities in the regions will be stuck with a new tax. I can never say it often enough: when we want to discourage people from smoking, we increase tobacco taxes. The government has increased the tax on flying. It has created a new tax and it thinks that this will encourage people. It is even telling air carriers, “You should lower air fares. We did not help you when you needed help. We let free market forces operate, but now we are going to tell you what to do. We are going to tell you that you should lower the cost of a ticket by \$24 so that passengers do not notice they are having to spend \$24”.

I repeat, it is one surprise after another in the House. The Liberal government will never cease to surprise me. One day, Quebecers and Canadians will catch on.

One day, the government will have to account for its management. It is not true that companies can always be told what to do, how to operate, when the government is not investing a cent, in the airlines for instance. This is a real problem.

*Government Orders*

The federal government never once helped out this industry that experienced the heaviest losses in the history of Canada and Quebec in such a short time. It decided to charge users a tax to try to give a boost to business. Once again, it has the gumption to say in the House that it doubled health research, but at the same time, it did nothing to invest more in the health care system, in treatments needed by sick people. When we find a drug for a someone who is sick, we have to be able to buy the drug, to buy the technology and to train staff. This means nothing. The government decided to double its research budget, but is not investing any more in the health care system. That is left up to the provinces.

The same can be said of the airline industry. The government decided to create a new tax. Today, in order to help travellers swallow the bitter new tax pill a little easier, the Minister of Transport said, and I quote, "the airlines should lower their ticket prices".

So, every time the government invents a new tax, it is up to the industry in question to find a way to absorb the costs for the Liberal government's good decisions.

I repeat, what has happened in the airline industry is serious, it is a situation without precedent in history. I think that some day, and I hope it will be as soon as possible, people will judge the government for its acts, for the fact that it has come out of this so brazenly, without investing, and letting companies such as Canada 3000 go bankrupt, leaving workers on the street.

• (1740)

[*English*]

**Mr. Irwin Cotler (Mount Royal, Lib.):** Mr. Speaker, today marks six months from September 11, the day the world was changed and where the protection of human security emerged as a central motif in budgetary planning and process which was finally expressed in Bill C-49.

The protection of human security, as I have said in the House, includes not only funding the components of a counterterrorism law and policy. It includes investing in people, in securing and sustaining a healthy and holistic environment, and in improving the health of Canadians by investing in the environment.

Indeed investment in a healthy environment, as in Bill C-49, can confer an economic benefit in job creation and the promotion of technological innovation, a resource and energy benefit in the conservation of energy and increasing the security of energy supplies, and a health benefit in improving the quality of our air and water and in reducing the toxicity of our environment.

For example, it is estimated that air pollution is responsible for 16,000 premature deaths and hundreds of thousands of incidents of illness. There are at least 10,000 abandoned toxic sites across Canada, including some 5,000 within federal jurisdiction.

It can confer a heritage benefit in the protection and conservation of our natural heritage and a political and juridical benefit in permitting us to undertake our responsibilities as global citizens.

One can only welcome, therefore, the investment in tax initiatives in Bill C-49 intended to promote and protect a cleaner and healthier environment, including a partenariat with communities to help the

environment and support for communities both urban and rural that actively contribute toward a healthier environment.

Launched last year and administered by the Federation of Canadian Municipalities, part of this partenariat, the green municipal enabling fund and the green municipal investment fund have been effective in stimulating community based feasibility work and investments in more than 100 projects to improve the environment in diverse areas such as energy and water savings, community energy systems, urban transit, waste diversion and renewable energy.

The budget doubles the green municipal enabling fund and the green municipal investment fund at a cost of \$25 million and \$100 million respectively in the current fiscal year. These funds in addition to the new strategic infrastructure fund and the existing infrastructure fund will help protect our natural heritage while creating jobs, promoting technological information and providing affordable housing.

It will protect air quality and promote energy efficiency through incentives for clean energy and energy efficiency. Renewable energy and reducing energy consumption are essential components of the government's strategy to address climate change and improve air quality.

Budget 2001 supports this objective by investing \$260 million in a 15 year program that will offer production incentives for electricity that is produced from qualifying wind energy projects and will encourage investment in these wind energy projects.

Budget 2001 also invests \$5 million a year to broaden eligibility for the income tax incentives that apply to renewable energy and certain energy efficiency projects.

It will promote sustainable woodlot management. The budget sets aside \$10 million a year to eliminate a provision related to the intergenerational tax deferred rollover for farm property that sometimes led to the premature harvest of woodlots. This will ensure better management of the resource.

The next area is the toxicity of contaminated land. Across Canada as in most countries in the world contaminated land lies unused and unproductive. Such sites known as brownfields may have the potential for rejuvenation, bringing both health and economic benefits to communities.

Therefore a little noticed but very important item in the budget is that in response to the government the National Round Table on the Environment and the Economy has agreed to develop a national brownfield redevelopment strategy to ensure that Canada is a global leader in remediation.

*Government Orders*

There is a recent series of federal initiatives in support of the environment such as an initial \$100 million for the sustainable development technology fund to stimulate the development and demonstration of promising new environmental technology, a contribution of \$60 million to the Canadian Foundation for Climate and Atmospheric Sciences to support academic research on climate change and air pollution, \$150 million to renew the climate change action fund, \$60 million for energy efficiency and renewable energy programs to lay the foundation for future greenhouse gas emission reductions in accordance with the Kyoto protocol by facilitating the development of technology and supporting energy efficiency and renewable energy projects, and \$90 million allocated for the national strategy on species at risk to support habitat stewardship programs and other species protection activities.

• (1745)

This leads me to address three important initiatives regarding the promotion and protection of a healthy environment by way of conclusion. The first relates to the Kyoto protocol. As we can appreciate the world's climate is changing at an unprecedented rate. Without government action the long term consequence will be dramatic. In the north of Canada, as the Minister of the Environment has demonstrated, permafrost and sea ice are in retreat or melting. As a result Hudson Bay polar bears are at an increased risk of starvation because of a shorter seal hunting season.

The cost of moving supplies to communities on resource development projects is increasing because the ice road season is shorter and the traditional lifestyle of aboriginal peoples is threatened. We also feel its effects in the south with droughts affecting the agriculture and forestry sectors and the lower water levels of the Great Lakes disrupting our inland shipping routes.

In a word, both domestically and globally climate change is a major environmental problem that has an impact on the quality of life of all. Fortunately this past summer 178 countries finally reached agreement on the primary rules to implement the Kyoto protocol. In Marrakesh, Morocco in November we reached a final agreement on the crucial legal and technical details for the implementation of the protocol.

Canada played a key role in the four years it took to conclude the international rules to implement the Kyoto protocol. We now have a solid agreement that is good for Canada, that is good for the economy, that is good for the environment. We have a deal that will allow Canada and other developed countries to achieve the greenhouse gas emission reduction commitments they made in the Kyoto protocol in ways that are environmentally and economically sound in both the short and long term.

Admittedly there are challenges to overcome in reducing our emissions but there are also opportunities. Canadians have considerable expertise in clean energy and energy efficiency and there will be vast new markets for our know how.

Like the industrial revolution and the information technology revolution we are now in the cusp of the clean energy revolution. Clean sustainable energy can do much more than just reduce the risk of climate change and ensure cleaner air. It can also bring jobs, investment income and a competitive edge.

Similarly we recognize that the actions that need to be taken to achieve our climate change commitments will have costs, but there are also significant benefits such as lower health care costs resulting from cleaner air; job creation through, for example, cost effective building retrofit projects; lower costs for the forestry and agricultural sectors through the adoption of sustainable production methods; lower operating and production costs from energy efficiency; and revenue sources for municipalities from, for example, using landfill gases to generate electricity and the potential for exporting our technology and expertise.

When we hear the fears expressed with regard to the economic costs we should look at it in its total context, not only in terms of the economic costs but the economic benefits and the benefits to the environment, the benefits to health and the benefits to job creation and the like.

This brings me to my second major initiative: the species at risk bill. I support the amendments from the Standing Committee on the Environment and Sustainable Development that were put forward in three respects. The first is strengthening habitat protection in areas of federal jurisdiction. This addresses the most contentious issue of witnesses with Bill C-5, that it does not make the protection of critical habitat mandatory even in areas of federal jurisdiction.

While the committee amended the bill to make habitat protection mandatory in areas of federal jurisdiction, protection is delayed for at least two years after listing until the action plan stage. This will allow ample time for input from provinces, territories, stakeholders and negotiating voluntary stewardship agreements with landowners or companies.

The second amendment I support is ensuring that the decision to list a species is science based and accountable. Bill C-5 allows cabinet complete discretion to decide which species to list at risk. There is no requirement to act based on science, no time limit and no obligation to provide reasons for not listing a species. It is important to note that a decision not to list a species can result in a species extinction.

The committee made three changes to the process for listing species. Cabinet will have six months to decide whether to accept a recommendation by the scientific committee. The recommendation then takes effect if it is not varied or rejected by cabinet and the minister must give reasons if the recommendations are not followed.

*Government Orders*

• (1750)

These changes were themselves a compromise.

The third recommendation that I would—

**The Acting Speaker (Mr. Bélair):** I am sorry to interrupt the hon. member but he is over his 10 minutes.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, as you can tell, only Liberals can make that last budget sound so rosy. It is unfortunate that they tend to forget a lot of things that happened before and after that budget. Two committees come to mind, one being the environment committee and the other being the transport committee.

My colleague from Windsor—St. Clair worked very hard on the environment committee. Members of the committee came to unanimous agreement on various amendments and brought the bill back to the House of Commons only to have the Liberal government rip the guts out of those amendments and proceed in its own way. This made a facade of the environmental committee's work.

The committee does not need to go back to Canadians to ask for their opinions because it has already done that. The committee heard from industry, environmental groups, aboriginal groups, the provinces and so on. To delay that process another two years makes committee work a facade, and it is most unfortunate.

The transport committee made a unanimous recommendation to have a labour representative on the board. What did the government do? It slapped its Liberal members on the head and told them it did not care what they thought. It told them it would proceed in its own unilateral approach. That does nothing for democracy in Canada.

I want to speak about the \$24 airport tax. Instead of listening to reason and reducing the tax, what did the government do? It imposed a \$24 fee on airline fares, \$12 one way and \$24 return. I could not believe the transport minister had the gall to do this. To offset the new Liberal tax, the government asked the airline companies to reduce their fares so the travelling public would not be harmed by the tax. I do not think I have ever heard a minister of the government say that before. It is funny that I never heard the Liberals say that when the GST was brought in. I never heard them say that when all the other taxes were brought in. I never heard them tell the business community to lower its prices so they could add even more taxes. It is unbelievable.

If this new \$24 charge goes forward, the government will take approximately \$60 million per year out of the local economy of Atlantic Canada. How much money will the Liberals put back into Atlantic Canada for security reasons? I suspect they will take a lot of that money and put it into the RCMP, the coast guard or into ports and then tell everyone to look at what they are doing.

**Mr. Peter MacKay:** The ports police.

**Mr. Peter Stoffer:** My colleague from Pictou—Antigonish—Guysborough brings up a good point. When my former colleague, Peter Mancini, was in this place he pushed very hard to reinstate the ports police, an initiative which I supported. We need him back.

However I suspect the airport surcharge will be used to offset security means in other areas. The government will make air passengers pay for that.

My Liberal colleagues across way will not put in \$60 million worth of security at airports in Atlantic Canada but that is what they will take out. They will divert that money into other areas and that is offensive to the people of Atlantic Canada, especially to the people my area. I represent the Halifax airport and it is absolutely criminal for the government to do that.

The government talks about balanced budgets. If it were not for employees and employers of this country, there would be no balanced budget. The government has used the money from the EI fund to offset its other items in the budget for a long time. It is completely unacceptable that workers and small businesses have to pay for the fantasy work of the Liberal accounting spin doctors over there. That \$24 surcharge is completely unacceptable. The government will not put that money back into Atlantic Canada. We are asking the government to reduce that cost.

No one is denying the fact that we have to put more money into security and that the airports are a good place to put it. On top of every other fee Canadian air travellers have to pay, it is completely unacceptable to charge them that much money. Just as unacceptable is the fact that the government has asked when airlines to lower their fees when they are struggling.

• (1755)

There is another point in the budget that the Liberals never mention. I and my colleague from Nova Scotia, and others probably, received over 106,000 phone calls from Canadians who received the most offensive letter I think I have ever seen from anybody in government. It is halfway down the first page of the new form they got for the disability tax credit. It is not a review. It is not to see if anyone is cheating the system. It blatantly says that if a person can go 50 metres on a flat surface with a device, they can no longer qualify for the disability tax credit. That is one of the most offensive things I think my colleagues in the Liberal Party have ever done in their history of being in government.

Can anyone imagine that? Because of new wording in that form, our amputees, our elderly and our veterans no longer qualify for the measly disability tax credit. The maximum allowable was only \$1,000. In most cases in my riding, and I have had well over a couple of hundred calls on this, the average disability tax credit refund was about \$450. The government is taking that money away from the amputees, the mentally challenged and the physically disabled of this country. That is one of the most offensive things I think I have ever seen from any government, let alone this Liberal government.

I encourage the government to stop that form, to drop it, to put a moratorium on it and to allow people to claim their disability tax credit. It should then work with the various organizations.

*Government Orders*

My colleague from Dartmouth has been front and centre on trying to encourage the committee and the government to stop harassing the most vulnerable in our society in order to put that money into other areas.

The government is very good at wasting our tax dollars. It spent over \$1 billion on a home heating oil rebate. Seven thousand people in the United States got the rebate. Every prisoner in literally every jail cell in the country got the rebate. People who did not even buy fuel got the rebate and thousands of dead folks got the rebate. We know now that it was just a typical move for the government to spend the money and hope the election would go its way. That is unacceptable.

The Liberals spent \$1.6 billion on the technology transfer programs. Again, no accountability. Only 2.5% of that money has ever been returned. The Minister of Industry called it an investment but there has been no clarification on where those taxes actually went.

The Minister of Public Works spent \$500,000 on a study and nobody knows where the study is or what it is for. The money would have done a lot for the people of Canso, Nova Scotia, for example. My colleague from Pictou—Antigonish—Guysborough has been fighting very hard for the people of Canso. But no, it has to go to the government's Liberal friends for a report that nobody knows anything about or even knows where it is. It is incredible.

There are concerns about the military. Everybody was telling the government to put more money into the military: the Standing Committee on Defence and Veterans Affairs; the auditor general; the Conference of Defence Associations; everybody. If there was ever a time to put more money into the military, it was then. What did the government do? It put in \$1.2 billion over five years when everyone was saying that we needed a minimum \$1 billion just to start. Half of that money has already been spent on Operation Apollo. The money given to the military through the budget is woefully inadequate.

I have to reiterate my opposition to this budget and our party's opposition. The \$24 surcharge is far too much. The disability tax credit is an affront to the most vulnerable in our society and our military deserves a lot better than what it got from the government.

● (1800)

**Mr. Steve Mahoney (Mississauga West, Lib.):** Mr. Speaker, it is actually quite interesting to listen to the cries of great indignation from members opposite. The left side of the spectrum does not suggest anything in the form of a positive debate in relationship to the air security charge. It just simply criticizes without putting forward some substantive alternatives. I have not heard anyone give an alternative.

I think we all know we are here tonight debating amendments to the budget bill that was introduced several months ago. We now find ourselves in a position where we have to vote on amendments that do absolutely nothing other than stall, delay and allow members opposite to get up and tell people about issues that have no relationship whatsoever to the budget bill.

Do we want a delay? A debate in parliament would be interesting if we focused on the issue instead of the government being put in a position where, to actually implement changes to the budget, the

savings to the taxpayer and the reduction in taxation to Canadians, we have no alternative but to introduce time allocation.

Why would that be? One would think that the members opposite would want the government to get on with a bill that introduces dramatic savings for the taxpayer. As an example of that savings, a two earner family of four with an income of \$60,000 would save \$1,000 in federal taxes this year. That is a reduction of 18%.

Am I being told in this place that people on the opposite side do not want taxpayers to get those savings? A one earner family of four earning \$40,000 would pay \$1,100 less in taxes and by 2004 this family would pay almost \$2,000 less in tax, a 59% reduction in the amount of taxation that those hard-working Canadians would have to pay.

What we hear from colleagues opposite is just constant criticism instead of getting on with the implementation of a budget bill that would return money directly into the pockets of Canadians.

While we are on the issue of taxation, let me suggest that there is more than one way to reduce the tax burden or expense burden on hard-working Canadians.

Interest rates, for example, were reduced by about 3.5% last year. A reduction of 3.5% means quite a lot to a family seeking a mortgage of \$100,000. A one hundred thousand dollar mortgage in my community does not buy much, but in many parts of the country it does. The annual mortgage payments on a \$100,000 as a result of the reduction in the interest rates, which are clearly a result of the sound fiscal policies that this finance minister and the government have implemented over the past several years, will cost \$2,200 less to carry than it would have one year ago.

Is that a tax reduction? No, not directly, but it sure makes a heck of a difference to a couple raising a family and trying to buy a home. To a small business, a loan of \$250,000 will cost \$9,000 a year less than it would have cost one year ago. Is that a direct tax reduction? Obviously it is not. However, on the cashflow and the bottom line of that small business or on the monthly budgeting of that family trying to buy their first home, these are real hard savings. This is money in their pockets.

● (1805)

We are debating whether or not there should be an air security charge instead of getting on with returning to hard working Canadians the money that they have earned and are paying in high interest rates, high carrying costs or taxes. As I say, there is more than one way to skin that particular cat.

I hear members opposite say that only Liberals can make this draconian budget, as they refer to it, sound good. Let me share some of the benefits that have come about as a result of the budget.

*Government Orders*

There is \$24 million over two years to support sector councils. A sector council is a group of people from business and labour. They have been put together to deliver training programs on the ground to people who are working but are seeking to upgrade their skills or people who are trying to enter the job force, be it through an apprenticeship program, through organized labour or a community college.

These sector councils have been created in the province of Ontario, for example, because the federal government has been unable to enter into a labour market development agreement with the province. Obviously it is the largest province and the one with the greatest need for this kind of training and skills development, yet we have been unable to get an agreement from the Government of Ontario. We had to find an alternative way of ensuring that the training dollars actually get to the men and women who need them. The sector councils are a good way of doing that.

There have been concerns expressed in some areas that those sector councils are not totally funneling the training money to the union halls and places where some of the training takes place. That is a concern but it is not a budget concern or a concern for this particular debate. It is something we need to work out with HRDC, the province of Ontario and the sector councils.

Another item in the budget is a \$10 million a year increase to improve support for persons with disabilities who pursue higher education. A member opposite rails against the government because of our treatment of people with disabilities. There is a clear commitment to people with disabilities in the form of tax breaks. We should get on with implementing the bill so that the money can flow to the people who need it.

There is \$15 million a year to encourage the acquisition of trade skills. As my youngest son is currently studying to become a carpenter and is working with the carpenters union in the greater Toronto area, I think this is incredibly important.

The immigration committee deals with the issue of the types of people we want as new immigrants. One of the suggestions I have made is that a skilled tradesperson should be treated the same as a university graduate. In determining their eligibility to come to this country, people in the trades who have bona fide certificates saying they are pipefitters, steamfitters, carpenters, electricians and on down the list should get the same number of points as people who have bachelor of arts degrees. I am confident that is going to happen.

Something which has not been given a lot of attention in terms of the budget is that \$13.5 million has been put in place to help young entrepreneurs. Through the Shad Valley program for kids going on to university and through the Canadian Youth Business Foundation dollars will be matched to create a pool of \$26 million that will be made available for start up costs. This will help young Canadian entrepreneurs fulfill the dreams many of them have about building their own businesses.

On balance, the budget clearly sets out a direction that is positive for the economy and positive for all Canadians. Members opposite know it but they just will not admit it.

● (1810)

**Mrs. Lynne Yelich (Blackstrap, Canadian Alliance):** Mr. Speaker, today I am speaking on a concern I have with the proposed air security surcharge. The Liberals' Bill C-49 introduces an air travel tax of \$24 and is set to become effective April 1. As a person who travels frequently, I find this tax outrageous. As a parliamentarian, I find it unnecessary.

On the six month anniversary of the attacks on America and the World Trade Center it is evident that the world is still mourning. As well we see that what happened just a short six months ago is still fresh in our minds. It was these acts that prompted the government, my colleagues and myself to take a closer look at the security measures that we take in this country.

When our neighbour is this vulnerable a target for terrorism, then we have to ask how safe we are. I believe, as do my colleagues in the Canadian Alliance, that we need heightened airport security, but to gouge Canadian travellers with this new tax is to wrongly take advantage of their fears and their mourning.

The tax as it stands now will hurt Canadian travellers and ultimately the companies that supply this travel to Canadians. Surely the government would know better than to implement a tax that will destroy smaller air carriers and limit the choices of travelling Canadians. Surely common sense would prevail.

I believe that if one has the courage to stand and criticize someone's ideas, then one must be prepared to give a better solution. The Canadian Alliance, and specifically my colleague the member for Port Moody—Coquitlam—Port Coquitlam, has brought forth a number of alternatives and improvements to this tax.

The first suggestion, and probably the most important, is that air travellers should contribute to the cost of improved airport security but they should not bear the total weight of these new improvements.

The approach taken by the United States is to have air passengers pay for part but not all of the cost of aviation security. A fee of \$2.50 per flight to a maximum of \$5 per day is a much more reasonable and workable fee.

The Standing Committee on Transport and Government Operations agreed unanimously that having the travelling public pay for 100% of improved airport security would be an exorbitant tax and would be unfair, yet this is exactly what has happened.

Mark Hill, the vice president of WestJet was quoted as saying "Once the tax is implemented, we believe that traffic will evaporate off the short haul routes. Once the traffic goes, we will have to back out of some of our short haul flying. Once that begins, the genie is out of the bottle and it is very hard to stuff the genie back into the bottle once that happens".

These comments scare me. They scare me because they affect my constituents directly.

*Government Orders*

Saskatoon airport services most of my constituents. Its flights service travellers primarily to Winnipeg, Calgary, Prince Albert and Regina. These are all short haul flights. If this tax dissuades short haul flights, then it will destroy the business that is fundamental to the Saskatoon airport. This means not only the loss of valuable resources for my constituents but also the loss of jobs and a valuable part of the Saskatchewan economy.

Doug Schmidt, a WestJet pilot who originated from my area, was in Ottawa recently. As a concerned pilot he presented a petition to the Canadian Alliance opposition critic for transport to be tabled in the House of Commons on behalf of the WestJet pilots, flight attendants and fellow employees.

The petition urges the government to scrap the currently proposed system and replace it with one that is fair and equitable. The petition suggests that a percentage of airfare based formula would be far more fair to all air carriers, air travellers and supportive to airport communities.

The petition also outlined some very stark examples of what is wrong with the tax. On a \$57 one way ticket between Edmonton and Calgary, a flat rate of \$12 will represent more than a 20% increase in price for travellers. This increase in price could very realistically result in the removal of this short haul flight. However the same \$12 fee on a \$319 fare from Moncton to Vancouver will represent only a 4% increase. This increase is reasonable for long haul flights. This example clearly shows the discrepancy and the unfairness of the tax.

• (1815)

Mr. Schmidt and his co-workers brought forth this petition because they feel strongly about the company that they work for. They believe in their company. It is also driven from a fear that this tax will destroy this company which is largely based on short haul flights.

I was overwhelmed by the effort made by WestJet employees to save their company. I was even more overwhelmed when at a recent community event constituents rallied to sign the petition and show their support for the short haul flights. These constituents wanted to express personally the value that these short haul carriers have in their lives.

The service provided by WestJet and similar companies, and the affordable rates that they provide, are what Canadians have come to expect. It is what they deserve. Bill C-49 will surely take this away from them. How can we stand by and let this happen?

The Saskatchewan government has also been very vocal about questioning this new tax. Saskatchewan's own highways and transportation minister was quoted as saying that the Saskatchewan government fully supports enhanced security, but it is adding its voice to the growing number of others questioning the federal government's decision to beef up national and international airline security at the expense of local airports and short haul passengers.

I support my provincial government in this line of reasoning. It was clear the government was not willing to help Saskatchewan farmers with this budget, but I am surprised that it would add to this disgrace by destroying our air industry.

David Eckmire, chair of the Air Services Group, said the fee will generate \$5 million annually from travellers using the Saskatoon airport which almost equals the airport's entire operating budget.

Many within the airline industry view this new airport security tax as a tax grab. It has not gone unnoticed that the money will go into the general revenues of the federal government and not a special security fund. My airport of Saskatoon, Saskatchewan will pay in taxes what is equal to its operating budget and in the end it will be stashed away into a federal reserve, benefiting no one. Tell me, where is the common sense?

This tax will be extremely detrimental to smaller communities, communities that are in my riding of Blackstrap.

I had mentioned earlier the need for the government to apply common sense to the airport security tax. Now I am going to put forth some common sense statements made in several of the presentations to the finance and transport committees.

Mark Hill, vice president of WestJet, suggested that a flat fee would be simpler to administer. This would mean that the tax would be based on a percentage of the fare and not a head tax. This system would be far less detrimental to short haul flights. Mr. Hill went on to tell the finance committee that this tax will be an auditing nightmare for airlines to try and figure out who owes what to whom and when.

Mr. J. Clifford Mackay of the Air Transport Association of Canada said "The implementation of this new tax or charge is frankly extremely complex. We have spent hundreds of hours trying to figure out how to do this. It is not going to be easy".

Randy Williams, the president and CEO of the Tourism Industry Association of Canada, said "This tax will hurt an industry still recovering from the September 11 terrorist activities and the economic slowdown". He went on to say that the travelling public does not support this tax.

These are very important points. They illustrate quite clearly that the government ignored the work in committee, the airline industry and the travelling public when it introduced Bill C-49.

This sort of separation between the people and the government is what has caused so much distrust and resentment for the political process. If we want to restore the belief of Canadians that their government is working for them and not against them, then we need to start listening to these common sense statements.

The government ignored them. I am asking members of the House from all parties to think carefully about why they are here. I want them to consider what is best for their constituents and what is necessary for a healthy airline industry in Canada. I am certain when they have done this that all members will vote against the implementation of this tax and they will do so with a clear conscience.



*Government Orders*

• (1820)

**Mr. Paul Szabo (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.):** Mr. Speaker, last evening I was with my family as we watched the special two hour program commemorating the tragic events of September 11. For all Canadians and in fact for all those who value and respect the democratic system and the safe countries we have, that program reminded us why it is so important to have security in our nation and in all democratic nations.

That is why this is predominantly a security budget. If September 11 had not occurred, clearly there would have been resources to dedicate to many of the issues that members of parliament would like to see the government provide for the people of Canada, but the agenda was basically set.

I have often talked about families in the House. There is a saying I have used often and that is that strong families make a strong country. I want to reflect a little on what makes strong families. For me the measure of the strength of a country really is the measure of the health and well-being of its people.

I want to look at the budget and determine how this budget is addressing the health and well-being of Canadians. First, on the security issue, which this budget has as a predominant theme, there was no question that we had to address the security deficiencies we saw given the events of September 11. Within that budget there is \$2.2 billion related to air travel safety. We know how important that is.

As a member of the transport committee, I took the opportunity to visit with other colleagues of the House and our American counterparts and look at what they were doing. We came forward with a report. Much of it is reflected in the provisions being proposed in the budget and I am very pleased about that. We did our job and the Minister of Transport listened to the report. We have important initiatives to ensure airline and airport safety.

Just to give members an idea of the impact of September 11, the United States passed legislation in November. The U.S. wanted to do that before its Thanksgiving week. Thanksgiving in the United States is the single largest travel period for Americans. Our American counterparts passed the legislation, which incorporated virtually every possible initiative they could think of, including training flight attendants in the martial arts to defend themselves.

It did pass, it was put in and people were assured that the provisions were there to ensure safety. The government wanted to get people travelling again. What was the result? Only 80% of the planes were actually flying during that Thanksgiving week and of those planes only 80% of the capacity was utilized. That means basically that only about two-thirds of the airline capacity of the United States was actually utilized during the biggest week of travel for Americans. It had an enormous impact on their economy. It demonstrated not only to Americans but to Canadians as well how important it was that we put in a security package that would help to restore the confidence of the travelling public, because we depend so very heavily on that, not only for personal travel but for commerce.

In fact, of our exports, 75% goes from Canada to the United States. It was important to deal with security issues at the border. It

was important to deal with security issues at airports and with airlines. It was important to deal with intelligence, policing and emergency preparedness. The point of this is that a country that does not have security cannot have sovereignty. That is what it comes down to. We need a sovereign country and we need a strong security system to ensure that safety and that security for the families of Canada who make this such a strong country.

• (1825)

What else does the budget do for families? Obviously income taxation is an opportunity for us. As members know, the government has a \$100 billion tax cut plan. It is fully protected and we are proceeding ahead so that Canadians will see, as they will when they do their tax returns, that their refundable and non-refundable credits have been indexed and that all the other provisions in the income tax return have now been indexed. As well, the effective rates of taxation have gone down. It means that Canadians in fact have more money as a result of reduced taxation and that will continue.

We also have our \$23.4 billion support program for health and early childhood development. The government has been working very carefully and diligently with the provinces and the territories to ensure that our children, who are our future, are taken care of. We must have the kinds of programs that take into account the fact that, hard as it is to believe, 25% of children enter adult life with significant mental, social and behavioural problems. This is a very large number. It is why the Government of Canada has invested so heavily over all these years in our health system and in early childhood development issues: to make sure that our children have a chance to grow up and develop into healthy, well adjusted, contributing citizens of our country. That is another aspect of what we are doing for the family.

Obviously families are stronger when family members have jobs, yet for people to have jobs there has to be a strong economy. It means that we have to invest in areas where we can stimulate economic activity, areas such as the infrastructure program. There is the \$2 billion strategic infrastructure program and the \$600 million for highways announced in the year 2000 budget. These kinds of initiatives reflected in this budget are important.

We have also had tax incentives for small businesses to ensure that they, the creators of most of the jobs in Canada, are getting the assistance and support they need, such as the cashflow assistance through the changes introduced in the budget. This will ensure that they can be strong and create jobs for the families of Canada.

Further on the health front, there is the arrangement that was negotiated by the Government of Canada with the provinces to ensure that there is appropriate funding for health care. It is very important that our health care system be there if and when we need it. It is not a health care system for anyone other than those who need it. It is not a matter of whether a person has money. It is a matter of whether a person needs our health care system and we are dedicated to that.

*Government Orders*

Also in the budget are certain initiatives with regard to new skills, particularly Canadian study grants for students with disabilities and initiatives for youth entrepreneurship, which the member for Mississauga West championed right across Canada, consulting with young people and businesses to find out how the government can help young entrepreneurs get the start that they need so they can have these kinds of jobs. Again, this is another way to help strengthen the family.

There is also the amount of dollars invested in research. The research and innovation file has been a very significant part of the overall initiatives to ensure that we have leading technology, that we have the kind of investment in leading edge technologies such that Canada is in fact a leader. Those are important aspects. Not only do they help stimulate jobs in that sector, but to the extent that Canada has these new technologies and that we have the expertise there, we create new jobs, new industry and new opportunities for people, again helping people have jobs through a strong economy.

As well, on the environment the government wants to make sure that we can do everything possible to ensure that there is a healthy environment for Canadians. My constituents have told me that air and water quality issues are very important. They want to see the government take important steps toward ensuring that we are protecting our natural resources, our air and our water, to ensure that our families have a safe, secure and healthy environment in which to live.

• (1830)

These are but some of the elements that we have incorporated in this budget, not only in this budget, but building on previous budgets, and I am confident that the government will continue to build on this important legacy.

**Mr. Scott Brison (Kings—Hants, PC/DR):** Mr. Speaker, there are so many areas in which to criticize the government in terms of general fiscal direction at this time. I do not have to remind anyone in the House of the decline of the Canadian dollar by 20% under the government's stewardship as a result of its failure to adapt and develop policies in Canada that reflect the needs of the 21st century, particularly in terms of what has happened in other countries. As other countries have focused on productivity and on the type of tax and regulatory reform to vault their economies proudly forward, the government has dilly-dallied, dithered and focused on short term focus group economics and on next week's polls as opposed to the challenges and opportunities in the next century.

I will not focus on the lack of vision. Canadians are aware of that. Canadians are aware that the government has done nothing for nine years except basically live off the proceeds of the previous government's policies, including free trade, the GST and deregulation of financial services, transportation and energy, which were all the very policies that party opposed in opposition and then swallowed themselves whole in government to accept, to embrace and to live off the proceeds of.

However, I will not be pithy and partisan today in the House of Commons. Instead, I will focus on some of the specific shortcomings of the current piece of legislation at hand.

First, the government has imposed a \$2.2 billion tax. It is not just a fee, as even the Minister of Finance in the House of Commons is

referring to it. It is a tax on Canada's most vulnerable industry, the airline industry, during a period of time when we see the great and tremendous need for competition in Canadian airspace, which is so sadly lacking. It is a tax aimed disproportionately at discount and short haul carriers, the very type of competition we need across Canada, particularly in regions like Atlantic Canada and British Columbia at a time when those regions depend on affordable access for air travellers.

There has been absolutely no impact analysis by the government, either by the Department of Finance or by the Department of Transport, on what the impact of this new \$2.2 billion tax will be on competition in Canadian airspace, on the regions of Canada and on the struggling airports. In and of itself it is dismaying that the government would not do any type of study of what the impact of such a major policy would be.

Further, we have learned this week that the Department of Finance actually based the \$2.2 billion tax figure, the \$12 per flight or \$24 per round trip, on specious data. The bureaucrats in the finance minister's department actually developed their estimate of what that fee ought to be on information that was categorically wrong, on estimates that actually reduced what the realistic number of air travellers would be, in an effort to inflate revenue over the next several years. The government has now created, through this new air security tax, a \$1 billion surplus for itself which will go into general revenue.

The Minister of Finance is saying "we will revisit this". The government is saying "we will revisit this in the future and if it is too high, we will cut it back". Why should we believe the government when it is the same party that promised to scrap the GST when in opposition and then after forming the government embraced the GST? Now the Prime Minister brags about the GST and takes credit for it during foreign travels.

It is offensive that the government is trying to profit on the back of Canada's most vulnerable industry, the airline industry, and in fact in many ways is exploiting the genuine sympathies of Canadians in a post-September 11 environment to actually create another cash cow for Liberal spending in other areas. That is obviously wrong.

I was disappointed that the government did not move more aggressively on one specific area of policy, one further area: to eliminate the capital gains tax on gifts of listed securities. In the legislation, the government does make permanent the 1997 reduction of capital gains tax on gifts of listed securities to 50%. That is a baby step in the right direction, but the fact is, in the U.S. or the U.K., universities, hospital foundations and general charities all benefit from government policy whereby there is absolutely no capital gains tax on gifts of listed securities. This means that our Canadian universities, our Canadian hospital foundations and our charities, ranging from the big charities like the United Way in Toronto to the smaller charities across our country, operate at a competitive disadvantage with charitable foundations, organizations and philanthropic interests in the U.S. and the U.K.

*Government Orders*

●(1835)

Clearly this is bad public policy. At a time when the government has so dramatically cut social spending and transfers to the provinces we need to engage our volunteer and philanthropic sectors more fully. At the finance committee we asked representatives of these sectors what we ought to do to increase levels of donation and participation to meet the needs of Canadian communities. Every one of the witnesses before the committee said we should eliminate the capital gains tax from gifts of listed securities.

The government has failed to do this. The previous reduction of the capital gains tax on gifts of listed securities has resulted in over a billion dollars going from private hands to charities in Canada over the last four years. Completely eliminating the capital gains tax on gifts of listed securities would have an amazing impact on the growth of charitable contributions in Canada at a time when social needs across the country have expanded and governments are playing smaller and smaller roles. We need to do everything we can to ensure the volunteer sector has every possible advantage and tool at its disposal to succeed.

The cost to the government today of completely eliminating the capital gains tax on gifts of listed securities would be about the same as the tax revenue loss in 1997 when the government reduced the capital gains tax by 50% on gifts of listed securities. However the impact would be far greater. The United Way of Greater Toronto has received gifts of shares exceeding \$10 million since 1997. In every province across Canada, from universities in Nova Scotia to hospital foundations in Toronto and British Columbia, there are examples of charities and community based foundations that have benefited as a result of the policy.

This would have been a simple way for the government to demonstrate that it cares for community based organizations which are trying to meet the needs governments have become less able to meet in recent years. The government has failed to move more aggressively. There were members of the Liberal government on the finance committee who supported a PC/DR motion to amend Bill C-49 to completely eliminate the capital gains tax on gifts of listed securities. The motion exists in the group today because we were successful at the finance committee. The government must now reintroduce a motion to reinstate the previous policy.

We will be voting in favour of making permanent the 50% reduction in capital gains tax. We support it as a baby step in the right direction. However we are profoundly disappointed that the government did not take advantage of an important opportunity to eliminate the capital gains tax from gifts of listed securities. The government ought to move to a broad based policy of eliminating the capital gains tax permanently in any case.

We did not have a capital gains tax in Canada until 1971. No tax has a more pernicious and negative impact on the growth of capital, investment, productivity and jobs across Canada than the capital gains tax. It acts in many ways as a cancer on the types of investment that would lead to the productivity and growth the Canadian economy so sorely needs. Our low Canadian dollar reflects the very opposite of such growth. One of the reasons we have a low dollar is that productivity rates have lagged since 1993 relative to our trading partners, particularly the U.S.

●(1840)

There are many areas of weakness in the government's general fiscal direction. The lack of enough vision to see the need for broad based tax reform focused on productivity, growth and opportunity is probably the biggest leadership deficit Canadians face. The government may be in surplus but there is a leadership deficit across the way.

Canadians are paying a big price for the government's failure to grasp opportunities and challenges. Our low dollar is probably the price tag we have paid for a government that has been on cruise control for eight years. I am afraid this great country of ours will cruise control into a ditch unless the government starts seizing opportunities as opposed to dodging the challenges facing the country at this critical time.

●(1845)

[*Translation*]

**The Acting Speaker (Mr. Bélair):** It being 6.45 p.m., pursuant to order made earlier today, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the report stage of the bill now before the House.

The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

*Government Orders*

**The Acting Speaker (Mr. Bélair):** The recorded division on Motion No. 1 stands deferred.

[*English*]

**The Acting Speaker (Mr. Bélair):** The next question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the yeas have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** Accordingly the recorded division on Motion No. 2 stands deferred.

**The Acting Speaker (Mr. Bélair):** The next question is on Motion No. 10. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** Accordingly, the recorded division on the motion stands deferred.

The next question is on Motion No. 17. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** Accordingly, the recorded division on the motion stands deferred.

The next question is on Motion No. 18. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** Accordingly, the recorded division on the motion stands deferred.

The next question is on Motion No. 20. Is it the pleasure of the House to adopt the motion?

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** Accordingly, the recorded division on the motion stands deferred.

The next question is on Motion No. 22.

● (1850)

[*Translation*]

**Hon. David Collenette (for the Minister of Finance)** moved:

Motion No. 22

That Bill C-49 be amended by adding after line 5 on page 85 the following:

“22. (1) The portion of paragraph 38(a.1) of the Act before subparagraph (i) is replaced by the following:

(a.1) a taxpayer's taxable capital gain for a taxation year from the disposition of any property is 1/4 of the taxpayer's capital gain for the year from the disposition of the property if

(2) Subsection (1) applies to dispositions that occur after 2001."

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

**Some hon. members:** Agreed.

**Some hon. members:** No.

**The Acting Speaker (Mr. Bélair):** All those in favour of the motion will please say yea.

**Some hon. members:** Yea.

**The Acting Speaker (Mr. Bélair):** All those opposed will please say nay.

**Some hon. members:** Nay.

**The Acting Speaker (Mr. Bélair):** In my opinion the nays have it.

*And more than five members having risen:*

**The Acting Speaker (Mr. Bélair):** The recorded division on Motion No. 22 stands deferred.

[English]

The House will now proceed to the taking of the deferred recorded divisions at the report stage of the bill. The question is on Motion No. 1.

• (1910)

[Translation]

(The House divided on Motion No. 1, which was negatived on the following division:)

(Division No. 237)

**YEAS**

Members

Abbott	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Blaikie
Brisson	Burton
Cardin	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Doyle
Dubé	Duceppe
Duncan	Elley
Epp	Forseth
Fournier	Gagnon (Québec)
Gauthier	Girard-Bujold
Godin	Grewal
Guimond	Hearn
Hill (Prince George—Peace River)	Hinton
Jaffer	Kenney (Calgary Southeast)
Laframboise	Lancôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Marceau	Mark
Mayfield	Ménard
Meredith	Moore
Nystrom	Picard (Drummond)
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Rocheleau	Roy
Sauvageau	Schmidt
Skelton	Solberg

Sorenson  
Stinson  
Strahl  
Wayne  
White (North Vancouver)  
Yelich — 71

Adams  
Allard  
Assadourian  
Bakopanos  
Bélanger  
Bennett  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Cannis  
Carroll  
Catterall  
Charbonneau  
Collenette  
Cotler  
Cuzner  
Dhaliwal  
Discepolo  
Drouin  
Easter  
Eyking  
Finlay  
Fontana  
Galloway  
Goodale  
Harb  
Harvey  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Manley  
Martin (LaSalle—Émard)  
McCallum  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Neville  
Owen  
Paradis  
Peschisolido  
Phinney  
Pillitteri  
Price  
Provenzano  
Regan  
Robillard  
Saada  
Scherrer  
Sgro  
St-Jacques  
Stewart  
Telegdi  
Tirabassi  
Torsney  
Vanclief  
Wappel  
Wood — 131

Anderson (Victoria)  
Augustine

*Government Orders*

Spencer  
Stoffer  
Thompson (Wild Rose)  
White (Langley—Abbotsford)  
Williams

**NAYS**

Members

Alcock  
Assad  
Bagnell  
Barnes  
Bellemare  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Calder  
Caplan  
Castonguay  
Chamberlain  
Coderre  
Copps  
Cullen  
DeVillers  
Dion  
Dromisky  
Duplain  
Eggleton  
Farrah  
Folco  
Fry  
Godfrey  
Guarnieri  
Harvard  
Ianno  
Jordan  
Keyes  
Knutson  
Laliberte  
LeBlanc  
Leung  
Longfield  
Macklin  
Malhi  
Marcil  
Matthews  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
O'Reilly  
Pagtakhan  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Scott  
Shepherd  
St. Denis  
Szabo  
Thibeault (Saint-Lambert)  
Tonks  
Valeri  
Volpe  
Wilfert

**PAIRED**

Members

Asselin  
Baker

*Government Orders*

Beaumier  
Bigras  
Brien  
Caccia  
Comuzzi  
Gagnon (Champlain)  
Harvard  
Jennings  
Lavigne  
Nault  
Perron  
St-Hilaire  
Tremblay (Lac-Saint-Jean—Saguenay)

Bergeron  
Bourgeois  
Bulte  
Cauchon  
Desrochers  
Guay  
Hubbard  
Lalonde  
McCormick  
Paquette  
Plamondon  
Steckle  
Tremblay (Rimouski-Neigette-et-la Mitis)— 30

Easter  
Eyking  
Finlay  
Fontana  
Galloway  
Goodale  
Harb  
Harvey  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Manley  
Martin (LaSalle—Émard)  
McCallum  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Neville  
Owen  
Paradis  
Peschisolido  
Phinney  
Pillitteri  
Price  
Provenzano  
Regan  
Robillard  
Saada  
Scherrer  
Sgro  
St-Jacques  
Stewart  
Telegdi  
Tirabassi  
Torsney  
Vanclief  
Wappel  
Wood— 131

Eggleton  
Farrah  
Folco  
Fry  
Godfrey  
Guarnieri  
Harvard  
Ianno  
Jordan  
Keyes  
Knutson  
Laliberte  
LeBlanc  
Leung  
Longfield  
Macklin  
Malhi  
Marcil  
Matthews  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
O'Reilly  
Pagtakhan  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Scott  
Shepherd  
St. Denis  
Szabo  
Thibeault (Saint-Lambert)  
Tonks  
Valeri  
Volpe  
Wilfert

• (1915)

[*English*]

**The Speaker:** I declare Motion No. 1 lost.

The next question is on Motion No. 2.

• (1920)

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent in the House that those who voted on the previous motion be recorded as voting on the motion now before the House, with Liberal members voting yes.

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

**Some hon. members:** Agreed.

**Mr. Gerry Ritz:** Mr. Speaker, tonight Canadian Alliance members present will be voting no to this motion.

[*Translation*]

**Mr. Michel Guimond:** Mr. Speaker, Bloc Québécois members vote no on this motion.

**Mr. Yvon Godin:** Mr. Speaker, NDP members will surely be voting no on this motion.

[*English*]

**Mr. Jay Hill:** Mr. Speaker, PC/DR coalition members present this evening will be voting no to this motion.

[*Translation*]

(The House divided on Motion No. 2, which was agreed to on the following division:)

(*Division No. 238*)

## YEAS

## Members

Adams	Alcock
Allard	Assad
Assadourian	Bagnell
Bakopanos	Barnes
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Boudria	Bradshaw
Brown	Bryden
Byrne	Calder
Cannis	Caplan
Carroll	Castonguay
Catterall	Chamberlain
Charbonneau	Coderre
Collenette	Copps
Cotler	Cullen
Cuzner	DeVillers
Dhaliwal	Dion
Discepola	Dromisky
Drouin	Duplain

Abbott  
Bailey  
Benoit  
Brisson  
Cardin  
Clark  
Crête  
Dalphond-Guiral  
Dubé  
Duncan  
Epp  
Fournier  
Gauthier  
Godin  
Guimond  
Hill (Prince George—Peace River)  
Jaffer  
Laframboise  
Lebel  
Loubier  
Lunney (Nanaimo—Alberni)  
Marceau  
Mayfield  
Meredith  
Nystrom  
Rajotte  
Reynolds  
Rocheleau  
Sauvageau  
Skelton  
Sorenson  
Stinson  
Strahl  
Wayne

## NAYS

## Members

Bachand (Saint-Jean)  
Bellehumeur  
Blaikie  
Burton  
Chatters  
Comartin  
Cummins  
Doyle  
Duceppe  
Elley  
Forseth  
Gagnon (Québec)  
Girard-Bujold  
Grewal  
Hearn  
Hinton  
Kenney (Calgary Southeast)  
Lanctôt  
Lill  
Lunn (Saanic—Gulf Islands)  
MacKay (Pictou—Antigonish—Guysborough)  
Mark  
Ménard  
Moore  
Picard (Drummond)  
Reid (Lanark—Carleton)  
Ritz  
Roy  
Schmidt  
Solberg  
Spencer  
Stoffer  
Thompson (Wild Rose)  
White (Langley—Abbotsford)

White (North Vancouver)  
Yelich — 71

Williams

**PAIRED**

Members

Anderson (Victoria)  
Augustine  
Beaumier  
Bigras  
Brien  
Caccia  
Comuzzi  
Gagnon (Champlain)  
Harvard  
Jennings  
Lavigne  
Nault  
Perron  
St-Hilaire  
Tremblay (Lac-Saint-Jean—Saguenay)

Asselin  
Baker  
Bergeron  
Bourgeois  
Bulte  
Cauchon  
Desrochers  
Guay  
Hubbard  
Lalonde  
McCormick  
Paquette  
Plamondon  
Steckle  
Tremblay (Rimouski-Neigette-et-la Mitis) — 30

**The Speaker:** I declare Motion No. 2 carried.

[English]

The next question is on Motion No. 10.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that those who voted on the previous motion be recorded as voting on this motion, with Liberal members voting no.

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

**Some hon. members:** Agreed.

**Mr. Gerry Ritz:** Mr. Speaker, Canadian Alliance members will be voting yes to this motion.

[Translation]

**Mr. Michel Guimond:** Mr. Speaker, my colleagues of the Bloc Québécois will vote in favour of this motion.

[English]

**Mr. Yvon Godin:** Mr. Speaker, members of the NDP will be voting yes to this motion.

**Mr. Jay Hill:** Mr. Speaker, coalition members are in favour of the motion.

[Translation]

(The House divided on Motion No. 10, which was negated on the following division:)

(Division No. 239)

**YEAS**

Members

Abbott  
Bailey  
Benoit  
Brisson  
Cardin  
Clark  
Crête  
Dalphond-Guiral  
Dubé  
Duncan  
Epp  
Fournier  
Gauthier  
Godin  
Guimond  
Hill (Prince George—Peace River)  
Jaffer

Bachand (Saint-Jean)  
Bellehumeur  
Blaikie  
Burton  
Chatters  
Comartin  
Cummins  
Doyle  
Duceppe  
Elley  
Forseth  
Gagnon (Québec)  
Girard-Bujold  
Grewal  
Hearn  
Hinton  
Kenney (Calgary Southeast)

Laframboise  
Lebel  
Loubier  
Lunney (Nanaimo—Alberni)  
Marceau  
Mayfield  
Meredith  
Nystrom  
Rajotte  
Reynolds  
Rocheleau  
Sauvageau  
Skelton  
Sorenson  
Stinson  
Strahl  
Wayne  
White (North Vancouver)  
Yelich — 71

*Government Orders*

Lancôt  
Lill  
Lunn (Saanich—Gulf Islands)  
MacKay (Pictou—Antigonish—Guysborough)  
Mark  
Ménard  
Moore  
Picard (Drummond)  
Reid (Lanark—Carleton)  
Ritz  
Roy  
Schmidt  
Solberg  
Spencer  
Stoffer  
Thompson (Wild Rose)  
White (Langley—Abbotsford)  
Williams

**NAYS**

Members

Adams  
Allard  
Assadourian  
Bakopanos  
Bélanger  
Bennett  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Cannis  
Carroll  
Catterall  
Charbonneau  
Collenette  
Cotler  
Cuzner  
Dhaliwal  
Discepola  
Drouin  
Easter  
Eyking  
Finlay  
Fontana  
Galloway  
Goodale  
Harb  
Harvey  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Manley  
Martin (LaSalle—Émard)  
McCallum  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Neville  
Owen  
Paradis  
Peschisolido  
Phinney  
Pillitteri  
Price  
Provenzano  
Regan  
Robillard  
Saada  
Scherrer  
Sgro  
St-Jacques  
Stewart

Alcock  
Assad  
Bagnell  
Barnes  
Bellemare  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Calder  
Caplan  
Castonguay  
Chamberlain  
Coderre  
Copps  
Cullen  
DeVillers  
Dion  
Dromisky  
Duplain  
Eggleton  
Farrah  
Foleo  
Fry  
Godfrey  
Guarnieri  
Harvard  
Ianno  
Jordan  
Keyes  
Knutson  
Laliberte  
LeBlanc  
Leung  
Longfield  
Macklin  
Malhi  
Marcil  
Matthews  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
O'Reilly  
Pagtakhan  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Scott  
Shepherd  
St. Denis  
Szabo

*Government Orders*

Telegdi	Thibeault (Saint-Lambert)
Tirabassi	Tonks
Torsney	Valeri
Vanclief	Volpe
Wappel	Wilfert

Wood— 131

**PAIRED**

## Members

Anderson (Victoria)	Asselin	Tremblay (Rimouski-Neigette-et-la Mitis)— 30
Augustine	Baker	
Beaumier	Bergeron	
Bigras	Bourgeois	
Brien	Bulte	
Caccia	Cauchon	
Comuzzi	Desrochers	
Gagnon (Champlain)	Guay	
Harvard	Hubbard	
Jennings	Lalonde	
Lavigne	McCormick	
Nault	Paquette	
Perron	Plamondon	
St-Hilaire	Steckle	
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis)— 30	

**The Speaker I declare Motion No. 10 lost.**[*English*]

The next question is on Motion No. 17.

● (1930)

[*Translation*]

(The House divided on Motion No. 17, which was negated on the following division:)

*(Division No. 240)***YEAS**

## Members

Abbott	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Blaikie
Brison	Burton
Cardin	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Doyle
Dubé	Duceppe
Duncan	Elley
Epp	Forseth
Fournier	Gagnon (Québec)
Gauthier	Girard-Bujold
Godin	Grewal
Guimond	Hearn
Hill (Prince George—Peace River)	Hinton
Jaffer	Kenney (Calgary Southeast)
Laframboise	Lanctôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
Lunny (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Marceau	Mark
Mayfield	Ménard
Meredith	Moore
Nystrom	Picard (Drummond)
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Rocheleau	Roy
Sauvageau	Schmidt
Skelton	Solberg
Sorenson	Spencer
Stinson	Stoffer
Strahl	Thompson (Wild Rose)
Wayne	White (Langley—Abbotsford)
White (North Vancouver)	Williams
Yelich— 71	

**NAYS**

## Members

Adams	Alcock
Allard	Assad
Assadourian	Bagnell
Bakopanos	Barnes
Bélangier	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Boudria	Bradshaw
Brown	Bryden
Byrne	Calder
Cannis	Caplan
Carroll	Castonguay
Catterall	Chamberlain
Charbonneau	Coderre
Collenette	Copps
Cotler	Cullen
Cuzner	DeVillers
Dhaliwal	Dion
Discepola	Dromisky
Drouin	Duplain
Easter	Eggleton
Eyking	Farrah
Finlay	Folco
Fontana	Fry
Galloway	Godfrey
Goodale	Guarnieri
Harb	Harvey
Ianno	Jackson
Jordan	Karetak-Lindell
Karygiannis	Kilgour (Edmonton Southeast)
Knutson	Kraft Sloan
Laliberte	Lastewka
LeBlanc	Lee
Leung	Lincoln
Longfield	MacAulay
Macklin	Mahoney
Malhi	Manley
Marcil	Martin (LaSalle—Émard)
Matthews	McCallum
McGuire	McKay (Scarborough East)
McLellan	McTeague
Mills (Toronto—Danforth)	Minna
Mitchell	Murphy
Myers	Neville
O'Reilly	Owen
Pagtakhan	Paradis
Peric	Peschisolido
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proulx	Provenzano
Reed (Halton)	Regan
Richardson	Robillard
Rock	Saada
Savoy	Scherrer
Scott	Sgro
Shepherd	St-Jacques
St. Denis	Stewart
Szabo	Telegdi
Thibeault (Saint-Lambert)	Tirabassi
Tonks	Torsney
Valeri	Vanclief
Volpe	Wappel
Wilfert	Wood— 130

**PAIRED**

## Members

Anderson (Victoria)	Asselin
Augustine	Baker
Beaumier	Bergeron
Bigras	Bourgeois
Brien	Bulte
Caccia	Cauchon
Comuzzi	Desrochers
Gagnon (Champlain)	Guay
Harvard	Hubbard
Jennings	Lalonde



*Government Orders*

Lavigne  
Nault  
Perron  
St-Hilaire  
Tremblay (Lac-Saint-Jean—Saguenay)

McCormick  
Paquette  
Plamondon  
Steckle  
Tremblay (Rimouski-Neigette-et-la Mitis) — 30

**The Speaker:** I declare Motion No. 17 lost.

[English]

The next question is on Motion No. 18.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent in the House that the vote just taken on Motion No. 17 be applied to Motions Nos. 18 and 20.

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

**Some hon. members:** Agreed.

(The House divided on Motion No. 18, which was negated on the following division:)

*(Division No. 241)*

**YEAS**

Members

Abbott	Bachand (Saint-Jean)
Bailey	Bellehumeur
Benoit	Blaikie
Brison	Burton
Cardin	Chatters
Clark	Comartin
Crête	Cummins
Dalphond-Guiral	Doyle
Dubé	Duceppe
Duncan	Elley
Epp	Forseth
Fournier	Gagnon (Québec)
Gauthier	Girard-Bujold
Godin	Grewal
Guimond	Hearn
Hill (Prince George—Peace River)	Hinton
Jaffer	Kenney (Calgary Southeast)
Laframboise	Lanctôt
Lebel	Lill
Loubier	Lunn (Saanich—Gulf Islands)
Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Marceau	Mark
Mayfield	Ménard
Meredith	Moore
Nystrom	Picard (Drummond)
Rajotte	Reid (Lanark—Carleton)
Reynolds	Ritz
Rocheleau	Roy
Sauvageau	Schmidt
Skelton	Solberg
Sorenson	Spencer
Stinson	Stoffer
Strahl	Thompson (Wild Rose)
Wayne	White (Langley—Abbotsford)
White (North Vancouver)	Williams
Yelich — 71	

**NAYS**

Members

Adams	Alecock
Allard	Assad
Assadourian	Bagnell
Bakopanos	Barnes
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Boudria	Bradshaw
Brown	Bryden
Byrne	Calder
Cannis	Caplan

Carroll  
Catterall  
Charbonneau  
Collenette  
Cotler  
Cuzner  
Dhaliwal  
Discepolo  
Drouin  
Easter  
Eyking  
Finlay  
Fontana  
Galloway  
Goodale  
Harb  
Ianno  
Jordan  
Karygiannis  
Knutson  
Laliberte  
LeBlanc  
Leung  
Longfield  
Macklin  
Malhi  
Marcil  
Matthews  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell  
Myers  
O'Reilly  
Pagtakhan  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Scott  
Shepherd  
St. Denis  
Szabo  
Thibeault (Saint-Lambert)  
Tonks  
Valeri  
Volpe  
Wilfert

Castonguay  
Chamberlain  
Coderre  
Coppes  
Cullen  
DeVillers  
Dion  
Dromisky  
Duplain  
Eggleton  
Farrah  
Folco  
Fry  
Godfrey  
Guarnieri  
Harvey  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Manley  
Martin (LaSalle—Émard)  
McCallum  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy  
Neville  
Owen  
Paradis  
Peschisolido  
Phinney  
Pillitteri  
Price  
Provenzano  
Regan  
Robillard  
Saada  
Scherrer  
Sgro  
St-Jacques  
Stewart  
Telegdi  
Tirabassi  
Torsney  
Vanclief  
Wappel  
Wood — 130

**PAIRED**

Members

Anderson (Victoria)	Asselin
Augustine	Baker
Beaumier	Bergeron
Bigras	Bourgeois
Brien	Bulte
Caccia	Cauchon
Comuzzi	Desrochers
Gagnon (Champlain)	Guay
Harvard	Hubbard
Jennings	Lalonde
Lavigne	McCormick
Nault	Paquette
Perron	Plamondon
St-Hilaire	Steckle
Tremblay (Lac-Saint-Jean—Saguenay)	Tremblay (Rimouski-Neigette-et-la Mitis) — 30

(The House divided on Motion No. 20, which was negated on the following division:)

*(Division No. 242)*

**YEAS**

Members

Abbott	Bachand (Saint-Jean)
--------	----------------------

*Government Orders*

Bailey  
Benoit  
Brisson  
Cardin  
Clark  
Crête  
Dalphond-Guiral  
Dubé  
Duncan  
Epp  
Fournier  
Gauthier  
Godin  
Guimond  
Hill (Prince George—Peace River)  
Jaffer  
Laframboise  
Lebel  
Loubier  
Lunney (Nanaimo—Alberni)  
Marceau  
Mayfield  
Meredith  
Nystrom  
Rajotte  
Reynolds  
Rocheleau  
Sauvageau  
Skelton  
Sorenson  
Stinson  
Strahl  
Wayne  
White (North Vancouver)  
Yelich — 71

Bellehumeur  
Blaikie  
Burton  
Chatters  
Comartin  
Cummins  
Doyle  
Duceppe  
Elley  
Forseth  
Gagnon (Québec)  
Girard-Bujold  
Grewal  
Hearn  
Hinton  
Kenney (Calgary Southeast)  
Lancôt  
Lill  
Lunn (Saanich—Gulf Islands)  
MacKay (Pictou—Antigonish—Guysborough)  
Mark  
Ménard  
Moore  
Picard (Drummond)  
Reid (Lanark—Carleton)  
Ritz  
Roy  
Schmidt  
Solberg  
Spencer  
Stoffer  
Thompson (Wild Rose)  
White (Langley—Abbotsford)  
Williams

Myers  
O'Reilly  
Pagtakhan  
Peric  
Pettigrew  
Pickard (Chatham—Kent Essex)  
Pratt  
Proulx  
Reed (Halton)  
Richardson  
Rock  
Savoy  
Scott  
Shepherd  
St. Denis  
Szabo  
Thibeault (Saint-Lambert)  
Tonks  
Valeri  
Volpe  
Wilfert

Neville  
Owen  
Paradis  
Peschisolido  
Phinney  
Pillitteri  
Price  
Provenzano  
Regan  
Robillard  
Saada  
Scherrer  
Sgro  
St-Jacques  
Stewart  
Telegdi  
Tirabassi  
Torsney  
Vanclicief  
Wappel  
Wood — 130

**PAIRED**

## Members

Anderson (Victoria)  
Augustine  
Beaumier  
Bigras  
Brien  
Caccia  
Comuzzi  
Gagnon (Champlain)  
Harvard  
Jennings  
Lavigne  
Nault  
Perron  
St-Hilaire  
Tremblay (Lac-Saint-Jean—Saguenay)

Asselin  
Baker  
Bergeron  
Bourgeois  
Bulte  
Cauchon  
Desrochers  
Guay  
Hubbard  
Lalonde  
McCormick  
Paquette  
Plamondon  
Steckle  
Tremblay (Rimouski-Neigette-et-la Mitis) — 30

**NAYS**

## Members

Adams  
Allard  
Assadourian  
Bakopanos  
Bélanger  
Bennett  
Bevilacqua  
Blondin-Andrew  
Boudria  
Brown  
Byrne  
Cannis  
Carroll  
Catterall  
Charbonneau  
Collenette  
Cotler  
Cuzner  
Dhaliwal  
Discepola  
Drouin  
Easter  
Eyking  
Finlay  
Fontana  
Galloway  
Goodale  
Harb  
Ianno  
Jordan  
Karygiannis  
Knutson  
Laliberte  
LeBlanc  
Leung  
Longfield  
Macklin  
Malhi  
Marci  
Matthews  
McGuire  
McLellan  
Mills (Toronto—Danforth)  
Mitchell

Alcock  
Assad  
Bagnell  
Barnes  
Bellemare  
Bertrand  
Binet  
Bonin  
Bradshaw  
Bryden  
Calder  
Caplan  
Castonguay  
Chamberlain  
Coderre  
Copps  
Cullen  
DeVillers  
Dion  
Dromisky  
Duplain  
Eggleton  
Farrah  
Folco  
Fry  
Godfrey  
Guarnieri  
Harvey  
Jackson  
Karetak-Lindell  
Kilgour (Edmonton Southeast)  
Kraft Sloan  
Lastewka  
Lee  
Lincoln  
MacAulay  
Mahoney  
Manley  
Martin (LaSalle—Émard)  
McCallum  
McKay (Scarborough East)  
McTeague  
Minna  
Murphy

**The Speaker:** I declare Motions Nos. 18 and 20 lost.  
The next question is on Motion No. 22.

**Ms. Marlene Catterall:** Mr. Speaker, I think it is the intention of every party in the House to vote for this motion. I would suggest you seek unanimous consent of the House that those who voted on the previous motion be recorded as voting on this motion.

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

**Some hon. members:** Agreed.

(The House divided on Motion No. 22, which was agreed to on the following division:)

(Division No. 243)

**YEAS**

## Members

Abbott  
Alcock  
Assad  
Bachand (Saint-Jean)  
Bailey  
Barnes  
Bellehumeur  
Bennett  
Bertrand  
Binet  
Blondin-Andrew  
Boudria  
Brisson  
Bryden  
Byrne  
Cannis  
Cardin

Adams  
Allard  
Assadourian  
Bagnell  
Bakopanos  
Bélanger  
Bellemare  
Benoit  
Bevilacqua  
Blaikie  
Bonin  
Bradshaw  
Brown  
Burton  
Calder  
Caplan  
Carroll

Castonguay  
 Chamberlain  
 Chatters  
 Coderre  
 Comartin  
 Cotler  
 Cullen  
 Cuzner  
 DeVillers  
 Dion  
 Doyle  
 Drouin  
 Duceppe  
 Duplain  
 Eggleton  
 Epp  
 Farrah  
 Folco  
 Forseth  
 Fry  
 Gallaway  
 Girard-Bujold  
 Godin  
 Grewal  
 Guimond  
 Harvey  
 Hill (Prince George—Peace River)  
 Ianno  
 Jaffer  
 Karetak-Lindell  
 Kenney (Calgary Southeast)  
 Knutson  
 Laframboise  
 Lanctôt  
 Lebel  
 Lee  
 Lill  
 Longfield  
 Lunn (Saanich—Gulf Islands)  
 MacAulay  
 Macklin  
 Malhi  
 Marceau  
 Mark  
 Matthews  
 McCallum  
 McKay (Scarborough East)  
 McTeague  
 Meredith  
 Minna  
 Moore  
 Myers  
 Nystrom  
 Owen  
 Paradis  
 Peschisolido  
 Phinney  
 Pickard (Chatham—Kent Essex)  
 Pratt  
 Proulx  
 Rajotte  
 Regan  
 Reynolds  
 Ritz  
 Rocheleau  
 Roy  
 Sauvageau  
 Scherrer  
 Scott  
 Shepherd  
 Solberg  
 Spencer  
 St. Denis  
 Stinson  
 Strahl  
 Telegdi  
 Thompson (Wild Rose)  
 Tonks  
 Valeri  
 Volpe  
 Wayne  
 White (North Vancouver)  
 Williams  
 Yelich — 201

Catterall  
 Charbonneau  
 Clark  
 Collette  
 Copps  
 Crête  
 Cummins  
 Dalphond-Guiral  
 Dhaliwal  
 Discepola  
 Dromisky  
 Dubé  
 Duncan  
 Easter  
 Elley  
 Eyking  
 Finlay  
 Fontana  
 Fournier  
 Gagnon (Québec)  
 Gauthier  
 Godfrey  
 Goodale  
 Guarnieri  
 Harb  
 Hearn  
 Hinton  
 Jackson  
 Jordan  
 Karygiannis  
 Kilgour (Edmonton Southeast)  
 Kraft Sloan  
 Laliberte  
 Lastewka  
 LeBlanc  
 Leung  
 Lincoln  
 Loubier  
 Lunney (Nanaimo—Alberni)  
 MacKay (Pictou—Antigonish—Guysborough)  
 Mahoney  
 Manley  
 Marcil  
 Martin (LaSalle—Émard)  
 Mayfield  
 McGuire  
 McLellan  
 Ménard  
 Mills (Toronto—Danforth)  
 Mitchell  
 Murphy  
 Neville  
 O'Reilly  
 Pagtakhan  
 Peric  
 Pettigrew  
 Picard (Drummond)  
 Pillitteri  
 Price  
 Provenzano  
 Reed (Halton)  
 Reid (Lanark—Carleton)  
 Richardson  
 Robillard  
 Rock  
 Saada  
 Savoy  
 Schmidt  
 Sgro  
 Skelton  
 Sorenson  
 St-Jacques  
 Stewart  
 Stoffer  
 Szabo  
 Thibeault (Saint-Lambert)  
 Tirabassi  
 Torsney  
 Vanclief  
 Wappel  
 White (Langley—Abbotsford)  
 Wilfert  
 Wood

Nil

Anderson (Victoria)  
 Augustine  
 Beaumier  
 Bigras  
 Brien  
 Caccia  
 Comuzzi  
 Gagnon (Champlain)  
 Harvard  
 Jennings  
 Lavigne  
 Nault  
 Perron  
 St-Hilaire  
 Tremblay (Lac-Saint-Jean—Saguenay)

*Government Orders*

**NAYS**

**PAIRED**

**Members**

Asselin  
 Baker  
 Bergeron  
 Bourgeois  
 Bulte  
 Cauchon  
 Desrochers  
 Guay  
 Hubbard  
 Lalonde  
 McCormick  
 Paquette  
 Plamondon  
 Steckle  
 Tremblay (Rimouski-Neigette-et-la Mitis) — 30

**The Speaker:** I declare Motion No. 22 carried.

**Hon. Paul Martin (Minister of Finance, Lib.)** moved that the bill, as amended, be concurred in with further amendment.

**Ms. Marlene Catterall:** Mr. Speaker, I think you would find consent that those who voted on the immediately previous motion, with the exception of the member for Glengarry—Prescott—Russell, be recorded as voting on this motion, with Liberal members voting yes.

**The Speaker:** I gather the hon. member for Glengarry—Prescott—Russell, the minister of public works, will count for all purposes. Is it agreed to proceed in this fashion?

**Some hon. members:** Agreed.

**Mr. Gerry Ritz:** Mr. Speaker, Canadian Alliance members oppose the motion. We see it as a tax gouge, not tax relief.

[*Translation*]

**Mr. Michel Guimond:** Mr. Speaker, members of the Bloc Québécois will vote nay on this motion.

**Mr. Yvon Godin:** Mr. Speaker, members of the NDP vote nay on this motion.

[*English*]

**Mr. Jay Hill:** Mr. Speaker, PC/DR coalition members present this evening are definitely opposed to the motion.

[*Translation*]

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

(*Division No. 244*)

**YEAS**

**Members**

Adams	Alcock
Allard	Assad
Assadourian	Bagnell
Bakopanos	Barnes
Bélanger	Bellemare
Bennett	Bertrand
Bevilacqua	Binet
Blondin-Andrew	Bonin
Boudria	Bradshaw
Brown	Bryden
Byrne	Calder

*Government Orders*

Cannis	Caplan	Brison	Burton
Carroll	Castonguay	Cardin	Chatters
Catterall	Chamberlain	Clark	Comartin
Charbonneau	Coderre	Crête	Cummins
Collenette	Copps	Dalphond-Guiral	Doyle
Cotler	Cullen	Dubé	Duceppe
Cuzner	DeVillers	Duncan	Elley
Dhaliwal	Dion	Epp	Forseth
Discepolo	Dromisky	Fournier	Gagnon (Québec)
Drouin	Duplain	Gauthier	Girard-Bujold
Easter	Eggleton	Godin	Grewal
Eyking	Farrah	Guimond	Heam
Finlay	Folco	Hill (Prince George—Peace River)	Hinton
Fontana	Fry	Jaffer	Kenney (Calgary Southeast)
Galloway	Godfrey	Laframboise	Lanctôt
Goodale	Guarnieri	Lebel	Lill
Harb	Harvey	Loubier	Lunn (Saanich—Gulf Islands)
Iaino	Jackson	Lunney (Nanaimo—Alberni)	MacKay (Pictou—Antigonish—Guysborough)
Jordan	Karetak-Lindell	Marceau	Mark
Karygiannis	Kilgour (Edmonton Southeast)	Mayfield	Ménard
Knutson	Kraft Sloan	Meredith	Moore
Laliberte	Lastewka	Nystrom	Picard (Drummond)
LeBlanc	Lee	Rajotte	Reid (Lanark—Carleton)
Leung	Lincoln	Reynolds	Ritz
Longfield	MacAulay	Rocheleau	Roy
Macklin	Mahoney	Sauvageau	Schmidt
Malhi	Manley	Skelton	Solberg
Marcil	Martin (LaSalle—Émard)	Sorenson	Spencer
Matthews	McCallum	Stinson	Stoffer
McGuire	McKay (Scarborough East)	Strahl	Thompson (Wild Rose)
McLellan	McTeague	Wayne	White (Langley—Abbotsford)
Mills (Toronto—Danforth)	Minna	White (North Vancouver)	Williams
Mitchell	Murphy	Yelich — 71	
Myers	Neville		
O'Reilly	Owen		
Pagtakhan	Paradis		
Peric	Peschisolido		
Pettigrew	Phinney		
Pickard (Chatham—Kent Essex)	Pillitteri	Anderson (Victoria)	
Pratt	Price	Augustine	Asselin
Proulx	Provenzano	Beaumier	Baker
Reed (Halton)	Regan	Bigras	Bergeron
Richardson	Robillard	Brien	Bourgeois
Rock	Saada	Caccia	Bulte
Savoy	Scherrer	Comuzzi	Cauchon
Scott	Sgro	Gagnon (Champlain)	Desrochers
Shepherd	St-Jacques	Harvard	Guay
St. Denis	Stewart	Jennings	Hubbard
Szabo	Telegdi	Lavigne	Lalonde
Thibeault (Saint-Lambert)	Tirabassi	Nault	McCormick
Tonks	Torsney	Perron	Paquette
Valeri	Vanclief	St-Hilaire	Plamondon
Volpe	Wappel	Tremblay (Lac-Saint-Jean—Saguenay)	Steckle
Wilfert	Wood — 130		Tremblay (Rimouski-Neigette-et-la Mitis) — 30

**PAIRED**

## Members

Asselin  
Baker  
Bergeron  
Bourgeois  
Bulte  
Cauchon  
Desrochers  
Guay  
Hubbard  
Lalonde  
McCormick  
Paquette  
Plamondon  
Steckle  
Tremblay (Rimouski-Neigette-et-la Mitis) — 30

**NAYS**

## Members

Abbott  
Bailey  
Benoit

Bachand (Saint-Jean)  
Bellehumeur  
Blaikie

**The Speaker:** I declare the motion carried.

It being 7.34 p.m. the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 7.34 p.m.)





# CONTENTS

Monday, March 11, 2002

<b>Business of the House</b>			
The Speaker .....	9441	<b>Kids Help Phone</b>	
		Mr. Godfrey .....	9457
<b>Points of Order</b>		<b>2002 Winter Paralympic Games</b>	
<b>Allotted Day Motion</b>		Ms. Bennett .....	9457
Mr. White (Langley—Abbotsford) .....	9441	<b>Rendez-vous de la Francophonie</b>	
		Mr. Duplain .....	9457
<b>PRIVATE MEMBERS' BUSINESS</b>		<b>Gala des Olivier</b>	
<b>Observance of Two Minutes of Silence on Remembrance Day Act</b>		Ms. Gagnon (Québec) .....	9458
Mr. Kenney .....	9441	<b>2002 Winter Paralympic Games</b>	
Bill C-297. Second reading .....	9441	Mr. Nystrom .....	9458
Mr. Wood .....	9443	<b>Research and Development</b>	
Mr. Bachand (Saint-Jean) .....	9444	Mr. Peric .....	9458
Mr. Stoffer .....	9445	<b>Softwood Lumber</b>	
Mr. Hearn .....	9446	Mr. Keddy .....	9458
Mr. Kenney .....	9446	<b>Aboriginal Affairs</b>	
<b>Suspension of Sitting</b>		Mr. Burton .....	9458
(The sitting of the House was suspended at 11.54 a.m.) ..	9447	<b>Commonwealth Day</b>	
<b>Sitting Resumed</b>		Mrs. Barnes .....	9459
The House resumed at 12.04 p.m. ....	9447	<b>Terrorism</b>	
		Mr. Guimond .....	9459
<b>GOVERNMENT ORDERS</b>		<b>Commonwealth Day</b>	
<b>Budget Implementation Act, 2001</b>		Mr. Binet .....	9459
Bill C-49. Report Stage .....	9447	<b>Benoît Lécuyer</b>	
<b>Bill C-49—Time Allocation Motion</b>		Mr. Reid .....	9459
Mr. Goodale .....	9447	<b>Terrorism</b>	
Motion .....	9447	Mrs. Wayne .....	9459
Mr. Kenney .....	9448	<b>Radio Music Awards</b>	
Mr. McCallum (Markham) .....	9448	Mr. Cuzner .....	9459
Mr. Loubier .....	9448	<b>Research and Development</b>	
Mr. Nystrom .....	9449	Mr. Rajotte .....	9460
Mr. Brison .....	9449	<b>Events of September 11</b>	
Mr. Penson .....	9450	The Speaker .....	9460
Mr. Epp .....	9450		
Ms. Meredith .....	9450	<b>ORAL QUESTION PERIOD</b>	
Mr. Nystrom .....	9451	<b>Softwood Lumber</b>	
Mr. Moore .....	9451	Mr. Reynolds .....	9460
Mr. Keddy .....	9452	Mr. Pettigrew .....	9460
Mr. Kenney .....	9452	Mr. Reynolds .....	9460
Motion agreed to .....	9454	Mr. Pettigrew .....	9460
<b>Report stage</b>		Mr. Reynolds .....	9461
Bill C-49. Report Stage .....	9454	Mr. Duncan .....	9461
Mr. Epp .....	9454	Mr. Chrétien .....	9461
Mr. Mills (Toronto—Danforth) .....	9455	Mr. Duncan .....	9461
Mr. Loubier .....	9455	Mr. Pettigrew .....	9461
		<b>Taxation</b>	
<b>STATEMENTS BY MEMBERS</b>		Mr. Duceppe .....	9461
<b>Terrorism</b>			
Mr. Cotler .....	9457		
<b>Firearms</b>			
Mr. Mayfield .....	9457		

Mr. Martin (LaSalle—Émard) .....	9461	Mr. Rock .....	9465
Mr. Duceppe .....	9461		
Mr. Martin (LaSalle—Émard) .....	9461	<b>Foreign Affairs</b>	
Mr. Loubier .....	9461	Mr. Kenney .....	9465
Mr. Martin (LaSalle—Émard) .....	9462	Mr. Graham (Toronto Centre—Rosedale) .....	9466
Mr. Loubier .....	9462	Mr. Kenney .....	9466
Mr. Martin (LaSalle—Émard) .....	9462	Mr. Graham (Toronto Centre—Rosedale) .....	9466
<b>Steel Industry</b>		<b>Groupaction Marketing</b>	
Mr. Blaikie .....	9462	Mr. Lebel .....	9466
Mr. Pettigrew .....	9462	Mr. Boudria .....	9466
Mr. Blaikie .....	9462	Mr. Lebel .....	9466
Mr. Pettigrew .....	9462	Mr. Boudria .....	9466
<b>Softwood Lumber</b>		<b>Zimbabwe</b>	
Mr. Clark .....	9462	Mr. Lunn .....	9466
Mr. Chrétien .....	9462	Mr. Chrétien .....	9466
Mr. Clark .....	9462	Mr. Lunn .....	9466
Mr. Chrétien .....	9462	Mr. Chrétien .....	9467
<b>Terrorism</b>		<b>Persons with Disabilities</b>	
Mr. Solberg .....	9462	Mr. Godfrey .....	9467
Mr. Chrétien .....	9463	Ms. Blondin-Andrew .....	9467
Mr. Solberg .....	9463		
Mr. Chrétien .....	9463	<b>Kyoto Protocol</b>	
<b>Taxation</b>		Mr. Chatters .....	9467
Ms. Picard .....	9463	Mr. Dhaliwal .....	9467
Mr. Martin (LaSalle—Émard) .....	9463		
Ms. Picard .....	9463	<b>Employment Insurance</b>	
Mr. Martin (LaSalle—Émard) .....	9463	Mr. Crête .....	9467
		Mrs. Stewart .....	9467
<b>Groupaction Marketing</b>		<b>Immigration</b>	
Mr. Jaffer .....	9463	Mr. Hill (Prince George—Peace River) .....	9467
Mr. Boudria .....	9463	Mr. Coderre .....	9467
Mr. Jaffer .....	9463		
Mr. Boudria .....	9464	<b>Veterans Affairs</b>	
<b>Middle East</b>		Mr. Dromisky .....	9467
Mr. Rocheleau .....	9464	Mr. Pagtakhan .....	9468
Mr. Graham (Toronto Centre—Rosedale) .....	9464		
Mr. Rocheleau .....	9464	<b>Kyoto Protocol</b>	
Mr. Graham (Toronto Centre—Rosedale) .....	9464	Mr. Chatters .....	9468
		Mr. Dhaliwal .....	9468
<b>Research and Development</b>		<b>Highway Infrastructure</b>	
Mr. Merrifield .....	9464	Mr. Laframboise .....	9468
Ms. McLellan .....	9464	Mr. Manley .....	9468
Mr. Merrifield .....	9464		
Ms. McLellan .....	9464	<b>Grants and Contributions</b>	
<b>Immigration</b>		Mr. Blaikie .....	9468
Ms. Neville .....	9464	Mr. Boudria .....	9468
Mr. Coderre .....	9464		
<b>The Environment</b>		<b>Health</b>	
Mr. Comartin .....	9465	Mr. Clark .....	9468
Mr. Thibault .....	9465	Ms. McLellan .....	9468
Mr. Comartin .....	9465		
Mr. Thibault .....	9465	<b>Presence in Gallery</b>	
		Mr. Milliken .....	9468
<b>Health</b>		<b>Privilege</b>	
Mr. Strahl .....	9465	<b>Minister of Transport</b>	
Mr. Rock .....	9465	Mr. Collenette .....	9469
Mr. Strahl .....	9465	Mr. Moore .....	9470



## ROUTINE PROCEEDINGS

<b>Government Response to Petitions</b>	
Mr. Regan .....	9471
<b>Committees of the House</b>	
<b>Finance</b>	
Mrs. Barnes .....	9471
<b>Petitions</b>	
<b>Terrorism</b>	
Mr. Crête .....	9471
Mr. Fournier .....	9471
<b>Questions on the Order Paper</b>	
Mr. Regan .....	9471
<b>Request for Emergency Debate</b>	
<b>Research and Development</b>	
Mr. Merrifield .....	9471
<b>Speaker's Ruling</b>	
The Speaker .....	9471

## GOVERNMENT ORDERS

<b>Budget Implementation Act, 2001</b>	
Bill C-49. Report Stage .....	9472
Mr. Cullen .....	9472
Mr. Comartin .....	9473
Mr. Harb .....	9474
Mrs. Skelton .....	9475
Mr. Pillitteri .....	9476
Ms. Picard .....	9477
Mr. Bryden .....	9478
Ms. Meredith .....	9479
<b>Points of Order</b>	
<b>Allotted Day Motion—Speaker's Ruling</b>	
The Speaker .....	9481
Mr. White (Langley—Abbotsford) .....	9481

Mr. MacKay .....	9481
------------------	------

## GOVERNMENT ORDERS

<b>Budget Implementation Act, 2001</b>	
Bill C-49. Report Stage .....	9481
Mr. Shepherd .....	9481
Mr. Thompson (Wild Rose) .....	9483
Mr. Bagnell .....	9484
Mr. Lunn .....	9485
Mr. Adams .....	9486
Mr. Laframboise .....	9487
Mr. Cotler .....	9489
Mr. Stoffer .....	9491
Mr. Mahoney .....	9492
Mrs. Yelich .....	9493
Mr. Szabo .....	9495
Mr. Brison .....	9496
The Acting Speaker (Mr. Bélair) .....	9497
Division on Motion No. 1 deferred .....	9498
Division on Motion No. 2 deferred .....	9498
Division on Motion No. 10 deferred .....	9498
Division on Motion No. 17 deferred .....	9498
Division on Motion No. 18 deferred .....	9498
Division on Motion No. 20 deferred .....	9498
Motion No. 22 .....	9498
Division on Motion No. 22 deferred .....	9499
Motion No. 1 negatived .....	9499
Motion No. 2 agreed to .....	9501
Motion No. 10 negatived .....	9502
Motion No. 17 negatived .....	9503
Motions Nos. 18 and 20 negatived .....	9504
Motion No. 22 agreed to .....	9505
Mr. Martin (LaSalle—Émard) .....	9505
Bill C-49. Motion for concurrence .....	9505

**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**