



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Thursday, March 1, 2001**

**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Thursday, March 1, 2001

The House met at 10 a.m.

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*Prayers*

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## ROUTINE PROCEEDINGS

• (1000)

[*Translation*]

### SUPPLEMENTARY ESTIMATES(A), 2000-2001

A message from Her Excellency the Governor General transmitting supplementary estimates (A) of the sums required for the fiscal year ending March 31, 2001, was presented by the hon. President of Treasury Board and read by the Speaker to the House.

\* \* \*

• (1005)

[*English*]

### COMMITTEES OF THE HOUSE

#### PROCEDURE AND HOUSE AFFAIRS

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I have the honour to present the fifth report of the Standing Committee on Procedure and House Affairs regarding the membership of the Standing Joint Committee on Official Languages.

If the House gives its consent, I intend to move concurrence in this fifth report later this day.

\* \* \*

### CRIMINAL CODE

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance)** moved for leave to introduce Bill C-290, an act to amend the criminal code (breaking and entering).

He said: Mr. Speaker, it is a pleasure for me to rise today on behalf of the constituents of Calgary East to reintroduce my private

member's bill that would amend the criminal code to impose a two year minimum sentence for repeat offenders of break and enter crime.

Break and enter crime is not only a property offence. It is a crime against a person. It is a psychologically damaging crime, often leaving victims feeling personally violated and traumatized. It has the potential to be a violent crime because every break and enter is potentially a home invasion.

The bill is a victims amendment to the criminal code because the result would be fewer victims by imposing a real deterrent on professional break and enter criminals.

The bill would also cut what is a real source of revenue for career criminals and organized crime by breaking the cycle of proceeds of break and enter crime being used to finance other criminal activities.

The courts need a clear direction from parliament that sets out the concern Canadians about this very serious crime. I welcome the support of my colleagues for this non-partisan initiative.

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

\* \* \*

[*Translation*]

### SUPPLEMENTARY ESTIMATES (A), 2000-01

#### REFERENCE TO STANDING COMMITTEES

**Hon. Lucienne Robillard (President of the Treasury Board and Minister responsible for Infrastructure, Lib.):** Mr. Speaker, pursuant to the provisions of Standing Order 81(5) and 81(6), I wish to introduce a motion concerning referral of the Supplementary Estimates (A) to the standing committees of the House.

There is a lengthy list of these committees associated with the motion. If it is agreeable to the House, I would ask that the list be printed in *Hansard* as if it had been read.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

**Hon. Lucienne Robillard:** Mr. Speaker, I move:

That Supplementary Estimates (A) for the fiscal year ending March 31, 2001, laid upon the table on March 1, 2001, be referred to the several standing committees of the House in accordance with the detailed allocation as follows:

*Routine Proceedings*

[*Editor's Note: List referred to above is as follows:*]

(1) to the Standing Committee on Aboriginal Affairs, Northern Development and Natural Resources

Indian Affairs and Northern Development, Votes 1a, 5a, 15a, L20a, L21a, 25a, 30a, 35a and 40a

Natural Resources, Votes 1a, 5a, 15a, 20a and 30a

(2) to the Standing Committee on Agriculture and Agri-Food

Agriculture and Agri-Food, Votes 1a, 5a, 10a, 20a, 25a, 30a and 36a

(3) to the Standing Committee on Canadian Heritage

Canadian Heritage, Votes 1a, 5a, 15a, 35a, 40a, 45a, 50a, 55a, 65a, 70a, 75a, 85a, 90a, 100a, 105a, 110a, 125a and 130a

Privy Council, Vote 30a

(4) to the Standing Committee on Citizenship and Immigration

Citizenship and Immigration, Votes 1a, 2a, 10a and 15a

(5) to the Standing Committee on Environment and Sustainable Development

Environment, Votes 1a, 5a and 10a

Privy Council, Vote 40a

(6) to the Standing Committee on Finance

Canada Customs and Revenue Agency, Votes 1a and 10a

Finance, Votes 5a, 30a, 34a and 35a

(7) to the Standing Committee on Fisheries and Oceans

Fisheries and Oceans, Votes 1a and 10a

(8) to the Standing Committee on Foreign Affairs and International Trade

Foreign Affairs, Votes 1a, 5a, 10a, 20a, 25a, L30a, L35a and 45a

(9) to the Standing Committee on Health

Health, Votes 1a, 5a, 6a, 7a, 10a and 25a

(10) to the Standing Committee on Human Resources Development and the Status of Persons with Disabilities

Human Resources Development, Votes 1a, 6a and 20a

(11) to the Standing Committee on Industry, Science and Technology

Industry, Votes 1a, 5a, 20a, 21a, 40a, 50a, 55a, 60a, 65a, 70a, 75a, 80a, 90a, 95a, 100a, 105a, 115a and 120a

(12) to the Standing Committee on Justice and Human Rights

Justice, Votes 1a, 5a, 10a, 15a, 20a, 25a, 30a, 35a, 40a and 50a

Privy Council, Vote 50a

Solicitor General, Votes 1a, 10a, 15a, 25a, 30a, 35a and 50a

(13) to the Standing Committee on National Defence and Veterans Affairs

National Defence, Votes 1a and 5a

Veterans Affairs, Votes 1a, 5a and 10a

(14) to the Standing Committee on Procedure and House Affairs

Parliament, Vote 5a

Privy Council, Vote 20a

(15) to the Standing Committee on Public Accounts

Finance, Vote 20a

(16) to the Standing Committee on Transport and Government Operations

Canadian Heritage, Vote 120a

Privy Council, Votes 1a, 5a, 10a, 15a, 45a and 55a

Public Works and Government Services, Votes 5a, 11a, 15a and 20a

Transport, Votes 1a, 10a, 30a and 35a

Treasury Board, Votes 1a, 2a, 10a, 15a and 20a

(17) to the Standing Joint Committee on Official Languages

Privy Council, Vote 25a

(Motion agreed to)

\* \* \*

[*English*]

## COMMITTEES OF THE HOUSE

### PROCEDURE AND HOUSE AFFAIRS

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.)** Mr. Speaker, if the House gives its consent, I move that the fifth report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

**The Speaker:** Does the House give unanimous consent for the hon. parliamentary secretary to propose this motion?

**Some hon. members:** Agreed.

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

**Some hon. members:** Agreed.

(Motion agreed to)

\* \* \*

● (1010)

## PETITIONS

### KIDNEY DISEASE

**Mr. Peter Adams (Peterborough, Lib.):** Mr. Speaker, as this is kidney month I should like to present two petitions from people who are concerned about those who have kidney disease.

The first petition is signed by hundreds of people from the Peterborough region who point out that kidney dialysis and transplantation have been valuable and continue to be useful, but that there are difficulties with dialysis treatments and that the rates of organ donation are not sufficient to meet the needs.

Therefore they call upon parliament to work and support research toward the bioartificial kidney, which will eventually eliminate the need for both dialysis and transplantation for those suffering from kidney disease.

The second petition is signed by many people in Peterborough and central Ontario who point out that kidney disease is a huge and growing problem, which they want us to note especially during kidney month.

They also point out that progress is being made in various treatments, but they call upon parliament to encourage the Canadian Institutes of Health Research to explicitly include kidney research as one of the institutes in its system, that institute to be named the institute of kidney and urinary tract diseases.

MOUNT LOGAN

**Mr. Peter Adams (Peterborough, Lib.):** Lastly, Mr. Speaker, there are still people concerned about the renaming of Mount Logan. My understanding is that this is no longer an issue, but I have recently received a petition that urges parliament to put on hold efforts to rename Mount Logan until such time as this and other suggestions concerning memorials to Pierre Elliott Trudeau have been properly assessed.

\* \* \*

[Translation]

### QUESTIONS ON THE ORDER PAPER

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

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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## GOVERNMENT ORDERS

[English]

### SUPPLY

ALLOTTED DAY—MARITIME HELICOPTER PROCUREMENT

**Mrs. Elsie Wayne (Saint John, PC)** moved:

That this House call on the government to eliminate the barriers in the Letter of Interest to the aerospace industry, which impede a fair and open Maritime Helicopter Project, and that maritime procurement be conducted on a "best value to the Canadian taxpayers" basis, in accordance with the Treasury Board guidelines.

She said: Mr. Speaker, I should like to inform the Chair that I intend to split my time this morning with the member for St. John's West, Newfoundland. You have Saint John, New Brunswick, here and you will have St. John's West, Newfoundland. Boy, when they come from Saint John and St. John's, the Liberals better look out.

The motion we debate today cuts to the very heart of an issue that has seized the attention of the House and indeed of the country for some time. In my seven years in this place I have risen many times to speak against the government's actions on defence and speak out for the military.

### Supply

In the last seven years we have watched as our military forces were cut. We have seen a near constant decline in troop morale. We have witnessed countless equipment failures, all due to government neglect. That which we will discuss today is certainly the most outrageous and offensive example of government interference and misconduct I have ever seen.

I need not tell the House that in August of last year the Minister of National Defence and the Minister of Public Works and Government Services initiated a program to replace our aging Sea King helicopters, something they had promised to do by the year 2000 in their 1994 defence white paper.

I need not tell the House that the procurement process put in place has come under serious attack by stakeholders in the global aerospace industry. I need not even tell the House that the majority of those now sitting on the government side were elected in 1993 on a promise to cancel a helicopter contract to replace the same Sea Kings still in use today, which cancellation cost taxpayers anywhere from \$800 million to \$1 billion.

The Canadian armed forces are in need of our help. Our men and women in uniform cannot come up here, as so many others do, with placards to protest the injustices committed against them.

• (1015)

These people need safe equipment capable of doing the difficult jobs that we all assign to them. We ask the sons and daughters of our Canadian families to lay their lives on the line for each and every one of us in the Chamber. We send them to every corner of the globe. We in the House therefore have the great responsibility and awesome duty to afford them all the protection and security that we can.

That protection will come with cost, costs that can either be financial or even political in nature. I stand here today to tell everyone that the government is so worried about paying the political costs of replacing the Sea Kings that it has distorted the tendering process to undermine competition so that it is not embarrassed one more time. The government has already decided who is going to get the helicopter replacement contract. That is very clear.

I could talk about political trades between this government and the governments in Europe. I could talk about industrial exchanges, a helicopter contract there for a manufacturing plant here, but let me for the moment just share a little story.

Last May, a caucus colleague of mine, someone who now sits on the government side, came to me with a conspiracy theory. He said the government was going to award the Sea King replacement contract to a company called Eurocopter. As history and *Hansard* will record, my colleague at that time and I rose in the House and called on the Minister of National Defence to deny the story. He did.

*Supply*

The minister stood and told us “all that sounds like a lot of nonsense to me.” However, within months, within three short months to be exact, the minister stood in another place and announced a procurement process so strict that it, to the eyes of many, eliminated all of the competition but Eurocopter. The minister and his colleagues produced a document. To be specific, it was a letter of interest addressed to the aerospace industry. That document and the problems it contained is the reason I stand here today.

The letter of interest showed for the first time that it would be “the lowest price compliant” bid that would be chosen. First, it means that no matter what aircraft competes, even if it is only of marginal ability, as long as it meets the statement of requirement and is the cheapest helicopter, it will be selected. If an operationally marginal competitor is even \$1 cheaper than a helicopter with 100% more operational capacity, then saving a dollar will win that contract. That is a disgrace. All this despite the fact the treasury board guidelines 9.1.1 and 9.1.2 state clearly that government procurement should be done on the best value.

That document opened the door to a process with certification deadlines and technical requirements that penalized some of the most respected helicopter manufacturers in the world. It opened the door to a procurement process so alien to both logic and reason that major industry stakeholders took one look at it and scratched their heads.

The House knows that one company was so disadvantaged by the letter of interest that it was compelled to take the matter before the Canadian International Trade Tribunal, and now the Federal Court of Appeal.

There are companies that are beginning to say that the process is so flawed and so biased that they might not even waste their efforts making a bid. However the process did not hurt all companies. The only group that is in no clear way disadvantaged by the current competition rule is Eurocopter and its Cougar MK2.

Let us look at the process itself. In their exalted wisdom, the powers that be on the government side chose to split the contract. Never have we seen this done before. Instead of a single contract there will be a process to obtain a basic vehicle and a second process to obtain the vital mission system. In both cases, even with different possible contracts for maintenance and upkeep, there is no question that this will mean increased cost.

• (1020)

So that the everyday ordinary citizen knows what the government is planning to do, it is like saying to Canadians that they should go out and buy a car with no air conditioning, no radio, no speedometer, no tires and then go out a second time and buy all those things and have them installed at a later time. That is exactly

what the government is doing with the helicopters. It is foolishness for certain. Worst still it is foolishness with a political motive.

If the proper tendering process was used, the worst case scenario for the defence minister is that he would have to walk outside these doors and announce that the company that won the bidding process fair and square is the very company that this government snubbed seven years ago.

The government knows it made a big mistake in 1993. It is now willing to manipulate the bidding process so that it is anything but fair. Therefore, it will not have to give the contract to the company that can replace these aging Sea Kings and do what is right for our men in the military.

Do Canadians know that there is a special cabinet committee through which all decisions related to this process must pass? I do not think the members know about this. Do Canadians know that the special cabinet committee is so shrouded in secrecy that it is difficult to know who is actually making the decisions? Do Canadians know that with the help of this committee the government ignored the recommendations of the defence department to avoid the political suicide that a fair process might entail?

We are way beyond giving money to golf courses and hotels here. This is not a little problem that the cabinet can sweep under the carpet. We are talking about billions and billions of taxpayer dollars. We are talking about corruption and abuse of power at the highest levels. We are talking about the government sacrificing its own rules and guidelines to force an outcome that does not make it look bad. If things are not changed we will end up with a helicopter less capable than the aged Sea Kings we have had in use for decades.

I am using the strongest words I know to express the anger and shame I feel. I am using the boldest language allowed in the Chamber to warn Canadians of the deceit and dishonesty that we have discovered. I say let us do the right thing. Let us correct the injustice where we find it. Let us do what we were elected to do. If we do not we will dishonour those who came before us and those who defend us from evil if we do not.

**Mr. Paul Szabo (Mississauga South, Lib.):** Madam Speaker, the member referred to a hypothetical situation where a bidder would bring forward a proposal with 100% more functionality for \$1 more in cost than another and that it would be shameful if the government chose the cheaper one when for an extra dollar it could get 100% more functionality.

Does the member feel that it is appropriate for a bidder to provide a proposal which meets the requirements the government laid out in its request for proposal, or should there be an investment in functionality well beyond the requirements which clearly would



require more maintenance, more after costs and probably more development? In fact, the development would probably not be complete in time for the certification time frame.

Is the member saying to the House that we should spend extra money to get functionality which is not required?

**Mrs. Elsie Wayne:** Madam Speaker, with respect to the letter of interest that was sent out, only one company, and I stated who that company was, qualifies to bid. I will tell the member what it can produce for our military.

The only group not disadvantaged by the current competition rules is Eurocopter and its Cougar MK2. It is the cheapest aircraft and is based on 1970 technology and design.

• (1025)

The Cougar was just excluded from a four nation Scandinavian maritime helicopter competition for the challenging North Sea and Arctic Ocean environment, which is so operationally similar to our cold hazardous North Atlantic. It could not do the work. It will not be able to do the work here either. Everyone here knows that we need helicopters that will be able to look after the Atlantic, Pacific and North Atlantic. However the way in which this tender has been put out we will not get them.

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Madam Speaker, I applaud the member for Saint John for her very passionate delivery and support for the military. I am a member of another opposition party, but for some time she has fought for the military's benefit in both procurement and quality of life issues. I commend her on her delivery. She also knows some of the problems that have arisen with this procurement process. She has spelled it out to those across the floor. They are shortchanging the military.

I will ask her to speak a little about the procurement process. She implied through her presentation that there was something wrong with the changing of the statement of requirement on that particular procurement for the maritime helicopter. She alluded to some of this in her reference to the letter of interest. There was a process that took place prior to that letter being delivered which dealt with getting the military to say it would change its mind from the EH-101, which is the helicopter that we know will be suitable for this climate, to something far less.

Could the member talk about the process prior to that letter of interest being delivered?

**Mrs. Elsie Wayne:** Madam Speaker, our military people have already written a letter stating that the letter of interest is political suicide. It is not good for the military.

We have the top ranks telling us it is wrong. However, they have been told to stay out of it because that private little cabinet

### *Supply*

committee is making all the decisions. That is not the way we function in the House of Commons. That is not what we should do for our men and women in the military.

**Mr. Loyola Hearn (St. John's West, PC):** Madam Speaker, it is a pleasure to participate in a debate on such a crucial issue. I congratulate my colleague from Saint John for bringing it to the House. This is an issue that has been discussed for years in parliament, and certainly in the country, for a number of reasons. It is mainly because we are proud Canadians. One of the agencies that causes us to be so proud is our armed forces.

When we ask people to defend us we expect that we will provide them with the best possible equipment to do the job. We send hockey teams onto the ice. For many years Canada, as a proud nation, has watched these teams. They have been made up of people from many nationalities who live all over the country. They have worn the Canadian red and white sweater with pride while representing us.

Those of us who are a little older will perhaps remember the 1972 series that finished up in Russia. Undoubtedly each of us can vividly recall the day when Paul Henderson scored the final goal to win the series for Canada. All of us felt very proud because these people were representing our nation. They were representing our nation in combat but it was a sports combat. For those of us who remember the series, we might say it was more than a sports combat, it was an international combat. However, what it did was open the doors for friendlier feelings between us and other nations, especially Russia. We showed that we were well prepared, well equipped and we could do the job.

• (1030)

On the other hand, we send our armed forces into combat where, instead of the high stick that might knock out a tooth or cause a few stitches here and there or the odd concussion that goes with hockey, we are asking them to put their lives on the line. Not only did we do it during the great wars and other international conflicts, but we do it all the time, even in our peacekeeping efforts.

As we send out our forces, our representatives, those who go to the front lines for us, we do not know from day to day what kind of conflict they will be in. It is our duty to make sure that they have the best equipment available.

When we hear stories about our armed forces today, how they are not properly equipped, how the funding provided is so little that they are living on the borders of poverty, how can we expect anyone to give their all, which is what we ask of them, if we treat them in such a manner?

A typical example is the helicopter issue that we are talking about in the motion. What makes Canadians so upset is not the fact that we are debating whether or not we are providing them with the

*Supply*

best helicopters. Unfortunately, under the present tender calls, we will probably not get the best and that is a major concern. Canadians are perturbed by the fact that we have been waiting so long for the machines. Canadians are also perturbed by the petty politics that have been played this last seven or eight years over this issue.

One of the key planks in this government's platform, which is now cowering under pressure, is to provide helicopters. The helicopters would have been provided long ago if it had supported the original idea to purchase the Sea Kings. In the 1993 election, the then Tory government was ridiculed for the excessive amount of money it planned to spend on helicopters. It was told that it should be able to provide helicopters at a cheaper cost.

We heard, in a very sneaky manner during the last election, this government talk about the need to provide helicopters and how it could be done much cheaper than the Tory government was going to do. Unfortunately, people sometimes talk in half truths.

If someone today wanted to buy a car for \$20,000 and I promised I could sell the person a car for \$15,000, what I would not be telling the person is that my car is not as good as the one that he or she intends to buy. If someone wanted buy a fleet of cars for a million dollars and I told that person that I could sell him or her a fleet of cars for three-quarters of a million dollars, what I would not be telling him or her is that the number in his or her fleet is much greater than the number in the fleet that I am talking about. It is very easy to confuse people if we do not look at the minute details. The people of Canada certainly have been confused and deceived for years by this government in relation to the provision of equipment for the armed forces. This goes right back to 1978, when it talked about the need to replace the Sea King. That was 23 years ago. We are talking about replacing equipment needed by the people who serve us, who represent us on the first lines. What an insult to the intelligence of Canadians. What an insult to the people in our armed forces.

• (1035)

In 1992 the Mulroney government approved a replacement of the Labrador search and rescue and Sea King maritime helicopter fleet with a common helicopter EH-101. The new fleet was ordered at a cost of \$4.3 billion, which is what started the big opposition: the cost of helicopters.

When we look now at what we are getting, we find we do not know what we are getting. That is the problem. If we knew what we were getting perhaps we could have some intelligent commentary on it. However, it would not be from us in here. I doubt that there are many people in this whole assembly who know very much about the workings of a helicopter. Some might pretend, and perhaps we do have some people who have spent some time in the

field as pilots, mechanics or whatever, but I would suggest that very few really know.

However, whether we know anything about it or not, when we find out that the package will come in four different unrelated components, we sort of wonder what we will get when it is all put together. That is a major concern. By the time we do something like that, put it together, take the final product and divide the numbers into the total cost, it will be very interesting to see the unit price compared to the unit price of the original suggestion made by the Tory government back in 1993.

The motion reads:

That this House call upon the government to eliminate the barriers in the Letter of Interest to the aerospace industry, which impede a fair and open Maritime Helicopter Project, and that maritime procurement be conducted on a "best value to the Canadian taxpayers" basis, in accordance with the Treasury Board guidelines.

I do not think the motion is good enough because when we ask government to do something, we never know when it will do it. I suggest we strengthen the motion with another word. Therefore, I move:

That the motion be amended by inserting the word "immediately" before the word "eliminate".

The motion would then read:

That this House call upon the government to immediately eliminate the barriers in the Letter of Interest to the aerospace industry—

**The Acting Speaker (Ms. Bakopanos):** Debate is on the amendment.

• (1040)

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Madam Speaker, listening to the debate on the opposition motion today I am hearing a moderate amount of negativity. I am puzzled where that might come from, but I understand that partisanship lends itself to creation of negativity from time to time.

However, one should note that the armed forces and our government, on behalf of Canadians, have successfully gone through a procurement of a search and rescue helicopter, which is a fairly sophisticated procurement initiative. I think the initiative was very successful. I believe we are on the verge of accepting the first of those search and rescue helicopters to replace the existing older search and rescue helicopters, the Chinooks, that are now in place.

If the government has, in my view, successfully gone through a procurement initiative to obtain the search and rescue helicopter, that process being almost complete now, why is it that members



*Supply*

opposite would just presume or assume that a second initiative to replace the Sea Kings, the maritime helicopter, could turn out to be an alleged mess? I will not use some of the other negative words, but how could the government have suddenly taken a turn to go so wrong, when in my view it has appeared to operate so well in procuring the new search and rescue helicopter?

**Mr. Loyola Hearn:** Madam Speaker, when we talk about conflict or wars, one of the words that we always hear is brainwashing. It seems that the members opposite have been very well brainwashed in relation to the procedures that we are dealing with here.

What concerns us and I am sure Canadians is not that we are seeking information in relation to the replacement of the helicopters. It is the matter of the rules and restrictions that are being placed on them to prohibit the best type of helicopter that would replace what we have.

Perhaps we should be asking why some of these restrictions are in place. That might be something we will follow up at another time. The bottom line is that if we are going to have the best, then we should have the opportunity to get the best, not a bargain basement price where we usually get what we pay for.

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Madam Speaker, I have listened to the member for St. John's West on this very important initiative, the procurement of the maritime helicopter. His party knows the history, more than any other party in the House, about what it took to bring that procurement up to this point.

Governments have been trying to pick a maritime helicopter for over 30 years. The Conservative Party initiated the procurement process to purchase this helicopter. The military went through a long process in picking the best helicopter for the conditions that it would be faced with.

I ask the member, what does he think the helicopter should be like, given the fact that it was his party that chose it? Could he also tell us why it was chosen?

**Mr. Loyola Hearn:** Madam Speaker, the answer is very simple. If we are going to send our people to the front lines, we should provide them with the best equipment that is available.

● (1045)

The original undertaking by the Tory government to provide helicopters to the armed forces ended with the decision to buy ones that would cost \$4.3 billion. That was opposed, as hon. members know, by the government opposite. The selection was made because the Tory government thought those machines were the best at that time. All we ask now is that the current government, in purchasing equipment for our armed forces, buy what is best for them.

[*Translation*]

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Madam Speaker, I am pleased to take part in the debate this morning. It gives me the opportunity to explain how my department intends to manage this important project so that the contract for the purchase of the helicopters needed by the Department of National Defence for its maritime operations may be concluded at a reasonable cost to Canadian taxpayers.

The people of Canada realize that the country needs a fleet of combat capable helicopters for maritime operations.

The Department of National Defence and its representatives have spent a lot of time and energy setting out Canada's needs in this regard. The minister had the support of members of cabinet in their acquisition and now it is my department's turn to manage the purchase process.

[*English*]

I assure hon. members on all sides of the House that the process will be fair, open, transparent and competitive. At the end of the day we will have saved taxpayers \$1.5 billion compared to the former government's helicopter purchase project. That \$1.5 billion can be invested in other worthwhile initiatives including the new social justice initiative announced in the Speech from the Throne.

I know that hon. members across the way will want to applaud the government for its sound fiscal management. Canadians have endorsed the Liberal approach of balancing tax and debt reductions with strategic investment in the economy. Now it is time to get on with the job.

It was my pleasure to be at the side of the Minister of National Defence last August when he announced the government's intention to proceed with the purchase of 28 maritime helicopters. Over the past six months we have continued to develop and refine the procurement strategy that will be used for the project.

Today I will update hon. members on various elements of the strategy, including a number of innovative procurement practices that will help ensure Canada gets the helicopters and the mission system it needs at the lowest price.

[*Translation*]

Hon. members know that the project in question is intended to replace the fleet of Sea King CH-124 helicopters of the Canadian armed forces. The new helicopters will be equipped with integrated mission systems designed to meet needs specific to maritime operations. This state of the art equipment will give the men and women of the Canadian armed forces the tools they need to do their work better in demanding often dangerous operations.

*Supply*

Shortly after the maritime helicopter project was announced, last August, the government released a letter of interest to inform businesses of our intentions and our general requirements and to discover their interest in the project.

The letter of interest also set out the purchasing strategy planned, and the facts were confirmed. The project would comprise two separate contracts: the first would pertain to basic vehicles and the second, integrated mission systems. Long term service support will be an element of both contracts.

[*English*]

The letter of interest had another goal, and that was to initiate a dialogue with the industry. I am pleased to report that we have been successful in that regard. Many of the companies that responded to the letter of interest have also provided helpful feedback on our statement of operational requirements and procurement strategy. We will respond to the comments and take the views of potential bidders into account as the project unfolds over coming weeks and months.

• (1050)

The point I am making is that it is very much an open and transparent process. Industry interaction is critical for large projects such as this one. The release of the letter of interest was a first step in our effort to encourage a dialogue with industry.

[*Translation*]

One of our next steps will be to announce which companies have expressed an interest in becoming the prime contractor for the helicopters or the mission systems, or both, and meet the criteria set in the letter of interest.

Unfortunately—and this is very important—no Canadian company makes helicopters that comply with the requirements of the maritime helicopter project. This means that the basic model will be provided by a foreign supplier. We think that several foreign companies can meet our needs and we anticipate that a large number of companies will compete for these contracts.

As for mission systems, I am pleased to say that Canadian companies can provide such systems and that some have expressed an interest in that regard. It is perfectly possible that a Canadian company will be awarded that contract. We also expect Canadian companies to bid for the two subcontracts.

Some wonder why it is necessary to have two different calls for tenders to buy helicopters and mission systems. The reason is very simple. We believe that, by using separate calls for tenders, the state will get the helicopters and services that it needs, and the necessary long term in-service support, at the best possible price.

That approach will also allow a larger number of companies to bid, since using a single contract would have the effect of eliminating many Canadian companies that are interested in becoming the prime contractor.

[*English*]

As a matter of general interest I confirm for hon. members that the maritime helicopter project is exempt from the North American Free Trade Agreement, from the WTO agreement on government procurement, and from any restriction or requirement under comprehensive land claims agreements. However the agreement on internal trade will apply to the project.

As I mentioned a moment ago, the letter of interest released last August has triggered a dialogue with industry. To facilitate further industry interaction, the project management office for the maritime helicopter project has established a website to serve as the principal means of communicating with the industry. The website will be a vital source of information for potential prime contractors and others interested in the project. We plan to use the site to make key technical requirements known to all bidders as early as possible.

Toward this end, over the next few weeks the project management office will post draft specifications and other documents on the web that will eventually form part of the formal request for proposals.

[*Translation*]

The progressive issuing of provisional RFPs will enable interested companies to examine and comment on various aspects of the maritime helicopter project. We will be able to make changes to the technical requirements or other features of the project based on their comments.

This dialogue will increase the likelihood that helicopter and mission system hardware will be compliant with project requirements, and will also make it possible to confirm that interested companies can reasonably meet the government's requirements.

Interested companies will have ample opportunity to examine the provisional specifications for the base helicopter and to make comments in this regard over a two-month period, after which we will be launching an obligatory prequalification process.

• (1055)

The prequalification process is unique in this project. In fact, it is the first time we have used it for a project of this magnitude. We want to avoid having tenders rejected because they are non-compliant technically.

Preparing a tender is very expensive and the government must work together with potential suppliers to keep the risks of non-compliance to a minimum.

[*English*]

With this in mind, the prequalification process will be conducted in advance of the formal submission of bids. Prequalification will largely focus on the hardware aspect of the bid based on the draft

specifications. Separate prequalification processes will be conducted for the basic helicopter and integrated mission system.

In keeping with the overall approach being used for the project, the prequalification process will involve a dialogue with industry. Potential prime contractors will be expected to provide a level of detail we would normally get in formal bids. The technical information provided by each potential contractor will be examined to ensure it conforms with the requirements set out by the Department of National Defence.

This interactive approach will give industry an opportunity to address any concerns we might have with its technical proposals before it submits formal bids, thereby reducing the risk of receiving non-compliant bids. Potential bidders who have not achieved the prequalification status at least 30 days in advance of the close of bids will be declared non-compliant. Their bids will not be considered as part of the formal tendering process.

[*Translation*]

I would like to repeat that the prequalification process will focus primarily on the technical aspects for each contract.

It will still be possible to declare a bid non-compliant if a company does not meet the other requirements set out in the RFP, such as those having to do with the statement of work, management of the program, funding, and industrial and regional benefits.

Members should also know that the inclusion of service support, which is a separate component in each contract, is unique to this project. Comprehensive maintenance and support services for the helicopters and the mission systems will be required on an ongoing basis.

The government anticipates that this service support will be required for a period of approximately 20 years. For each contract, this component will include an option to progressively increase service support up until the end of the helicopters' life cycle.

Service support, which is included in each RFP, will ensure that we obtain a quality product, since the supplier will have to assume long term responsibility for what he is delivering.

It will also allow the government to seek the maximum industrial and regional benefits for each contract.

[*English*]

Some hon. members no doubt have questions about the timing of different stages of the procurement process. Our procurement plan is to ensure the formal RFP for the helicopter contract in the fall. The RFP will have a three month closing date followed by a two month evaluation process leading to the selection of the successful contractor.

### *Supply*

Our goal is to sign a contract for a basic helicopter as early as possible in 2002, after which we will move quickly to the issue of requesting formal proposals for the mission system. As hon. members can appreciate, the two RFPs cannot proceed simultaneously, as potential bidders for the mission system will need to know which helicopter is to be purchased in order to develop a proper integration plan.

The request for proposals for both contracts will set out strict evaluation criteria for price, technical compliance, contractual terms and conditions, and industrial regional benefits. Specifically with regard to industrial regional benefits our goal is to ensure that Canadian suppliers receive maximum benefits for both contracts.

Consistent with the principles used for previous procurements, we will be seeking industrial regional benefits equivalent to the value of the contracts for both the helicopter and the integrated mission system.

• (1100)

[*Translation*]

In the case of the airframe, the contract will be awarded to the prime contractor submitting the lowest proposal that complies with all the terms. This proposal is to include the airframe, the modifications, the related modifications to the ship and service support.

In the case of the mission systems, the contract will be awarded to the prime contractor whose proposal is the lowest. This proposal is to include the costs of the mission package of the maritime helicopters and service support.

My colleague, the Minister of National Defence, informed the House that the maritime helicopters were the first priority of his department in equipment procurement. Worth nearly \$2.9 billion, this proposed purchase is also the largest under my department's management at the moment.

My department is the largest procurement organization in Canada. We have vast experience in the management of major government supply projects, including the purchase of defence materiel. I can therefore assure the House that my department is able to carry the maritime helicopter project to a successful conclusion.

I want also to assure my hon. colleagues that the transparent and competitive process we have put in place will ensure that all those tendering will be treated fairly, that taxpayers' money will be carefully invested and that, finally, the purchase of these maritime helicopters will meet Canada's needs for many years to come.

[*English*]

**Mrs. Elsie Wayne (Saint John, PC):** Madam Speaker, we have an access response from DND that states that the maritime helicopter program office in DND never initiated the recommen-

*Supply*

dation to split the maritime helicopter program and make purchases based on lowest price compliance.

As all government departments must agree before it leaves cabinet, public works recommendations had to be the same as DND. DND did not agree on what was being proposed by the Minister of Public Works and Government Services and the Minister of National Defence.

Could the minister please tell us why it is going in this direction? Furthermore, how could they possibly at this time enter into an agreement? In New Brunswick the Learn Stream company, the president and CEO of Lockheed Martin Canada, has already signed a memorandum of understanding with them. I thought we had not made a decision yet. Why are we out signing agreements with companies, such as the one in Fredericton, in my province, that are in pursuit of the federal government's \$2.8 billion maritime helicopter program?

The government recognizes the need to secure the very best in training systems and the Learn Stream expertise in the development of custom courseware and learning technologies, helps to fulfil this requirement.

The government has already entered into agreements with companies and yet we are supposed to be discussing who gets the contract. I have never seen this done before. I am sure it has never happened in the House before.

**Hon. Alfonso Gagliano:** Madam Speaker, I do not know where the hon. member gets her information but definitely she has it all wrong.

First, in August it was the Minister of Finance. I said, if they would have listened to my speech, that I was at the side of the Minister of National Defence when he announced the procurement, strategy and intention of the government. This was a government decision. It was not a decision by the Minister of Public Works and Government Services or the Minister of National Defence. The government stands behind this decision.

Concerning the second part of the member's question, I do not know where she got the information but there is no agreement with any company. We sent a letter of interest. We got proposals and we opened dialogue and discussions. There is no signed agreement with anybody.

I am really surprised and shocked to see that while we are going through the process, the hon. member has decided to fight about what company should get the contract. It is unfair since we have an open process.

• (1105)

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Madam Speaker, I certainly listened to the minister carefully

because I too had some questions on the way this particular procurement initiative has been set up.

Clearly he pointed out that there would be two contracts left: one for the airframe, basically the helicopter airframe, and the other one for the mission kit. Is that not correct?

Because there are two contractors, who will be the prime contractor? Will it be the Government of Canada?

If the mission kit does not quite fit into the airframe, or if something has to be adjusted, holes cut in the frame or whatever, who will be liable for that if it does not work?

Who will be liable if one contractor does not like the way the other contractor configured a certain part of the airframe or vice versa? Will the government then have to come and intervene? Why is there not a prime contractor and why was it not let?

I know for a fact that the government was advised not to do it this way but it went ahead and did it anyway.

**Hon. Alfonso Gagliano:** Madam Speaker, first, the reason for making two contracts is that we wanted to have more competition. This will give more companies, especially more Canadian companies, the possibility to participate in this major procurement.

Second, there will be a primary contractor. The primary contractor will be, according to the letter of interest that we put forward and received comments on and to which we will respond, the integrated mission control contractor.

In this industry, companies make associations with each other. Why have an open competition process when these companies can make agreements among themselves for the benefit of the Canadian taxpayer?

That is why we are doing it this way. I am surprised again how they take a pre-position for one company when there are so many companies interested in the project.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, from what the minister just said, and I say this with all due respect, the reality is that this is simple nonsense.

The fact is that this contract was split to exclude one particular company, the company that had the original EH-101. If the government decided that possibly that company would have been the most successful bidder today, then we would be asking the government why it cancelled the contract in 1993 in the first place. That is the reality.

I have the following question for the minister. When the initial tender process for the helicopters went out, it stated that it was "mandatory" that it be completed by 2005. Now we have word that



it has been changed to read that it would be “preferred” to have the helicopter replaced by 2005.

Would the minister please explain the change?

**Hon. Alfonso Gagliano:** Madam Speaker, first, this process does not exclude anybody. To the contrary, it includes everybody to compete. If the Cormorant wants to compete, it can compete. It is very good.

This procurement strategy is to make sure that Canadians get the best for their tax dollars and that they get the best equipment the defence needs. The government cancelled the contract because it does not need to spend so much money. This strategy will save Canadian taxpayers \$1.5 billion that we can invest in health, in social justice and other things that Canadians need.

**Mr. Peter Stoffer:** Madam Speaker, I rise on a point of order. My question was quite clear. I asked why the change in the wording of the contract from mandatory to preferred.

**The Acting Speaker (Ms. Bakopanos):** That is not a point of order.

• (1110)

**Mr. Bill Casey (Cumberland—Colchester, PC):** Madam Speaker, the distinguished member for Saint John mentioned in her speech that one would never buy a motor vehicle without the frame, the tires, the transmission and the air conditioning. That struck a chord with me being a car dealer for 18 years.

I will point out that the Ford Motor Company just announced that it has had so much trouble separating the contract for regular cars and police equipped cars that it has come together with its contractor to produce one package. It will now have one package for electronics, navigation and communications, with which police cars are equipped. It has all come together because there was no accountability. Nobody was ever held responsible if there was a defect or a change.

How can the minister separate the air frame from the mission package on helicopters when he knows that private industry has proven this to be a defective approach?

**Hon. Alfonso Gagliano:** Madam Speaker, we had fruitful discussions after the letter of interest was sent out to the industry. The way this procurement would go ahead is that, first, we would have the competition for procurement of the basic helicopter. Once that competitive process is over and we have chosen a base helicopter, the other competition will start. In the second competition the industry will now know the model of helicopter we will have chosen.

This is a very sophisticated industry and an industry that works with each other. We have been seeing consortiums on purchases of this nature around the world. Why can consortiums not be within

### *Supply*

the competitive process for the taxpayers' benefit? Why do multi-nationals always have to always get the benefit instead of Canadians?

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Madam Speaker, I should point out that I will be sharing my time with my colleague from Vancouver Island North.

Before I jump into the discussion on the Sea King replacement, I would like to begin by thanking all the people in my riding for the valiant effort they put forward in my successful re-election.

I am very appreciative of the democratic process. I saw it in full action in my riding for eight months, although it was almost a year if we include the election. A lot of campaigning went on during the nomination process and my membership reached 15,000, the largest membership in Canada. I had 10,000 constituents who came out to the polls for my nomination. It was very significant. I am very grateful for their involvement in my nomination and election. My election was rather like a cakewalk after the nomination. My deepest gratitude goes to those people who participated and helped out so much.

I will now go on to the Sea Kings, which has been an issue for quite some time. Discussions and efforts to replace the Sea Kings, the maritime helicopter, have been going on for over 30 years. It began in the early seventies and we are no closer now than we were back then.

The issue was studied at length under the Conservative government of the day and a decision was made, I believe, in 1992 to replace the helicopter and give our military personnel something they could use, feel safe in and something for which they would be proud. Everyone in the House knows what unfortunately happened to that project in the 1993 election. A decision was made by the Liberal government and the Prime Minister of the day to shut down that project. I have never heard a good excuse as to why it was shut down. There have been excuses rendered, but I said a good excuse.

• (1115)

I have had an opportunity to see a lot of our equipment, as have other members on both sides of the House. They have had the opportunity to look at the equipment our military personnel have to work with. The Sea King is one of the oldest helicopters and is definitely in need of replacement. Its limitations jeopardize those who use the equipment as well as those who may depend on our personnel for help.

I feel very frustrated given the fact that we have sat in the opposition in the House since 1993. We have pushed the government to bring about closure on this issue and give our troops some good equipment. It just was not to be. It is still not to be for several years to come.

*Supply*

I do not know how much longer our Sea Kings will last or how many more lives will be lost. Lives have been lost by personnel using this equipment. It is an unnecessary jeopardy of members of our military personnel. They work in a most unusual environment. Even with good equipment they sometimes lose their lives. We saw that happen not too long ago, but to jeopardize lives unnecessarily by allowing them to continue to use old equipment is another matter.

Prior to the last election we submitted a policy paper dealing with military issues called "Canada Strong and Free". It makes mention of the need for having proper equipment. There are experienced people who know what proper equipment means.

One section in that pamphlet included an idea that we wanted to put forward in an effort to try to fill a need in our military. It said that we should have corvettes with helicopters on them as a means of patrolling and as a means of readiness. Our booklet was circulated to ex-military personnel and to the military. Many experts had a good look at it. The feedback indicated that it was not a very good idea to have a corvette ship with helicopters on it because of the size of a corvette.

Experienced personnel said that we were crazy if we thought they would go back to corvettes in the North Atlantic, the roughest seas in the world. It would not be a suitable way to spend taxpayer money. That came from an expert. We are certainly open to changes and suggestions. I think in this case that is exactly what must be done. The experts know the environment in which the equipment will be operating.

If the Eurocopter happens to be the choice of the government on the other side, it is a dreadful mistake.

**An hon. member:** Where are they?

**Mr. Art Hanger:** I hear the hon. member. Where are they? That helicopter is no bigger or more powerful than the Sea King that is operating on our frigates now, which is 40 years old. It has no more capacity than our present equipment. Why are we replacing a helicopter considered too old and unable to meet the conditions of the day with something almost comparable except somewhat newer? That is the only difference. Why would that be happening?

• (1120)

I have question for the government across the way. Is it because back in 1993 the Prime Minister decided to cancel that cadillac project, as he called it, at the expense of the military and for the benefit of gaining votes? Is that the reason it was cancelled and is no longer being considered?

Twenty years of progress in trying to come up with the right piece of equipment is finally reached, and what happens? It becomes political. The member across the way mentioned some-

thing about partisanship. I do not know how much more partisan we can get than ripping something away that is legitimately needed, in this case by our military, because of a political advantage that might be gained. I think there is something cynical about that.

That is the past. Today is the present. Since that time there has been an effort to change the statement of requirements so that something less or something other than the one that was cancelled back in 1993 could possibly be selected. How can we go about doing that? How can we change the statement of requirements on which the military spent years and many millions of dollars researching? All of a sudden we will change it into something else and expect the military to support everything we do.

We can talk to the rank and file in the military. As members across the way will know, those who were part and parcel of the project know that this is not what is required. They had already made their selection and now the political masters will make them change it and turn it all around.

My time is up. There is a real need to take the procurement processes out of the hands of politicians until the final level of negotiation is done. Unfortunately that is not the direction in which the government is going.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Madam Speaker, the member suggests that decisions have already been taken. That could not be further from the case.

As the minister laid out for the House, there is an ongoing extensive process where the letters of interest were sent to create a dialogue with the industry to determine what its situation. We found that the helicopter market is much more mature, much more developed than it was back when the situation was dealt with by the former government.

It raises a question about procurement as a process. Public Works and Government Services Canada provides professional procurement services on behalf of all government departments and agencies. In regard to this very important procurement that has been presented to us by the Department of National Defence, our objectives are to meet the specifications of the client, being DND. That is precisely what we are doing. The process is to satisfy the specifications required by the Department of National Defence.

Public works and government services does not play around with the specifications. By creating a dialogue with the industry we ensure that the process we go through will meet those standards. We want value. We want the lowest cost for the taxpayer and we want to meet the specifications. We do not want anything more.

As the minister indicated, by splitting the request for proposal into two pieces, one for the frame and one for the mission system, it is quite frankly an opportunity to take advantage of the mature



marketplace that the helicopter industry and the aerospace industry provide. I hope the member will inform himself that there are many more interested parties now than there ever were before.

• (1125)

Does the member have a problem with a process that seeks to procure the frame and the mission system in accordance with the specifications of DND and the lowest cost for meeting those specifications?

**Mr. Art Hanger:** Madam Speaker, that is a good question. Do I have a problem? If the process were as open as the government claims it to be I would have no problem, but that has not happened.

We just have to go back a few years, during which time an effort was made on the part of the government under the Deputy Prime Minister, the Prime Minister's Office and the Privy Council Office to change the statement of requirements on the maritime helicopter from what the EH-101 specified, or the military specified, into something more suitable for the frontline over there. Is that open and transparent? No, it is not open and transparent.

The member raised a good point. There is a need to consult. We have to change the overall procurement process, not just in the area of the military. I know other countries have done so. They have included industry. They have included the public, the government and the opposition where there was a unified voice coming out of the house to do what was best for the military.

We do not have that now. It has become a very partisan issue. The military has been chopped this way and that way because it is easy to chop it. It is not a constituency that is all lumped together in one spot. It is easy to pick on. It is easy to knock down. It is easy to change the whole way of thinking because of that fact.

There is not agreement in the House over what is best for our military. It has become very partisan and I have to say it is because of that side of the House.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, as members of parliament we should not be advocating one company over another in the House. We should be advocating a clear, open and transparent contract so that all companies have fair bids on it.

In my earlier question to the minister of public works I said a particular company was being excluded from the contract because of the way the tender process was set up. I did not mention the name of the company. The minister mentioned the name of the company, which was Cormorant.

This obviously smacks and reeks of political interference. Could the hon. member from the Alliance Party elaborate on that?

### *Supply*

**Mr. Art Hanger:** Madam Speaker, the member raises the crux of the whole matter. It shows how partisan the House has become over issues that are beneficial to the overall country and in this case to the military.

It has involved meetings behind closed doors to change things that should never have been changed. It has defeated and frustrated the efforts of experts and those who use this equipment to the point where a malaise has set in. It has been detrimental to our country and to our military.

**Mr. John Duncan (Vancouver Island North, Canadian Alliance):** Madam Speaker, I remind everyone what we are talking about today. We are talking about a supply day motion of the Progressive Conservative Party, sponsored by the member for Saint John. The basic crux of the motion is:

—to eliminate the barriers in the Letter of Interest to the aerospace industry, which impede a fair and open Maritime Helicopter Project.

I am very grateful the member brought it forward. Comox air force base is in my riding and I am delighted to represent a riding encompassing this special place.

• (1130)

In 1990 the budget for the Department of National Defence was more than \$12 billion. It had 85,000 members. The budget was slashed by the government to \$9 billion. It is now at \$10 billion and its ranks have shrunk to 58,000. This week there are noises from the government that it will add another \$600 million, basically for deserved wage increases.

Given the value of the dollar and the 11 year timeframe, is it any wonder our military has been asked to do more and more with less and less? Throughout this whole episode since 1993, the government has been paying lip service to supporting the military when in fact it has been callous and irresponsible in its actions, particularly in terms of equipping our armed forces personnel for the jobs at hand.

I was a candidate in the federal election in 1993. How well I remember the Liberals making a huge issue of the EH-101 cancellation. They never suggested we did not need helicopters. They simply suggested it was the wrong one. Where are we now, eight years later? Not a single maritime helicopter replacement for the Sea Kings has yet been ordered.

Search and rescue helicopters will be delivered to the west coast. We will have five in Comox this year and we will have the operational training centre in Comox. Search and rescue capabilities will be filled over the next year and a half, none too soon.

*Supply*

The Sea Kings are ancient. They are a national embarrassment. The \$600 million paid to cancel the 43 Cormorant helicopters ordered in 1993 was a problem at the time. Cancellation was a problem because Canada really needed new helicopters then. We need them now more than ever.

The search and rescue helicopters ordered in December 1997 are the same helicopters that the government cancelled in 1994 at great cost to the taxpayer. The Parliamentary Secretary to the Minister of National Defence questions whether we have a problem with this process. Yes, we sure do, because we are not naive.

I will quote at some length from Greg Weston, Sun Media national political columnist. I would rather do that than plagiarize. He encapsulates very well what is common knowledge in national defence and political circles, both nationally and unfortunately internationally. This is an international embarrassment. He states:

Now, buying Cormorant helicopters from the same British-Italian consortium that got \$600 million of public money for (the Prime Minister's) cancelling of the original contract for Cormorant helicopters—well, the political optics of this were not lost on the bright lights in the Prime Minister's Office.

Enter (the Prime Minister) and Company. According to one classified document, retired Ontario Chief Justice Charles Dubin was hired by the justice department to give "a legal opinion—in connection with the procurement of search and rescue helicopters". He found nothing to justify voiding the Cormorant bid.

The Department of Government Services hired the accounting firm KPMG—

This is a respected outfit. He continues:

—to conduct an "independent validation" of the bid process. In a document marked "for government eyes only—sensitive," KPMG reported that the bid process represented "one of the best procurement evaluations we have seen".

Finally, sources tell us that the PM appointed—his trusty deputy PM and all-purpose political fixer to head up a secret cabinet committee, presumably to ensure that bidding was fair, open, honest—and not won by the Cormorant.

In December 1997, (the Prime Minister) headed south for his usual month of golf, reasured by the military that the Cormorant bid was history. But a funny thing happened on the way to the contracting office. (The Deputy Prime Minister) had to phone (the Prime Minister) in Florida to tell him the Cormorant had won. (So apparently had the Defence Department which had so effectively bamboozled the PM.) (The Prime Minister's) response to this news was described to us as largely unprintable.

In early 1998 (yes, after the election) the Liberal government decided to call bids for another 28 multi-purpose military helicopters, bringing the total new fleet to 43—the same number the Tories had ordered and (the Prime Minister) had cancelled five years before. This time (the Prime Minister) and Co. left little to chance.

In one memo to Air Force Commander L. C. Campbell, a fellow officer began: "Assuming there will be a competition to select the new maritime helicopter, it is quite possible that the Cormorant might win it". He then asked: "Even though the Cormorant is politically unacceptable ("political suicide" as you said), how do you ensure that it does not win a maritime helicopter competition?" And: "If the Cormorant were to win a military helicopter competition on its merits, wouldn't we again be in the same position of being accused of tricking the government?"

Finally: "Do you think the Cabinet would just opt to select the second place finisher if the Cormorant were to be winner of a competition?"

• (1135)

Does the parliamentary secretary now understand why we are suspicious, why we are not naive?

The bottom line is that this knowledge within the Department of National Defence, in political circles and for anyone close to this subject is the motivation for this motion. The government thinks it is politically embarrassing for it to allow an objective, unbiased, non-partisan analysis of the Sea King replacement proposals and insiders are aware that the fix is in.

The men and women in our armed forces and Canadian taxpayers deserve to be treated with respect and the government needs to take a principled position, not a political position, on such an important issue. Shame on the government. Shame on the Prime Minister's Office for allowing this to become a political exercise, for leaving our military in the lurch without replacement maritime helicopters and for corrupting the process.

The member for Saint John, the mover of the motion, has been eloquent this morning on this issue, as has the Canadian Alliance critic. I support this motion.

I have other points I should like to make. If the initial EH-101 contract had been filled, all search and rescue and shipboard aircraft, none of which are flying now, would have been flying four or five years ago. When a Sea King crashed in Saint John in 1994 the then defence minister, who is now the transport minister, asked Colonel Cody, then the base commander at Shearwater, to keep a lid on the community with the promise there would be a replacement by the year 2000. Colonel Cody complied, but when the promises went unfulfilled, in retirement he felt compelled to speak out.

Retired Canadian forces officers and Atlantic Canada senators have formed Friends of Maritime Aviation to speak out against tardiness of Sea King replacement. Collectively the retired officers have flown more than 10,000 hours in the Sea Kings. The blame rests with the Prime Minister.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Madam Speaker, the member says that the government has corrupted the process. This is absolutely wrong and I want to lay out why.

We put out a letter of interest to advise the industry about the government's intentions and requirements to determine the level of interest in the project. The letter of interest outlines the intended procurement strategy and the fact that the project will involve two separate competitions, one for the helicopter and one for the mission system.

• (1140)

The contracts will set out strict evaluation criteria for price, technical compliance, contractual terms and conditions and industrial and regional benefits, or IRBs.

We have a process. It is open. It is fair. It is transparent. It has been laid out. All of the specs are on the Department of National Defence website for all members to see and for the aerospace industry to see.

Given that this is the process, which has been laid out very clearly in the letter of interest to the aerospace industry, I wonder if the member would not agree that this in fact is an open, fair and transparent process.

**Mr. John Duncan:** Madam Speaker, I read a lot of military history and a lot of regular political and other history. If we do not pay attention to history, we are bound to repeat it. The mistakes are ones that we have to pay attention to, along with the other malfeasance.

I am not naive. We know this is not an open and fair process. We know that the Prime Minister's office is trying to direct where this contract goes. We know the Prime Minister's office has an agenda. That is totally unprincipled and totally inappropriate.

Our armed forces personnel, more than anyone else in the country, are people who, when they sign an employment contract, put more than a vocation into this. They are putting their lives in the hands of their employer, the Government of Canada and our armed forces. They do not deserve to be treated the way they are being treated in this Sea King helicopter replacement program.

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Madam Speaker, I wish to compliment the hon. member from Vancouver Island. As he has an air force base in his riding so I have one in mine, Shearwater, where I believe most of the replacements will hopefully eventually end up.

In an earlier question I had for the minister of public works, I said that the way this tendering process is split basically excludes a particular company from bidding on the contract. I never mentioned the name of the company. In the minister's reply, the minister said Cormorant, so even the government knows the company that is being excluded from this process.

It is not for members of parliament to stand up in the House and support one company over another one, but the member from Vancouver Island is right when he says it is up to us to ensure that all tendered contracts, especially for something as valuable as armed forces, are as open and transparent as possible so that everyone has an opportunity to bid fairly.

### Supply

I wonder whether he could just elaborate on that, please.

**Mr. John Duncan:** Madam Speaker, I think the deduction the member is making is the natural deduction to make.

**Mr. Lynn Myers (Parliamentary Secretary to Solicitor General of Canada, Lib.):** Madam Speaker, the last time the member for Saint John brought forward a procurement issue like this, the member for Calgary Northeast, the critic, jumped right on the bandwagon and away he went. As it turned out, the Canadian International Trade Tribunal noted that in fact they were both wrong.

Here we have another example of the reformed Alliance blindly following the Tories in this case.

The point I want to make is this: why is it that the reformed Alliance in 1993, in 1995 and again in 1997, wanted to cut defence but finally, in the last election, talked about \$2 billion? We have already done \$2.3 billion.

• (1145)

Why are they Johnny-come-latelies on this important issue? Why do they call Atlantic Canada—

**The Acting Speaker (Ms. Bakopanos):** Would the hon. member for Vancouver Island North provide a short answer?

**Mr. John Duncan:** Madam Speaker, I would be delighted to take a very few seconds. The member is very consistent in the kinds of questions he asks. They are generally not worth responding to, so I will not.

[Translation]

**Mr. Claude Bachand (Saint-Jean, BQ):** Madam Speaker, as is my custom and as this is my first speech since parliament reconvened, I want to thank the constituents of Saint-Jean, who have put their trust in me for a third time. I am very pleased to represent them in this House.

Since I have 20 minutes to speak this morning, I will give the House some incredible examples of injustice in my riding of Saint-Jean, particularly where national defence is concerned.

There are several issues underlying today's debate. People talk of transparency, but what has become transparent to me is that there has been political interference in the issue now before the House.

Let us not forget about Canadian content, because it is always the same Canadian and Quebec taxpayers who have to foot the bill. I think it is important to raise the issue of Canadian content in this debate. Let me give as an example something that happened in the riding of Saint-Jean.

*Supply*

I had the opportunity recently to tour, with the Minister of National Defence, Canadian military facilities in Eritrea. We heard nothing but praises for the new armoured vehicle, the LAV III.

I remember asking the Minister of National Defence, here in this House, why that contract was given to GM, in Ontario. In my riding of Saint-Jean, Oerlikon had the expertise to carry out the turret part of the contract. I wanted to know why the turret part of the LAV III contract was not given to Oerlikon, in Saint-Jean. The minister skirted around the issue but did not answer the question. My goal was to create more jobs in the riding of Saint-Jean, in Quebec, which is still part of Canada.

In the end, the armoured vehicle was built by GM, in Ontario, and the turret, by Devco, in California. What I said was "It does not make any sense. The taxpayers of Canada and of Quebec are paying for this, and our money is being used to create jobs elsewhere".

We are talking about something very similar here today. I will show, as my colleagues have done, that the process before us is not completely transparent and that some companies are at an advantage while others are at a disadvantage. This is bad in the context of Canadian content.

Let me give a brief outline of the whole story. It all began at the end of the Mulroney government. I clearly remember that. There was an election campaign and the government wanted to buy the Cadillac of helicopters, some fifty of them, at a cost of \$5.8 billion.

I also remember that the then leader of the opposition, who is now the Prime Minister, kept repeating "We are going to cancel this contract". To the point where people later described it as a farfetched election promise. The Liberals had promised all sorts of things, so they had to at least fulfil some of their promises. And they fulfilled that one.

**Mr. Gérard Asselin:** It is like the GST.

**Mr. Claude Bachand:** Yes, just like they were going to eliminate the GST. But they did not fulfil that one.

No sooner had the Prime Minister been sworn in than he met his cabinet and cancelled the EH-101 contract. Of course, there are costs involved in the cancellation of a contract that has already been signed. That decision cost \$500 million to Canadian taxpayers. But nothing had been solved. The Sea King helicopters were built in the sixties.

As the new critic on national defence issues, I am sometimes told "Mr. Bachand, we want to take you for a helicopter ride". I am always careful to ask "In which one?" Because, even though I am a rather brave man, I am very reluctant to fly in Sea King and Labrador helicopters.

• (1150)

So one contract was cancelled, at a cost of \$500 million. We have helicopters dating back to the 1960s and time marches on and they have still not been replaced. A few years later, in 1998, the government said "It is really too dangerous and it is costing us too much in upkeep. Let's buy 15 Cormorants". This was a \$790 million contract, at \$60 million each.

Cormorant EH consists of companies with consortiums here. Consortiums are often involved. This one includes Bombardier, Canadian Helicopter Corporation and Bristol. I would remind the House that these are three Canadian companies, one of which, Bombardier—and this is important for us—is in Quebec and has extensive aeronautics expertise.

We therefore bought it. The Prime Minister met with the President of France once or twice. Since I was not there, naturally I am unable to comment on what was said between the President of France and our Prime Minister. Suddenly, however, the winds shifted towards Eurocopter, a consortium with a large French component.

Nonetheless, we were committed to the 15 Cormorants which we bought and which we will have delivered. Rather than say "Keep this expertise and go for some continuity" the government is saying "How can we get out of this now?" This is where the letter of interest comes in. The government sets out specifications.

His first specification: "We have bought 15 helicopters, and we will now buy 28 more for maritime patrol and to replace the Sea King fleet. Here is what we want from the companies. We outline the requirements and tell them we do not want to spend more than \$925 million for 28 helicopters". I remind the House that we just bought 15 Cormorants at \$60 million apiece. But now, we want to get 28 more for \$925 million. That is about \$33 million apiece.

We know very well that EH will probably be excluded. We do not want to spend more than \$925 million, and we are also saying that the contract will go to the lowest bidder. It means that, for a \$1 difference between Eurocopter and EH, a Canadian consortium of which Bombardier is a partner, the contract will go to Eurocopter. We should also consider that EH is proposing an helicopter which is often compared to a Cadillac, the top of the line. But, for a \$1 difference, we would rather buy a Lada.

That is what the letter of interest means. In other words, we can buy from Eurocopter an helicopter with the technology of the 1970s. Scandinavians have just refused to buy their helicopters for maritime patrol from Eurocopter because they consider this aircraft not to be safe in Scandinavian weather. I remind you that our own weather is quite similar. Weather conditions here and in Scandinavia are rather similar.



*Supply*

We will settle for a Lada, when we could have a Cadillac for \$100 more. That is a problem. Besides, there will be no Canadian content at all. The work will be done elsewhere. The government will use \$925 million provided by Quebec and Canadian taxpayers to have helicopters built elsewhere. It seems to me that it should be a government policy to have some Canadian content.

The decision in the letter of interest that I mentioned will benefit some companies and penalize others. Certification involves many technical details and there are companies that will not be able to get that certification.

There is something else with regard to the best possible price. This contradicts Treasury Board guidelines. Treasury Board does not say the best price, but the best value. To get the best value, it may be better to spend a few extra millions and have helicopters that will be safe for our pilots and our military personnel.

These helicopters will be used for surveillance and, sometimes, for search and rescue operations. It is important to have some flexibility and not say "The lowest bidder will be awarded the contract", knowing that Eurocopter will most likely be selected. People are not interested in a technology that dates back to the seventies, but this is what we will have.

● (1155)

We will have another problem in ten or fifteen years. We will very quickly have maintenance problems with that. It seems to me that the Lada's reputation is not as good as the Cadillac's. It seems to me that, when we buy a Lada, we are back at the garage sooner for engine or body repairs. The same thing is going to happen with these helicopters, except that we are talking about \$925 million.

In addition, another argument in support of awarding the contract to EH is that we already have the expertise. We already have 15 EHs, the version we call the Chevrolet, as compared to the Cadillac version the Progressive Conservative Party wanted to buy in 1993.

There are some questionable decisions in all this. It is hard to accept that we can exclude Canadian content like that so readily. Bell Helicopter could even undertake to do the assembly if EH were chosen. Companies such as CRL Technologies are prepared to do the emergency lighting system for these helicopters. All these people are going to be brushed aside. We are talking about the possible creation of some 250 to 300 jobs in Quebec with this contract.

This is not what the government has decided to do, though. It has decided to go elsewhere. It has decided to award a contract in Europe, without Canadian content. We the taxpayers of Quebec and Canada will simply be left with the bill.

It seems to me that I heard my Liberal colleagues talking about transparency a while ago. The political meddling is transparently obvious to me. Eurocopter was very upset at losing the last contract for the 15 Cormorants. The Prime Minister met with the President of France. They agreed to say "We will try to do something for you". They are unable to say what this "something for you" is and to give the contract to Eurocopter directly.

With the letter of interest before us, it amounts to the same thing. The government is making life impossible for EH and other companies. It is making it easy for Eurocopter. That company will probably win the contract.

For us in the Bloc Québécois, the political meddling in the process is transparently obvious. What is more, Canadian content has been totally ignored. It is important for us to have this sort of debate. Military procurement involves the purchase of huge amounts of materiel. We should pay much more attention to seeing that our taxes are having positive benefits here at home.

The Bloc Québécois will therefore be very happy to support the motion by the Progressive Conservative Party member. We agree with them, and I think that the opposition members we heard this morning agree with us as well. There has obviously been political interference, and the government is completely dropping Canadian content.

I hope that the government is going to learn something from this discussion. Today, it is perhaps not too late to launch another kind of call for tender which would truly benefit not just one company which the government has its eye on, but everyone. The government should use the Treasury Board directives on best value, rather than seeking the lowest price, and it should try to require Canadian content. I think that then it would be a responsible government.

Unfortunately I have the impression that this will not be possible. I think that today's debate should not be in vain. It is not too late to do something. We are a bit discouraged when we look at how this situation arose and see the government's attitude and how it said no. Cancelling this contract cost a lot of money and now the government is coming back with another contract which has no Canadian content and where the helicopters will be manufactured outside Canada.

[English]

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Madam Speaker, I believe the member is not familiar with the ongoing process. Opposition members in their speeches have been complaining that the procurement strategy discriminates against potential bidders, namely EH Industries.

*Supply*

Let me remind members that EH Industries did appeal or make a complaint to the Canadian International Trade Tribunal. That proceeding took place. It rejected the appeal on the EH-101.

● (1200)

Having said that, I want to state categorically that we do not discriminate against any bidders. In fact, members will know that EH Industries won the contract for the search and rescue helicopters following a fair, open and transparent competition. It is more than welcome, and I suspect it will be bidding on this one.

The purpose of the letter of interest is to inform the industry at large of a potential project. It identifies to the industry the objectives of the project. It is laid out in detail and on the DND website, which has requested that Public Works and Government Services Canada conduct the procurement process.

The member does not seem to be aware of this, but there is a prequalification process. Once the letter of interest goes out and the industry has a dialogue with public works based on the procurement strategy, this process, which will be conducted ahead of the final bid solicitations, will make key technical requirements available to all bidders as early as possible and aid in receiving technical compliance of candidate helicopters' mission systems. This will serve to shorten the overall competition and procurement time and mitigate risks to Canada and the bidders that a formal bid might be found technically non-compliant.

It is not a matter of simply putting out a different tender. It is not a matter that there is political interference. The fact is that it is a public, open and transparent process carrying on a dialogue with the industry, preclearing to ensure that there are technically compliant proposals and then requesting bids. The member has it all wrong. I think the member should understand that the process now is fair, open and transparent.

[*Translation*]

**Mr. Claude Bachand:** Madam Speaker, at the risk of annoying my colleague a bit more, I repeat that what is transparent is the fact that there was political interference, as clearly demonstrated by the whole process. This shows that the government wants to exclude companies, and I think that EH is one of them. The company benefiting from the situation is Eurocopter. I have here the letter of interest and this is what it says:

[*English*]

For the purpose of the evaluation, the lowest priced compliant proposal will include the price of the BV—

[*Translation*]

Therefore it is obvious that we are talking about the lowest bid.

I would like to teach the hon. member some mathematics. The Progressive Conservative Party wanted to purchase 50 helicopters, at a total cost of \$5.8 billion, or \$100 million per unit. The Liberal government decided to cancel this contract and, in 1995, to buy 15 helicopters at a total cost of \$790 million, or \$60 million per unit.

This is why we talk about the Cadillac version of 1993 and the Chevrolet version of 1998. Today, I am talking about the Lada version. This is the version we will be getting, because the EH model cannot be built to the contract specifications, that is 28 helicopters for \$925 million, which would represent a cost of \$50 million per helicopter. They definitely will not be able to meet these criteria. The government knows it is excluding EH by specifying that it will go with the lowest bid.

This is why I am saying that one thing is transparent: after the meeting between the Prime Minister and the President of France, a fresh wind blew toward Europe. But, once again, the government dropped Canadian content and taxpayers in Quebec and Canada will have to bear the cost. There is no doubt about that.

I repeat, there obviously was some political interference, and Canadian content was dropped.

**Mr. Gérard Asselin (Charlevoix, BQ):** Madam Speaker, first of all, I think my colleague is being very hard on the Lada when he compares it to the sort of helicopters the government has in mind. But he also compares the EHs to a Cadillac, when I would compare them to a Lincoln Continental, which is a much better vehicle.

That having been said, before any decision is taken, I would like the member for Saint-Jean to get across to all members of the House the importance of that decision for job creation as well.

● (1205)

We know that if Bombardier is chosen, direct and indirect jobs will be created in Quebec and in Canada. We are concerned about the quality of products and services if we buy outside Canada. If one buys a car which is no longer on the market and for which one can no longer find parts or get after sales service, this becomes a worry. Equipment that has cost the government billions of dollars may have to be scrapped. There is also the question of maintenance and safety.

The government made a promise during the election campaign, at the time, blaming the Progressive Conservative government of Mr. Mulroney. It said all sorts of things, spoke out against free trade and the GST. Now it is even worse than the Progressive Conservative government that preceded it.



*Supply*

Is the member for Saint-Jean taking into account job creation, quality of services, productivity, maintenance, and the safety of these helicopters? Will we have better service and better flight safety?

**Mr. Claude Bachand:** Mr. Speaker, I would like to thank my colleague from Charlevoix for his excellent question.

I do not want to go on with him over the Lincoln Continental versus the Cadillac. However, it seems to me that there is a difference between a Cadillac or a Lincoln Continental and a Lada.

I want to come back to his question, because I think it is important. We think that if the contract were awarded to EH in the Montreal region, it would mean an additional 200 or 300 jobs for Quebec. This is nothing to sniff at, because they are often high paid jobs. A level of skill is required for these jobs.

In the contracts for the army, there are always economic benefits, because there are subcontractors. I have given you the example of CRL Technologies, which would be prepared to do the emergency lighting.

There is also the matter of the maintenance. It is very important. Since the government bought 15 Cormorants in 1998, why not buy another 28. It would have the same maintenance equipment for them instead of a double system: one maintenance system for the Cormorants and one for Eurocopter. Eurocopter might say "We are going to send experts from Europe, but you have to pay for that. We are prepared to do the maintenance for a year or two, but after five years, we cannot. We are not going to send Eurocopter or a Eurocopter company to North America to look after the maintenance of your helicopters".

It was a very intelligent question. Basically, the maintenance will cost us more.

[*English*]

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, that is quite an analogy from the member for Saint-Jean. I do not think I would want to fly either a Cadillac or a Lada, but at the same time there should be a helicopter or a machine out there to do the job. I know that is what the member is seeking to do.

I have in my hands a book that is full of access to information documents we have received on this particular item. I would like to ask the member a question after I read one of the newspaper articles I received as a result of the release of these access to information documents. It states:

Documents obtained under the Access to Information Act by Ottawa researcher Ken Rubin reveal an unprecedented, top-down approach to defining the military's technical needs in areas such as aircraft range and cabin size.

It is talking about the maritime helicopter. What does that say to the member for Saint-Jean? Is the process open or is it not?

[*Translation*]

**Mr. Claude Bachand:** Mr. Speaker, I believe my remarks were quite clear.

I think that the whole process put in place by the Canadian government is not transparent. It is even biased. Because of all the requirements, including the financial ones, some companies will not be able to meet the deadlines or specifications or comply with the financial framework.

● (1210)

[*English*]

**Mr. Peter Stoffer (Sackville—Musquodoboit Valley—Eastern Shore, NDP):** Mr. Speaker, it gives me great pleasure to rise in the House, especially on behalf of the men and women who work at the Shearwater military air force base.

I wish to thank the hon. member for Saint John who has been like a bulldog on this file for many years, and I say that with the greatest of respect. I thank her and her party for bringing this very important issue for debate today in the House of Commons.

I will tell a little human interest story before I get into the text of my speech. It is my daughter's unofficial 13th birthday today. She was born on February 29 and, of course, there is no February 29 this year. On behalf of parliament, I would like to wish Jasmin a happy 13th birthday. My best wishes also go to little Erika Nordby, the one year old girl in Edmonton who has proven to all of us that the human spirit lives on in the child. She has given us all hope for the future. I wish her and her family the very best and a prosperous future. I thank her for her indomitable spirit for what she has done.

Back to reality, to the issue of the contract that is before us and the tendering process. It is obvious that the government is up to something. In my earlier questioning of the minister of public works, I asked him about and challenged him on the tendering process. I stated that the way it was split and the way it was done will exclude a particular company from having fair and equitable access to the bid.

I did not mention the company's name. There are well over a dozen companies that could apply for this particular contract. Companies from around the world are bidding on this particular tender. The fact is the minister stood up and said that Cormorant can bid on this. He said Cormorant, not me. Of all the companies he

*Supply*

could have picked and chosen, the minister of public works was the one who said Cormorant.

As members of parliament, it is not our place in the House of Commons, regardless of our party or our political background, whether we are federal, provincial or municipal, to stand up and defend the interests of one company over another. That is not our role. Our role is to ensure, especially in opposition on this side of the House, that when the government gives out a tender it is open and transparent.

We are talking here about Canadian tax dollars not the Liberal slush fund. When money is doled out for a tendering process, the contract or even the perception of the contract must be completely clean. It must be open and transparent, and any company anywhere can have the opportunity to bid on the contract.

Companies will compete among themselves. They are very good at that. Companies like Cormorant, Puma and Sikorsky all have the opportunity to bid among themselves, which is what they do best, and then the winner will decide on the best available equipment for the price.

Unfortunately, the government has decided that is not the way to go. It will exclude the particular company in question because it would be politically unsuitable for them if indeed that particular company was successful in bidding on the contract.

I am sure the member for Saint John would then ask the following question because I know I, the Canadian Alliance and the Bloc would ask it as well. If that particular company is successful in bidding on the contract, then why the hell did the government cancel it in 1993 in the first place? That is the crux of the matter. That is what the entire debate is all about. It is strictly politics. It is political interference at the worst level, and it is quite obvious that it comes from the minister down. He mentioned it himself. He picked out the company name, not me. It is very clear that is what he has done.

On behalf of the men and women of Shearwater, they deserve and demand to have a proper helicopter in which to perform their duties. Right now Canada cannot meet its IATA agreements for minimum search and rescue requirements. If we ever have another unfortunate Swissair disaster, it is highly unlikely, with the cuts to the coast guard and to the military, that we would be able to meet the requirements.

• (1215)

That is an IATA agreement that we signed. We have a duty and a responsibility to protect our coastlines, especially in the north and the Arctic. We cannot even meet the minimum requirements because the Liberals over there are constantly delaying, treating our military like a bank account that they just keep robbing, taking away from and ignoring the lives of the men and women who work for the military. It goes on and on, not just with helicopters but with

everything else. What the government has done to our military men and women is a disgrace.

The reason I speak so passionately about it, as may be known from previous speeches I have made in the House, is that I was born in Holland. My parents and oldest brother were liberated by the Canadian military in 1945. My father chose to come to Canada because of a young soldier he met. He asked him why Canada had risked and sacrificed so much. The soldier from Canada told my father "Well, sir, we had a job to do". It was as simple as that.

Canada sacrificed many of its young men and women so that Holland and many other countries could be free. My father taught me that from day one. As an immigrant to Canada I feel honoured and privileged to stand up in the House of Commons for those men and women, especially the ones from Shearwater. It is my small way of thanking them and Canada for what they have given me.

The least I can do is go after the government to ensure there are proper resources and funding for our military men and women, so that when we put them in harm's way they will have the best equipment available. They should know that their families back home are well taken care of and that they, in the event they become injured, will not be treated like the Riordon family of Nova Scotia. What we have done to our veterans is an absolute disgrace.

I am stretching the argument a bit here. The reality is that the government has changed the tender process. It was once mandatory to have the replacement by 2005. Now the government says it would prefer to have it by 2005.

I do not believe for a second that the helicopters will be here by 2005. I do not believe it. In my consultations with various manufacturers they have said that even if the bid were announced today a company would have great difficulty securing the final aspect by 2005. They simply cannot get it done.

I wish the government had some guts for once to tell the truth around here. The reality is that 2005 will possibly not be the target date. It should stand and tell the Canadian people the truth. I do not see why that is so difficult.

I know I am stretching the parameters of discussion in that regard, but it is the fact of the matter. It has misled the House. It has misled our men and women. It has misled the Canadian people. That is simply unacceptable.

It is difficult to comprehend why the government acts the way it does. When we look at the history it is quite obvious why it does. Now I understand why the Conservatives have brought the motion forward. It was the Conservatives who were involved in the contract for the EH-101. They put the bid out and everything else. Those helicopters would have been flying today.

It was the Liberals that said if we vote for them they would get rid of it. They played on the fears of Canadians that it would drag

us into further deficits. They completely ignored the needs and wishes of the military. It was almost like they were playing the military against the rest of society.

We see what that kind of attitude has done to our men and women in the military. The minister of defence has stood in the House time and time again to answer questions from my former colleague, Mr. Gordon Earle who represented Halifax West, and said the troop complement would never go below 60,000.

Now it is below 58,000 and it is going lower every day. The minister of defence said that, again misleading the House and Canadians. It is an absolute disgrace the way we treat our military men and women.

Another condition of the contract that I think is very important is the hours of maintenance. We would assume with this amount of money, the billions of dollars being spent on the project, there would be a commitment from whichever company is successful that it would require a certain number of hours of maintenance for hours of flying time.

The government is saying that we will save billions of dollars, that we will save all this money, but it does not tell us the current rate of maintenance on the Sea Kings we have today. It is over 30 hours of maintenance for one hour of flight time.

● (1220)

Those costs are not calculated into the so-called savings. It is a disgrace that the government can mislead the House and jig figures around to make them look good. We in the opposition understand that. We are not so naive and gullible as to fall for it.

The men and women of Shearwater air base and many other air bases across the country know it as well. They know the Liberals are not friends of the military or of the men and women who serve. They are certainly no friends of the company that wanted to bid on the contract. I will not mention the company by name because the minister has already done that. It is not my place to support one company over another, although I wish them all the best of luck in getting the contract. I do not believe it will be done by 2005. It is an absolute disgrace.

I have a couple of other things to say. The minister has stated that the procurement will be off the shelf, which means there will be no risk to the government. Could it assure us that the aircraft it procures will have an identifiable certificate of airworthiness at the time of purchase? Nothing in the contract says that. There is no guarantee that it will be airworthy by the time we get it.

What gives? What is going on in the shady halls or backrooms of the government and of the minister of public works? Who is pulling the strings around here when it comes to a very essential contract that we desperately need? It is not just for military purposes. As I stated before, it is also for search and rescue

### *Supply*

purposes. Our men and women could have something safe and new in which to fly, and something of which they could be proud.

I have said it time and again, as have many other members of the opposition and even some Liberal members. Our men and women of national defence are some of the greatest people in military uniform around the world. They are very proud to do the job they do. We as legislators sometimes make legislation that puts them in harm's way. It is paramount that we give them the best possible equipment with which to do their jobs. Unfortunately that has not happened.

The government delays and delays. I do not believe for a second that 2005 will be met. It is absolutely unfortunate that the government proceeds in this regard. Through access to information we learned that the government was advised of savings of over \$700 million by the purchase of a helicopter that is common to search and rescue helicopter. The savings were identified as common air crews, common crew training systems, common spare and support systems, common manuals and common certification systems, et cetera.

The government ignored its own advice and played fast and loose with taxpayer money. It is unacceptable. In my view it is not uncommon. It just spent \$1.3 billion on a home energy rebate that did not go to people who bought fuel. It went to prisoners and some U.S. citizens. We even found out the other day that it went to a member of parliament. I did not get mine. I know some charities that could have used it.

That is the mentality of the Liberal side. We are not surprised by that. Nobody is surprised by the actions of the government. It is a common theme that goes on and on. The unfortunate part is that we are not talking about energy. We are talking about the lives of the men and women of the military.

The people who maintain the Sea Kings are magicians when it comes to the mechanics. The Sea Kings have been stripped, torn down, ripped apart and put back together time and time again. The men and women who work on the Sea Kings deserve the applause of the House for the work they have done to keep the machines safe and up to standard.

Even the best mechanic cannot warn about unforeseen circumstances. The Sea Kings are very old. Even the best mechanic cannot do all the work that is required every time. Things can be overlooked, parts can be stressed and situations can happen.

It is incredible that the government did not think of that back in 1993. It is incredible that it is still not thinking of it. It announced the project. In fact when the announcement was made a colonel at Shearwater said it was a red letter day for the air force. He was right.

*Supply*

• (1225)

After all the pushing and shoving by the opposition, the government finally made an announcement. If the colonel had all the information we have now, I do not think he would have said it was a red letter day for the air force, especially now that we understand how the tendering process has worked and that it will not be ready by 2005.

I hope I am wrong. I hope the government proves me wrong. I will stand in the House and apologize to the government if the helicopters are here in 2005. I do not believe for a second that they will be. I wish the government would come clean and say that. It should tell the men and women of the military exactly what is going on. It should be honest with them. They deserve to be told the truth, but that is not happening right now.

It is incredible the government has gone on a secret little mission in Nova Scotia. It had a panel looking at realigned services for the Shearwater air base, the Greenwood air base in the Annapolis valley and the Halifax airport. I suspect with the recent announcement of cuts to the air force that Greenwood and or Shearwater may shut down.

If that is the role and the goal of the government it should tell us and let the men and women on those bases understand what is going on. Again, if I am wrong, I will stand and apologize to the House. I suspect that quite possibly one of those bases will be severely reduced.

As the representative for Shearwater I will do everything I can to protect Shearwater and keep it going. I am sure the member for Kings—Hants would do the same for his area and that the member for Vancouver Island would do the same to protect his. That is what we do. We try to protect the men and women of our constituencies against the ruthless cuts by the government.

This is an era of surplus, yet the government is continually cutting the military. It is no wonder it cannot recruit anyone for the military now and that men and women are going to the private sector.

Canada's military has a history of greatness because of the veterans who served in World War I, World War II, Korea and the Boer war, and our current veterans from the gulf war, Bosnia and so on. Those men and women did great work for Canada. They are wonderful ambassadors for Canada, spreading democracy around the world and defending the interests of those who cannot defend themselves.

The Liberals treat them with such disregard and disrespect that it is no wonder they are leaving in droves. The way they treat our veterans and our current military personnel, as well as the way they look at alternate service deliveries for the supply chain, completely destroys the hopes and aspirations of people in the civilian workforce such as the members of UNDE, the Union of National Defence Employees, who work on the bases. They may not be military men and women, but they are very proud and honoured to

do the jobs they do. They are serving their country. What do the Liberals do? They look for alternate service delivery.

I have often wanted to say this and I will say it now. I would not be surprised if one day they stood in the House and alternate service delivered our entire military, contracted it out, completely shut it down, laid off the 50,000 men and women in our armed forces, and perhaps give the entire military to the U.S. or someone else.

**Mr. Scott Brison (Kings—Hants, PC):** Hire mercenaries.

**Mr. Peter Stoffer:** Why not hire mercenaries? That is a good point. Why do we even need a military the way the government is going? It is absolutely amazing. I say that tongue in cheek, but that is almost the approach the government is taking. If that is the direction it goes in and contracts out the entire military, I suggest we should contract out the government and move on.

I could go on forever on this issue, but I am sure the House cannot wait for the questions from the other side that will come my way. In closing the men and women of our military deserve better. They deserve a lot more from the government and from all of us. I hope these kinds of debates will continue in the future so that we can focus attention on what is required for the brave men and women in our military.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Mr. Speaker, during the member's speech he referred to the crux of the matter.

• (1230)

He described it as basically being that the procurement of the maritime helicopters was split into two; one a request for proposals on a frame and the other for a mission system. The member made the allegation that by splitting the contract for helicopters into two parts it somehow discriminated or provided a barrier against a particular company. In fact, he named EH Industries Ltd.

EH Industries Ltd. actually made an appeal to the Canadian International Trade Tribunal. I would like to inform the member that the CITT rejected the complaint by EH Industries Ltd. I am not sure if the member knows more about this than CITT. If he does maybe he should explain to the House why he is more of an expert than the CITT.

Second, I would like to point out that EH Industries Ltd. won the competition in a fair, open and competitive process for the search and rescue helicopters. That very clearly shows that there is no bias against any particular company. In a fair, open and transparent process, it is obvious that the government has no position on any



potential bidder. The reason why we put out a procurement strategy, which included a letter of interest, was so we could have a dialogue with the industry, advise what the specs were and do pre-qualification to make sure that we could get the best helicopters to meet the specifications of DND at the best possible price on behalf of all Canadians.

The member suggested that having a procurement strategy which goes for the frame first and then puts out bids for the mission system was a barrier. Could he explain to the House why a comprehensive pre-consultation and pre-qualification somehow provides a barrier to anybody?

**Mr. Peter Stoffer:** Mr. Speaker, I guess in the Liberal world, if everybody was a Liberal life would be great. The reality is that it discriminated against that particular company. Why did that company feel it had to go to court? No other company is doing that. The fact is that this is a politically motivated tender. Everybody knows that. The only problem is we in opposition will say it while the Liberals will hide behind it.

I will throw a question back to the question. Why did the government change the prerequisite of the current tender from a mandatory replacement by 2005 to a preferred replacement by 2005? It is because it knows that it cannot meet that commitment by 2005. It has misled the Canadian people and the brave men and women of not only the Shearwater air base but of all the armed forces. That is a disgrace.

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, my colleague commented about the cost of the cancellation of the EH-101 and how the government was saying it was going to save money and so on.

I want my colleague and everyone in the House to know that the cancellation of the EH-101 has cost about \$800 million. When we look at the cost of maintaining the Sea Kings and trying to keep them upgraded and so on and then the replacement of the Labradors and so on, the total cost for the Liberal government will be \$8.2 billion. It would have cost them \$4.3 billion to get 43 EH-101s. Now we are only going to have 28 helicopters. In addition, we have been told that the coastal patrol is going to be down to 15.

How does the hon. member see us looking after the coastal patrol when it comes to drugs, illegal immigrants and over-fishing? How does he see it working?

• (1235)

**Mr. Peter Stoffer:** Mr. Speaker, my hon. colleague from Saint John, New Brunswick said it very eloquently. How do we do it?

As I said earlier, we probably will just contract it out to someone. Maybe there is another country that cares a lot more about coastal defence and protection. Maybe we can use their services because we certainly cannot seem to do it on our own.

The member was absolutely right when she said that the cancellation was not just the \$500 million or \$800 million initial cancellation fee. We have to take in all the other costs which include the additional maintenance and everything that is attached to that cancellation fee in terms of the delay of the process.

It is not just the money that the taxpayers are very concerned about, it is the embarrassment of our country worldwide. A country that is deemed by the UN to be the number one place in the world in which to live is embarrassed by the fact that we have over 40 year old helicopters being flown by these brave men and women.

That to me is the disgrace, the coup de grâce if I may say so, of the government. It is the disgrace of having our brave men and women fly in those clunkers when other countries around the world have nice shiny equipment to fly. They are much safer and do a much better job. That is an embarrassment that I do not think the government will ever live down because I will not allow it to live it down.

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, I would like to offer my support to the member who just made his presentation. He is looking after the constituents in his riding, those on the Shearwater base. He is very familiar with the problems which have plagued the pilots and the crews in trying to maintain and keep those machines in the air.

I know that he has involved himself significantly in trying to help bring the message to the House and the public as to what is going on. That is very important. I will commit myself and the defence committee in the Alliance to do whatever we can to support the member's endeavours at Shearwater.

According to the access to information documents, a new senior management oversight committee was struck. It was called SMOC. It involved high level members of the military, the deputy minister of defence, the deputy minister of material and the like.

When these documents were released, there were immediate complaints. Some offices acknowledged in their memos, which were obtained through access to information, that the top down approach headed by the new SMOC would likely include cabinet involvement at an earlier level. That is access to information, proof in itself, that there was government interference in the process. I would like the member to comment on that point.

*Supply*

**Mr. Peter Stoffer:** Mr. Speaker, I wish to repay the compliment to the hon. member for Calgary Northeast for his efforts and work, during the many years he has served the House, in trying to get the resources required for our military men and women. I appreciate his support in the ongoing battle for Shearwater.

Is it not a shame that he has to recite from an access to information document about the meddling and the intrusion by the cabinet into this decision. It proves what we have been saying all along.

He is absolutely right. This is not about doing what is best for the military. This is about saving face. There is no question in my mind that the cabinet and that particular minister of public works personally interfered in the process so that a particular company would be excluded from the bidding process.

• (1240)

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, as my colleague from Sackville—Musquodoboit Valley—Eastern Shore said this has been an exercise of the Liberal government in trying to save face.

This was not the only campaign promise or commitment that the Liberals made in 1993 in which it demonstrated very little consistency. There were the commitments to get rid of the GST and the free trade. The Liberals as members of the opposition fought vociferously the policies on GST and free trade. Now as members of the government they have embraced them.

This case was perhaps the one that the government was most concerned about because of the symbolism of the helicopter contract. The Prime Minister made a huge issue of this during the 1993 election. At that time he said he would put zero on the cheque for helicopters.

Ultimately that cancellation cost, as my colleague from Saint John said earlier, around \$4.2 billion for the Canadian taxpayer. That was a face saving exercise for the government. Maybe the government had a flash of embarrassment based on all the other promises it broke after the 1993 election. Maybe it saw this as the last bastion of consistency to their red book promises. I cannot believe that the government would see fit to waste \$4.2 billion of taxpayer money. That money could have gone to health care, transfers to the provinces for education, perhaps lower taxes or perhaps to strengthen our military. Would that not be a great idea?

The government has demonstrated not just contempt for the House periodically, but also contempt for the military over the last seven years. This neglect of the Canadian military is to an extent that we have never seen with regard to the quality of life in the

military, pay issues, housing issues and the one we are focused on today, equipment issues.

As the member for Kings—Hants representing CFB Greenwood, this is a very important issue to me. Approximately two years ago I attended a funeral in Greenwood for three servicemen. These brave individuals perished on a mission of the Sea King helicopter. It was a moving and memorable experience. Hundreds of people gathered to celebrate their lives and to mourn the tragedy of their lives being ended so unnecessarily early. The amount of emotion at that time is indescribable.

We cannot put a price tag on that. We cannot put a price tag on the fear that our service men and women have every day when they use these helicopters and risk their lives. We cannot put a price tag on the fear that their families live under on an ongoing basis that their loved ones are in risk because of these decisions. I focused on the \$4.2 billion loss to the Canadian taxpayer, but we have to recognize that the other losses have been priceless. We cannot put a price tag on those things. I should say as well that I will be splitting my time with the hon. member for Cumberland—Colchester.

• (1245)

Before I came here I assumed that public policy was built around needs, around what people in our constituencies and across our country actually need, and around what our military needs. I have learned since 1997 that politics can in fact be the natural enemy of public policy. In fact, for very short term political reasons sometimes, decisions are taken that have a very deleterious impact on Canadians in the long term. I do not think there is a better example of a case where public policy was sacrificed on the alter of political expediency than the case of the cancellation of the EH-101 contract and the decisions made after that, and I will list some of those.

Of course my colleague from Saint John spoke earlier of the \$800 million in cancellation fees. There are also: the Sea King maintenance and upgrade, \$600 million; Canada search helicopter program, \$790 million; long term service for that program, \$1.7 billion; maritime helicopter project, again \$2.9 billion; and the maritime helicopter project and long term service support, again, \$1.7 billion. The total cost is around \$8.5 billion as opposed to the actual cost for the EH-101s, which would have been \$4.3 billion. Even with Liberal math, this does not make any sense.

The Liberals could argue that by delaying the decisions as they did, they had the extra time to reduce the value of the Canadian dollar, which they have worked assiduously at over a period of seven years, and they have reduced the Canadian dollar significantly. Perhaps their strategy has been to delay these types of invest-



ments as long as possible, because every year of Liberal government leads to a lower Canadian dollar. Maybe that is the stalling mechanism the Liberals are trying, but it is still not working. Even with their valiant efforts to reduce the value of the Canadian dollar and devalue our way to prosperity, they have not achieved sufficient reduction of these costs.

The fact is that in making a very political decision about a life and death issue, the Liberals have treated our Canadian military and the loved ones of our Canadian military darned shabbily. There are issues that rise above partisanship. I do not think there is a member of the House from any political party who does not value and appreciate the contribution of our military.

We can speak at great length in the House about our commitment as representatives for our military, but the cabinet opposite has not delivered in protecting the interests of all Canadians by ensuring that we have a strong military and by respecting the members of that military, whether it is on quality of life issues or in terms of adequate housing and adequate pay and benefits. Also, beyond that there are the equipment issues.

This is a government that has repeatedly turned its back on the military. This is the most egregious example of that because it smacks of partisan politics and Machiavellian manoeuvring at the expense of our brave men and women in uniform.

However, I will tell members today that as long as I am the member for Kings—Hants I will be defending the interests of our military and working to ensure that the people of Kings—Hants and all Canadians benefit from a strong, proud military, particularly the base in Greenwood in my riding, whose service people have provided and continue to provide such terrific service to Canada.

• (1250)

**Mr. Sarkis Assadourian (Brampton Centre, Lib.):** Mr. Speaker, earlier I was following the hon. member's speech in which the used the phrase that this is contempt for parliament.

I wonder if he would describe what he did in the previous parliament, which was contempt for parliament and for the people of Canada when he resigned his seat for the leader of the opposition, now leader of the fifth party in the House. He took the population of his riding for granted when he thought the people would vote for the Conservative Party. He resigned his seat and got a job in the leader's office. Then when the election was called last October the member ran again and won the election. I wonder if this would be considered contempt for parliament and contempt for the people of Canada.

**The Acting Speaker (Mr. Bélair):** Of course our hon. colleague from Brampton was a little bit off the subject, but if the member for Kings—Hants wishes to respond, he may.

### *Supply*

**Mr. Scott Brison:** Mr. Speaker, I would like to thank the hon. member for his non-partisan and constructive intervention on this topic.

It is interesting. Here we have an opposition day motion whereby we are debating the future of the Canadian military and the government's neglect of the Canadian military, and even the government's own backbenchers do not have the gumption to stand up and talk about the issue at hand. Instead they talk about something else.

The member described my action of resigning my seat in order for my right hon. leader to have an opportunity to run in my riding as contemptuous. I suggest he address his concerns about that issue to his leader, the Prime Minister, who entered the House under similar circumstances when a member resigned his seat. I expect his leader would be surprised to learn of that member's philosophical aversion to that mechanism by which many leaders have entered the House.

Perhaps if the member were to address his concerns to his Prime Minister about those contemptuous actions taken by that Prime Minister when he first entered the House in the early nineties, he would probably ensure himself a longer period on the backbenches of that government. Perhaps he should address his concerns about demonstrating contempt for parliament to those people over there.

In fact, the people of Kings—Hants spoke quite clearly on November 27 by giving me another opportunity to continue to represent them.

**Mr. David Price (Compton—Stanstead, Lib.):** Mr. Speaker, I find the speeches today very interesting, particularly the speech made by the member for Kings—Hants, in which he spoke a lot about the financial side of things and how much the costs ran over. In actual fact we have heard it here that we have actually saved money, because the whole project has changed. It is not the same as the 1993 project. The members on the other side do not seem to realize that. The mission systems are not the same. The needs are not the same.

The most interesting part is how the PC Party has changed its policy. The 1993 system was one helicopter, one piece, but since then there have been two different contracts. That was something proposed by the PC Party. I do not see why the PC members are now going to one piece, one contract. Perhaps the member could tell me why they have changed their minds.

**Mr. Scott Brison:** Mr. Speaker, in regard to the hon. member from Damascus on his road to conversion, first I am absolutely astounded by the member opposite who, in his good work in opposition on this side of the House, actually enabled us to attain much of this information. Now that he is on the other side of the House, muzzled effectively and perhaps wearing those rose

*Supply*

coloured glasses given out to all successful Liberal candidates, he sees things quite differently.

It is clear that if we were to compare that hon. member's positions about military issues when he was on this side of the House to his current views, we could see that his consistency on these issues is about as constant as that of the Prime Minister on the GST, free trade, deregulation of financial services or anything.

• (1255)

Perhaps as part of his membership in that caucus he has passed the first test: there is no consistency and there is no commitment to the values and principles that sustain all of us as entities in the political environment.

**Mr. Bill Casey (Cumberland—Colchester, PC):** Mr. Speaker, it is certainly a pleasure to follow my distinguished colleague from Kings—Hants, who is very knowledgeable on this question. I also want to acknowledge the hon. member for Saint John, who has brought the issue forward and has been consistent in her concern about the helicopter issue and about all other military issues.

This debate is of interest to me because I was a member from 1988 to 1993 and I was part of the government that approved the purchase of the EH-101 helicopters, which would have been in service now for some time, at least some of them. We would have replaced some of the Sea King helicopters which continue to literally fall out of the sky and present a hazard to our military people.

However, as we know, the Liberal government cancelled the contract that was given by the Canadian government in a way that caused them a ton of grief and cost the taxpayers of Canada a lot of money, with upward of \$1 billion in costs for cancellation fees, legal fees, settlements and work in the departments. That is a thousand million dollars that went for absolutely nothing. It was a fee to cancel the contract: a thousand million dollars.

I think of the effort we go through in Nova Scotia to try to raise money for hospitals, social services, highways and roads and all the things we need money for that the government will no longer do. The government says it will no longer have highway improvement agreements and it will cut back on transfers to health care. I think of the thousand million dollars that was just thrown away for nothing to prove a political point. It is very sad that the money was totally wasted and that we have continued to debate the helicopter issue for so long.

As a result of that thousand million dollar mistake, the government has had to distort the tendering process and the calls for proposals on helicopters in order to exclude the helicopter the Conservative government ordered in the early nineties, which the Liberals cancelled. In order to save face, the government cannot possibly allow the same helicopter to be reordered after the

Liberals cost taxpayers a thousand million dollars in cancellation fees.

The whole issue goes back to 1978, when the Liberals themselves identified the need for new helicopters. That is 23 years ago. They did nothing about it at that time. In 1992 when the Conservatives came in, they did approve the replacement of the helicopters with one type of helicopter, an EH-101, for all the necessary purposes. The Labrador search and rescue and the Sea King maritime helicopter fleets were to be replaced with the EH-101. That would have given us efficiencies in replacement parts, training knowledge, training of pilots and mechanics, parts inventory and everything else.

Since the government cancelled that contract, it has been divided into two contracts. The government has divided the last batch of contracts into airframe and mission packages. Having been in the car business for some time, I just know what is going to happen when something fails with the helicopter in the future. The provider of the mission package is going to say that the problem is not with the electronic equipment but the airframe and how it has been constructed and how it interrelates to the mission package. If something happens with the helicopter, the helicopter providers are going to blame it on the mission package supplier. In other words, it is going to cost the government a lot more money.

In a parallel issue, I recently heard on the news a good example of what the private sector is doing. Ford Motor Company builds cars for police services. There is inconsistency in the application of sirens and telecommunications and communications equipment in the police cars now. They are so high tech, with so many electronic features and all the bells and whistles police cars have, that they have not interrelated well. There are a lot of difficulties. Warranty on issues has had to be refused because the car company says the difficulties were due to the supplier of the equipment and the equipment company says the problem was due to the supplier of the vehicle. The company has established a new policy. It wants to supply one unit. The police car will already be equipped so that the electronics are integrated and work in sync with the automobile's electronics, the engine, the transmission and all the other features. It has had so much trouble that it is again passing the buck. It is the supplier of the mission package or the supplier of the police car. That is exactly what will happen with the new helicopters. The supplier of the mission package will say that it is not its problem, that it is someone else's problem and the supplier of the helicopter will say that it is a mission package problem.

• (1300)

I know this will fail. I have seen it myself with my own two eyes. The private sector has acknowledged that the system does not work and here we are going into this process. We will have two different parties supplying these things and the people of Canada will end up paying for it. They paid the price for the cancellation of the last

deal and they will pay the price for this poor policy of supply and procurement for these helicopters.

The EH-101 is and always has been the military's first choice. It is the helicopter that it prefers and it has identified it as the best suited for its purposes. However the politicians have interceded and said that it cannot be done and that it is not politically acceptable. They said that we have to have a different helicopter so they changed the rules in order to prevent the EH-101 from being the successful candidate. Who pays? The taxpayers will pay once again.

A mistake was made in the first place when the Liberals promised to get rid of the EH-101. They should just accept that they made a mistake and accept the responsibility for the billion dollars of grief that they have piled on top of Canadian taxpayers. The military should be allowed to buy the right helicopter at the best price to do the job.

We are talking about life and death situations. We are not talking about trivial matters. The Liberals should acknowledge that it is their mistake and not put it on the backs of our military and search and rescue people just because of this decision.

The guidelines for the competition have excluded the EH-101 for all intents and purposes. It will force the military to take a helicopter it does not want. It is well known in circles that some of these helicopters are not even close to the criteria that the military really need. Instead of having helicopters that are appropriate for its use, it will end up with helicopters that it does not want. This is entirely for political purposes.

There are all kinds of rumours around. The illustrious member from Damascus raised issues in the House when he sat with us on this side about innuendo, suspicion of under the table deals, promises between the governments of Canada and France, promises between cities and all kinds of other political deals made surrounding this whole helicopter issue. It has been surrounded by rumours and innuendo, but now that the member is sitting on the Liberal side all those rumours and innuendo seem to have disappeared.

As part of the government that was involved with the original decision to buy the EH-101 helicopters, it is a shame to see that decision reversed. It is a shame to see the taxpayers saddled with a \$1 billion tax burden, which was the price to get out of the contract, and now having to pay more for helicopters that are not suitable. Those helicopters will be serviced in an improper, non-functional way contrary to what the private sector is doing with new technology, and again the taxpayer will pay.

I would like to see the government just reverse its decision and accept the best helicopter as has been recommended by the very distinguished member for Saint John.

### *Supply*

**Mr. David Price (Compton—Stanstead, Lib.):** Mr. Speaker, the member for Kings—Hants did not really answer the question, but I am used to that. When we asked questions we did not get answers from the other side. That happens but I will try again.

• (1305)

The PC Party's 1993 specifications show that the contract had separate units: a platform and mission system. I made that recommendation last year at SCONDVA. I would like to know when that was changed in PC Party policy.

**Mr. Bill Casey:** Mr. Speaker, I have a question I would like to ask the hon. member for Compton—Stanstead.

Last year in the House he said "Our information says it seems that the Cougar II may come with a promise of a Daimler-Chrysler plant, probably in Shawinigan". I am not sure where Shawinigan is or whose riding that is, but this is the Liberal member asking if there is a promise to put a helicopter plant in Shawinigan. He went on to say "A more interesting angle is that this deal may also come with a promise of neutrality from the French government in the next Quebec referendum".

Does the hon. member still think that the member from Shawinigan has the fix in for a helicopter plant in Shawinigan in order to approve this contract?

**Mr. David Price (Compton—Stanstead, Lib.):** Mr. Speaker, it is a pleasure to be in the House to speak about helicopters, a subject that is not new to me. Today I would like to focus on the remarks toward the central role that the Department of Public Works and Government Services is playing in managing the maritime helicopter project. I will be splitting my time with the member for Haliburton—Victoria—Brock.

Like my colleagues who have spoken before me, I have the utmost confidence in the department's ability to administer this major crown procurement. The Department of Public Works and Government Services is not only the federal government's main purchasing organization, it is the largest procurement outfit in Canada. This common service agency buys everything from paper clips to train services to scientific research and, yes, sophisticated military and defence equipment.

The department services more than 100 federal departments, agencies, crown corporations and special operating agencies, including parliament. It deals with thousands of suppliers, both here in Canada and internationally. On a day to day basis contract

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officers of Public Works and Government Services Canada deal with a range of suppliers, from individual contractors to some of the biggest industrial, financial, consulting and manufacturing concerns in the world.

The department averages 50,000 contracts a year, with a total value of \$8 billion, or about 57% of the federal government's total annual spending on goods and services.

As the House can see, Public Works and Government Services Canada brings a wealth of experience and expertise to the maritime helicopter project. With a value of close to \$2.9 billion, there is no question that this project is larger than most. It is the single largest procurement currently being managed by the Department of Public Works and Government Services.

The same principles apply. I can assure hon. members on all sides of the House that this procurement will be managed efficiently, effectively and with the greatest respect for taxpayer dollars. The reason I can say this is because Public Works and Government Services Canada has 60 years of purchasing history behind it. It has earned a solid reputation as a highly competent and professional procurement agency. It operates to the highest standards which are clearly defined in federal statutes, regulations and policy manuals.

As hon. members are aware, the overall procurement and contracting policies of the Government of Canada are established by the treasury board. These policies are aimed at acquiring goods and services in a manner that enhances access, competition and fairness, and that results in value to the Canadian government.

The procurement strategy for the maritime helicopter project meets all of these criteria. It also complies with the Department of Public Works and Government Services' own framework of guiding principles for procurement.

The department has one governing postulate for all its activities, and that is integrity. Public Works and Government Services Canada is committed to ensuring that its supply activities are open, fair and transparent.

• (1310)

The integrity of the procurement strategy for the maritime helicopter project is above question. As the Minister of Public Works and Government Services has demonstrated through his earlier comments, the 28 maritime helicopters and associated integrated mission systems required by the Canadian forces will be purchased through a process that is fair, open and transparent.

The Department of Public Works and Government Services has identified several guiding principles that underlie this overall commitment to integrity. I would like to briefly review them for hon. members to further underscore the strength of this procurement strategy.

For each procurement it undertakes, the department is committed to satisfying the operational needs of its clients while obtaining the best price through the procurement process. That explains why procurement officers had to work hand in hand with officials of the Department of National Defence to develop the letter of interest and other documents released last August. It explains why the procurement includes an unprecedented commitment to industry dialogue and interaction.

As far as obtaining value, the procurement strategy ensures that once the client's operational and technical needs are met, the lowest price bidder for each requirement will be awarded the contract provided that acceptable terms and conditions and industrial and regional benefits are proposed.

The Public Works and Government Services Canada's procurement practices are also aimed at advancing the government's national objectives, particularly in the area of social economic policy. The maritime helicopter project meets this principle on two accounts. First, by ensuring that the men and women of the Canadian forces have the equipment they need to perform their vital work in the service of all Canadians. Second, by ensuring that a comprehensive package of industrial and regional benefits will be a key criterion in the evaluation of all bids.

It is generally acknowledged that no Canadian company is able to provide the entry level helicopter. However there is a possibility that Canadian firms will participate as subcontractors. We know that Canadian firms are capable of supplying the integrated mission systems and have expressed interest in doing so.

As the minister has indicated, the government's goal is to ensure that Canadian suppliers receive the maximum benefits from both contracts. Consistent with principles used for the previous procurements, the government will be seeking industrial and regional benefits equivalent to the value of the contracts both for the helicopter and the integrated mission system.

Competition is another guiding principle for procurements by Public Works and Government Services Canada. There can be no doubt as to its application to the maritime helicopter project. Two separate competitive processes will be undertaken to ensure that the crown obtains both the required helicopter and the integrated mission system, as well as the long term in service support it needs at the lowest possible price.

Moreover, the mandatory prequalification process ensures a maximum level of competition for the contracts because it will mitigate the risk of receiving non-compliant bids. Hon. members can rest assured that there will be strong competition for these contracts.

Equal treatment is another principle adhered to by the Department of Public Works and Government Services' procurement



officers. The department's policy is that all potential suppliers of a particular requirement must be subject to the same conditions.

Several elements of the procurement strategy, including its general openness, will contribute to the achievement of this principle. All potential bidders will have access to the same information and will be kept apprised of any changes and technical specifications and other requirements.

The industry interaction process initiated by the government, which will include the posting of technical specifications and other documents on the project's dedicated website, will provide for a two way dialogue that ensures there will be no surprises at the end of the road. All potential bidders will be given the same opportunity to demonstrate technical compliance through the prequalification process.

Finally, accountability is the cornerstone of the department's procurement activities. As is the case with all other procurements, the Public Works and Government Services Canada will be accountable for the integrity of the entire procurement process from start to finish.

Based on its long history of working with the Department of National Defence on many projects, including highly sensitive procurements, the Department of Public Works and Government Services anticipates no problem in this regard. The two departments have a close and positive working relationship that will be manifested through this maritime helicopter project.

• (1315)

The government will continue to be open, fair and transparent as this project moves forward over the next few months. All potential prime contractors are fully aware of the different elements of the government's procurement strategy, and all bids will be measured fairly against a strict and open set of evaluation criteria.

Some hon. members have questioned why the government is using the lowest cost compliant as the basis for awarding these two contracts when bids for the search and rescue helicopter were assessed based on overall value to the crown. The answer is simple: The mandatory prequalification process of the maritime helicopter project will ensure that all the helicopters and integrated mission systems ultimately considered by the government are capable of doing the job. Once this has been established, the evaluation of individual proposals can focus on cost so that the crown's needs are met at the lowest possible price.

The maritime helicopter project is an important step forward in providing the Canadian forces with state of the art equipment that meets the needs of the 21st century. I know this is of concern to Canadians from coast to coast. Having heard the range of views on

### *Supply*

the subject, I trust hon. members will recognize the strength of the government's approach and will give their unequivocal support to this endeavour.

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, I have to ask the hon. member for Compton—Stanstead, does he deny that it was his questions in the House when he sat on this side of the House that uncovered this clear bias that we are debating today?

At that time, when he sat with me on this side of the House, he informed me that there was a problem. He said that the Prime Minister was going over to France to talk with the French government, along with the Daimler-Chrysler plant people, about having this Eurocopter agreement and that it was a deal that was being entered into. He knew about it because it was leaked to him by some DND people.

Does he deny today that he was the one who was asking for a fair, open, public tender process in accordance with the approved statement of operational requirements? What is happening today? It does not comply with that operational requirement.

I ask the hon. member, for whom I have great respect, how could he sit on this side of the House and ask those questions, and then today turn around and say that everything is fine and is rosy? he was totally opposed to it when he sat here.

**Mr. David Price:** Mr. Speaker, that is an interesting question. Things have not changed just because I am on this side of the House. The questions still get asked. I guess the difference is that the questions get answered now.

I find it interesting that the member opposite keeps talking about this as not being a fair and open process. I think it is an extremely fair and open process, much fairer than what we have seen in the past. If we want to go back to processes, as I said before, I have the process from 1993.

If we look back to 1993, we are talking about the same type of situation: a separate platform and a separate mission systems. The only difference was that there was only one company that happened to bid on those two combined issues and it got the job.

[*Translation*]

**Mr. Gérard Asselin (Charlevoix, BQ):** Mr. Speaker, the speech of the member for Compton—Stanstead has neither interest, substance or odour.

In 1997, when he was a candidate for the Progressive Conservative Party, his speeches defended the policies of Mr. Mulroney's Conservative government and condemned the actions and promises of the Liberal Party and of the current Prime Minister.

How can the member, who has been here since 1997 and was elected, at the time, by condemning the Liberal Party's policies, now be on the other side of the House and defend a position



*Supply*

outlined in a speech that was probably drafted by the Liberal Minister of Public Works and Government Services?

**Mr. David Price:** Mr. Speaker, it is very easy. As I said before, now, when I ask questions, I get answers.

• (1320)

The Progressive Conservative Party is now saying that it has changed its policy. I proposed in committee that the bidding be based on two things: the airframe and the mission systems. Now, the Conservatives are saying that they do not agree with that. I did agree with that, and that is precisely what the government is doing. Therefore, I have no problem with it.

[*English*]

**Mr. John O'Reilly (Parliamentary Secretary to Minister of National Defence, Lib.):** Mr. Speaker, it is a pleasure to speak to the motion before us today, the maritime helicopter project.

I commend the member for Compton—Stanstead. The party saw enough support for this member to nominate and elect him as vice-chair of defence and veterans affairs. I remind the member for Saint John that at one time when she was sitting over there with Jean Charest, who was a Conservative, he also left to excel in the Liberal Party. It seems that if one leaves those benches over there, one tends to move up in the world.

I want to deal first with the facts that are before us. We have heard a lot of numbers coming out of the opposition party. I think they found them somewhere in a comic book. This deal will save \$1.5 billion over the former government's helicopter purchase.

The contract that involved the EH-101 was \$5.7 billion. The contract for the helicopter purchased is at about \$2.9 billion, plus the helicopter purchased for search and rescue brings it up to \$3.7 billion. This is a difference of \$2 billion, even adding in the \$500 million in cancellation costs, not with the numbers they are throwing around. In cancelling the EH-101, the government is still saving Canadian taxpayers \$1.5 billion dollars.

I know my colleague across the way, the member for Saint John, is concerned about the men and women of the Canadian forces and about making sure they have the tools and the support they need to do their job. This is a priority for the government also. It is why I am pleased to have this opportunity to speak about the helicopter project.

The decision to proceed with this acquisition demonstrates the government's leadership in ensuring that the Canadian forces are properly equipped for their missions. As members know, over the past two years, the government has reinvested more than \$2.5 billion in defence. Additional new funding was announced this morning when the supplementary estimates were tabled. As stated

in the recent Speech from the Throne, these increases will help ensure the forces are equipped and prepared to respond quickly to calls for help at home and abroad.

In the defence white paper, the government made it clear that modernizing the Canadian forces required several key equipment purchases, including the maritime helicopter. The government is delivering on these commitments.

Our navy has taken possession of the first of four Victoria class submarines. The army has acquired new state of the art light armoured vehicles. The United States has followed suit and is buying some of these vehicles, as is New Zealand. These vehicles are made in London, Ontario. The air force will be receiving 15 new search and rescue helicopters and upgrading the CF-18 fighters and Aurora surveillance aircraft.

In August of last year, the government granted approval for the Department of National Defence to begin the process of acquiring 28 new maritime helicopters. As the Minister of National Defence has said, acquiring a suitable maritime helicopter to replace the aging Sea King is his top capital acquisition priority. A modern, robust and capable maritime helicopter is vital for maintaining multipurpose combat capable forces. I might also, as a side note, say that the United States is still flying Sea Kings and swear by them.

While the Sea King has performed admirably as our maritime helicopter, we must ensure that the Canadian forces are equipped to meet the demands of the future. The maritime helicopter is a vital component needed by the Canadian forces to carry out the range of tasks that the government may ask of them.

The maritime helicopter plays a wide range of roles, including surveillance and control of Canadian territory and approaches, search and rescue, peace support operations, defence of North America, NATO, collective defence, international humanitarian assistance and disaster relief, among others.

• (1325)

The statement of operational requirements for the maritime helicopter clearly describes what kind of helicopter we need to carry out our maritime activities. For example, it explains why we need 28 maritime helicopters to meet our current defence commitments. It explains how much the maritime helicopter must be able to carry in order to accomplish an assigned mission and the airborne time required to conduct the mission.

It also explains what kind of mission systems, for example, communication, sensors and radar, will be required to ensure the helicopter's versatility and interoperability with our allies. The statement of operational requirements is strong and coherent. It is

consistent with current defence policy and supported by thorough operational and statistical analysis.

A lot of work has been done to identify what kind of maritime helicopter the Canadian forces need to carry out their defence missions. I am sure the member for Saint John will be pleased to hear that the process to acquire a new maritime helicopter for the Canadian forces is being done with the best value for Canadian taxpayers in mind.

As all members know, if someone has to borrow money to buy something, whether it is a house or a car, one makes sure that every penny spent is used wisely. One would not buy more than what is needed. One would not want to pay a nickel more than one had to. The government understands that the money it has is borrowed from the taxpayer and that the taxpayer is entrusting the government to spend it wisely. That is what the government is doing with the maritime helicopter project.

The government will acquire what the Canadian forces need at the lowest cost to the Canadian taxpayer over the long term. We will get what is the best possible price, compliant with our requirements, over the full life of the helicopter. In other words, we are being smart about it and our approach is very simple.

We will acquire off the shelf, non-developmental equipment. We will not spend more than we have to spend. We will buy only what we need. We will make sure the combined cost of acquiring and maintaining the helicopter is the lowest possible. This will save taxpayer money over the long term. If this is not getting the best value, I do not know what is.

The government will have saved Canadian taxpayers \$1.5 billion compared to the former government's EH-101 project. This is after including the costs associated with cancellation and the investments the Department of National Defence had made to ensure the continued airworthiness of the Labrador and Sea King helicopters.

It is not only about saving money. It is also about ensuring the Canadian forces get the equipment they need at a price we can afford. By launching the process to acquire new helicopters the government has done just that. The government is committed to ensuring that the men and women of the Canadian forces have the tools they need to get their job done. Acquiring a new maritime helicopter is part of this commitment. We are doing this in a way that is right for the Canadian forces and right for Canadian taxpayers.

When I was in Kosovo visiting with a quality of life report follow-up, I flew in a Griffon helicopter and found that it was a state of the art piece of equipment. We flew in very heavy traffic and in an area that was consistently dangerous. The operational people on this mission were highly trained and technically aware of what was going on. They were the most professional people I have dealt with.

### *Supply*

I take this opportunity to commend the men and women of the Canadian forces for the work that they do on our behalf and on behalf of all of Canada.

**Mr. Loyola Hearn (St. John's West, PC):** Mr. Speaker, the member talked about figures being used on this side of the House as if they came out of comic books. He also talked about the great deal and the amount of savings to the government in the present tender call. I remind the member that a six pack is cheaper than a dozen any day of the week. Let us compare apples and apples when we talk about costs.

When the minister spoke this morning he talked about the different references that would be included in the tender call. He did not mention the word commonality.

• (1330)

A study conducted for the Department of National Defence by one of the minister's associate departments showed that by choosing the helicopter that could do both services, over \$257 million in 1990 dollars could be saved.

Could the member table those figures to show that there is no other avenue the government could have explored? Would he tell us if the government considered the commonality factor when assessing the tender call to make sure Canadians got the best bang for their buck? We are not talking about saving money here, we are talking about saving lives. It is not the dollar value that counts, it is the service and equipment we get for the dollars we spend.

**Mr. John O'Reilly:** Mr. Speaker, I am more than happy to include the numbers I gave in my speech. I know the Conservative Party does not think about dollars. If it thought about dollars it would still be the ruling party. It wanted to spend millions of extra dollars on cadillacs so their members could run around in armour plated vehicles. That is why the party was reduced to two people in the House of Commons.

One of those two saw the light and is now the leader of the Liberal Party in Quebec. The member for Compton—Stanstead saw the light and came over, and is now the vice-chair for defence and veteran's affairs. It is a step up when one becomes part of a government.

We are very concerned. Our first concern as a government is to make sure the men and women of the Canadian forces are properly supplied, properly trained, have the right equipment, operate in the safest environment and still save the taxpayers money. That is what this government is all about. That is what we are doing. The Conservative Party will be down to two again if it keeps talking about spending taxpayer money lightly and loosely, as it has in the past.

*Supply*

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, I would be happy to table the figures from Liberal programs that show they spent \$8.2 billion when they replaced the Labradors, and now the helicopters. Guess what? There will be 33 helicopters. That is the total. We would have had 43 helicopters at a cost of \$5.8 billion.

That is \$8.2 billion versus \$5.8 billion. The taxpayers have been taken. I will table the documents and I have no problem in doing so.

**Mr. John O'Reilly:** Mr. Speaker, I am certainly glad the member for Saint John is tabling Liberal documents. Obviously the Conservative Party does not have any of its own. I would be more than happy to see them tabled and to deal with them. I am sure that if she had checked with some of the people she had dealt with in the past who are now Liberals, they could probably get her some more really good numbers that make perfect sense for any government to follow.

**Mr. Leon Benoit (Lakeland, Canadian Alliance):** Mr. Speaker, I am pleased to speak to this supply day motion, and I commend the member of the Conservative Party for bringing the motion forward.

This is an extremely important issue and I am quite stunned listening to the parliamentary secretary to the minister. He makes it sound like everything is just great in the military. He indicated that the equipment is top notch, that things are going in the right direction and that everything is fine. I will talk a little about that toward the end of my presentation because the defence minister said the same thing at the defence suppliers' conference.

I will talk about how the attitude that everything is okay really does not bode well for the replacement of the helicopters or for the military generally. That kind of attitude in the minds of and coming from the lips of the minister and the parliamentary secretary certainly causes me great concern.

The motion is about having a fair and open process for replacing the Sea Kings. I do not think anyone would argue that the Sea Kings are in need of replacement. However, this motion may turn out to be entirely irrelevant.

● (1335)

I heard a rumour this morning that the government already has a plan in place to deal with the Sea King problem. The plan is to put ejection seats in the helicopters. God knows, we cannot afford to lose as many pilots as we are losing helicopters as these helicopters drop from the sky.

The government plan, and this is just a rumour, is to put ejection seats in the helicopters and apparently the contractor can put in an inflatable life raft. The pilot will need to blow it up when he is in the water, but there will be a life raft attached to the seat and everything will be fine. No one have not quite figured out how to

deal with the roof of the helicopter coming off and some other little details, but the government does have a plan in place for dealing with the Sea King problem. I say this tongue in cheek. It is obviously meant to be humorous but it is not really funny.

My nephew flew a Sea King out of Halifax for about five years. He did not seem too concerned about it when he was single and before he had a child. He knew the Sea Kings had problems on a regular basis and that they were ditched quite often. He knew they flew in some of the most difficult conditions on the face of the earth.

My nephew is a young fellow. He already had a commercial licence when he went into the military. He wanted to fly an F-18 but unfortunately the government cut back that program just as he enlisted, so he went with the Sea Kings. He was committed to the military. He wanted to do his job and do it well, and he did. For the length of his contract he flew the Sea Kings.

His attitude, I sensed, changed when his first child was born. As parents we often think about life a little differently when we have the extra responsibility of a child. I sensed at the time he had the child that he was not happy at all to be flying those old Sea King helicopters. He knew the risk to him was greater than necessary. He was willing to take a risk. I never sensed that he was ever ready to back off on a risk, but he knew the risk was greater than could be reasonably expected.

For that reason, when it came time to renew the contract he did not want to fly the Sea Kings any more. He wanted to get back into the F-18 program. They had been losing pilots. He was trained on a twin engine machine the same as the F-18s. There were a lot of similarities, which might sound a little surprising. He told the government he wanted an assurance that he would go back into the F-18 program if he was to renew his contract. He could not get that assurance. A trained pilot with years of experience was lost because the government has no serious commitment to the military.

I will talk about the minister's attitude and what he said recently at the conference. However, with that kind of attitude in place, I do not see an awful lot of hope for the future of the Canadian military as long as this minister and this government are in charge. I am very concerned about that.

The Sea King replacement program is not new. The Sea Kings are from 1964. They are almost 40 years old. My nephew, when he started flying them, was under 25 years of age. He was so much older than the Sea Kings that it is not even fair to compare their ages. It would make him sound like an old man.

Replacing the Sea King was first talked about and seriously considered in the 1970s. Here we are in 2001 and there is still no real commitment to replacing them. I do not think the commitment is there.

*Supply*

• (1340)

Both the Sea King and the Labrador search and rescue helicopters, which are flown by the air force today, were slated for replacement with the EH-101.

Members of the Conservative Party and the governing party have been back and forth on the issue for some time, each saying their program is less expensive than the other. In reality, the program which was put forth by the Conservative government, when we compare apples to apples and equipment to equipment and do a fair comparison, was a much better deal than the deal the Liberals are considering now.

The \$500 million cancellation cost is lost. The cost of replacing the helicopters is greater when we compare apples to apples and oranges to oranges. When buying military equipment a bare bones helicopter is probably less than half the cost. The equipment put into it is the greatest cost. That is what we must look at when we compare apples to apples and oranges to oranges.

The points have been made by members of the Conservative Party and countered, completely inaccurately, by members of the governing party. The issue has been dealt with. What I will talk a little more about is the government's general lack of commitment to the military.

What we heard last week at the conference of defence associations was startling. The defence minister and the chief of defence staff both proclaimed that the Canadian forces, with fewer than 60,000 soldiers, was in better shape than at the end of the cold war when it had 80,000 men and women in uniform.

The minister responsible for the Canadian military stood at the conference and said that things were in great shape, the military was better than it was 10 years ago and that we were doing a great job. Someone without a clue about the military might think that was great because it is better than it was 10 years ago.

Unfortunately for the minister, the very next speaker was, who? The very next speaker was Major-General MacKenzie, a well respected man in the Canadian military and a respected analyst of the Canadian military. He stood right after the minister and said that the army could not fight and that the uniformed leadership should have a right to say so. He made it clear that we have terrific men and women serving in the military. The problem is the lack of commitment on the part of the government to replace equipment, such as the Sea Kings. The problem is the lack of proper training and the lack of money for the military. The little bit of money added to the spending today will not solve the problem.

Right after the minister stood up and said that everything was okay, we had Major-General Mackenzie saying that things were an absolute mess. When he asked for a show of hands from anyone at the conference of defence associations who honestly believed the

military was in as good shape as it was 10 years ago, not one hand went up.

Anyone who knows anything about the military knows that if a defence minister stands at a conference like that and says that things are great and that they are better than they were 10 years ago, the minister either does not know what is going on or he does not care. It is one or the other.

When we have a minister who thinks like that and says things like that, what hope is there for getting an acceptable replacement for the Sea King? What hope is there for getting acceptable equipment in any area? What hope is there of getting proper uniforms for our men and women?

When I was deputy defence critic three years ago we were debating soldiers' uniforms and basic things like personal kits, and the debate had already been going on for a couple of years. Today we send men and women on overseas missions without proper, basic equipment like uniforms. What kind of commitment is that to our military? It is disgusting.

• (1345)

I know that my time is up and that my colleague for Edmonton Centre-East will be sharing the time.

**Mr. Lynn Myers (Waterloo—Wellington, Lib.):** Mr. Speaker, based on the comments being given opposite it is very clear that they have absolutely no interest in assisting the military. It seems to me too that they are writing off Atlantic Canada because after all it is Atlantic Canada that stands to benefit as a result of the kind of movement we are making.

Members opposite have talked about political interference. They are the last people who should be lecturing anyone about political interference, especially in light of some of the comments made by their critic, the member for Calgary Northeast, who said that we should use the notwithstanding clause to get rid of recruiting targets that were mandated by the human rights tribunal and which were designated to diversify the ethnic and gender representation in the military. Talk about political interference.

He went on to say that the prescribed levels of women and visible minorities in the Canadian armed forces had compromised combat capability. Shame on him. Finally he asked if we would force aboriginal people to serve in the navy? It is insane and dangerous. Does that not sum up exactly what those people stand for?

Last Tuesday there was a press release given by the member for St. Albert in which he said the government was on a spending spree. One of the departments in which we spent money was defence. Would the member talk to the member for St. Albert and tell him to get his facts straight? More to the point, would the



*Supply*

member make sure that he supports the kind of spending that we are doing, and rightfully so, in the military?

**Mr. Leon Benoit:** Mr. Speaker, it is an absolutely legitimate concern that the government is on a spending spree. The problem is that its priorities are all wrong.

The bit of extra money it will put into the military this year does not even bring it back to the level of spending when we came here in 1993. In spite of the fact that the salaries have gone up, all those costs have gone up and it is still not back to level of 1993. There is no commitment to the military. The commitment is to putting more money into the human resources department so that the minister could use it to gain political benefit. That is the problem.

That is where the extra spending has gone, to that kind of thing. That is the kind of program that is improper. It demonstrates that the government does not have a clue about setting priorities. The military, which protect the country and its citizens, should be a top priority of the federal government. Yet the commitment is not there. The minister stood last week at a conference and said that things were better than they were 10 years ago. Anybody who has a clue about reality knows that is absolutely ridiculous.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Mr. Speaker, in his speech the member said that the current costs of the proposal would be more than it was before.

I advise the House that the EH-101 was \$5.7 billion less the cost of the search and rescue helicopters, which brings it down to a \$2 billion difference. After we take off the \$500 million penalty and the additional cost of operating the existing fleet, it still leaves a savings of \$1.5 billion.

The member is absolutely wrong. It will not cost more. It will be \$1.5 billion less to Canadian taxpayers.

**Mr. Leon Benoit:** Mr. Speaker, that kind of comment demonstrates that Liberal backbenchers are willing to be like puppets. They get the information from the minister and are willing to go ahead and spew those figures.

They know that they are not comparing apples to apples. They know that what is priced out there is not the same as was priced out when the Conservatives made the deal before the 1993 election. They know that it is being dishonest to present these numbers in the way they are being presented.

• (1350)

**Mr. Peter Goldring (Edmonton Centre-East, Canadian Alliance):** Mr. Speaker, I am pleased to speak today to the motion sponsored by the hon. member for Saint John and to thank my colleague for Lakeland for sharing his time with me.

Through the motion the member for Saint John wishes that the House to call upon the government to act to ensure that maritime procurement be conducted on the basis of best value to Canadian taxpayers. The hon. member is particularly concerned with procurement policies affecting the acquisition of maritime helicopters, but I am sure many in the House would agree that there are procurement problems throughout the military. I will expand the debate a little to talk about other procurement difficulties that the government is having.

As an ex-member of the Royal Canadian Air Force of the sixties, I can make some comparisons today when I look at the equipment in the military and the numbers of members of the military. I reflect back to that period of time and the pride that we had in the equipment of the day. Even though through the years it was modernized somewhat, there was an inherent pride which seems to be missing through many parts of the military today because of procurement problems and being delayed for so long on necessary equipment purchases.

An example is one of the recent cutbacks which needs to be questioned, the cutback of the patrol times of the Aurora aircraft. Patrol times have been cut down from 19,200 hours in 1993 when the Liberals came into office to 11,500 hours today. Their wish is to cut those times further to an unacceptable 8,000 hours per year, despite a written recommendation by the chief of the air force who stated emphatically that less than 11,500 hours would result in an unacceptable impact.

With the increasing use of the northwest passage, coupled with increasing numbers of polar overflights, one might argue for more patrol hours rather than less in order to assert our presence and our sovereignty in the far north. We must remember the circumstances of the United States ship, the *Manhattan*, and how its presence challenged our Arctic sovereignty not too many years ago.

We have generals who describe our current military by using such words as irrelevant. That is shameful. Two million Canadians served in Canada's military in the last century and did so with great pride. Successive governments have decimated our military readiness in many areas, including Arctic patrols and equipment maintenance.

Recently military trucks were not available to tow the cannons to Parliament Hill for ceremonies. They had to be towed here by motor league tow trucks. It is just one example of how we are treating their maintenance. I would say that is a foreseeable maintenance issue that should be projected. What hope do we have if we need these services overseas? Is there a local chapter in Bosnia of the motor league?

It was detected recently that our CF-18s have moisture problems in the honeycombing of the wings, another procurement problem. Are we projecting ahead? What are we doing on procurement of



necessary planes to replace the CF-18? What are we doing today and when is the projection? Will we be sitting here and talking about that 30 years from now? The CF-18s are from the 1970s.

There was also a recent situation with the Leopard tanks where it was reported that over the years the bottoms of the tanks had worn so thin that a screwdriver could be pushed through them. The solution was to weld plates over the bottom of the tanks rather than look at a replacement for a hull that is over 30 years old.

• (1355)

Even more recently there was another procurement strategy where questions arose. It was reported that military barracks in Alberta were being abandoned barely four years after they were constructed. The reason was that hundreds of cracks appeared in the foundation, another procurement difficulty.

Nothing spoke louder of Canada's lack of mobilization capability than the recent incidents on the high seas when 10% of our military equipment was held hostage until we had to forcibly board and take it back. Should we consider procurement capabilities and heavy lift capabilities for the armed forces? I think so. Our lack of heavy lift capability let a private shipping company seriously embarrass us in the eyes of the world.

The compounding of this disgrace was illustrated when only one of the two helicopters that set out to intercept the ship made it to the ship. The second one had to turn back because of mechanical failures.

The military has not seriously listened to the concerns of current and former armed forces personnel about its physical welfare. Current and former armed forces personnel were recently told that their complaints about mysterious physical ailments were likely their own fault, apparently because they are overstressed with worry. In short, they are sick with worrying about their health.

Curiously senior military personnel in European countries and NATO have not adopted the shortsightedness of their Canadian counterparts. Among non-Canadian military personnel depleted uranium with increasing frequency is being singled out as a potential contaminant of the greatest concern.

Yesterday we celebrated the 10th anniversary of the end of the gulf war, but on a rather sour note because we still will not acknowledge the soldiers who served in that war as being war veterans.

We must as a nation demonstrate a renewed commitment to the future well-being of our armed forces. I have seen time and again that whenever Canadians are reminded of how today's freedoms are due to the current and past sacrifices of many in our military they respond generously and with gratitude. Concerns for the well-being of our military personnel should be shared by all and entrenched in military operations manuals and directives. It is those in our military who are entrusted to carry the torch in the name of our war dead to protect the peace and freedoms that we as Canadians enjoy today.

*S. O. 31*

In closing, I commend the member for Saint John for her initiative and support her motion wholeheartedly.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the procurement strategy that has been laid out by the government includes a prequalification process which will make key technical requirements available to bidders as early as possible and aid them in receiving technical compliance of Canadian helicopters and mission systems.

Does the member believe that the process of issuing letters of interest, of having a dialogue with the aerospace industry and of having a prequalification process is in the best interest of Canada, our military and our taxpayers?

**Mr. Peter Goldring:** Mr. Speaker, coming from a background in the construction industry where there are a number of initiatives where people prequalify, I believe the prequalification has to be open enough. At times prequalification in the construction industry is sometimes too narrowly focused. It would have to be on the understanding that it would be open to the maximum number of people qualifying to bid on it. When examining the proposals that come in certainly we would reach a point in time when the door has to be closed to get on with sincere bidding processes.

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## STATEMENTS BY MEMBERS

• (1400)

[English]

### INTERNATIONAL WOMEN'S DAY

**Ms. Paddy Torsney (Burlington, Lib.):** Mr. Speaker, March 8 is International Women's Day, a day to celebrate women's talents and accomplishments and a day to take stock of the work that needs to be done in Canada and around the world to ensure that women can flourish in all aspects of their lives.

Domestically the theme "Canadian Women: Raising our Diverse Voices for Positive Change" encourages all women to promote respect and tolerance so that all women and men pursue their dreams without discrimination.

On Wednesday I will be hosting Burlington's fifth annual International Women's Day breakfast and welcoming Reverend Allison Barrett, minister of the First Unitarian Church of Hamilton. She will inspire and encourage our guests, including high school students, to continue their efforts to explore the careers that impassion them, traditional or non-traditional.

*S. O. 31*

I thank Reverend Barrett for her generous support in conveying this important message, in mentoring others and in providing living proof that women are taking action in a myriad of fields and that women can and do make a difference.

I also thank my family and my community for allowing me to take my place in the Chamber, an institution that used to bar women.

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**SUPREME COURT OF CANADA**

**Mr. Vic Toews (Provencher, Canadian Alliance):** Mr. Speaker, over the past two decades supreme court justices have engaged in a frenzy of constitutional experimentation that resulted in the judiciary substituting its legal and societal preferences for those made by the elected representatives of the people.

A leader in this judicial activism was former Chief Justice of Canada Antonio Lamer. Although he is now retired, the decisions that he wrote or participated in will continue to impact adversely on the principles and institutions of our democracy.

In a recent interview, another supreme court justice, Mr. Justice Bastarache, warned the nation of the dangers of judicial government favoured by the former chief justice.

The House and the people of Canada should commend Mr. Justice Bastarache and other jurists who recognize the dangers of the legal and constitutional anarchy reflected in the judgments of the former chief justice. Our democratic principles and institutions are too important to be hijacked by non-elected political judiciary.

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[Translation]

**AMOS**

**Mr. Guy St-Julien (Abitibi—Baie-James—Nunavik, Lib.):** Mr. Speaker, the drinking water of the Canadian municipality of Amos, in Abitibi, is the best in North America and even in the world, according to the jury at the Berkeley Springs International Water Tasting Awards, in Berkeley Springs, West Virginia.

Amos was awarded the gold medal in the municipal water category at the 9th edition of this international competition, the most important one in the world.

The special quality of the groundwater in the region of Amos is due to the presence of an esker.

I invite governments to support the community of Amos in its efforts to become an interpretation centre on esker waters.

[English]

**NATIONAL ENGINEERING WEEK**

**Mr. Andy Savoy (Tobique—Mactaquac, Lib.):** Mr. Speaker, as a registered professional engineer it is indeed an honour and a privilege to inform the House of the upcoming National Engineering Week.

Since its inception in 1992, National Engineering Week has celebrated Canada's engineering excellence. This year's honorary chair, Canadian astronaut Julie Payette, will be launching National Engineering Week on March 2 in Ottawa by presenting the grand prize to the winner of the great Canadian engineering space quest.

National Engineering Week is an opportunity to celebrate Canada's engineering heritage and to promote awareness of the role engineering plays in our daily lives. It is being celebrated this year between March 3 and March 11 with activities being held across Canada, all dedicated to reaching out to young Canadians to let them know that engineering is an exciting, fun and rewarding career choice.

Hats off to the 157,000 engineers who every day help us build a better and safer nation.

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**NORTHUMBERLAND**

**Mr. Paul Harold Macklin (Northumberland, Lib.):** Mr. Speaker, it is a fact that rural communities face many challenges in obtaining and utilizing technology. In this light, on January 9 of this year I launched my first major initiative as the member of parliament for Northumberland, that being the creation of a research, innovation and technology advisory committee.

This committee is developing a vision of Northumberland, where communities can work together to ensure that our children can find a prosperous future without having to leave their community.

I wish to commend the talented members of the research, innovation and technology advisory committee for their hard work and dedication. I look forward to working with that committee to achieve that vision of a brighter and innovative future for many generations to come.

\* \* \*

● (1405)

**RESEARCH AND DEVELOPMENT**

**Ms. Cheryl Gallant (Renfrew—Nipissing—Pembroke, Canadian Alliance):** Mr. Speaker, in April 1999 a proposal was presented to the government to build a Canadian neutron facility for advanced materials research at Chalk River laboratories.

This facility is critical for Canadian industries and universities in developing the advanced materials needed to compete in the global economy. If Canada is to maintain its economic independence, we need to stay ahead of the competition by developing new materials and new industries.

All innovations depend on the discovery and development of new materials, whether they be for medical, mining, aerospace, optical or energy industries.

Working at Chalk River, Canadian Bert Brockhouse developed the method now used around the world to view the movement of atoms. For this outstanding achievement he shared the 1994 Nobel prize for physics.

To continue to have Canadian success stories such as this one, we as a nation must invest in primary scientific research. I am calling on the government to act now and provide the funding necessary to build the Canadian neutron facility at Chalk River.

\* \* \*

[Translation]

#### WOMEN'S DEMANDS

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** Mr. Speaker, in 1918, before the members of the Canadian Senate who were going to rule on the right of women to vote, Laurent-Olivier David said “Let us leave these poor young women of 21 to their piano, embroidery or needlepoint, and particularly to the tasks that will prepare them to become good and resourceful homemakers”.

At the time, women's demands were made in the context of industrialization and urbanization. Today, they are made in the context of globalization.

Because they make a contribution, women are entitled to their share of the economic, political and social spinoffs. Women must take part in the discussions on the free trade area of the Americas, and they must be heard by the leaders of the 34 states. This is an issue of fairness.

\* \* \*

[English]

#### GUN CONTROL

**Mr. John Harvard (Charleswood St. James—Assiniboia, Lib.):** Mr. Speaker, opposition members continue to confuse fact with fiction when it comes to the firearms program. Allow me to clear up any confusion they may have.

The government does not intend to privatize the Canadian firearms program. The government is exploring outsourcing options to ensure that the system is as efficient and cost effective as it can be while continuing to improve public safety. We owe this to Canadian taxpayers.

*S. O. 31*

The government is not compromising the privacy of people in the system. In fact, any new technologies will serve only to enhance the stringent privacy measures already in place.

The government has been clear about the cost and clear about the benefits. More than 2,600 licence applications have been refused or revoked for public safety reasons and 65,000 potentially dangerous gun sales have been delayed for further investigation.

This system is helping to keep guns out of the hands of those who should not have them. The facts are clear. It is unfortunate that critics of the program refuse to look at them and acknowledge that the system is working.

\* \* \*

[Translation]

#### MINISTER OF PUBLIC WORKS AND GOVERNMENT SERVICES

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, recently in this House, members of the Bloc and the Alliance have attacked the Minister of Public Works and Government Services without justification on an immigration matter.

They have accused the minister of using his status as an MP for unjustified purposes and of maintaining links with the Mafia.

I find it unacceptable that some are doing everything possible to tarnish the reputation of a man known for responsible and honest work, a devoted MP concerned for the welfare of the community. These accusations are also tarnishing the reputation of the Italian community.

I am, however, pleased that some members of the opposition have withdrawn their remarks, admitting that their attacks had gone too far, but I deplore the fact that they have yet to officially apologize to the minister, and I encourage them to do so without further delay.

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[English]

#### GILDAS MOLGAT

**Mr. Inky Mark (Dauphin—Swan River, Canadian Alliance):** Mr. Speaker, it is with profound sadness that I rise today to pay tribute to a man from my riding of Dauphin—Swan River, the Hon. Senator Gil Molgat. As recently as last year we attended community events together.

Senator Molgat was from Ste. Rose du Lac, Manitoba. Senator Molgat had a long and distinguished career in politics, serving as a member of the Manitoba legislature from 1953 to 1970. He was appointed to the Senate by Prime Minister Pierre Trudeau in 1970.

*S. O. 31*

Senator Molgat was elected Deputy Speaker of the Senate in 1983, appointed Deputy Leader of the Opposition in October 1991, and appointed Deputy Leader of the Government in the Senate in November 1993. He became Speaker of the Senate in 1994.

• (1410)

Upon my arrival on Parliament Hill in 1997, Senator Molgat was friendly and welcoming to me and made me feel that I belonged here.

On behalf of the Canadian Alliance and the people of Dauphin—Swan River, I wish to extend sincerest condolences to Mrs. Molgat and her family. He will be missed by all Manitobans.

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[Translation]

#### ACTS OF BRAVERY

**Mr. Dominic LeBlanc (Beauséjour—Petitcodiac, Lib.):** Mr. Speaker, on January 9, three persons in my riding displayed exemplary courage.

A group of 11 snowmobilers from the Netherlands and Moncton were on an excursion in Kent County, on the Bouctouche River.

At one point, the ice gave way underneath the weight of the snowmobiles. While some managed to free themselves, four of them were imprisoned in the icy waters.

It was at this point that Ronald Allain, David Small and Louis Godbout helped them, thus preventing an unfortunate outcome.

[English]

A few weeks ago the municipality of Bouctouche recognized their courage. It is with pride and admiration that I would like members of the House to join me in congratulating them and thanking them for their heroism.

\* \* \*

#### TRANSPORTATION

**Mrs. Bev Desjarlais (Churchill, NDP):** Mr. Speaker, the transport minister has finally acknowledged that our roads and highways need fixing. The NDP has been saying that for years and I am glad to see he has finally gotten the message.

It is too bad that the Liberal government's solution to the problem is all wrong. The Liberal government's idea is to give big cities more power to tax. That way, cities can raise their own money for roads and public transit.

Canadians do not need to pay more municipal taxes. The Liberal government already collects enough taxes, including gas taxes. It just needs to stop hoarding the money in Ottawa so the finance minister can brag about the big surplus.

The other problem with the Liberal government's plan is that it completely ignores rural Canada. Of course urban transit is important, but rural areas need help as well. Once again the Liberal government is showing its anti-rural, anti-northern bias.

Fixing Canada's roads and improving transit is not that hard. Letting big cities raise taxes is not the answer. The Liberal government should spend tax dollars wisely and work co-operatively with all levels of government, provinces, municipalities and first nations, to fix the roads that need fixing in cities and rural areas throughout Canada.

\* \* \*

[Translation]

#### INTERNATIONAL YEAR OF VOLUNTEERS

**Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la-Mitis, BQ):** Mr. Speaker, the United Nations has declared 2001 International Year of Volunteers. We are being encouraged to share or continue to share our individual resources in order to meet the many needs of the society in which we live.

Getting involved as a volunteer means helping to build a more humane society. Many non-profit organizations would not be able to survive without the help of volunteers.

If the health of a democratic society can be judged by the quality of its volunteer commitment, Quebec is doing well, because one million Quebecers are already active as volunteers. But with the wide range of needs in our communities, there is always room for more volunteers.

I want to join with all those who are benefiting from the generosity of their fellow citizens and express my gratitude to the volunteers of Quebec and of Canada.

\* \* \*

#### CANADIAN MEN'S UNIVERSITY VOLLEYBALL CHAMPIONSHIP

**Mr. Jean-Guy Carignan (Québec East, Lib.):** Mr. Speaker, tomorrow marks the beginning of the Canadian men's university volleyball championship at the PEPS complex at Université Laval.

This event will be a wonderful opportunity for young athletes from across the county to compete with the best in their category.

[English]

The event will also be an excellent opportunity for the players of Laval University's volleyball team, the Rouge et Or, to measure up to eight of the best teams in the country, including the defending national champions and number one ranking team, the Manitoba Bisons.

*Oral Questions**[Translation]*

Since I represent the greater Quebec City area, I would be remiss if I did not mention the exceptional performances of Laval's team, the Rouge et Or.

Three times national champions during the past decade, this team has maintained a perfect record during the regular season—12 wins and no losses.

The Rouge et Or also won the provincial championship, beating out the Montreal Carabins on February 25.

*[English]*

On behalf of all members of the House, I wish to extend best of luck to all teams participating in this championship and to say especially "Go, Rouge et Or, go".

\* \* \*

**AGRICULTURE**

**Mr. Gerald Keddy (South Shore, PC):** Mr. Speaker, after much pressure from the opposition, the minister of agriculture will finally announce a support package for producers.

• (1415)

There are three problems that the minister must address. First, there is still an unlevel playing field for Canadian farmers today. Canada spends 0.78% of its GDP on agricultural support while the U.S. spends 1.07% of its GDP on agricultural support.

Second, input costs are going up at an alarming rate. The cost of putting fuel in tractors, combines and other farm equipment went from 37 cents a litre to over 50 cents a litre for the crop year starting in 2000. Nitrogen in some cases has gone from 16 cents a pound to 40 cents a pound this spring.

Third, the value of the commodity has gone down drastically. In 1996 a producer received \$5.50 a bushel for wheat. Today that same bushel of wheat is returning \$2.45. The same year canola returned \$10 a bushel and today it is \$5.18 a bushel. We need two more things—

**The Speaker:** The hon. member for Laval Centre.

\* \* \*

*[Translation]***WOMEN'S RIGHTS**

**Ms. Madeleine Dalphond-Guiral (Laval Centre, BQ):** Mr. Speaker, last October, the World March of Women captured the attention of the entire world. Canadians and Quebecers marched to back up their demands at the provincial, federal and international levels. They called for equity, not violence.

These marchers understood that the power is theirs and that it is their duty to exercise it. Yet sexist attitudes still prevail: pay inequity, lack of recognition for the sociopolitical contribution of women, refusal to recognize the equality of the sexes.

Canada, which boasts that it is the best country in the world but does not respect women, mothers, and female workers, is a poor model indeed. Once again, those who preach democracy around the world are knowingly passing the buck.

But these women who marched and carried a message will not give up until their rights are fully recognized. And they have the full support of the Bloc Québécois.

**ORAL QUESTION PERIOD***[English]***ETHICS COUNSELLOR**

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, for almost two years now the Prime Minister has been stumbling over questions from the opposition related to the Shawinigan file, but yesterday he fell flat on his face.

He declared unequivocally in the House that when he was elected he had revealed to the ethics counsellor that he was owed money on the shares in the golf course. Yesterday the ethics counsellor contradicted that. I have the Prime Minister's public declaration of declarable assets. There is no mention of the over \$200,000 debt for the sale of the golf course.

My question is very simple. Why did the Prime Minister not declare the debt owed to him from the golf course to the ethics counsellor when he should have?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I gave all my assets to the lawyer who is my trustee and she had all the discussions with everyone. She informed the ethics counsellor or the staff of the ethics counsellor. It was a time when they were doing a lot of work because all the ministers were doing the same thing.

They were informed. It was not an obligation to reveal this type of asset but she revealed it anyway. That is exactly what the ethics counsellor said. He said it was not an obligation and she did it right at the beginning.

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, the Prime Minister's own words on June 8, 1999, showed that it was an obligation to reveal it. That is in his own words. He should have done that.

He lent someone as much as \$200,000 to \$300,000 in the purchase of the shares in the golf course. He neglected to tell the ethics counsellor about it. The reason that he did not tell him about it was because he did not want the ethics counsellor to know about it.



*Oral Questions*

Why did he hide an asset worth over a quarter of a million dollars from the ethics counsellor? It is not on the file. It is not there.

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I gave all my assets to my trustee. I checked again with her yesterday and this asset was declared to the officers at that time.

She repeated that. She said that she discussed my file with the ethics counsellor and the staff of the ethics counsellor. She revealed it for me after I transmitted my assets a few days after I became Prime Minister. It was a problem for her and not a problem for me.

**Mr. Stockwell Day (Leader of the Opposition, Canadian Alliance):** Mr. Speaker, I am sorry but he did not declare it in 1993. As a matter of fact three years went by. He thought the little secret would not come out, but when it did not go through in 1996, only then was he forced to confess to the ethics counsellor that he had this loan of over \$200,000. Then he was given three years to sell it or to declare it. He did neither of those for another three years until the opposition forced him to do that.

We see that first he hid it from the ethics counsellor; then he hid it from the House; and now he has tried to hide it from the Canadian people. Why—

**The Speaker:** The Right Hon. Prime Minister.

• (1420)

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the ethics counsellor spoke today. He wrote a letter to the press today. Again he repeated what is clear. We have explained time and time again that there was no conflict of interest, that there was no link at all between the golf course and the auberge, that I did nothing wrong and that I followed all the rules. The RCMP did the same thing.

I have always followed the guidelines. I have not misled anybody. I repeat, my assets were transferred and they were informed in the first days of the administration in 1993.

**Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance):** Mr. Speaker, the Prime Minister's shares in the golf course were owned by his holding company, J & AC Consultants, and had been put in a blind trust.

The conflict of interest code states that public officeholders can only be involved in their blind trust after the ethics counsellor has been consulted.

In this case it was the Prime Minister who informed the ethics counsellor that there was a problem with his shares. When did the Prime Minister learn about the problems of his shares and who told him?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the ethics counsellor reviewed that four times. He knows all the facts.

I became the Prime Minister. I had sold my shares before I was sworn in. I had sold my interest in the hotel six months before. The day after I became Prime Minister my assets were transferred to my trustee, like anybody else. She had to deal with the ethics counsellor. He returned a certificate to me saying that he was satisfied with what I did. He repeated that to the public time and time again.

**Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance):** Mr. Speaker, the Prime Minister was elected as Prime Minister in 1993. It was only after the Prime Minister contacted the ethics counsellor on January 27, 1996, that he began to lobby for loans and grants for the neighbouring Auberge Grand-Mère.

The Prime Minister ensured that the hotel got loans from the BDC, the Business Development Bank of Canada, immigrant investors, and grants from human resources.

Was the Prime Minister not acting more like a businessperson concerned about his assets than he was like a normal, ordinary member of parliament?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, a responsible member of parliament. There was a riding with 19% unemployment and the Prime Minister, as the member for Saint-Maurice, had the duty to make sure that any project creating jobs would receive the grants that were available to any other business in any other riding.

I have done my job as a member of parliament. I have done it for 38 years and I will keep fighting for the interests of the people of my riding.

\* \* \*

[Translation]

### FREE TRADE AREA OF THE AMERICAS

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, today, the Minister of Intergovernmental Affairs reacted to the comments made by Louise Beaudoin, the Quebec minister of international relations, by saying that Quebec had the constitutional right to not implement certain provisions of a future treaty on a free trade area of the Americas.

Since the federal government knows that Quebec will not feel bound by commitments made by Canada without prior approval from the province, would it not be more advisable to proceed with a true consultation, instead of being arrogant?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the provinces are being consulted in certain areas. I am even told that it is a former deputy minister of education in Quebec who is in charge of the negotiations. Everyone is involved, but when it comes

to international relations, it is the federal government that represents all Canadians.

Of course, the provincial government is free to walk out and reject free trade in provincial jurisdictions.

But that would be surprising, since the Bloc Québécois has been saying for years that free trade is the solution to every problem.

• (1425)

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, this takes some nerve. The Prime Minister campaigned against free trade and now he is extolling the virtues of free trade.

His minister is describing us, and describing the Government of Quebec as irresponsible.

But who is irresponsible? The government that protects its jurisdictions and wants to be directly involved in negotiations that will affect it, or the one that negotiates without a mandate in jurisdictions that are not its own, without any transparency, without a democratic process and in secrecy? Which one is irresponsible?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, first, the hon. member alluded to the election campaign on free trade. I was not a candidate at the 1988 election. I did not take part in that election.

Now, with any treaty, the process is exactly the same as the one that was followed when we negotiated the free trade agreement with Mexico and the United States.

Whenever we enter into had agreements with the governments of other countries, we have always followed the same process is always the same. Once a treaty has been approved, if a province does not want to bring it into force implement it, it does not do so, and everyone—

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

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, the fact that we used one system for the free trade agreement with the United States or Mexico does not mean that the system was a good one.

Discussions prior to negotiations on the free trade area of the Americas have got underway very badly, because the Government of Quebec, among others, is strongly critical of the fact that the consultations are nothing more than briefings, too short to be effective.

How can the government claim to be speaking on behalf of us all? How can it intimate that the agreement to be negotiated will be implemented by the provinces, since a number of its clauses will inevitably refer to exclusive jurisdictions of the provinces in which the federal government has absolutely no business?

### *Oral Questions*

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, in this federation, which has been very decentralized—

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

**The Speaker:** Order, please. The hon. minister.

**Hon. Stéphane Dion:** Mr. Speaker, since 1930, under constitutional jurisprudence, a province may choose not to implement an international treaty in its area of jurisdiction.

Where Ms. Beaudoin is acting irresponsibly is by saying that, if she is not sufficiently consulted, she will not implement the agreement.

First, she was consulted fully. Second, an agreement is implemented if it is good for Quebecers. If it is good for Quebecers, she will implement it, of course.

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, all the premiers, including Quebec's, have demanded a formal agreement from the government on the role of the provinces in the negotiations.

Even the current Minister of Industry, while he was the Premier of Newfoundland, shared this opinion.

Is it not true that all the provinces are demanding they be truly involved and not just be given short briefing sessions as is currently the case?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, the provinces are being fully consulted—

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

**Hon. Stéphane Dion:** —to the point that the Government of Quebec was unable to identify one area of fundamental disagreement between it and the Minister for International Trade, who represents our government.

\* \* \*

[English]

### **AGRICULTURE**

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, my question is for the Prime Minister, following the disappointing and even pathetic response on the farm crisis that was just announced an hour ago.

Canadian farmers are saying to the government that in 1993 when the government had a deficit problem they were there for the government and accepted huge cuts. Now, when they have a

*Oral Questions*

problem, there is no meaningful help forthcoming from the government.

Why does the government continue to ignore the reality that there is a huge farm crisis and fail to do anything about it?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, the hon. member knows that the government said it would be there for farmers and that it was not done yet.

I just announced a few minutes ago another half a billion dollars. That is the 60% federal portion. When the provinces put their 40% with it, that will be \$830 million.

• (1430)

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

**Mr. Dick Proctor (Palliser, NDP):** Mr. Speaker, that outburst may help to make up for the lack of applause that the minister received from the Canadian Federation of Agriculture.

Today's one time announcement of \$500 million was exactly what the province of Saskatchewan was asking for them, not for the entire country. It works out to about \$2.30 an acre. That is 30 times less than what some farmers were saying was required.

My question is for the Prime Minister as leader of the government. Will he not return to the drawing board and design a real program for Canadian farmers?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, I suggest to the hon. member that he go home on the weekend and tell the minister in his province that it should put some money in because it has indicated to me that it will not even put 40 cents in.

The province of Saskatchewan has indicated that it does not want to support its farmers any more than it is now. The federal government will if it does. If it does not, we will not.

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**ETHICS COUNSELLOR**

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, my question is for the Prime Minister who cannot blame his trustee. When the Prime Minister was sworn in as Prime Minister in 1993, the guidelines that were in place at that time required him to file a formal report of all assets that are not exempt assets. Under the law an account receivable is not an exempt asset. It is required to be formally reported.

In his first filing as Prime Minister, why did the Prime Minister not report the account receivable respecting the Grand-Mère Golf Club shares? Why did he not follow the rules of the land?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** For the billionth time, Mr. Speaker, I followed all the rules that were

demanding at that time by the ethics counsellor. The trustee did her job as did every other member. We had to do it and we have done it.

I received a letter in return from Mr. Wilson that I have complied with all the rules that existed at that date in November 1992.

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, the Prime Minister stated that Mr. Jean Carle was not involved in any way in the auberge file. Then he changed his story.

He said he declared the assets of the money owed on his golf course club shares. The ethics counsellor has a different version. He said he did not hide anything from anyone, yet he did not tell the ethics counsellor that he twice phoned the president of the bank and then summoned him to 24 Sussex Drive.

It is time to clear the reputation of the Prime Minister. Will he agree to name Mr. Justice Ted Hughes to examine all the evidence to determine if there has been a conflict of interest and then to report to the House of Commons?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, the hon. leader of the fifth party said last week that he had no proof of anything. He invited Canadians to give him some information.

He said to reporters that he was going fishing, and for five weeks he has gone fishing and has caught nothing. He should be ashamed today to be in the House defending the former president of the bank who tried to increase his pension from \$170,000 to \$460,000 and was caught by the auditor general.

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**THE ECONOMY**

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, the bad economic data continues to arise from the United States and the finance minister continues to tell us that there is no issue in terms of the downturn.

Why will the minister not clearly commit to bringing forward a budget that addresses the new economic climate in which we find ourselves and which places a much greater priority on protecting us from potential downturn?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the hon. member knows that right from the very beginning I have said that Canada is not immune from a downturn in the United States.

I have also said that is why the prudence in our October statement was so important in protecting the national fisc. It is also why it is so important to recognize that on January 1 Canada brought in more fiscal stimulus to counter that kind of a downturn than has any other industrial country.

*Oral Questions*

**Mr. Jason Kenney (Calgary Southeast, Canadian Alliance):** Mr. Speaker, the finance minister knows that the tax cuts being discussed in the United States, even at the low end, will far exceed the kind of tax relief that he has talked about, which is about \$47 billion over four years when we take out the CPP tax increase, the reindexation and the non-increases in taxes.

• (1435)

What does he plan to do to increase the country's competitiveness with the United States in terms of taxation apart from just giving us this sort of empty rhetoric?

**Hon. Paul Martin (Minister of Finance, Lib.):** Mr. Speaker, the tax cuts represent \$17 billion in this year. That is six times greater than the tax cuts contemplated by George Bush.

In terms of improving the country's competitiveness, in addition to the corporate tax cuts and the capital gains tax cuts the government has put unparalleled amounts into research and development, opposed by the Alliance. The government has put major amounts of money into education and into research chairs, opposed by the Alliance.

The fact is that the government has given the Canadian economy a foundation for the future, all of which was opposed by the Alliance.

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[Translation]

**FREE TRADE AREA OF THE AMERICAS**

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, the federal government keeps telling us that it is consulting provincial governments extensively, but Quebec's Minister of Industry and Trade, Guy Julien, said that it did not consult the provinces so much as inform them. His statements were corroborated by social groups that have met with the Minister for International Trade. My question is as follows.

How can a government claim that it is engaged in extensive consultations with the provinces, given what Guy Julien has said?

[English]

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, facts are facts. The Minister for International Trade met very recently with the provincial trade ministers of all provinces, including the minister for Quebec.

He met one on one with the minister of trade from the province of Quebec. In fact there was a planned meeting of some three hours and the whole time was not even necessary.

[Translation]

**Ms. Francine Lalonde (Mercier, BQ):** Mr. Speaker, there is a big difference between being informed and being involved, and the government should know what it is.

The Quebec National Assembly's institutions committee asked that, before the free trade area of the Americas agreement was implemented, it be submitted for the approval of the National Assembly and of all legislative assemblies in the case of matters falling within their jurisdiction.

Does the Prime Minister intend to proceed in this way and submit the agreement for the approval of the House of Commons, before approving it officially?

[English]

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, it is quite clear that we have a Minister for International Trade who is a proud Quebecer and the Right Hon. the Prime Minister who is a proud Quebecer. I think the interests of Quebec are being very well taken care of in this file.

As I have said and as we said in the debate a week ago in the House, the normal process will be followed. When the Government of Canada is satisfied that a proposed trade deal is in the interests of Canada, it will sign that agreement and bring it to the House of Commons for full debate.

The minister has agreed to a take note debate prior to that, but the normal process will be followed, amendments will be possible, and then the legislation will be voted on.

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**CORRECTIONAL SERVICE CANADA**

**Mr. Randy White (Langley—Abbotsford, Canadian Alliance):** Mr. Speaker, Dr. Earnest Dick of Matsqui penitentiary recently said that eight out of ten prisoners can be stoned on heroine at any one time. That is quite a remarkable record of zero tolerance after seven years. This was on the same television show that the solicitor general appeared and said how horrible it was.

Maybe the solicitor general could stand in the House and enlighten us all on how it is possible to have enough drugs that 80% of the population could be on heroine at any one time?

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, as my hon. colleague is well aware and as I informed him before, positive results from drug testing have been reduced from 39% to 12%.

We are well aware that we have a drug problem in our institutions. That is why we put ion scanners in the institutions. That is why we will put dogs in the institutions. That is why we will make



*Oral Questions*

sure we have searches of all people, including employees, at each of the institutions so we can stop the flow of drugs in and educate—

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

• (1440)

**Mr. Randy White (Langley—Abbotsford, Canadian Alliance):** Mr. Speaker, he needs more than ion scanners and dogs, because about half an hour ago five employees of Kingston penitentiary were being suspended for drug trafficking within the prison.

According to crown counsel no charges have been laid. If drug trafficking occurred outside the prison, drug charges would have been laid. I would like to know from the solicitor general how it could be easier to traffic inside the prison with less penalty than it is to traffic outside the prison.

**Hon. Lawrence MacAulay (Solicitor General of Canada, Lib.):** Mr. Speaker, my hon. colleague has raised an issue that is being investigated by the RCMP, but I think what he said previous to that statement indicates how important it is that we put the measures in place which the government has put in place to make sure that the flow of drugs is stopped from entering the institutions, and to make sure that offenders in institutions are aware of what they are doing to themselves: possibly committing a death sentence on themselves by using needles and drugs.

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[Translation]

#### FREE TRADE AREA OF THE AMERICAS

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, yesterday, we asked the Prime Minister to make the documents to be used in the negotiations at the summit of the Americas available to the members of the Standing Committee on Foreign Affairs, which will be dealing with this question. The Prime Minister answered that he would consult his minister.

I ask him today: has he had the opportunity to consult his minister and is it his intention to make them available, as Quebec is doing?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, I will speak to my minister, who is out of the country at the moment. I will speak to him about it as soon as I have the chance.

We have already made Canada's position public. It is even on government's website. So the members may access it easily. We will make public everything we can.

However, we must honour our commitments to the other countries. If they do not want us to make public the documents they give us, we will keep them confidential.

**Mr. Michel Gauthier (Roberval, BQ):** Mr. Speaker, the Government of Quebec is doing exactly what the American government is doing.

Are we to understand that, for the Prime Minister, by its actions, namely, making the negotiation documents available to elected officials, the American government is failing to keep its word to the partners?

**Right Hon. Jean Chrétien (Prime Minister, Lib.):** Mr. Speaker, this is a conference that Canada will be chairing. It is very important I follow all the rules agreed upon before the conference, in order to guide it to a successful conclusion.

I will make public all the documents I can make public. That will give me great pleasure. However, I will do nothing that will reduce my credibility with the 34 heads of government who will be there.

\* \* \*

[English]

#### NATIONAL DEFENCE

**Mr. John Cummins (Delta—South Richmond, Canadian Alliance):** Mr. Speaker, yesterday's earthquake centred 35 miles southwest of Seattle caused my daughter's teacher in Delta to stumble against her desk while my daughter's classmates dived under their desks.

When the big one hits the lower mainland, help is now 750 miles away in Edmonton because the government shut down the military base in Chilliwack. That means that U.S. army engineers will be in a better position to help British Columbians than our own Canadian army.

Why must Canadians look south to our U.S. neighbour for help, for their safety? Why has the government abandoned the third largest city in Canada?

**Hon. Art Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, that is simply not true. There is a national earthquake support plan. We are prepared to move troops or do whatever we need to do in terms of emergency support into the area.

We have regular troops at Esquimalt and at Comox. We have regular troops in British Columbia. We have reserve units throughout the province of British Columbia. At a moment's notice we could bring in support from other parts of the country, as we have been able to do in other disasters that have occurred in Canada.

**Mr. John Cummins (Delta—South Richmond, Canadian Alliance):** Mr. Speaker, that is pathetic. A state highway collapsed in Puget Sound, highway overpasses were shut down and the Seattle airport was shut down.



*Oral Questions*

● (1445)

If, no, when a major quake strikes British Columbia the lower mainland of B.C. will be isolated from the rest of Canada. We will have to rely on Americans for our safety. Why has this government abandoned British Columbia?

**Hon. Art Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, again that is absolutely not true. We have a national earthquake plan. We have the troops. We were able to move troops during the ice storm. We were able to move troops during the Saguenay flood. We were able to move troops during the Red River flood. When they were needed we were able to move troops to all parts of the country.

We do have regular troops and reserve troops already in British Columbia. If necessary, hopefully this will not happen, but if necessary we will be there to support the national earthquake plan.

\* \* \*

**AGRICULTURE**

**Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.):** Mr. Speaker, my question is for the Minister of Agriculture.

For months now the members on this side, both rural and urban, have been lobbying the minister to get more money for farmers to help them through this difficult time. He has made an announcement today of an extra half a billion dollars worth of funding for farmers.

I want to know how that will work coupled with the programs that we have in place already.

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, first, I want to thank all of the caucus members for the support that they have given to the government in finding the resources to help farmers.

When agriculture and farmers in Canada have special circumstances we try to find all the resources we possibly can to help them. The half a billion dollars in federal money that I announced today brings the safety net support for Canadian farmers to \$1.6 billion. Coupled with the 40% added by the provinces, the total safety net support for farmers this year alone is \$2.26 billion.

\* \* \*

**HOUSING**

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, again another report today zeros in on the government's failure to meet its own objectives with the national children's agenda because of its refusal to provide safe affordable housing.

There are 1.7 million families living at risk in mouldy, damp and expensive housing where exposure to cockroach antigens increases asthma in children. It is hard to believe that this is happening in Canada but it is because of government neglect.

How many more poor families will forfeit their future because the minister responsible for housing will not do his job?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, to the contrary, we are moving forward on this file. Besides the \$2 billion a year the Government of Canada puts into housing and the mortgage issuer's program, which has helped to build 1,000 units a year, we also have the RRAP.

In the throne speech we announced that we would be coming up with affordable housing programs very soon that will help the industry to build affordable units for all Canadians in need.

**Ms. Libby Davies (Vancouver East, NDP):** Mr. Speaker, the minister knows very well that the \$2 billion that he speaks of is money that has already been committed to mortgages for houses that were built years and years ago. The fact is that this government has not committed any money to build new social housing since 1993. As a result, it is saying that poor kids and poor families must line up at emergency shelters.

I ask again: When will the government live up to its responsibility and provide this basic human right, the right to safe, affordable, secure housing?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, besides the \$2 billion, the government has been putting \$1 million a year into the RRAP program to improve and repair the existing housing stock so we can house needy Canadians.

We have a public and private partnership program which has built more than 16,000 units since 1994. We are working with the provinces and we will soon come up with an affordable housing program.

\* \* \*

**PUBLIC WORKS AND GOVERNMENT SERVICES**

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, my question is for the Minister of Public Works.

Would the minister tell the House who gave the authority to the government committee to ignore the treasury board guidelines 9.1.1 and 9.1.2 when it drafted the letter of interest for the maritime helicopter project?

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the announcement of the procurement strategy for the maritime helicopter was a government decision. I believe that treasury board is part of the government. I do not know what she is saying exactly. She has been trying since this morning to make the case but she does not have the facts right.

*Oral Questions*

• (1450)

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, I have to say that the Minister of Public Works and Government Services does not have his facts straight.

How can the minister justify that his department issued a letter of interest that contained a lowest price compliant clause when that same violated treasury board guidelines and when the Department of National Defence at no time made a recommendation that the process be conducted on the lowest price base? It is supposed to agree before a letter of interest can be put out.

**Hon. Alfonso Gagliano (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, my department issued a letter of interest according to the government's position. I repeat, the treasury board or any other organization within the Government of Canada is part of the Government of Canada. This was a government position.

\* \* \*

**NATIONAL DEFENCE**

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, the truth of the matter is that the armed forces in the country have been stripped to the bare bones by the government. Yesterday's earthquake on the west coast illustrates this kind of a crisis.

In 1994 the government punished B.C. for not voting Liberal by shutting down the army base in Chilliwack even though the military itself did not want CFB Chilliwack to be shut down.

My question is for the Minister of National Defence. Will he now reassess this politically motivated decision?

**Hon. Art Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, the earthquake occurred at 11 a.m. yesterday morning. All those people over there, many of whom are from British Columbia, said absolutely nothing in question period yesterday.

I must say that the government is quicker to act than the opposition. We have a national earthquake support plan. We have troops that are in British Columbia. We have regular troops in British Columbia. We have reserve troops throughout the province. We can move in whatever support services are needed from any other part of the country, as we and our troops have demonstrated many times before.

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, shame on the defence minister and his policy for disaster.

The minister knows that the Liberal policies and actions have dangerously reduced the basic level of emergency preparedness in Vancouver and all over British Columbia.

Again I ask the minister, why does the government continue to play politics with the safety of people in British Columbia?

**Hon. Art Eggleton (Minister of National Defence, Lib.):** Mr. Speaker, in the supplementary estimates this morning the government indicated its commitment to the Canadian forces with an additional \$624 million. When we add that to the \$2.5 billion that has been put into the last two budgets, over \$3 billion has been put in as an investment into the Canadian forces.

While those people over there babble on, the government is investing in the forces and in the security and safety of Canadians from earthquakes or from any other natural disaster.

\* \* \*

[Translation]

**FREE TRADE AREA OF THE AMERICAS**

**Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ):** Mr. Speaker, yesterday, when I asked the Parliamentary Secretary to the Minister for International Trade about the negotiations on the FTAA, he said, and I quote, "Why would the province of Quebec, or any other province in Canada, be sitting there when there is a federal minister and a federal government elected to represent very adequately the interests of all Canadians?"

Does the parliamentary secretary realize that neither Quebecers nor the Quebec government mandated the federal government to negotiate on their behalf anything that involves Quebec's jurisdictions?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, there is a misunderstanding.

Under the Canadian Constitution, the federal government has a mandate to negotiate treaties. But when it comes to exclusive provincial jurisdictions, if a province does not like a treaty, it does not have to implement it.

What is irresponsible is to announce that a treaty will not be implemented when no one has even seen it.

**Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ):** Mr. Speaker, could the Minister of Intergovernmental Affairs tell us which section of the written constitution supports his claims that he can take over from provincial elected representatives and represent them at negotiations that involve exclusive provincial jurisdictions? To which section is the minister referring?

**Hon. Stéphane Dion (President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.):** Mr. Speaker, I am referring to sections 91 and 92 of the Constitution.

*Oral Questions*

• (1455)

[English]

**AGRICULTURE**

**Mr. David Anderson (Cypress Hills—Grasslands, Canadian Alliance):** Mr. Speaker, the lowest estimate for an effective emergency cash injection needed for farmers is \$900 million. Today the minister of agriculture said he would deliver half that amount through the existing failed programs. From what I understand, if the provinces will not work with him it could be zero.

Why does the government continue to ignore the advice of every farm group in Canada?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, if the hon. member would talk to the ministers of agriculture and the farmers across the country he would know they wanted the support through the existing companion programs that are taken in co-operation with the federal government and the provinces. It is through that program that a half a billion dollars of federal money will be delivered.

**Mr. David Anderson (Cypress Hills—Grasslands, Canadian Alliance):** Mr. Speaker, it is interesting that the main estimates for the agriculture department have been reduced by \$470 million from last year. All the agriculture minister has done is replaced what the government has already taken away from farmers.

How many farmers must go broke before the government wakes up?

**Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.):** Mr. Speaker, if the hon. member would study the supplementary estimates and read them in the way they are supposed to be read, he would see that we did not cut money to agriculture. I suggest that if he does not know how to read them he should get a briefing.

What we did today is we added \$500 million and, with the support of the provinces, that will be \$830 million more for farmers in Canada now than it was before lunch today.

\* \* \*

**TRADE**

**Mr. Tony Tirabassi (Niagara Centre, Lib.):** Mr. Speaker, my question is for the Minister for International Trade.

The issue of access for Canadian wines to the European market is very important to the wine industry. The government has recently made representations to the European Union for Canadian ice wine.

Will the Minister for International Trade provide the House with an update?

**Mr. Pat O'Brien (Parliamentary Secretary to Minister for International Trade, Lib.):** Mr. Speaker, I would like to thank the hon. member for his question and all colleagues in that region of Ontario for their strong interest in this file.

I am very pleased to announce that following representations made by this government, including the minister of agriculture, as well as the Canadian wine industry, an important first step has been made. The European Union has just voted in favour of giving access to Canadian ice wine. We continue our work on this important file.

\* \* \*

**TRANSPORTATION**

**Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance):** Mr. Speaker, recently, when it was pointed out to the finance minister that he returns only 3% of the gasoline tax that he takes from British Columbia for the highways, he went on endlessly about everything except the highways.

The transport minister is fully aware of the death trap that the Trans-Canada Highway has become in my constituency, yet the transport minister will not do anything about it. He will not even come to my constituency.

Just when is this government going to get serious and assume its national responsibilities and its share of the Trans-Canada Highway?

**Mr. Brent St. Denis (Parliamentary Secretary to Minister of Transport, Lib.):** Mr. Speaker, the House is well aware that the finance minister in the recent budget announced a \$2.65 billion, which is partnership funding with provincial and territorial governments. A major chunk of those dollars is for highways.

It is really up to the provinces to set their priorities. Negotiations are going on right now. If the member is a little more patient he will find the answer to what he is looking for.

**Mr. Jim Abbott (Kootenay—Columbia, Canadian Alliance):** Mr. Speaker, the amount of money is \$600 million over six years, \$100 million a year over the entire country, \$10 million for the province of British Columbia. This is absolutely pathetic. We know the government spends hundreds of millions if not billions of dollars in other provincial projects in conjunction with the provinces, yet this government will not talk to the province of B.C.

Why is it that highway money stops at the B.C. border?

**Mr. Brent St. Denis (Parliamentary Secretary to Minister of Transport, Lib.):** Mr. Speaker, I cannot accept the premise of the member's question and preamble. This government is very serious about infrastructure from coast to coast and B.C. is just as

*Business of the House*

important as any other part of this country when it comes to infrastructure.

Those negotiations are ongoing right now. I encourage the member, as I said, to be patient.

\* \* \*

• (1500)

[Translation]

**SUMMIT OF THE AMERICAS**

**Ms. Diane Bourgeois (Terrebonne—Blainville, BQ):** Mr. Speaker, in view of the effects the creation of a free trade area of the Americas will have on revenue, health, culture and the family, it is important, indeed urgent, that women be included in the decisions.

My question is for the Secretary of State for the Status of Women. To date, have women's organizations in Quebec and Canada been invited to take part in some way in the summit of the Americas and what sort of consultation has been done to ensure that women's concerns are given consideration?

[English]

**Hon. Hedy Fry (Secretary of State (Multiculturalism)(Status of Women), Lib.):** Mr. Speaker, there is a body called CIM that works specifically on gender issues within the Organization of American States.

There was a meeting of that body and NGOs were there. In fact, members of that particular political party came to the meeting. The recommendations from that meeting will be discussed by the leaders at the meeting in Quebec.

\* \* \*

**FOREIGN AFFAIRS**

**Mr. David Pratt (Nepean—Carleton, Lib.):** Mr. Speaker, my question is for the Minister of Foreign Affairs. The Ottawa convention banning anti-personnel land mines has been in force for two years now. Could the minister explain to the House what the government has done, is doing and will do to ensure the success of this vital international convention?

**Hon. John Manley (Minister of Foreign Affairs, Lib.):** Mr. Speaker, the land mines treaty is a great accomplishment of Canadian diplomacy and of my predecessor Lloyd Axworthy.

Yesterday, on its second anniversary, we had the 111th country ratifying the treaty. We have seen a significant reduction in land mine problems around the world as fewer mines are going out than

are being withdrawn from the minefields. The number of injuries is falling.

Canada has made an important contribution to de-mining efforts in countries as disparate as Nicaragua, Jordan, Bosnia and Afghanistan. This is a credit to Canada. This is the kind of thing we need to be doing.

\* \* \*

**PRESENCE IN GALLERY**

**The Speaker:** I draw the attention of all hon. members to the presence in the gallery of the Hon. Chris Axworthy, QC, the Minister of Intergovernmental Affairs, Minister of Justice and Attorney General of the Province of Saskatchewan.

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

\* \* \*

**BUSINESS OF THE HOUSE**

**Mr. Chuck Strahl (Fraser Valley, Canadian Alliance):** Mr. Speaker, I have a question for the government House leader about the business of the House for the rest of this week.

I realize we have a break week coming up, but could he possibly tell us what the business of the House will be for the week after the break and perhaps tell us whether we will have any kind of a special debate on the future of CFB Chilliwack?

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, immediately after this statement I will be seeking consent of the House to revert to introduction of bills for the purpose of introducing a bill on shipping conferences. I discussed it with other House leaders on Tuesday.

This afternoon we will continue with the allotted day. Tomorrow we will debate Bill C-13, the GST technical amendments.

On return from the break, we will debate the Canada Shipping Act amendments to be introduced later this afternoon if the House gives its consent. This would be followed by Bill C-12, the Judges Act amendments.

I am consulting widely with a view to finding a suitable time in the immediate future to complete second reading of Bill C-5, the species at risk bill. Hopefully that will get done very quickly.

Tuesday, March 13, and Thursday, March 15, shall be allotted days.

As I said, although we are still negotiating, my intention at this point would be on the March 16 to commence the debate on Bill C-4, the sustainable development foundation bill.



*Points of Order*

• (1505)

[*Translation*]

## POINTS OF ORDER

### STANDING ORDERS

**Mr. André Bachand (Richmond—Arthabaska, PC):** Mr. Speaker, I rise on a point of order with respect to the motion under Government Business No. 2. I implore the Chair to grant me a few minutes. This is a point I want to raise with this House and with you in particular, Mr. Speaker, knowing full well that you will be concerned by it.

As you know, Tuesday of this week, the government used closure to force the House to change the amendment process in the Standing Orders of the House. The government took this action after giving notice once, last Friday, following only two hours of debate. We want our amendments respected at committee report stage.

We are trying to understand at the moment and to grasp this new rule the government has imposed on the House. I refer in particular to the last sentence of the new government rule, which states, and I quote:

—in exercising this power of selection, the Speaker shall be guided by the practice followed in the House of Commons of the United Kingdom.

This is essentially what Erskine May said in a document in English only.

I am trying to understand the subtlety of this regulatory innovation. We asked the Journals Branch of the House of Commons for information in French, so as to understand that new rule. Nothing is available in French.

This is quite understandable, since documents are not translated in French in the House of Commons of the United Kingdom. Gone are the days when French was the language of the monarchy. As a francophone member of parliament from Quebec who wants to understand the subtleties of that new rule, I would like to at least have the opportunity to examine it in my own language. It would make it easier to understand and to discuss.

How can I do my job properly if I must draft amendments and the rules governing that process remain an unfathomable mystery because they are in English?

Section 133 of the Constitution Act, 1867, guarantees and protects my right to use my language, French, during the proceedings of the House of Commons. This is a right, and I want that right to be respected. A number of hon. members in this House have always fought and continue to fight to have French recognized. The hon. government House leader is a prime example.

No one here is able to tell me in my own language the scope of that rule. But to do my work effectively as a member of parliament, I must understand the nuances and subtleties of a rule of law. I must understand its very essence. In order to do so, I must have an opportunity to study that rule in my language.

Only anglophone members of parliament will have that privilege. Until all members of the House have access to complete, substantive rules and a full description in the French language of the practices of the House of Commons of the United Kingdom, it is impossible for me to know and to understand what now constitutes a satisfactory amendment.

I am entitled to have at my disposal the necessary tools to present an effective argument. I must be able to reply to objections when members try to attack our amendments. As a francophone MP, this new rule subjects me to an arbitrary and inaccessible decision.

This is the 21st century. When my amendments are attacked, I am entitled to be able to reply knowledgeably. I am entitled to know the rules of this House and to have access to them in my mother tongue, French.

Until my rights and those of other francophones are protected and respected, I respectfully and humbly ask that the Chair suspend the execution of this measure. Francophone members must be on an equal footing with the other members of this House when we prepare amendments. A double standard will never do.

• (1510)

We are all entitled to an equal opportunity to have our amendments selected, debated and voted on in the House. I should not be penalized because I work in French.

What I am calling on you to do is to protect the rights of all members of the House and to treat us all alike in the 21st century.

The government unilaterally invoked closure. This was a blatant attack by the government on one of the linguistic groups sitting in this House, and was not what we expected from many hon. members, including the government House leader.

We francophone MPs have had rules and practices imposed on us and will have to work with them in English only. We really cannot call London every time we want to understand how the rule works.

Are we to hire translators to consult officials in London? Would it be up to them to explain to us, poor francophones that we are, the subtleties of the rule? I ask the question quite simply and with all due respect.

Once again, I ask you to declare this rule inoperative. This is not the first time that the rules have created a conflict with reality. Some of your predecessors, Mr. Speaker, have addressed similar situations. I ask you to declare that linguistic equality, the creator

*Points of Order*

of opportunities in this House, will take precedence so that all members may have the same opportunity to learn the rules of the game.

In closing, I would remind you that we have a law in Canada called the Official Languages Act. Very quickly, I quote for your consideration two paragraphs to the preamble to the act. The first indicates that the law provides:

—full and equal access to Parliament, to the laws of Canada and to courts—

The fourth paragraph is of particular interest to us as it pertains to the work involved in putting amendments forward, because the government House leader's motion deals with this:

—officers and employees of institutions of the Parliament or government of Canada should have equal opportunities to use the official language of their choice while working together in pursuing the goals of those institutions;

I will conclude by reminding the House of section 2 of the act, which reads as follows:

a) ensure respect for English and French—

Imagine if it had been decided in this House that, from now on, in order to help members make decisions, we will be using documents in French only. Some MPs would have stood up and said "This is treason. Quebec is once again taking precedence. Francophones want to take control". But think about it. As the act says, we must:

a) ensure respect for English and French as the official languages of Canada and ensure equality of status and equal rights and privileges as to their use in all federal institutions—

And what is most important:

—in particular with respect to their use in parliamentary proceedings, in legislative and other instruments—

I respectfully submit this argument—knowing you, Mr. Speaker, and knowing the parliamentarians in this House—and I hope for a ruling in favour of removing this insulting measure which prevents us from working in both official languages and understanding a very important process, namely the procedure regarding amendments made to any government bill.

I thank you, Mr. Speaker, for giving me this time. I truly appreciate it and I am waiting for your comments.

**Hon. Don Boudria (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the member is trying to use a linguistic argument to win a political point. First, I must say that he is completely distorting the motion already passed by this House, as all parliamentarians are aware, and, second, a few days later, he is using this point in an attempt to legitimize something completely different.

Neither the government House leader nor anyone else here has invented the fact that section 1 of our constitution says that we are guided by the parliamentary practices of the United Kingdom. I was certainly not around when that was written.

• (1515)

It is the same in the Quebec National Assembly and everywhere else in Canada.

The member opposite is perfectly aware of this. If he did not know any better, it would perhaps be half excusable. But that is not the case. The member is perfectly aware of this.

And his leader today, who dares to grumble right now, was one of our country's premiers. It is a disgrace.

The articles of our present rules, the Parliament of Canada Act, all refer to the fact that we are guided by the principle of the United Kingdom parliament.

Have we rejected our style of parliament? Are we going to reject the fact that we live in a system known as responsible government? What kind of nonsense is that?

They are doing this to make a cheap political point, to try to monopolize a rule that does not even exist.

What upsets me the most is that the hon. member is using the language of my ancestors, of my children and of my grandchildren to do so. This is the shameful part. He should rise and offer his apologies to this hon. House for daring to perpetrate such an act today. The member opposite knows full well he is in the wrong. He knows what he has just said is not right. But it has been done.

I know that the Speaker of the House knows these rules much better than I do. And I know as well that he will recognize that we are guided everywhere, unless indicated elsewhere in the Standing Orders, by the practices of the United Kingdom.

The member opposite claimed that I drew on Erskine May. Even if that were true, and it is not, Erskine May's is one of our procedural manuals on the table before me in this hon. House, quoted by one and all, including the person today in the Chair. The member opposite knows better than what he is saying, and I know that he will fail to influence the Chair, which will act with its usual wisdom.

**Mr. Stéphane Bergeron (Verchères—Les-Patriotes, BQ):** Mr. Speaker, I am surprised to hear such rhetoric from the government House leader. I guess it is somewhat embarrassing to get caught with one's pants down. And the government House leader is obviously embarrassed.

He feels compelled to invoke the Canadian constitution, which tells us of course that this parliament is a British type of parliament

and that, consequently, its rules and procedures are patterned on those of the United Kingdom parliament. He feels compelled to do that to refute the argument of the hon. member for Richmond—Arthabaska.

Mr. Speaker, allow me to say that, in my opinion, the point raised by the member for Richmond—Arthabaska is of the utmost importance.

If the government House leader thought that the section of the Canadian constitution was enough for us to understand his motion, why did he feel necessary to include in Government Business No. 2 an explicit reference to the fact that the Speaker shall be guided by the practice followed in the House of Commons of the United Kingdom? This is a fundamental issue.

This is indeed a British type of parliament. But all of us in this House know that, while this parliament may be a British type of parliament, it has its own distinctive features and rules.

• (1520)

Consequently we cannot decide from the outset that whatever applies in the United Kingdom automatically applies here in Canada, since we have our own rules and precedents. Only in the absence of rules and precedents do we look at how things are done in London, only then do we look at the rules and precedents in London. Otherwise, we follow our own rules.

Here, in the Parliament of Canada, we have our own rules and I fail to see why we should get excited the way the government House leader has about the fact that we simply want to point out that among these rules there is one requiring that this parliament operate in both official languages, French and English.

Of course, the motion refers to the United Kingdom. Suppose that this motion had referred to practices in effect in France's national assembly. What would have been the reaction of our anglophone colleagues? They would have said "My God, what are the practices of the French national assembly, and how can I become familiar with them, because they are available in French only?"

The point being made by the member for Richmond—Arthabaska is of the utmost importance. For that reason alone, Mr. Speaker, you must give it consideration.

I would add another reason, which I mentioned in my speech on the motion of the government House leader. Naturally, he reminded us that his motion had been duly passed in the House. I need hardly point out that this motion, which amends a practice of this parliament, was imposed by the government majority, that the opposition parties did not support this practice that the government House leader wants to introduce, that he did not even have the courage to amend the standing orders, and that he is indirectly trying to force you, Mr. Speaker, to take a stand in a political debate.

### *Points of Order*

Mr. Speaker, with respect to the intervention by my colleague from Richmond—Arthabaska and with respect to the motion itself, as passed by the government majority, I refer you to pages 260 and 261 of Montpetit and Marleau, and I quote:

The duties of the Speaker of the House of Commons require balancing the rights and interests of the majority and minority in the House to ensure that the public business is efficiently transacted and that the interests of all parts of the House are advocated and protected against the use of arbitrary authority.

It is in this spirit that the Speaker, as the chief servant of the House, applies the rules. The Speaker is the servant, not of any part of the House or any majority in the House, but of the entire institution and the best interests of the House as distilled over many generations in its practices.

[English]

**Mr. Derek Lee (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, just to assist the Chair, although I am not sure the Chair will always need much assistance, the member opposite has suggested that a very important point has been raised and I suggest to you that it is not a very important point.

The House relies on constitutional law that goes as far back as 1215. I do not think the Magna Carta was written in any other language but English.

**Mr. Stéphane Bergeron:** What does that mean?

**Mr. Derek Lee:** The House relies on constitutional law written in the years 1688 and 1689. That was the bill of rights that happened to have been written in the English language in the United Kingdom as it then was. In the Parliament of Canada Act, as it exists right now, right in the statute that provides a statutory basis for much—

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

**Mr. Derek Lee:** They do not want to listen, Mr. Speaker. I am proposing that I make these remarks for your benefit, obviously not for theirs. They do not want to listen.

Section 4 of the Parliament of Canada Act states very clearly the following:

4. The Senate and the House of Commons, respectively, and the members thereof hold, enjoy and exercise

(a) such and the like privileges, immunities and powers as, at the time of the passing of the Constitution Act, 1867, were held, enjoyed and exercised by the Commons House of Parliament of the United Kingdom and by the members thereof, in so far as is consistent with that Act—

• (1525)

Our laws already make reference to the laws as they exist or may have evolved in the parliamentary envelope, all the way from the beginning of Confederation. We still do it, we continue to do it and there is nothing improper. I do not happen to think it is a very important point, although the fact that the House should always be

*Points of Order*

operating in two languages is, and the House does, and there have been two languages used on this point of order.

I think the reference to the Parliament of Canada Act will help you, Mr. Speaker, to deal with this point of order.

**Right Hon. Joe Clark (Calgary Centre, PC):** Mr. Speaker, I will be very brief on this point and I will speak in my first language.

I want to speak of the law of Canada and particularly the Official Languages Act of Canada. Many members of the House will remember not many months ago when we stood in tribute to the memory of the late Right Hon. Pierre Trudeau. He was a man with whom I disagreed on many matters. He brought in a law that wrote into the law of the land the bilingual nature of this country and particularly of this institution.

There are many of us here in the House who fought to support that law and fought to support that principle. That is the principle that is at risk here today. If we, citing laws from a century ago, a time when Canada was a colony of Britain and not an independent country, start a precedent here of saying that the unilingualism that was part of Canada's past should prevail over the bilingualism that is part of Canada's law and present, then we are on a dangerous and slippery slope.

I, frankly am shocked to hear these arguments coming from members of the party that was created and given such momentum by the late Mr. Trudeau, by members of the party of the late Mr. Pearson who fought so hard to assure a respect for the official languages of the country.

The Official Languages Act is clear. It says:

The purpose of this Act is to—ensure equality of status and equal rights and privileges as to their use in all federal institutions, in particular with respect to their use in parliamentary proceedings, in legislative and other instruments, in the administration of justice, in communicating with or providing services to the public and in carrying out the work of federal institutions—

This is the central and most important federal institution of the land. If we are not, on a particular item, going to respect the full import of the Official Languages Act in the proceedings of this parliament, then it is in danger everywhere.

This is raised by my colleague as a point of order. It could almost be a point of privilege because it goes to the roots of the purpose of the House and it goes to the roots of the bilingual nature of the country.

We have all engaged in debate in the House and sometimes said intemperate things. All of us do. I would hope that the government House leader and his colleagues will consider what he has just said. I would hope that they would consider the tone in which he spoke, perhaps not deliberately; that is not the issue. No one is accusing anyone of anything deliberate, although I have to say that if this is

proceeded with, if there is an attempt to steamroll over this legitimate concern that has been raised by francophone and other members of the House, then it becomes a deliberate slight of the principles of the law concerning the Official Languages Act of Canada.

[*Translation*]

I call on my colleagues in the Liberal Party, a party I worked with in having the Official Languages Act adopted across Canada, to reconsider and to insist on the application in fact here of the fundamental principle of this act as concerns the rights of the francophone members of this House.

[*English*]

**Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP):** Mr. Speaker, I also want to associate our party with the remarks of the right hon. gentleman from Calgary Centre. As a westerner I see how important it is that we have the absolute equality of the two languages in the House.

I remember the great debate over the Official Languages Act in 1969 when I was a member of parliament, and I remember the commitment made by all three parties in the House at that time that the two languages would be absolutely equal here in the House of Commons. I think that is a fundamental principle and it is a principle we must continue. What happened the other day in the House of Commons runs the risk of deviating from that principle. I hope that the minister will come back and amend what he said in the House a short time ago.

● (1530)

It is extremely important that we have the absolute equality of the two languages in the institution of parliament, indeed in all other institutions in the country. We have the Official Languages Act and the principles of that act are extremely important. People tend to forget the long battle toward achieving that act in 1969.

There was a time not long before that when there was no instantaneous translation, for example, in the Cabinet of Canada. It was not long before that when there was no translation in the House of Commons. That was quite the achievement by the parliament of the day.

Later on we had the patriation of the constitution, once again enshrining the equality of the two languages in the constitution of the country.

It is very important that we make sure to continue those principles in the House in every way possible. I support the point of order raised by my friend of the Conservative Party from the province of Quebec.

**The Speaker:** The Chair wants to thank all hon. members for their interventions on this point.



*Speaker's Ruling*

[Translation]

I will consider the opinions expressed by the hon. members and I will return to the House with a ruling later.

\* \* \*

[English]

**PRIVILEGE**

## BILL C-2—TIME ALLOCATION—SPEAKER'S RULING

**The Deputy Speaker:** I am now ready to rule on the question of privilege raised by the opposition House leader, the hon. member for Fraser Valley, on February 13, 2001.

Subsequent to the adoption of a time allocation motion in relation to Bill C-2, an act to amend the Employment Insurance Act and employment insurance regulations, the hon. member rose on a question of privilege to express his concern and dismay about the frequency with which the government had resorted to time allocation to cut off debate prematurely on legislation during the 35th and 36th parliaments, a trend he believes is to continue in the present parliament. The hon. member claimed that the government's use of time allocation was a misuse of its authority and that the time had come "to declare the measures imposed by the government today as excessive and unorthodox".

The hon. member argued that the Speaker has the authority to refuse to put a time allocation motion if, in his judgment, the government is abusing its powers and the rules of the House by not allowing sufficient amount of time for debate. He concluded his argument by suggesting that the Speaker consider the amount of authority and discretion available to the Chair to decide not to propose to the House a motion of time allocation if there has not been a sufficient period of time for debate.

[Translation]

I wish to thank the hon. government House leader, the House leader of the Bloc Québécois, the hon. member for Roberval, the House leader of the New Democratic Party, the hon. member for Winnipeg—Transcona, the House leader of the Progressive Conservative Party, the hon. member for Pictou—Antigonish—Guysborough, and the hon. member for St. Albert for their interventions.

The request that is being made of the Chair in this instance is one which places me in a position of some delicacy. It is, of course, true that the Chair uses its discretion on every occasion on which it intervenes. That is not to say, however, that rulings are made simply on the Speaker's personal authority. Nothing could be further from the truth.

*House of Commons Procedure and Practice* states, at page 570, and I quote:

—the Speaker has ruled that the Chair possesses no discretionary authority to refuse to put a motion of time allocation if all the procedural exigencies have been observed.

● (1535)

[English]

In a ruling on a similar case, Speaker Fraser said, at *Debates*, March 31, 1993, page 17860:

—it is not always understood that the Chair is constrained in what the Chair can do by the rules which this House has passed. It is not surprising that sometimes some hon. Members, or even members of the public, feel that the rules we have set for ourselves may in some cases be unreasonable or even worse. However, it is extremely important I think that the Chair be bound by those rules until the House decides to change them.

In the case which gave rise to the point which I am addressing, there has been no suggestion that the government in any way deviated from the procedure laid out in the standing orders. I do not feel, under those circumstances, that there are any grounds whatsoever which would lead the Chair to intervene. The Chair wishes to be very clear on this point. The rules and practices established by this House with respect to time allocation leave the Speaker with no alternative in this matter. Speaker Fraser said in the case to which I have already referred, at *Debates* March 31, 1993, page 17861:

I have to advise the House that the rule is clear. It is within the government's discretion to use it. I cannot find any lawful way that I can exercise a discretion which would unilaterally break a very specific rule.

In making this ruling, Speaker Fraser was faced with arguments very close to those before us in the present case.

The question of the extent of the Speaker's authority has been raised and reference has been made to the practice in the United Kingdom. The government House leader indicated in his comments on this question that in other jurisdictions greater use is made of the scheduling of work both in the House and in committee. It may be that the House is no longer satisfied with the manner in which the time allocation rule works. If that is so, it is for the House to consider and, ultimately, to determine what procedure will best suit its current circumstances. Planning done on the basis of consensus could be a significant benefit, not only for the business of the House but also in promoting an atmosphere of decorum and respect in which that business is conducted.

Our system has always been one which functions on the basis of rules established by the House itself. However, under our current standing orders, it would be highly inappropriate for the Chair to take unilateral action on issues already provided for in the standing orders. Where the standing orders gives the Speaker some discretion, then it is the Speaker's responsibility to be guided accordingly; where no such guidance is provided, no such action can be

*Supply*

taken. It is certainly not up to the Chair to establish a timetable for the business of the House.

[*Translation*]

It is by its rules and not by the authority of the Speaker that the House protects itself from excesses, both on the government side and on that of the opposition. The Speaker's role is to judge each case as it arises, fairly and objectively, and in so doing, to ensure that those rules are applied as the House intended.

[*English*]

Speaker Lamoureux, when faced with a similar situation stated in *Journals* July 24, 1969, page 1398:

The Speaker is the servant of the House. Honourable Members may want me to be the master of the House today but tomorrow, when, perhaps in other circumstances I might claim this privilege, they might have a different opinion—I am not prepared at this time to take this responsibility on my shoulders. I think it is my duty to rule on such matters in accordance with the rules, regulations and standing orders which honourable Members themselves have turned over to the Speaker to administer.

I would also like to remind the House that the standing order with respect to time allocation has been invoked only once in this, the 37th Parliament. I have indicated clearly that this use of the standing order does not represent a matter of privilege. If further cases arise, the Chair will deal with them individually, on their merits. I remind the House that the Chair will not rule on hypothetical cases or on questions raised only in the abstract.

Once again, I would like to thank hon. Members for their carefully considered arguments on this question. The Chair is conscious of the importance which members on both sides of the House attach to it.

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## GOVERNMENT ORDERS

• (1540)

[*English*]

### SUPPLY

#### ALLOTTED DAY—MARITIME HELICOPTER PROCUREMENT

The House resumed consideration of the motion and of the amendment.

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Mr. Speaker, I would like to ask my colleague about the process that has occurred with the Liberal government in terms of it cancelling the promise that it made in 1993 to deliver helicopters. We are still paying for that promise now. We do not have the

equipment in place right now. The Prime Minister cancelled that unilaterally in 1993. Could he comment on that?

**Mr. Peter Goldring:** Mr. Speaker, I believe that overall this indicates a dramatic failure of the Liberal government in the very basics of governing, which is procuring and supplying our armed forces with equipment. In fact, this has really been a 25 year procurement boondoggle that is never ending. It is going on and on and on.

Earlier in my speech, I related my experience coming from the militaries of the 1960s. Coincidentally this has existed since the 1960s. In 1962, I took electronics training in Clinton, Ontario, in the Royal Canadian Air Force. At that time the transistor was considered to be an unreliable; a new invention.

In that period of time, we have progressed from transistors to chips with tens of thousands of transistors on them to fibre optics. The progression has been going on and on. However where are our helicopters? They are still in the 1960s, while a Liberal government waffles and waffles and procurement goes on endlessly.

**Mr. David Pratt (Nepean—Carleton, Lib.):** Mr. Speaker, I will be sharing my time with the hon. member for Mississauga South.

This my first speech in the 37th parliament. It is certainly a great pleasure to be back. I would like to take this opportunity, Mr. Speaker, to congratulate you on your appointment as Deputy Speaker. I hope you will relay to the Speaker my very best wishes and best regards on his election as Speaker.

I am very pleased and deeply honoured that the people of Nepean—Carleton have put their trust in me to be their voice in this important, historic and, as we have seen, often colourful institution.

Politics can be a very busy lifestyle and spouses often bear the brunt of that lifestyle. I would like to take this opportunity to thank my wife, Joan, for all her support over three municipal elections and two federal elections, all successful I might add.

I would also be remiss if I did not say a few words of thanks to my staff. They are Joan Tierney, Pat Murphy, Carrie Schroder, Liz Schlesak and Michael May.

It is a pleasure to speak on the motion that was moved by my hon. colleague from the Progressive Conservative Party.

The government has demonstrated many times its commitment to provide the Canadian forces the equipment it needs to do its job: new search and rescue helicopters; new armoured personnel carriers; new submarines; upgrades to our CF-18 fighter aircraft; and Aurora maritime patrol aircraft. That is an impressive list by any measure. It does not stop there. Acquiring new maritime helicopters to replace the venerable Sea Kings is also a key part of the capital procurement program laid out in the defence white paper.

Again the government has delivered on its promise by announcing last August that it had given the Department of National Defence approval to proceed with acquiring a suitable replacement for the Sea King. Our maritime forces must be capable of dealing with a wide variety of potential threats. They must be capable of controlling events above, on and below the surface of the sea.

• (1545)

Shipborne helicopters are a key component of that capability. Such aircraft are indispensable to any navy and significantly increase the surveillance, defence and attack capabilities of our frigates and destroyers.

However, maritime helicopters play a wide range of roles, including search and rescue. This is an important capability for a country that has the longest coastline and the second largest land mass in the world, not to mention extreme weather conditions. Operating from our ships, they provide us with a unique capability for offshore operations. Many sailors in distress in the frigid waters of the north Atlantic owe their lives to these helicopters and the Canadian forces crews who fly them.

Over the last few years our maritime helicopters have participated in disaster relief missions during the Manitoba floods of 1997, after the crash of Swissair flight 111 in September 1998 and in humanitarian relief operations in Somalia and elsewhere around the world.

These aircraft routinely conduct fisheries patrols and have assisted the RCMP in drug interdiction operations. They have supported operations preventing the landing of illegal immigrants by sea. They have also participated in peace support operations, notably in the Adriatic Sea between 1993 and 1996, in Haiti in 1993 and 1994, in the Persian Gulf since 1991 and in East Timor in 1999. They constitute an important part of our contribution to the defence of North America as part of our naval task groups.

Maritime helicopters are also part of our contribution to NATO's Standing Naval Force Atlantic.

For more than 35 years the Sea King helicopters have performed those duties admirably. There is no doubt that a new helicopter is needed in order to enable the Canadian forces to continue making a vital contribution both here in Canada and around the world.

The government has recognized that need and is moving forward with the acquisition of a replacement, but not at any price. Taxpayer money will be used wisely and the government will not spend any more than it needs to.

The government is committed to providing the Canadian forces with a maritime helicopter that will meet its present and future needs at the best possible price and over the full life cycle of the aircraft. However, let me be clear. We will not compromise the capability requirements for this replacement aircraft. These re-

### *Supply*

quirements are clearly laid out and described in the statement of operational requirements that was released last August by the Minister of National Defence.

The document was put together by the Department of National Defence. DND conducted an extensive review of its needs using contemporary scenarios, and identified operational requirements backed by rigorous statistical analysis. The statement of operational requirements is consistent with current defence policy and also reflects the changes brought about by the end of the cold war.

We do not need the kind of helicopter we needed 15 years ago or even in 1993 when we cancelled the EH-101 project. The cold war is over. We are shifting away from open ocean anti-submarine warfare to more regional, coastal or littoral operations.

We now need an aircraft that is available in sufficient numbers and has the appropriate payload, endurance and mission systems to do the job required by tomorrow's security environment. We need a helicopter that has balanced, multipurpose capabilities and will meet the needs of the Canadian forces.

With this strong and coherent statement of operational requirements, the government will be able to pursue a procurement strategy adapted to the times. Canadian taxpayers will also benefit from the strategy.

Even when counting the \$478 million in cancellation fees, the cost of the new SAR helicopters and the investments made to ensure the continued airworthiness of the Labrador and Sea King helicopters, we expect to save Canadians \$1.5 billion when compared with the cancelled EH-101.

We will save money because we will acquire off the shelf technologies, not developmental ones. We will save money because we will have a more competitive marketplace and the operational requirements now reflect the changes in the strategic environment. We will also save money because we will take into account both the purchase price for the helicopter and the cost of maintaining it through its life cycle.

Until we get delivery of the new maritime helicopters the Canadian forces will continue to rely on the Sea Kings to perform its missions.

• (1550)

Some members of the House have raised concerns over the safety of the aircraft. It is true they are not getting any younger. We all know that, but let me be clear. The government will not ask the men and women of the Canadian forces to fly unsafe aircraft. The minister has repeated that on a number of occasions.

Significant investments have been made to make sure the Sea Kings continue to operate safely and perform their various tasks until the replacement helicopters are brought into service. For example, we are spending some \$50 million on engine and gearbox

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upgrades. To improve the operational capabilities of the helicopters, the air force is proceeding with upgrades such as cargo carrying floorboards, electronic self-defence equipment and an improved rescue hoist.

In conclusion, I again underline the government's commitment to the Canadian forces. We saw that in today's announcement of the supplementary estimates. Providing them with the equipment they need at the best possible price is at the core of the acquisition process. It will benefit both Canada and the men and women of the Canadian forces. It is worthy of the support of every member of the House.

**Mr. Gerald Keddy (South Shore, PC):** Mr. Speaker, I listened to the hon. member's speech. There is not really a polite way to comment on it, so I will be very careful how I do so.

Once in the mid-eighties I was up north flying in a twin otter. It had been a scout plane in Vietnam and was full of bullet holes that had been patched up. I suggest that airplane would be more dependable than half the airplanes and all the choppers that the Canadian army, the Canadian navy, and our search and rescue people fly now. It is absolutely scandalous that the hon. member and the government would try to defend the position they have taken on military helicopter procurement and search and rescue vehicles.

I have said before in the House and will say it again that obviously there is no one on that side of the House who has ever waited for a helicopter in a dangerous life and death situation or who is related to anyone who has waited for a helicopter in a life and death situation. If they had and if they had even one bit of credibility or conscience, we would have a much better fleet of helicopters to pick up people offshore, to take people off oil rigs when necessary, and to pick up fishermen when they are standing on the roof of a sinking boat and there is not another boat in sight. We would not be debating the issue. We would not be talking about what helicopters will be procured. We would already have them.

I want to correct the mathematics. These are not the opposition's numbers. These are the government's numbers: EH-101 cancellation fees, \$500 million; Sea King maintenance and upgrade to the year 2008, \$600 million; Canada search and rescue program, procurement of 15 helicopters, \$790 million; maritime helicopter project, 28 helicopters, \$2.9 billion; MHP long term service support for 25 years, \$1.7 billion.

The total cost of the Liberal's programs, without inflation, is \$8.2 billion. The total cost of procurement of the EH-101s, if they had been bought to begin with, was \$5.8 billion. Those are the government's numbers. I would like to hear the member's comments.

**Mr. David Pratt:** Mr. Speaker, the hon. member is long on rhetoric and very short on facts. I have not seen the hon. member

anywhere close to the defence committee over the last number of years. I do not know where he has been, but he has obviously not had the opportunity to take in some of the discussions at the committee.

Nevertheless, he attempts in the course of his comments to malign all the equipment the Canadian forces uses. I can tell the hon. member that I have been up in Canadian forces helicopters. I have flown in helicopters over Kosovo. The Griffon helicopter was one of the finest helicopters operating in Kosovo until it was moved out the region and we consolidated our forces in Bosnia. The British and the Americans were relying on Canadian helicopters for surveillance because their own helicopters were giving them trouble. I have flown in Canadian helicopters in Canada as well.

• (1555)

We all know the Sea King is an old helicopter that needs replacing, and that is precisely what the government has done. However had we adopted the program the Conservative Party wanted us to get involved in, the EH-101, we would have had a cold war helicopter for a post cold war environment. It would not have met the operational requirements the Canadian forces have today.

Canada specialized in anti-submarine warfare during the cold war. It did that job extremely well. Canada was noted as one of the best, if not the best, in the world in terms of anti-submarine warfare, but that is not where the game is now. We have to adjust the process, the procedures and the strategy to meet the strategic environment we are faced with now. That is precisely what the government has done with this acquisition.

I do not have time to deal with the hon. member's numbers, but the numbers were certainly very bad. That is why the government cancelled the program.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Mr. Speaker, as the Parliamentary Secretary to the Minister of Public Works and Government Services, I have been following the maritime helicopter project very closely for some time.

The minister and I have had several discussions about the department's central role in replacing Canada's Sea Kings, which have served the Canadian forces extremely well but are now nearing the end of their service lives. I welcome the opportunity to debate the merits of the government's decision to purchase 28 new maritime helicopters and, more specifically, its strategy for doing so.

As hon. members may know, this is the single largest federal procurement initiated by the Liberal government since it was elected in 1993. It is an important component of a larger long term strategy to equip the Canadian forces with modern, state of the art equipment for the 21st century.



*Supply*

Given the large monetary value and sensitive nature of the procurement, I can assure hon. members that the project has been thoroughly scrutinized by the Department of National Defence and Public Works and Government Services Canada. This is the right decision and the right approach for both the military and for Canadian taxpayers.

I commend the Minister of Public Works and Government Services for his commitment to ensuring that the process is not only fair, open, transparent and competitive, but that it is also innovative and progressive.

I also commend the Minister of Defence and his officials for developing a statement of operational requirements for the maritime helicopter that will meet the modern needs of our Canadian forces. The world has changed over the past decade and so have our defence requirements.

Both our ministers are determined to get the project right. Their efforts deserve the support of hon. members on all sides of the House. The procurement strategy developed by the Minister of Public Works and Government Services, combined with a more realistic understanding of Canada's needs, will save the Canadian taxpayers \$1.5 billion compared to the previous government's helicopter project.

As the Minister of Public Works and Government Services has already pointed out, that money can and will be invested in other government priorities that were endorsed by Canadians in last fall's election.

One of the key factors that will ensure the success of the project is the government's commitment to initiate real, meaningful dialogue with the aerospace industry. From the moment the maritime helicopter project letter of interest was released last August, the doors for communication have been opened and a two way dialogue between the industry and government officials has been positive and constructive.

It goes without saying that there is a high level of interest in the project both in Canada and abroad. Why would there not be? Contracts will be awarded for equipment worth more than \$2 billion over the next few years. On top of that, the winning bidders will be contracted to provide long term in service support of equipment they sell to the Crown.

Even in the defence industry, projects like this do not come along every day. The maritime helicopter project is expected to generate spirited and intense competition among some of the biggest defence contractors in the world.

The dialogue initiated with the industry last August has already generated feedback that will help defence and procurement officials fine tune the requirements and specifications according to the procurement strategy.

• (1600)

It has also allowed us to identify the firms that have both an interest and a capacity to be prime contractor for one or both of the helicopter and integrated mission system contracts. Potential contractors have been fully informed about the different elements of the procurement strategy and the obligations they will need to fulfil as we move forward.

Industry is also aware that two requests for proposal will be issued and two contracts will be awarded, one for the helicopters and one for the integrated mission system.

As the minister already noted, the issuance of the two competitive RFPs will allow us to procure both a helicopter and an integrated mission system that meet our needs at the lowest price. It will also result in opportunities for broader industry participation in the overall project.

As I stated a moment ago, one of our guiding principles for this procurement is the case for all government contracting, that is, to be open and fair with all bidders.

The cost of developing bids of this nature can run into millions of dollars, so we must take reasonable steps to avoid receiving bids that will be disqualified because of technical non-compliance. That is why the strategy for this project includes a prequalification process that has never been used before in Canada on a project of this size.

Basically what we are saying is that the potential bidders will have to demonstrate to procurement and defence officials that their proposed equipment complies with the government's operational requirements before they submit a formal bid. This will not eliminate but will certainly minimize the risk of non-compliance.

Two separate prequalification processes will also be conducted, one for the technical compliance of the basic helicopter and the other for selective components of the maritime helicopter integrated mission system. Potential bidders who have not prequalified at least 30 days in advance of the bid close will be declared non-compliant and their formal bids will not be considered.

I have to emphasize that prequalification will largely be based on the hardware side of each contract only. The bid could still be declared non-compliant if the company fails to meet the other requirements in the request for proposal. So even with the prequalification process, bidders will still have to meet tough criteria in other elements of the RFP.

Another unique element of this procurement strategy is that it will ensure a long term value to the crown in its decision to include inservice support as a component of each contract. Like any piece of mechanical or electronic equipment, both the aircraft and the

*Supply*

mission systems will require comprehensive ongoing maintenance and support once they are in operation. In service support covers a broad range of activities that will ensure safe use of helicopters over their operating life, including basic aircraft and systems maintenance, spare parts acquisition, inventory management, software support and simulation and training.

The maritime helicopters will require in service support for a period of some 20 years or longer. Procurement and defence officials believe that including an in service support component in each competitive RFP will provide further assurance that they will obtain a high quality product. There is significant merit in the approach. After all, no supplier is likely to deliver substandard equipment if the same contractor has to assume the responsibility for its long term service. Potential contractors will be looking at a 20 year commitment to their equipment, so there is little chance that anyone will try to cut corners that may save them money today but dramatically increase costs down the road.

The dialogue with the industry that I mentioned earlier did not begin and end with the release of the letter of interest. It is in fact an ongoing process carrying through the prequalification stage of the procurement and continuing on to the bid close date. There will be a good deal of direct contact with potential bidders, but the primary vehicle for this dialogue and sharing of information will be the maritime helicopter project website, which was established a number of months ago by the project management office. For hon. members' information, the site can be accessed through the public works website.

I am pleased that our government has made a commitment to become the world's the most electronically connected to its citizens and is using its communications medium to keep potential bidders and other interested parties informed about this project.

Over the coming weeks and months we will be using the website to progressively release draft elements of both RFPs, beginning with documents related to entry level helicopter. This will give bidders a chance to review and comment on various aspects of the project early on when there is still time to make changes that may be beneficial to the crown as well as to the bidders.

• (1605 )

I want to assure all hon. members that strict criteria will be used to evaluate each proposal that is ultimately received by the government. The bidder who submits the lowest price that is technically compliant and has acceptable terms and conditions, industrial and regional benefits and risk assessment will be awarded the helicopter contract. Shortly thereafter, we will release the RFP for the second element, the integrated mission system.

In closing, let me say that I have every confidence that the procurement strategy now being implemented will give the men

and women of the Canadian forces the maritime helicopter they need for today's operational environment, and I am certain that all members will agree that the government's approach is supportive of our military, fair to industry and responsible to taxpayers.

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Mr. Speaker, I have a question for the hon. member. The speaker before him indicated that the Sea King had a role as an anti-submarine warfare device. I happen to think that hunting for subs is an important activity, especially considering that we barely have any other presence in the Arctic.

I know that the Minister of National Defence does not seem to agree with that position. The minister, by the way, has referred to the use of the Sea King as an anti-submarine warfare device as something that is a relic of the cold war.

The question I am posing is this: who has it right? Is it the minister, who says that the Sea King and its replacement are not to be used as an anti-sub device, that this is merely a relic of the cold war and does not have any more relevance, or is it the previous speaker who indicates that indeed this is an important purpose and that Canada should be conducting anti-submarine activities? Is it the minister who is right or is it the previous speaker who is right? Which Liberal has it right?

**Mr. Paul Szabo:** Mr. Speaker, the motion before the House has to do with a procurement strategy for the new helicopters. There are two contracts, one for the basic helicopter and the second for the integrated mission system.

The Department of Public Works and Government Services provides procurement services for all departments of the government. The Department of National Defence has provided public works and government services with the specifications for this particular project. Public works and government services is now outlining its procurement strategy, as it did last August. We are now in the process of having a dialogue with the aerospace industry.

The procurement strategy and the process that we are going through is, in our view, the best way to ensure a good, successful project of acquiring these helicopters, which is in the best interests of the military, the government, DND and the taxpayers. Those are the issues before the House and that is exactly what we are doing.

**Mr. Gerald Keddy (South Shore, PC):** Mr. Speaker, I would like to ask the parliamentary secretary to the minister of public works to perhaps enlighten us a bit more on the procurement strategy. All along we have been told by the government that the procurement strategy would be based on the cheapest cost, whereas the treasury board guidelines for procurement under article 9.1.1 are as follows:

*Supply*

As stated in the policy, the objective of government procurement contracting is to acquire goods and services and to carry out construction in a manner that enhances access, competition and fairness and results in the best value or, if appropriate, the optimal balance of overall benefits to the Crown and the Canadian people. Inherent in procuring best value is the consideration of all relevant costs over the useful life of the acquisition, not solely the initial or basic contractual cost.

As I already said to the previous Liberal member who spoke, there is a difference of \$3.2 billion from the Liberals' own 1994 numbers. Their numbers state it will cost \$3.2 billion to procure new helicopters, whereas if they had kept the original EH-101 plan it would have cost \$5.3 billion or \$5.1 billion.

I would like to hear the member's comments on procurement, on the fact that the government changed the rules for this contract, on the fact that it is not listening to the military advice its own defence department is giving, and on the fact that it has stepped out so that the Prime Minister could take his pen and write "no helicopters" across the paper. It has adapted, bent itself backwards and swallowed itself whole in order to do that.

• (1610)

**Mr. Paul Szabo:** Mr. Speaker, the member's first question was in regard to the process. The process of course, from the requirements of the Department of National Defence, was a decision of the government. Treasury board is part of that government, so it is in compliance with treasury board guidelines.

Let me just briefly lay this out. In August a letter of interest went out to the aerospace industry to promote a dialogue. It outlined the intended procurement strategy for all parties. The rationale for our procurement strategy is quite simple. We believe that a separate competitive process will ensure that the crown obtains both the required helicopter and the integrated mission system as well as the long term in service support needed, at the lowest possible price. It will also allow for greater industry participation in the competition.

The member's preamble simply talked about lowest cost. That is not true. The procurement strategy is much broader than cost. It has to be compliant with the broad specifications as outlined in the letter of interest and as fully detailed on the government website.

**Mr. Grant McNally (Dewdney—Alouette, Canadian Alliance):** Mr. Speaker, I will be sharing my time with my colleague from Calgary West.

This debate has been a very interesting one. It is a very worthwhile topic that has been brought forward by the Conservative Party today. It has just been unbelievable to listen to the arguments put forward by the Liberal government in defence of an indefensible position. That is what it has tried to do today. Liberal members have spent their time defending their action or lack

thereof on the maritime helicopter replacement program in such a way that their arguments do not stand up.

The argument just submitted by our colleague, the Liberal member from Nepean was unbelievable. He made the unbelievable statement that had the government gone ahead with the plan developed by the Conservatives in the 1990s, which the Prime Minister tore up in 1993, we would have had a helicopter with cold war capabilities and that would have been a bad thing.

First of all that is wrong. Second, if we follow his logic, it was a better thing for the government to have spent \$10 billion over the same period of time and not get the helicopters that are needed in a shorter period of time, rather than spend the approximately \$5 billion that would have seen the helicopters delivered under the procurement plan of the Conservative Party back in the 1990s. They would have been delivered in 1993. That is completely illogical. It does not make sense when we look at the pieces of this indefensible position being offered by the Liberals today in the House.

The second assertion being made by most Liberal members is that they are in some way saving the taxpayers \$1.5 billion by waiting for who knows how many years before we actually get the replacements for the Sea Kings, which are older than I am. They are saying unbelievable things.

The Liberals should be embarrassed and disappointed by this, because in fact what they are saying is that they are going to be procuring 28 helicopters rather than the original 35 under the plan offered by the Conservatives in the early nineties. There will be seven less helicopters delivered so one would think that there should be some cost savings. It is a little bit like the following argument: the government says that instead of buying 35 cars it will buy 28, but it will be saving \$1.5 billion or whatever the cost of those cars would be. If we look at the logic of that argument, here is where it leads.

• (1615)

The Liberals are saying that they can spend more now over the same period of time, get less and we are going to be saving money by doing that. That just does not make sense. Canadians know that. Our military personnel know that. They know that politics has been played in this situation for many years.

We know about the procurement plan that has been in the works to replace the aging Sea Kings for decades now. It is now the year 2001. We would have had military capability and the equipment in place in the mid-1990s had the Prime Minister not simply played politics and torn up the contract that would have seen the EH-101s delivered into service when they were needed.

*Supply*

Instead, what has happened is we have what I am going to call a boondoggle. It is a word that applies here, as it has in many other areas of spending by the government. We had this boondoggle occur. Lives have been lost because of old equipment that has put our military personnel at risk. Sea Kings take approximately 40 hours of service for every hour in the air.

It was mentioned by colleagues in the House today that the situation has become rather embarrassing. We commend our personnel for maintaining the equipment and putting their lives on the line when they use this equipment that should have been replaced long ago.

For a government to stand in this place and defend the position in this situation is simply indefensible. I think Canadians are forgiving when people say they made a mistake, that they were wrong and that they will make good on it. That is exactly what the Liberals should be doing in this House today. If they did they would be able to come clean with Canadians on the failed delivery of equipment, on the time it has taken to replace the equipment and on their defence of it. Instead of coming clean, they have offered lame excuses which do not sit well with those who are in need of the service.

My colleagues from the Conservative Party have mentioned the situations on the Atlantic coast in terms of rescues. My colleague from South Shore talked about the government obviously not having been in the situation of needing the service or knowing anybody who needed the service. That was a very good point. The lack of care and the lack of commitment to put this in place now because there is a need for it is simply indefensible.

It is a shame that the motion is not votable today. I think we would find opposition parties united on it. The motion is a common sense one that has attempted to correct a serious error made by the Prime Minister back in 1993. What is very upsetting and disappointing to members of the House from all parties on this side, and I am sure members on the government side as well, is the lack of action as well as the lack of acknowledgement that politics was played with this file and that those politics have resulted in lost lives, our personnel being put at risk and many other problems.

I want to touch on one other comment made in the House today with regard to earthquake preparedness, which falls under the realm of the Department of National Defence. During question period and in some of the debate today we were asked about the earthquake in the Vancouver area yesterday. There appeared to be a lack of concern on the government's part about that issue. It moved the base at CFB Chilliwack with the emergency preparedness capabilities from the Vancouver region to Edmonton, which is 750 miles away.

We raised questions about this particular issue today with the Minister of Justice from Edmonton. We asked the minister what we

would do when those services were no longer available to help people in Vancouver should a large earthquake occur, and it will sometime but we do not know when. The minister's response was that we were fearmongering. What a completely unacceptable and disappointing comment. How are our forces going to bring heavy equipment to Vancouver if there are no runways and if the major transportation corridors are gone? It is an indefensible position.

• (1620)

The government has failed in the delivery of the maritime helicopter program and in so many other ways. Members of the opposition will be united on this debate and many others to keep the government accountable. It is very clear to all Canadians that rather than do the right thing, admit it was wrong and fix the problem immediately, it is going to continue to stonewall and drag on something that needs to be fixed and could have been fixed in 1993. That is truly disappointing.

**Mr. Rodger Cuzner (Bras d'Or—Cape Breton, Lib.):** Mr. Speaker, the member suggested that unanimous consent would be garnered by the entire opposition party. During his speech he did not allude to any of the barriers that pertain to this matter.

The motion states:

That this House call upon the government to eliminate the barriers in the Letter of Interest to the aerospace industry, which impede a fair and open Maritime Helicopter Project, and that maritime procurement be conducted on a "best value to the Canadian taxpayers" basis, in accordance with Treasury Board guidelines.

Could the member expand on what the barriers are as they apply in this situation?

**Mr. Grant McNally:** Mr. Speaker, the immediate barrier is the Liberal Government of Canada. It is obvious that that is the huge barrier. We have solid agreement from all members that the barrier is the Prime Minister. He said no in 1993. We could have had helicopters in service now, here, today. Instead, eight years later there are still no helicopters in sight. That is the barrier.

Another particular barrier is the statement of operational requirements and the whole process that has been put in place. The Liberals have changed the process thereby eliminating particular members of the industry from putting forward proposals to be included in the procurement strategy. That has been done deliberately to save political face because the government does not want to end up ordering the same helicopters or variants of them that it cancelled in 1993. That is the barrier to this going forward.

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, the chair and vice chair of SCONDVA stated today that they are on the record as supporting the cheapest helicopter for naval operations. I am sure our troops in the field feel wonderful about getting the cheapest but not the best.



*Supply*

Does the hon. member feel that it is right for the government to override treasury board's recommendations and policies when it comes to replacing the Sea Kings? With its letter of interest, the government has overridden treasury board sections 9.1.1 and 9.1.2. In no way should the government ever do that. That is there for everyone to abide by.

**Mr. Grant McNally:** Mr. Speaker, I agree with my colleague for Saint John and I congratulate her for bringing this motion forward today.

What the government is doing is not right. It is indefensible. It is a position put forward here today by the Liberal Government of Canada and it is one that is clearly wrong. It must bear the responsibility for cancelling the program in 1993 that would have seen helicopters in place to save lives across Canada.

**An hon. member:** It would have saved \$1.5 billion.

**Mr. Grant McNally:** The member says it would have saved \$1.5 billion but he does not say that it is seven less helicopters. He wants to say one thing but not the other. He does not want the whole story to be told. I do not blame him. The decision is made is such an embarrassment for his government. It should hold full responsibility for what it has done. Canadians are disappointed with the government and the course of action it has taken by cancelling the helicopters and rewriting the letter to exclude some so that it is not embarrassed further in this whole fiasco and boondoggle.

• (1625)

**Mr. Rob Anders (Calgary West, Canadian Alliance):** Mr. Speaker, I will address the folks back home. I want to tell everybody who is watching at home or in the offices around the Hill today what is going on.

The Liberals are swallowing hard on a subject on which they ran a campaign in 1993. They told Canadians they wanted to scrap a Conservative initiative to purchase EH-101 helicopters which were clearly the best helicopters that could have been purchased. The Prime Minister went about beating his chest during the election campaign and said that cancelling this would save money. At the end of the day, what will happen is that the Liberals will spend a lot more money in aggregate and we will get less helicopters in return. That is what is called Liberal fiscal responsibility; pay more for less.

In the meantime, this is not just a tongue in cheek kind of cute argument. People have died as a result of that flawed decision. People lost their lives operating those helicopters that should not have been in the air because of the Prime Minister and his government's decision. This is not just a question of money. This is a question of sacrificing the lives of our forces. The Liberals should be really ashamed of that.

We are looking at about \$600 million in cancellation fees that the Liberals brought upon themselves by cancelling the contract. It is a

lot of money but it gets worse than that. It is also the fact that they paid all that money over the last decade to keep these flying heaps in the air. When we consider that some of them were bought in 1964, that is a long time.

As a matter of fact, it was 12 years before I was born. I will even venture to say that the Prime Minister, who went about beating his chest in 1993 about the ending of this contract, was probably not even elected when these helicopters were bought. It is an absolute shame to consider that our men and women in the forces have been flying things that are absolutely in heaps by everybody else's standard.

I want to quote from some things here. This is absolutely choice. This just goes to show to what lengths the Prime Minister and some of those around him are willing to go in order to try to quash this project so that they do not have to wipe the egg off their faces because they did not order the EH-101. The EH-101 won the contract fair and square. What did the government do to hide that, to obfuscate it, to delay it?

This is from an article from the London *Free Press* written by Greg Weston. The date of this is last February 22. For those folks back home who want to check it, they can look it up on the Internet. He said:

By mid-1997, sources say it had become apparent the bidding was again going to be won by the Cormorant.

By the way, the Cormorant is the parent of the EH-101. It is the same brand of helicopter. It goes on:

Now, buying Cormorant helicopters from the same group that got \$600 million of public money for Chrétien's cancelling of the original contract of Cormorants—

**The Deputy Speaker:** Order, please. I remind colleagues that we cannot do indirectly what we might not be able to do directly. Although the member might be quoting, he will have to slightly adapt his text to refer to, in this case, the Right Hon. Prime Minister or other ministers that might otherwise be named or referred to in this same article.

• (1630)

**Mr. Rob Anders:** Mr. Speaker, the guilty do not like having their names read out loud. What it boils down to is that the Cormorants were the proper choice. It did not cost the Prime Minister. Who are we kidding? He is using taxpayer dollars in Shawinigan. It actually cost Canadian taxpayers \$600 million. Then he decided he needed a political fixer.

Since I cannot name names, he brought in the Deputy Prime Minister as his trusty political fixer. The Prime Minister instructed the Deputy Prime Minister that the Cormorant through another bidding process was not to win. In other words, there would be a contest but the Cormorant or a version of the EH-101 could not be allowed to win. That was the rule. It goes on:

*Supply*

In December 1997, the (Prime Minister) headed south for his usual month of golf, reassured by the military that the Cormorant bid was history. But a funny thing happened on the way to the contracting office. The (Deputy Prime Minister) had to phone the (Prime Minister) in Florida to tell him the Cormorant had won.

They rejiggered the process all over again and the Cormorant won fair and square. The Prime Minister's response to the news was described as largely unprintable. Expletives were uttered by the Prime Minister because he hated the fact that the Cormorant won the process by a fair bid.

It talks about a memo from a fellow officer to Air Force Commander L.C. Campbell, whom I have quoted before, which began:

Assuming there will be a competition to select the new maritime helicopter, it is quite possible that the Cormorant might win it.

It went on to ask:

How do you ensure that it does not win a maritime helicopter competition?

It then referred to the military and went on to say:

If the Cormorant were to win a military helicopter competition on its merits, wouldn't we again be in the same position of being accused of tricking the government?

Should the military not be the one to decide what helicopter would best service its function? Yet we have the Prime Minister, the Deputy Prime Minister and the cabinet interfering with the decision and competition process by saying the Cormorant is not allowed to win because they promised they would gut the program in 1993 when they were running during the election campaign.

It is very serious that they would waste billions of dollars of taxpayer money, put lives on the line and contribute to the death of our armed forces just because they did not want to get egg on their faces. Shame on the government. Shame on the Prime Minister and shame on the Deputy Prime Minister.

I would like to talk a bit about what these helicopters will be used for because even the minister seems to have some fuzzy logic about it. Basically they would be used for search and rescue. When I visited the base in Esquimalt I was told by military personnel that they could not do the job because of the situation. They had to bring in Americans in the Straits of Juan de Fuca. The Canadian forces could not perform this job but the Liberals are continuing to delay.

Search and rescue is one of the functions. Canadians are not doing a lot of it or as much as they should, especially when we consider that for every hour in the air there are 40 hours of maintenance on any helicopter in the air. That is the search and rescue story.

Let us think about the anti-submarine warfare activities. By having helicopters on the back of naval warships it multiplies by

25 times the ability of the ship to conduct anti-submarine warfare. As the ship is sailing along the helicopter flies off the back of the ship, goes out to the limits of its circumference, drops a boom into the water and listens for subs underneath. It drastically improves the ability of sub hunting.

• (1635)

Even though we only spend a scant few hours a year up in the Arctic with icebreakers, if we are lucky, our minister happens to think that anti-sub warfare is "a relic of the cold war". He does not believe we should be enforcing sovereignty. The minister does not think that is important.

The job of our military, our navy, and these helicopters is to police our boundaries and to find out whether other nations are conducting submarine operations, whether they be under the ice or off either of our coasts. If our minister with his Liberal, fuzzy-headed, soft, mushy logic does not think we should be finding out whose subs are in our waters, we have a serious problem. That is pretty serious.

I could go on and on but I realize that my time has come to an end. I know that members on the other side will prattle on about procedures for bureaucratic buying.

**Mr. Paul Szabo (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the member dealt very briefly with the motion before the House which has to do with the process. We are talking about the alleged barriers within the letter of interest.

The process and the procurement strategy has been approved by the government, which includes the Treasury Board, and it is in compliance with all procurement criteria. Most of the member's speech had to do with the allegation that somehow there was a bias against EH Industries.

In 1993 there was a cancellation of the EH-101. The government made that commitment during the election and followed through for the reasons outlined. The member should also know that we put out for tender replacement of search and rescue helicopters. EH won that contract in a fair, competitive and open process. With regard to the current contract EH Industries did make an appeal to the Canadian International Trade Tribunal, and the member should know that the CITT rejected that appeal.

Does the member disagree with the Canadian International Trade Tribunal with regard to the ongoing process? If he does, he should explain to the House why he disagrees with the CITT.

**Mr. Rob Anders:** Mr. Speaker, I am glad I have been given the opportunity to tell Canadians that Liberals across the way and the

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member who just asked the question have written it so that they can rule out Cormorant and Sikorsky from competing in the bids.

How will it be a fair bidding process when the government has specifically structured it so that Sikorsky and Cormorant cannot compete? Cormorant won the process fair and square before. Sikorsky is one of the biggest manufacturers in the world of helicopters. They are both ruled out of the bidding process because the PM does not think that meshes with what looks good on his face. That is a shame.

I will tell members a little private story in response to that question. I flew in the Eurocopter when it was brought to Ottawa. My staff and I had an interest in this issue even before I was serving on the Standing Committee for National Defence and Veterans Affairs. I actually flew around in that helicopter.

I asked the officials from Eurocopter about some of the details of the aircraft. They crassly told me, because I do not think they figured out that I was an MP, that it would come down to where the helicopter was assembled. Because of the way the Prime Minister wanted to guide the process for getting jobs, they said the government would not go with the other helicopter. Because of where it would be assembled and because of the jobs that would be in and around the Prime Minister's neck of the woods, the Eurocopter would win. It was driven by the most partisan political considerations of all.

● (1640)

**Mrs. Elsie Wayne (Saint John, PC):** Mr. Speaker, I was just given a document which states that any attempt to close the wide variance in air vehicle performance would require either a major redesign of the proposed Cougar or a significant change in the operational role of the National Shipping Agency, which would then require reassessment of the Canadian navy's concept of operations. The redesign is estimated to cost in excess of \$500 million.

Is my colleague from the Reform Party aware the Cougar that will be given to the navy does not even meet naval requirements? Now it is another \$500 million to redesign the whole process.

**Mr. Rob Anders:** Mr. Speaker, right from the beginning this issue has been a massive waste of taxpayer money. I agree with the hon. member. I could look at some of the statistics I wish could have been included in the main part of my speech.

There are cancellation penalty costs of \$478.6 million. Then the cost of actually upgrading the Sea Kings. Mechanics can only do so much but they have to go ahead and repair them. It is \$50 million to upgrade them. Then there are maintenance costs. As I said, for every hour in the air it is 40 hours of maintenance. That is another

\$750 million. Then there is the cost of the replacement at \$2.9 billion for 28 helicopters.

This means that the government is spending close to \$5 billion. The original contract was for seven helicopters and would have cost only \$3.24 billion. It is an absolute waste of money.

**Mrs. Carolyn Parrish (Mississauga Centre, Lib.):** Mr. Speaker, this has been a fascinating day for me. How many angels can dance on the head of a needle? It is quite fascinating. I will be splitting my time with the member for Scarborough East.

I welcome the opportunity to address the House on this important opposition day motion. Let me begin by commending the hon. member and her party for their interest in how the Canadian forces are being equipped to do their job. Certainly this is of concern to many Canadians. As the hon. member knows, the government has been taking progressive steps for some time now to ensure that Canada's military has the state of the art equipment it needs.

I also acknowledge the hon. member's concern for the prudent use of taxpayer dollars. One of my principal goals as an elected official has always been to make sure that the government and the governments with which I served before on a municipal level deliver an appropriate level of service to all Canadians in an efficient and cost effective manner. I think that is the role of all politicians, is it not?

National defence is one of the most important services any government can provide its citizens. Expenditures in this area must undergo very careful scrutiny. I have no doubt that the maritime helicopter project will withstand such scrutiny. I also believe that the procurement strategy developed by the Minister of Public Works and Government Services is in the best interest of Canadians and our defence personnel.

From a strictly economic perspective, two factors set defence and military procurement aside from most other types of purchases. First, defence equipment is generally in service for relatively long periods of time so a strategic long term outlook is necessary.

As hon. members have no doubt been made aware throughout debate on the motion, defence equipment tends to be extremely costly. The maritime helicopter project is a case in point. The replacements for Canada's aging Sea King helicopters are expected to be in service for more than 20 years. They will be used in harsh conditions and extremely dangerous situations. Safety and durability are of utmost importance.

These helicopters and their associated integrated mission systems will be expensive to purchase. In fact, it bears repeating that

*Supply*

even though we are saving taxpayers up to \$1.5 billion compared to the former government's helicopter purchase project, it is still a huge financial commitment. With a value of close to \$2.9 billion, the maritime helicopter project is the single largest procurement currently being managed by the Department of Public Works and Government Services.

That is why it is important to have a fair, open, transparent and competitive tendering process to award these contracts. We believe that separate competitive processes will ensure that the crown obtains both the required helicopters and the integrated mission system, as well as long term in service support that is absolutely necessary at the lowest possible price. I have the utmost confidence in the ability of the minister of public works and his department to manage this procurement.

• (1645)

When listening to debate coming from the opposite side of the House one thinks that as soon as the Liberals win an election we immediately dismiss all the departmental personnel and hire just Liberals to do a terrible job for the Canadian public. In fact, we have a huge department of people who have worked here for years and years, much before that party was even a glimmer in Mr. Manning's eye, and they have a vested interest.

**The Deputy Speaker:** I would remind members once again to please refer to one another by either portfolios or riding names.

**Mrs. Carolyn Parrish:** Mr. Speaker, my apologies. I am getting so enthusiastic about the topic that I got carried away.

I am especially pleased to see that the government plans to use a number of innovative practices to help ensure a successful, cost effective acquisition of the 28 maritime helicopters and the integrated mission system.

I will focus my remarks today on two measures in particular, the government's unprecedented commitment to industry dialogue and interaction, and the unique prequalification process that is the cornerstone of the procurement strategy for the maritime helicopter project.

As the Minister of Public Works and Government Services has informed the House, the defence contracting industry was made aware of the government's general intentions and requirements in relation to the maritime helicopter project through a letter of interest released last August. The letter of interest was much more than a statement of needs. It was also an invitation for individual companies to comment on the government's plans and to indicate their intention to participate in the competitive bidding process.

As the minister has already noted, the government has received input on its statement of operational requirements and procurement strategy from several companies. These comments will be given careful consideration as defence and procurement officials contin-

ue to define this project in the months ahead. The letter of interest has successfully initiated a dialogue with the industry which will not only continue but will broaden in scope and detail right up to the bid closing dates for each of the contracts.

We firmly believe that industry interaction is critical for large projects such as this. It protects the interests of taxpayers while ensuring that potential prime contractors and subcontractors are fully aware of the government's needs and intentions and do not assume an undue financial burden or risk in preparing their bids.

The government intends to make full use of the World Wide Web to facilitate this industry interaction. A dedicated website has already been established for the maritime helicopter project, as has been mentioned already, and information has been posted for the industry and other interested parties, including the Canadian public. Again, this reflects the government's commitment to a fair, open and transparent process.

As the project unfolds, the level of detail posted on the website, and thus the site's value to potential contractors, will grow. Draft specifications and other documents will be available through the website for review and comment by industry, the people who know what they are saying.

This interactive process could lead to changes in the technical requirements or other elements of the project. It will also increase the likelihood of technical compliance of candidate helicopters and integrated mission systems.

The second innovative procurement practice I wish to speak about today, the mandatory prequalification process, is in many ways an extension of the government's commitment to industry interaction. As hon. members have been informed, separate prequalification processes will be conducted for both contracts in advance of the formal submission of bids. This is the first time such a process has been used in Canada for a project of this size.

As the minister has already noted, prequalification should enable us to greatly minimize the problem of disqualification of bids due to technical non-compliance. This saves a lot of companies a lot of money. It stops them from getting into bids that they just cannot complete.

Mitigating the risk of non-compliance is good for the government because it ensures the maximum level of competition for the contracts. It is also good for the industry which, as hon. members can appreciate, invests an enormous amount of time and money in developing bids.

I want to make it clear yet again that prequalification will focus largely on the hardware aspects of each bid. Our goal is to make sure that potential prime contractors can conform with the technical requirements of the maritime helicopter project as set out by the Department of National Defence before—and I underline before—they submit a bid.



*Supply*

• (1650)

If a contractor cannot conform to these requirements there is no need to devote additional time and resources to developing or evaluating other elements of the bid, thereby saving us money and time.

To prequalify, potential prime contractors will be asked to provide an appropriate level of detail about their equipment and systems, which will be carefully reviewed by defence and public works and government services officials. Prime contractors will also have the opportunity to explain their proposed equipment and solutions, to seek clarification of technical issues and to address any concerns that might be raised on the government side.

Potential contractors that have not achieved prequalification status at least 30 days in advance of the bid close will be declared non-compliant and their bids will not be considered as part of the formal tendering process, thereby saving both sides a lot of time, money and aggravation.

Once the bids close, the normal process will be followed for selecting a successful contractor for government tenders awarded on the basis of lowest price. In addition to price and technical compliance and industrial and regional benefits, contractual terms and conditions will be part of that evaluation process.

For the basic helicopter, the price evaluation will include the basic helicopter, related ship modifications and in service support. For the integrated mission system, the evaluation will include the integrated mission system and its in service support.

The government clearly believes that Canada is more likely to meet both its technical and cost requirements for the maritime helicopter project by talking with the industry. Such dialogue will result in a better meeting of the minds, so to speak. It will reduce the risk to government and to industry alike.

Like the debate that is taking place in the House today, it will contribute to a successful procurement project that will respect the interests of taxpayers and meet the needs of the Canadian forces for many years to come.

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, I listened to the member's speech very carefully, noting that there were comments in her speech that reflected the comments of some of her colleagues in almost identical words. I hate to think this, but it could not be a canned speech from the minister of public works that she was delivering, could it?

I know she gave a lot of credit to the minister of public works regarding the process he has set up. I am sure that she must be aware from his presentation, and it was actually one of the members of the media who brought this to my attention, that the contract for the maritime helicopter project will not be signed this year. It will be signed next year. What will that in effect do? That will push off the whole project again and it will be another five to

six years before a delivery of even one machine to our military takes place.

We can talk about the openness of the process and so on, which I believe is a bunch of hogwash, but just think of this. Right now we have a 40 year old aircraft out there that requires 40 hours of service for every hour in flight, and we have this minister and this government stating that it will be another year before the contract is signed and another five years before one machine is delivered. There is something seriously wrong with the priorities on that side of the House, and I would like the member to comment on it.

**Mrs. Carolyn Parrish:** Mr. Speaker, I do not think there is anything wrong with ensuring the best quality available. The machines are going to be used for 20 to 25 years. If the member opposite wants us to rush about madly to put a less than perfect machine in the air and put men at risk, then I do not endorse that.

It is like anything else to the member opposite. It is like the party opposite starting as the Reform Party. It was almost what was wanted, but not quite. It had to take time to mature into the Canadian Alliance. The process we are in right now is maturing at a much faster rate and we are going to end up with a much better product.

• (1655)

**Mrs. Diane Ablonczy (Calgary—Nose Hill, Canadian Alliance):** Mr. Speaker, I am not as involved in this issue as some of my colleagues, but I really cannot let the nonsense that I just heard go by.

The member says the government does not want to rush out and do this. The contract was cancelled in 1994. The last I looked, that was seven years ago. The contract that was cancelled was put in place because the military needed the equipment, so clearly the military needed the equipment well before 1994, knowing the less than lightning speed with which any government moves.

Equipment that was needed before 1994 was ordered. The government decided to toast the contract for political reasons in 1994. Here we are in 2001, finally with some kind of decision to buy. Now we find out that we will not have delivery of this badly needed equipment until later down the road and the member has the gall to say the government does not want to rush anything. How on earth can she stand and spout such nonsense and expect Canadians to buy that kind of line?

**Mrs. Carolyn Parrish:** Mr. Speaker, I find it quite fascinating that everything done on this side of the House is subject to severe scrutiny and question, but that there is absolutely no concern in the opposition members' minds about, first of all, the contract we cancelled being absolutely the best contract available to the Canadian public. Second, the fact that all the helicopters are still flying and our defence system is still working quite nicely means

*Supply*

that it was probably in advance of when it was needed. The fact is that we are being careful, meticulous and doing the best job possible.

I might also point out to the member opposite that the public, to use her word, toasted the government that was going to bring the contract into place precipitously and that party was reduced to a paltry sum of people over there who are spending an entire day wasting the taxpayers' time on a subject that is well underway.

**Mr. John McKay (Scarborough East, Lib.):** Mr. Speaker, my constituency has no obvious interest in this issue. We do not have a military base. We do not have defence contracts. We do not have any airports or harbours. Quite easily I can say with some confidence that my constituency has no particular involvement in this particular issue. Therefore, while I may comment on this without any obvious axe to grind, it does not mean that my constituents are uninterested. I am perfectly happy at this point to defer my remarks until the House leader speaks on his issue.

**Hon. Don Boudria:** Mr. Speaker, I rise on a point of order. I would like to try again to seek unanimous consent of the House to revert, only momentarily, to introduction of government bills, and only for the purpose of introducing a bill on behalf of the Minister of Transport, namely, an act respecting shipping and navigation and to amend the Shipping Conferences Exemption Act, 1987 and other acts.

We would rather do it today than tomorrow morning, the reason being that members who are going home tonight can leave and take a copy of the bill with them. Perhaps, Mr. Speaker, you could seek consent of the House and I could introduce the bill.

**The Deputy Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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## ROUTINE PROCEEDINGS

[English]

### CANADA SHIPPING ACT, 2001

**Hon. Don Boudria (for the Minister of Transport)** moved for leave to introduce Bill C-14, an act respecting shipping and navigation and to amend the Shipping Conferences Exemption Act, 1987 and other acts.

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

## GOVERNMENT ORDERS

• (1700)

[English]

### SUPPLY

#### ALLOTTED DAY—MARITIME HELICOPTER PROCUREMENT

The House resumed consideration of the motion and of the amendment.

**Mr. John McKay (Scarborough East, Lib.):** Mr. Speaker, while my constituency has no obvious axe to grind and no particular involvement in this particular issue, it does not mean that my constituents are therefore uninterested.

During the last election, I heard from my constituents on many occasions about their concern over the state of the military. They were concerned that the military was not being treated well and that their equipment was out of date.

Therein lies the debate. Canadians want a military of which they can be proud, but the costs are somewhere in the area of problematic. For instance, the costs of the modernization of the F-18 are astronomic. The costs of the quality of life for members of the military are substantial. The costs of the Aurora upgrades are enormous. The costs of this helicopter project alone are projected to be \$2.5 billion.

The part of the motion with which my constituents can agree is that the procurement be conducted on the basis of the best value to Canadian taxpayers.

The above issues that I have just cited, those four outstanding issues, the Auroras, the F-18s, the helicopters and the quality of life of the military, and there are more, are significant issues for all of us, both in the military and outside the military.

I assume that members opposite think that the best value for the Canadian taxpayer is the guideline to be applied to all of the above. I do not know what the total costs of all those files might be, but I think it is safe to assume that we would use up whatever surplus is in the budget this year. We would probably also get into the contingency fees, if not the prudence factor, and we might actually start dipping into tax cuts and the Canada health and social transfer. The costs of these projects are enormous and, in my analysis, one needs to bring balance and best value to the taxpayers, whether it be in helicopters or any other request by the military.

*Supply*

Having said that the costs are enormous, we cannot be paralyzed. The military has in fact set out its priorities in its requests. Apparently the opposition was upset when the letter of interest proposed that there could be a possibility of splitting the contracts between the airframe and other systems. This is similar to what General Motors does when it splits its main suppliers into those that can deliver various sections of an automobile most quickly and efficiently and, indeed I say, cheaply.

Some potential bidders apparently do not like the idea that efficiency and costs are to be part of the bid. The opposition apparently agrees that costs and efficiency should not be a barrier to a bid. The opposition and other bidders apparently do not like the qualification process to submit a bid. The government has legitimate concerns that those submitting bids should also be qualified to submit the bids. What a strange idea.

When the military suggested a qualifying process be given time, those companies that were already qualified were upset because of the potential increased competition. It does seem rather fundamental that this so-called barrier be addressed. After all, what is the use of having a bid from someone not qualified to submit a bid in the first place? Indeed, what could be generated from soliciting more bids from people who in fact are not qualified?

I am sure that when General Motors solicits bids it checks out its bidders rather thoroughly before giving out a contract. Surely it is fundamental that those who submit bids be qualified. I hope that the opposition would not encourage bidders who are not qualified.

The next phrase in the motion is that it be fair and open. I have listened to members opposite argue for a fair and open process. Who would be against fairness and openness? Yet when members opposite are challenged on what is not fair and what is not open, they lapse into some rope-a-dope response about political interference. However, they are not very specific. Their rope-a-dope response would do credit to Muhammad Ali.

• (1705)

Members opposite lapse into generalities when asked specifically about what is not fair, what is not transparent and just where this political interference might lay. Apparently the continuous posting of this issue on the website is not open, is not transparent and is subject to political interference.

The Department of National Defence has issued a letter of interest regarding a \$2.5 billion contract for the purchase of 28 helicopters. Some companies in the aerospace industry, namely EH Industries and Sikorsky, questioned aspects of the bidding process. EH Industries in fact took legal action against the department before the Canadian International Trade Tribunal. The claim made to the CITT was that the contract bidding process was unnecessarily strict, thus eliminating competition. The CITT did not accept the proposition.

I have trouble understanding the opposition's argument. Is it arguing in favour of fewer competitors, which would therefore advantage a smaller pool of bidders, or is it arguing for a large pool of bidders, some of whom may not be qualified to bid?

I understand a disgruntled bidder who likes the process set up in a particular way which maximizes his or her advantage, and launches a lawsuit to protect his or her advantages. However, what I cannot understand is an opposition supporting a bidder who only likes things one way which would maximize the advantage of that particular corporation, thank you very much.

It seems to me that the opposition is speaking against its own motion, the essence of which is fairness, transparency and best value for the Canadian taxpayer. To use the words of that famous philosopher, Yogi Berra, this appears to be *déjà vu* all over again. The opposition is apparently against any initiative that would open up the pool of qualified bidders.

It has been eight years since the Canadian electorate passed judgment on the Mulroney government and yet here we are, three elections later, the Tories are up from two seats to 12, and apparently arguing against transparency and a bidding process designed to solicit the greatest number of bidders. It is like we are stuck in a time warp. Is this not the same crowd that brought us the \$42 billion deficit and forced the newly elected Liberal government to take huge sums out of all programs, including military programs, in order to get the nation's finances in order? Why would the military, let alone other Canadians, believe in a motion from a party that has caused so much grief for the military?

Had we not had to climb our way out of a \$42 billion deficit, maybe, just maybe, the helicopter issue would be off the table and we would put it behind us. From the \$4 billion Tory contract, we would be down to the \$2.5 billion Liberal contract.

This is a disingenuous motion from a party that dug the Canadian government and the Canadian people a huge hole. It now wants to fly out of that hole with economic voodoo and prioritizing that is inappropriate in the first place. It is a shame that this motion is not votable.

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, the hon. member spoke of a \$42 billion deficit in 1993. What he failed to mention was that that deficit, as a percentage of GDP, was actually reduced by half from what the Mulroney government had inherited in 1984 from the previous Liberal government. In fact it was reduced by half as a percentage of GDP.

He also forgot to mention that program spending, which was growing every year by 15% under that previous Liberal government, was reduced to zero under the Mulroney government. He also made some other omissions.

*Supply*

• (1710)

The *Economist* magazine's 1998 year preview for Canada stated that the credit for the elimination of the deficit in Canada belonged to the structural reforms made by the previous government, that is, the Mulroney government, and it listed specifically free trade and GST as being those policies that were most instrumental in the elimination of the deficit.

I would like to ask him if he is aware of what his party's position was on free trade and the GST in the 1988 and 1993 elections. I am curious as to where his party stood, prior to being elected, on those two fundamental policies which his party and government has embraced and utilized.

I would certainly hope that his party was not, as some people have told me, vociferously opposed to those policies. Surely to goodness his party would not have embraced those policies so warmly in government that it opposed so vociferously in opposition. That would mean that it effectively had to swallow itself whole on this and many other issues. I would really appreciate his feedback on that.

**Mr. John McKay:** Mr. Speaker, I do know that the Canadian people have embraced this government three times. That, in and of itself, is a rather remarkable concept. I do know that the party opposite has not been so enthusiastically embraced. A reduction of a majority government to two seats is somewhat like a kiss from a sister.

I do know that between 1984 and 1993 we had some of the best economic times that the country has ever enjoyed. The party of the member opposite did nothing during that time and did nothing to wrestle the deficit that it was continuing to run into the ground. The Canadian people have passed judgment on that and apparently they prefer the programs that this government has over the proposals of the fifth party.

**Mr. Art Hanger (Calgary Northeast, Canadian Alliance):** Mr. Speaker, I listened intently to the member's speech and it sounded just like the previous speech by one of his colleagues, the member from Mississauga.

He had the same basic comments in there, nothing new, nothing innovative, nothing to support the project itself. It seems that the speech writer over there has the same mindset that leads to absolutely nowhere.

The Liberals have been mostly patting themselves on the back and proclaiming this great open process that they want to deliver to the Canadian public and to industry.

Let us talk about this openness that the member has alluded to in his presentation. As I pointed out before, I have a book full of access to information documents on this particular project which clearly point to interference by the Deputy Prime Minister in this process. He wanted the statement of requirements changed so some changes were made through the senior oversight management committee. The committee met seven times to deal strictly with the

SOR on the maritime helicopter. That is politicians interfering directly into the affairs of the military. They had no business being in the procurement process and yet it did happen. Now, that was the Deputy Prime Minister, those officials—

**The Deputy Speaker:** Order, please. I know that it is not much time when colleagues choose, as they may, to split their time, but with questions and comments being only five minutes we are running short of time. I encourage the member for Calgary Northeast to possibly direct his question to his colleague opposite.

**Mr. Art Hanger:** Mr. Speaker, I will do that very thing.

The member talks about this wonderful open process that the Liberal government has embarked upon. Documents show exactly the opposite. They show that there was political interference.

I would like the member to comment on just where he thinks this project will go, given the past track record of his government and its nasty interference into every procurement that it can put its finger in.

• (1715)

**Mr. John McKay:** Mr. Speaker, I question whether the hon. member listened intently. Had he done so, he might have noticed a substantial difference between the previous speaker and my own speech. That being as it may, the hon. member seems somewhat contradictory. On the one hand he wants us to be accountable and on the other hand he does not want us to consult industry because he believes we should have bids from unqualified groups.

Accountability in my view means the government gets involved in designing the letter of intent. It designs the basic parameters of any bid upon any contract at any time. It is there on the website and I cannot imagine why the hon. member is upset with the process. It is as open as open can be.

**Mr. Gerald Keddy (South Shore, PC):** Mr. Speaker, I have been following the debate throughout the day very closely. A number of speakers have risen and most people recognize that we need new helicopters for the Canadian military. That has been stated over and over again even from the government side.

My difficulty with what I have been hearing from the government benches is the total cost. There has been a serious contradiction in the total cost of the helicopter procurement. There has been a contradiction in the Liberal numbers. Every time they put a speaker up I hear different numbers. I quoted them once before when I asked a question, but for the record and in my speech I will quote the numbers again.

These are government numbers. They are not my numbers or fictitious numbers that we pulled out of a hat or out of the air. They are the government's numbers. The EH-101 cancellation fees are based on the numbers constantly cited by the government and in the press.

We have stated them at \$478 million. The government's own numbers are \$500 million. It has been reported in the press at \$786



million. It is probably closer to \$1 billion. That is what it actually cost the government to cancel a helicopter contract for the EH-101s.

We can take the government's more modest figure of \$500 million, which is a little more than what we have been tracking them at. Then we can put the Sea King maintenance and upgrade to the year 2008 at \$600 million, and those are government numbers again. Then we can add in the Canada search helicopter program, which has already purchased 15 helicopters for \$790 million. We also can add in the Canada search helicopter's long term service support for 25 years, which again is part of the real numbers. The real numbers add up to \$1.7 billion.

If we add the maritime helicopter project for an additional 28 helicopters at \$2.9 billion, and the maritime helicopter project long term service support for 25 years at \$1.7 billion, the total cost for the Liberal program, without inflation, is \$8.2 billion.

Where is it getting the \$4 billion figure? It is smoke and mirrors. This is the real world. Those are your numbers. Stand in the House and defend them, or contradict them again, but go down the list. Everything that—

**The Deputy Speaker:** I know the member feels very passionate about the subject on hand, but I would ask him to direct his remarks through the Chair.

**Mr. Gerald Keddy:** Mr. Speaker, your direction is noted. Certainly I meant to address my remarks through the Chair and got carried away with the subject matter.

• (1720)

The governments own numbers show that the cost of helicopter procurement will be \$8.2 billion. The total cost for the 43 EH-101s, based again on the government's own numbers from the 1993 election, was \$5.8 billion. We can be assured that it did not miss anything, that it added in every penny, dime and dollar it could. There is a contradiction of \$2.4 billion. Somehow or another the government must come up with the numbers. It cannot stand there and say its program is cheaper.

I have a personal interest in the helicopter bid and in search and rescue helicopters. It was not many years ago, on February 15, 1982, that the *Ocean Ranger* sank off the Grand Banks of Newfoundland losing 84 personnel on board. There were 90 knot winds and 37 foot seas, average seas. I was working on a rig off Sable Island at the same time with a 70 foot air gap and the waves were hitting the bottom of the rig.

That is why we need search and rescue helicopters. That is why we need defence helicopters that are fit to fly. People who are put in the air in dangerous circumstances must be able to depend on the machinery to deliver them to their target in a rescue mission, a military mission, a humanitarian mission or whatever it may be.

### Supply

The government has forgotten that early in the morning of February 15, 1982, when 84 *Ocean Ranger* personnel were lost, many of them jumped overboard and were in the water when the choppers got there. Anyone reading the write-up on that disaster would be well aware that the men were dead when the choppers arrived because it was at the extreme limit of the helicopters' range. They hold of some of the bodies but could not pull them out of the water.

When we talk about helicopters on the east coast, we are not talking about some type of expense. What is human life worth to the government? What is human life worth to the friends, families and loved ones of people who have been lost offshore in the past or unfortunately may be lost in the future? It is not worth debate in the House or discussions over dollars. I do not care if they are millions of dollars. We need helicopters. We do not need them in 2008. We needed them yesterday.

It is absolutely scandalous to debate the issue in this place at this time with a government that cancelled a perfectly good contract for 43 helicopters because the Prime Minister found himself in a position where he had stated publicly that he would take his pen and write zero helicopters.

Because the Prime Minister made a mistake and was not able to admit to it, and because his government and colleagues of the day would not force him to change his opinion, we are in a situation today where we cannot carry out search and rescue activities at any time on the east coast, west coast or in the high arctic.

Thank goodness we have helicopter crews and mechanics who are absolute geniuses at keeping old helicopters airborne. Otherwise we would be the laughingstock not only of NATO, not only of our own country but of the entire planet.

I will relate an incident that happened in one of our NATO exercises. If it were not such a sad thing it would be funny. We had a chopper sitting on the deck of an American frigate, as was typical. Our pilots were standing on the deck when an American pilot came along. One of the American pilots came over and asked, in a typical southern accent, "You-all belong to that helicopter?" The Canadian pilot said "Yeah, that is our chopper". The American pilot looked at him and said "Well, you know, it's smokin". He was appalled. There was smoke coming off the helicopter. There was smoke coming from the engine housing. They could not believe it.

• (1725)

That would not happen in the United States. The Americans fly better hardware and have better gear because they have at least some respect for their military forces. They put them in danger but they put them in danger with first class equipment, proper backup and some consideration that they might be dependent upon those soldiers, those men and women, at some future time in the history of the country.

*Private Members' Business*

I worked offshore on the east coast from 1980 and 1988. I went through two rig abandonments during that period. We ended up staying on the rig. We were safe. There was a good chopper sitting on the deck and we could have abandoned the rig at any time.

I saw the abandonment of the Euro Princess, a Yugoslavian freighter which had run aground off Sable Island. Sixteen Yugoslav sailors were taken off the Euro Princess in 50 knot winds and 30 foot seas. It was a very daring rescue mission carried out under very difficult circumstances. There was a very narrow window of time to get to the freighter because it had lost power, no lights were working, it was in total darkness and it was the middle of the night.

Our search and rescue people were able to rescue the sailors and take them to Sable Island. The boat was 650 feet long and was stuck on the bar around Sable Island. The worry was that it would be swept free by a big wave and take the legs out from underneath the Rowan Juneau, the rig I was working on at the time.

The rig was abandoned except for 12 of us who kept the pump circulating to prevent being stuck in the hole. The point is that we would not be able to carry out that rescue mission today.

**Mr. Paul Szabo:** Mr. Speaker, I rise on a point of order. With respect, I do not see how the discussion is relevant to the motion before the House.

**The Deputy Speaker:** I think the member was making the case to get to that point of relevance. In the next two minutes I am sure he will get to it, as we get ever closer to 5.30 p.m.

**Mr. Gerald Keddy:** Mr. Speaker, I will be cautious in how I say this, but the relevant point is very simple. We need helicopters for search and rescue. I understand as much as anyone in the House that the helicopters are on order. We need helicopters for our military personnel. We need first class equipment because we have first class pilots, men and women who operate the machines and who service them.

To suggest that on the high seas, on the east or west coast of Canada or in the high arctic, human lives are not important is a scandalous admission by the government, but it does not surprise me at all. It is typical of what we have been hearing during the debate and what we have seen from the opposition.

I quoted a lot of numbers previously and, quite frankly, we get lost in the numbers. I will make a comment to the intervention here again. We are not talking about numbers here, we are talking about human lives. We are talking about how we can carry out an offshore rescue, how we can find hunters who are lost, how we can get people out of the high arctic and how we can medivac people in dangerous circumstances.

Only a few minutes ago a member spoke about the fact that we just had a major tremor on the west coast of Canada.

• (1730)

The government is lucky, that is all, that the tremor was 46 miles underground instead of 16 or 17 miles underground. We would not only have highways shut down in B.C., we would have buildings collapse and we would have major fiascos. In order to respond to that, we absolutely have to have the military up to strength and we have to have rescue vehicles. Helicopters are the only rescue vehicle that can be used in those circumstances.

[Translation]

**The Speaker:** It being 5.30 p.m., it is my duty to inform the House that proceedings on the motion have expired.

The House will now proceed to the consideration of Private Members' Business as listed on today's order paper.

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## PRIVATE MEMBERS' BUSINESS

[English]

### EMANCIPATION DAY

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance)** moved

That, in the opinion of the House, the government should proclaim August 1 of each year Emancipation Day in recognition of the heritage and contributions of Canada's black community.

He said: Mr. Speaker, it is an honour for me to rise this afternoon on behalf of the constituents of Calgary East to speak on Motion No. 242, a motion proclaiming emancipation day. The text of the motion reads as follows:

That, in the opinion of the House, the government should proclaim August 1 of each (and every) year Emancipation Day in recognition of the heritage and contributions of Canada's black community.

Before I begin my comments on the motion, I would like to say that I have been a member of the House since 1997. This is the first time I have been able to bring forward one of my private member's initiatives for debate. I quite frankly wondered if I would ever get a chance.

How private members' business is conducted in the House is a strong reflection of the muzzle placed on opposition members and government backbenchers by the government. There are some tremendous ideas generated from members of parliament that are being ignored or discounted because of the limited time and resources given to private members' bills and motions.

In the case of the motion before us today, it has been deemed a non-votable item, meaning that after today's one hour debate, the motion will disappear. All the time, energy and thought that went into drafting the motion will simply disappear.

It is a shame that there is so little time for initiatives such as these. The government could lengthen the time given to private members' business each week. The government could allow one bill and one motion from each opposition and backbench MPs to be votable per session. Changes like this could have a tremendous impact on this place, but then the government chooses not to act.

Having said that, I will now begin my comments on Motion No. 242.

Slavery in the British Commonwealth ended on August 1, 1834, a day that is celebrated in several countries and Canadian cities as emancipation day. This occurred a full 30 years before the United States abolished slavery with Lincoln's emancipation act.

Spearheading the initiative was a member of parliament from the British house of commons. William Wilberforce introduced a bill to stop the importation of slaves into the British colonies. It was he who raised the voice of conscience. He impressed upon his peers the horrors of slavery and stressed that this barbaric practice went against the teachings of Christianity and other religions.

His heroic efforts have come to be recognized the world over and influenced the great American emancipator, Abraham Lincoln. In fact, Mr. Wilberforce's bill was the first international human rights legislation.

The bill called for the freedom of all people. It was the beginning of the global eradication of slavery. People tended to identify black slavery primarily with the United States. To a much lesser degree, slavery was practised in Upper and Lower Canada in the 18th and early 19th centuries.

It is worth noting that in the 1790s, several members of Upper Canada's legislative council and legislative assembly were slave owners. At the same time, prominent individuals in both Upper and Lower Canada were opposed to slavery. Individuals such as Lieutenant Governor John Simcoe, Chief Justice William Osgoode and Joseph Papineau were harsh critics of this barbaric practice.

• (1735)

Emancipation Day is recognized in several countries and in both the cities of Ottawa and Toronto.

I grew up in Tanzania. She is a country that has lost many of its sons and daughters to slavery.

There is a little city on the coast called Bagamayo where we can still see the ruins of structures in which slaves were held before they were shipped to the Americas. Standing there, tears come to people's eyes as they think of the suffering people endured and the number of families that were torn apart.

Two years ago I had the honour of going with the Governor General to Senegal. On the islands we saw where slaves were taken

out. Believe me, it was not a pretty sight that any human being can be proud of.

Since 1834 Canada has played a vital role to thousands of those whose basic human dignity was denied. We can take great pride in the fact that the final destination of the underground railroad was Canada.

This is a non-partisan initiative that I hoped would garner unanimous support in the House of Commons. As Canadians, we should not only acknowledge past injustices but we must celebrate courage, compassion and conviction. We, as parliamentarians, should feel a sense of pride that our system took a moral stand on the issue of slavery.

The motion's only mandate is to recognize those people in the world who were the first to recognize emancipation for what it is and the hope it held for the millions of people who call themselves Canadians today.

Canadians listening to this debate today will know that February was a Black History Month. Across the country Canadians of African descent celebrated and reflected upon their rich and diverse heritage.

On February 22, on Parliament Hill, the Mathieu Da Costa Awards ceremony highlighted students from across the country who explored the contributions of Canadians of diverse ethnic and racial backgrounds.

I met with the members of the Ontario Black History Society who have been at the forefront of celebrations of black history for more than 20 years. Through dedication and commitment, they continue to spread the history of black Canadians and their incredible achievements like: the great black Alberta cowboy Mr. John Ware whose log cabin still stands in the Dinosaur Provincial Park; Mathieu Da Costa who, in 1605, was thought to be the first person of African descent to set foot on Canadian soil; and Mr. Anderson Ruffin Abbot, the first black Canadian doctor.

I could go on and on about the past and ongoing accomplishments and contributions of Canada's black community. Suffice it to say Canada is a better country and a better place today because of the contributions of black Canadians.

The motion I am speaking to today is not only about celebrating these accomplishments but acknowledging past injustices and the moral conviction of Canadians who took a stand against slavery.

I would like to end my comments with a poem published in a Negro paper called, "The Voice of The Fugitive", in January 1851.

I'm on my way to Canada, that cold and dreary land  
The dire effects of slavery I can no longer stand  
My soul is mixed within me so, to think that I'm a slave  
I'm now resolved to strike the blow for freedom or the grave  
O Righteous Father, will Thou not pity me  
And aid me on to Canada, where coloured men are free.

*Private Members' Business*

I heard old Queen Victoria say if we could all forsake  
Our native land of slavery and come across the lake  
That she was standing on the shore with arms extended wide  
To give us all a peaceful home beyond the rolling tide.  
Farewell, old master, this is enough for me  
I'm going straight to Canada, where coloured men are free.

• (1740)

I would ask for unanimous consent of the members to make this motion votable.

**The Deputy Speaker:** The hon. member is seeking unanimous consent that the motion be made votable. Is there unanimous consent?

**Some hon. members:** Agreed.

**An hon. member:** No.

[*Translation*]

**Ms. Madeleine Dalphond-Guiral (Laval Centre, BQ):** Mr. Speaker, I am pleased to address Motion No. 242 from the hon. member for Calgary East, concerning Emancipation Day. The motion reads as follows:

That, in the opinion of this House, the government should proclaim August 1 of each year Emancipation Day in recognition of the heritage and contributions of Canada's black community.

While February, which seemed very long, is Black History Month, this motion provides us with an opportunity to mark an particularly important event for the black community in Canada and in Quebec.

Indeed, August 1 marks the coming into effect, in 1834, of the Emancipation Act introduced by Thomas Buxton in London's House of Commons, in 1833. That act ended slavery in all the British colonies. This was 30 years before President Abraham Lincoln's Emancipation Proclamation freed Black American slaves.

When we think about slavery, the first thing that comes to mind is the history of slaves in American plantations. Who can forget *Gone with the Wind* or the television series *Roots*? But we must remember that slavery also existed, although on a lesser scale, north of the United States in what was then called British North America, i.e. the Maritimes, Quebec and Ontario.

At the time of the conquest in 1759 there were 1,132 slaves of African origin on the soil of New France, although the French crown had never authorized the slave trade in New France.

Following American independence the number of slaves grew, particularly in 1783. Certain Loyalists left the United States to settle in British North America, taking their slaves with them. It was thus that 2,000 slaves arrived in the land we inhabit today. Slavery remained legal in British North America until 1834.

Unlike slavery during the same period in the United States and in other parts of the British Empire, such as Jamaica, where slaves represented the bulk of the manpower on large sugar cane plantations, slavery in British North America may quite rightly seem to have been a fairly minor phenomenon.

The legislation tabled in 1833 took effect on August 1, 1834. It abolished slavery throughout the British Empire. However, it provided for a transitional period of from four to six years during which slaves would have to continue to work in the same place, but as apprentices.

This legislation made provision for immediate measures to be taken to abolish slavery throughout the British Empire. Accordingly, all children born during the proceedings leading to the passage of the legislation, or under the age of six, were free. All slaves over the age of six had to serve an apprenticeship of six years, in the case of slaves working in the fields, and four years, in the case of others.

The legislation provided that apprentices were not to work more than 45 hours a week without pay and that they should be paid for any additional hours.

• (1745)

For their part, plantation owners had to feed and clothe all their apprentices. They also had to provide a fund for the moral and religious education of former slaves.

Finally, compensation of 20 million pounds—I do not really know how that translates in today's terms—was to be paid to slave owners.

In the context of the 21st century, this law is a nightmare. However, it marked the end of slavery in much of the world.

August 1 is currently commemorated in Jamaica, the former British Guyana, in the Caribbean, areas where slavery lasted some considerable time.

In 1834 runaway American slaves turned to the British colonies in North America until 1863, when President Abraham Lincoln implemented the Emancipation Proclamation.

Many of us had little knowledge of the experiences of our brothers and sisters in the Black community right here, in Canada and Quebec.

The motion before us today shed light on an ignoble period in our history, but one we cannot ignore. To recognize August 1 as Emancipation Day is to recognize the deplorable, often horrible, treatment accorded a whole group of people. It is to regret its occurrence and, in the end, it is to apologize for it and remember that the values of respect for humanity, equality and justice give societies their real strength.

The Bloc Québécois therefore supports this motion, seeing it as an expression of a desire to recognize the equality of individuals and the right to freedom.



*Private Members' Business*

[English]

**Mrs. Marlene Jennings (Notre-Dame-de-Grâce—Lachine, Lib.):** Mr. Speaker, I am quite pleased to participate in the debate and exchange views with my colleagues on the motion to proclaim August 1 Emancipation Day in recognition of the heritage and contributions of Canada's black community.

Anyone sitting in the House can see for themselves that I am a descendant of Africans. I am a descendant of African slaves brought to North America during the system of slavery, so the question of Emancipation Day in Canada is a personal issue for me. I want to commend the member on the other side of the House for his motion and for his initiative in tabling the motion and calling on the government to declare August 1 Emancipation Day.

The timing of this debate makes the subject all the more important. The Anti-Slavery Society of Canada was launched 150 years ago in February. The great American abolitionist, Frederick Douglass, was in Canada at the invitation of this society, as were other speakers. The society sent delegations to Britain, lobbied churches and politicians and organized meetings in support of the cause of slaves.

Let me start by saying that the heritage and contributions of Canada's black communities are integral to the economic, political, social and cultural history of this country and its people. Therefore the spirit of the motion is a reflection of what my government has been saying all along, that the heritage and contributions of Canada's black communities have made our country what it is: multicultural, inclusive, prosperous and the best country in the world to live in.

I would like to quote Martin Luther King and something that he said about Canada in one of his lectures in 1967:

Canada is not merely a neighbour of Negroes. Deep in our history of struggle for freedom, Canada was the North Star.

I am sure Martin Luther King was sharing the same sentiments Harriet Tubman felt during her various dangerous trips to bring her people, African-American slaves, to freedom in Canada through the underground railroad.

While we recognize the heritage, contributions and achievements of blacks in Canada, we must also recognize their struggle and challenges. The struggles of my people, the challenges my people have faced, are a part of our history as Canadians and it is not very well known by many Canadians.

• (1750)

However, if we want to build a fair and equitable society we have to start by acknowledging that our history is not perfect, that

Canadians have suffered injustices at different periods and that it is regrettable that this otherwise compassionate and welcoming country also has a history of injustice. This country has a history of slavery.

I am sure that hon. members have already heard that slaves existed from the time of the first explorers, under la Nouvelle-France. My first French ancestor came here from Rouen, France in 1668 at the same time that African slaves were here and were being sold and, in some cases, executed at the will of their owners.

*Journey to Justice*, a new film by the National Film Board of Canada, charts the little known history of the struggle for black civil rights in Canada. The history of our country has had regrettable aspects, but Canada was a safe haven for some 40,000 to 60,000 slaves who escaped slavery in the United States in search of freedom in Canada.

Why did they search for freedom here? Because Canada had the saving grace that slavery was abolished in 1833, over 30 years before it was abolished in the United States. In the United States it took the American civil war to bring an end to slavery. As we all know, the American civil war is the war in which more Americans lost their lives than in the combination of the world wars that we knew in the 20th century. Canada did not require a civil war in order to bring about prohibition of and an end to slavery. I think that is to our credit.

Some historians say that the underground railroad would not have been possible without the co-operation of the Canadians who ensured that there would be help for runaways once they made it to Canada. Speaking of the underground railroad, we must also recognize the role of the slaves themselves who engineered the entire escape route, which included trails, rivers, swamps, caves, barns and woods that led runaways to freedom at great risk to their own lives.

My message to my colleagues here today is that Canada is proud of the heritage of Canada's black communities. We value the contributions of my community to Canada's development. At the same time, we must draw an important lesson from our history to make sure that Canada remains the north star, not just for blacks but for all Canadians of every ethnocultural origin.

As citizens and leaders we should remain vigilant and be committed that injustice never happens in our society again. Every Canadian must have a place in our society and must be afforded the opportunities to contribute to building the future of this great nation.

Our government has made this commitment to Canadians and I would like to say that we have demonstrated our commitment by taking concrete steps in many areas. Let me give hon. members a sample of what we have done.

*Private Members' Business*

In December 1995, a motion was passed in the House of Commons officially designating February as Black History Month.

In 1998, Parks Canada and the U.S. national parks signed a memorandum of understanding committing their services to a number of projects, including the underground railroad. Under this agreement we will ensure that the story of the underground railroad is adequately commemorated and communicated to the public. The multiculturalism program has assisted Parks Canada and the black communities in the formation of an underground railroad network to facilitate co-ordination among historic sites, to improve conservation and to promote information sharing and marketing of sites, nationally and internationally.

The multiculturalism program of the Department of Canadian Heritage annually supports local activities organized by communities in different parts of Canada to celebrate Black History Month and will continue to provide the necessary support for such activity.

In February of this year, the month that just ended yesterday, the National Archives of Canada opened a very special exhibition about the history of the anti-slavery movement in Canada. Historical figures like Josiah Henson and leading abolitionist Harriet Tubman are featured in this exhibition.

• (1755)

I am pleased to say that three institutions, the National Archives of Canada, the National Library of Canada and the National Film Board of Canada came together to produce this work in co-operation with a local organization called J'Nikira Dinqinesh, an education centre that promotes awareness of black history and experience.

On February 26, *Journey to Justice*, a film of the NFB of Canada, was premiered at the National Library of Canada.

The Ottawa *Citizen* wrote about this exhibition and said:

Canada was Canaan, the Promised Land for thousands of black Americans fleeing slavery. It was then, in the Fugitive Slave Act, that the U.S. declared open season on runaway slaves—even those in the North, who has previously been considered free—sparking a rush to the border and galvanizing the fledgling abolitionist movement in Canada.

I am quite proud of the multiculturalism program of the government. The program continues to work with communities, institutions and different levels of government to promote social justice and equity in our society. The multiculturalism initiative addresses local issues at the grassroots level, promotes institutional change so that our institutions are reflective of the makeup of our society and are responsive to the growing diversity and facilitate public education so that Canadians appreciate the rich diversity of our society.

We also have the March 21 campaign for International Day for the elimination of racism. The multiculturalism program also supports many initiatives.

I want to end by again commending the member opposite for his motion. I think it is great. Given many of the statements made by members of his party who sit in the House, statements that were very derogatory toward the black communities, other ethnocultural communities and government initiatives, I would encourage him to support multiculturalism and attempt to change the minds and policies of his members.

**Ms. Wendy Lill (Dartmouth, NDP):** Mr. Speaker, it is a great honour and an opportunity for me to speak tonight on the private member's motion to establish an emancipation day in recognition of the heritage and contributions of Canada's black communities.

It is an honour because I represent thousands of people in Dartmouth and the communities of North Preston, East Preston and Cherry Brook, many of whom are the direct descendants of African people captured in the slave trade.

I am also honoured to speak on behalf of my esteemed colleague from Windsor, Ontario, who also represents many black Canadians who made their way out of slavery through the underground railroad into Canada.

It is an important debate to have because it will shed light on a widely forgotten and obviously shameful part of our history. We can learn from it. It is an opportunity for us to think, meditate and really try to imagine the experience of the first African-Canadian descendants who arrived in the country.

Where does the story start? It started 500 years ago when Spanish settlers first brought slaves from Africa to the Dominican Republic. In the next 300 years, conservative estimates say that over 10 million people were brought across the Atlantic Ocean from Africa in the slave trade. Henry Bishop, the curator of the Black Cultural Centre in Nova Scotia, said the numbers could be double or triple that but they do not take into account the numbers of women and children who died in transit.

Where did this human cargo come from? The original homeland of most Nova Scotia peoples of African descent is west Africa. From about 500 until the 1600s, the three west African kingdoms of Ghana, Mali and Songhai were rich and powerful nations. Their economic life revolved around agriculture, manufacturing and the international trade of gold.

When the British established rice, indigo and tobacco plantations in the southern parts of North America, plantation owners first used native Indians as slave labour but then turned their eyes eastward to the continent of Africa.

*Private Members' Business*

• (1800)

In the 1700s European countries, including Great Britain, had slave trading companies on the west coast of Africa in such present day countries as Gambia, Sierra Leone and the Ivory Coast. Men, women and children were captured inland, ripped away from their families and brought to the coast by African dealers, then sold and held in European slave factories. They would then await shipment and be transported across the ocean.

In the Americas and the Caribbean, the Africans were sold for cash. This money purchased sugar, rum, spices, cotton, tobacco, coffee and molasses for sale in Europe. The transatlantic slave trade between Africa, the Americas and Europe created immense wealth for European nations. It was a cruel commerce in human lives with no regard for anything except profit and power. I believe it surpassed any atrocity, any genocide, as yet recorded in human history.

In the northern colonies, slaves worked as farmhands, domestic workers or in trades, such as lumbering, mining, blacksmithing, weaving and spinning. A slave was not free to marry, vote or move freely about. A slave could be legally whipped, starved, tortured, mutilated or branded. A slave could be forced to have children or to work many hours a day.

The first crack in the slave trade began during the American revolution between 1776 and 1783. Historians customarily portray the American revolution as an epic struggle for independence fought by stalwart white colonists against mighty England. The struggle for liberty, life and the pursuit of happiness also involved tens of thousands of black Africans and their descendants residing in the British colonies.

Caught in the middle of this war, thousands of them took up the British offer of full protection, freedom and land in return for their support for the British cause. When the rebel Americans won the war, the black people in New York, who had joined the British before the surrender, were issued certificates of freedom. About 3,500 of these black loyalists fled to what is now Nova Scotia and New Brunswick.

Black loyalist settlements sprang up in Annapolis Royal, Weymouth, Digby, Windsor, Preston, Sydney and Halifax. About 1,500 black loyalists settled in Shelburne county. Free blacks built the community of Birchtown, named after the man who signed their certificates of freedom. Their freedom remained illusive and hard won. The British had promised free land and rations for three years to the black loyalists. However, most were cheated of land and forced to work on public projects, such as road building, and were denied equal status.

Racism, epidemics, poverty and harsh winters made life miserable and for many the promised land became intolerable. In 1792 about 1,200 free blacks sailed from Halifax to Sierra Leone in west Africa where they helped set up the capital which is now Freetown.

Many more escaped slaves arrived in Nova Scotia from the United States during the war of 1812 under conditions similar to the ones of the black loyalists. They moved into the Halifax area to settle in Preston, Hammond Plains, Beechville and Porters Lake. However life remained brutal and dangerous. Slavery was still legal and in force in Nova Scotia until slavery was abolished in the British Empire in 1834.

Thousands of miles away, in the centre of the continent, in the period leading up to the American civil war, many more black African descendants travelled the underground railroad by night through waterways, swamps, forests and backroads. With the assistance of such groups as the Quakers, free blacks and native Americans, these bonded men, women and children sought out the freedom land of Canada.

A legendary conductor of the underground railroad, Harriet Tubman, became known as the Moses of her people. Tubman was born into slavery on a Maryland plantation and suffered brutal treatment before escaping in 1849. Over the next decade she returned to the American south many times and led hundreds of freedom seekers north.

It almost paralyzes the mind to think of the hardships facing these early black settlers in our country. It is hard for young black Canadians of African descent to fathom the horror that befell their ancestors or the courage and the tenacity with which they carried on. They were held together by strength of purpose and endurance, and by their faith in God. Black loyalists used the church as a source of security, a social gathering place and an educational institution. The church provided a spiritual and emotional release for these settlers. They continued to express their yearning and hope for freedom and equality through spiritual songs.

• (1805)

The memory of slavery and the scars of slavery run deep in the black communities of Nova Scotia and all of Canada to this day. They run deep in the literature of black Nova Scotian artists such as Lucky Campbell, George Elliot Clark, Jeremiah Sparks, the gospel choirs, the civil rights activists and the church leaders. They run deep in their continued efforts to fight racism, poverty, injustice and ignorance wherever they find it in their struggle to raise their families and build strong communities.

They run deep in the words of the song which has become the black national anthem and which begins every event within the black community where I come from. I respectfully quote from *Lift every voice and sing*:

Lift every voice and sing 'til earth and heaven ring, ring with the harmonies of liberty  
Let our rejoicing rise—high as the listening skies—  
Let it resound loud as the rolling sea.

*Private Members' Business*

It has been my privilege to speak today on the history of Canadians of black African descent. I wish to offer my support to the motion to enact an emancipation day so that we can remember, learn, listen and appreciate the lives and the history of these brave neighbours. Let us remember and work together to make sure that they will indeed be free at last.

**Mr. Scott Brison (Kings—Hants, PC):** Mr. Speaker, it is with pleasure today that I rise to speak to the motion to create August 1 as emancipation day.

I commend the hon. member for Calgary East for introducing the motion. I also commend my colleague, the hon. member for Dartmouth, for her excellent discourse, particularly in her description of the very important history of black communities in Nova Scotia. I commend the hon. member for a particularly thorough and engaging discourse.

Black Nova Scotians have made very important contributions in the past and they continue to do so today. We are very proud in Nova Scotia to have the largest indigenous black population on a per capita basis of any province in Canada.

I was surprised and disappointed with the hon. member for Notre-Dame-de-Grâce—Lachine when she turned what should have been a non-partisan debate on a very important fundamental issue, what should have been a celebration of multiculturalism, into a partisan mudslinging match on the floor of the House of Commons. I thought that was unnecessary and it is tragic that it happened today. In this important issue there is clearly no role for partisanship. Again I commend the member for Calgary East for introducing the motion.

We should celebrate the progress that has occurred for black Canadians since the days of slavery. We should celebrate the emergence of some great Canadian black role models and black Canadians who have made such a terrific contribution to Canadian society and from whom we have all benefited. That awareness of all our histories is important, particularly as a tool through education to combat the negative impacts of racism and the lost opportunities of racism. I think again, as we pause to recognize and celebrate our individual collective histories, that it can take us a long way toward tackling the negatives of racism.

Our party has had a strong history in this regard. It was the leader of our party today who as Prime Minister in 1979 appointed the first black Canadian to cabinet, Lincoln Alexander. Later Mr. Alexander went on to become Canada's first visible minority appointed as lieutenant governor of Ontario.

• (1810)

We are proud in the other place to have Senator Donald Oliver, a fellow Nova Scotian and certainly a very strong contributor to the

Senate. He is a great Canadian who serves the interests of all Nova Scotians and all Canadians very well. Of course we have Senator Anne Cools in the other place, and in this place we are very pleased to have members of the black community who contribute so much to the betterment of Canadian society.

I will mention a few individuals from Nova Scotia who made a particularly great contribution to our history. The hon. member for Dartmouth through her history in theatre would know the actor Walter Borden. We are also proud of novelist Fred Ward, filmmaker Sylvia Hamilton and poets Maxine Tynes and David Woods, and poet, author and filmmaker George Elliot Clark, all of whom have made significant contributions to our history and the cultural mosaic of Nova Scotia.

I should have also mentioned that Senator Oliver is from Wolfville, Nova Scotia, which is in my riding. I am also very proud of Ted Upshaw, an inspector in the RCMP who is the highest ranking black Canadian in the history of the RCMP. He is from Three Mile Plains outside Windsor in my riding.

It is important that we celebrate these great contributions. As we become more aware, particularly as young Canadians become more aware of these excellent and important contributions, it can make a lot of difference in tackling some of the misconceptions and the stereotypes which so often hurt all of us. As a society it has a negative impact from a macro perspective.

We can do an awful lot more through education by celebrating the contributions of the past and present and working toward ensuring a more unfettered access to the opportunities to shape the future of our country.

We have to consider things like equality of opportunities in terms of economic issues as well. We have to ensure that not only our governmental institutions but also businesses and individuals all strive a little harder to ensure that the barriers to access, to success and to opportunity are taken down. We have to make that commitment on an ongoing basis.

Nowhere is it easier to do that and to start setting an example than through our education systems provincially. The federal government can play a role in working with provincial governments on these types of initiatives. I tend to think those are probably the best places to start.

The motion of my friend and colleague from Calgary Centre to designate August 1 as a holiday, as emancipation day, would be a step forward. It would be beneficial in terms of helping achieve some of these goals. It is only one step.

I commend the hon. member for bringing forward the motion. I wish it had been made votable. It is unfortunate that in this place so much work and thought go into private members' business that are ultimately not provided with the level of attention I feel is



*Private Members' Business*

important or with the level of attention that the members opposite would like to see provided to some important issues.

I regret that it was not made a votable motion. I regret that some members opposite chose the opportunity to turn this very important and positive debate into a more partisan exercise. That should not in any way, shape or form detract from the commendations for the member's initiative in bringing this forward. I wish him all the best in this initiative and offer the complete support of myself and my party for this initiative.

• (1815)

**Mr. Deepak Obhrai (Calgary East, Canadian Alliance):** Mr. Speaker, I would like to thank all parties for supporting this initiative. This initiative recognizes a very important part of what has happened in the world history and the role that Canada and important people have played to take away suffering. I would like to thank those who have made speeches tonight and joined in the debate.

I would also like to join my colleague in saying that I feel extremely sad that the member on the other side took this opportunity to play politics. She could not understand that this was a

private member's motion, an initiative. She is a descendant of slaves. She should have been out there supporting this. However, she closed her remarks with unfortunate partisan politics that has brought this debate down two notches.

I hope, and I join my colleague, that the importance of the motion remains, irrespective of what she said and irrespective of the government deputy House leader not trying to make this a votable bill, despite the fact that the government keeps talking about multiculturalism.

Let us stay focused on what the motion is all about which is the importance of the abolishment of slavery, basic rights of human beings.

**The Deputy Speaker:** 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.

[*Translation*]

It being 6.20 p.m., the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.17 p.m.)

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