



CANADA

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OFFICIAL REPORT
(HANSARD)

Tuesday, September 23, 2003

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, September 23, 2003

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

SUPPLEMENTARY ESTIMATES (A) 2003-04

A message from Her Excellency the Governor General transmitting supplementary estimates (A) of the sums required for the fiscal year ending March 31, 2004, was presented by the hon. President of Treasury Board and read by the Speaker to the House.

* * *

•(1000)

[*Translation*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Jacques Saada (Brossard—La Prairie, Lib.): Mr. Speaker, I have the honour to present the 45th report of the Standing Committee on Procedure and House Affairs regarding membership of the committees, pursuant to Standing Orders 104 and 114.

* * *

•(1005)

[*English*]

CANADA MARRIAGE ACT

Mr. Jim Pankiw (Saskatoon—Humboldt, Ind.) moved for leave to introduce Bill C-450, an act to amend the Marriage (Prohibited Degrees) Act in order to protect the legal definition of “marriage” by invoking section 33 of the Canadian Charter of Rights and Freedoms.

He said: Mr. Speaker, it is my pleasure to introduce this bill, which would protect the legal definition of marriage as a union of a man and a woman by invoking the constitutional notwithstanding clause.

I would like to thank the hon. member for Dauphin—Swan River for seconding the bill and note for the record that I offered the Canadian Alliance the opportunity to second the bill and it declined based on an order from its leader. Not only did he once again act as a dictator, he is a duplicitous hypocrite.

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

The Speaker: The hon. member knows that in making a statement on the introduction of a bill he is to constrain himself and give a brief explanation of the purpose of the bill. Going beyond that I feel is unnecessary; I am sure the hon. member would not want to overstep the bounds of propriety in the House.

* * *

•(1010)

PETITIONS

MARRIAGE

Ms. Val Meredith (South Surrey—White Rock—Langley, Canadian Alliance): Mr. Speaker, I am pleased to stand in the House to present a petition from members of my constituency, 125 of them, who call upon Parliament to pass legislation to recognize the institution of marriage in federal law as being the lifelong union of one man and one woman to the exclusion of all others.

CHILD PORNOGRAPHY

Mr. Jay Hill (Prince George—Peace River, Canadian Alliance): Mr. Speaker, it is a pleasure for me to rise today and present a petition on behalf of constituents in Prince George—Peace River, notably from the rural areas of Cecil Lake and Buick and the communities of Mackenzie and Chetwynd and the city of Prince George.

These constituents would like to draw the attention of the House to the fact that the creation and use of child pornography is condemned by a clear majority of Canadians. They believe that the Liberal bill, Bill C-20, does not adequately protect our nation's children. They believe that the Liberal government has not prevented artistic merit from being used as a defence for the production and possession of child pornography. Therefore they call upon Parliament to protect our children by taking all necessary steps to ensure that all materials that promote or glorify child pornography are outlawed.

ABORIGINAL AFFAIRS

Mr. Inky Mark (Dauphin—Swan River, PC): Mr. Speaker, it is a pleasure to rise this morning to present three petitions on behalf of the people of Dauphin—Swan River.

The first petition deals with the issue of unlimited net fishing by aboriginals from Lake of the Prairies in Manitoba. The petitioners call on Parliament to enforce the laws of Canada so that those who are taking advantage of their status and who breach federal laws are held accountable for their actions and they say that Canada needs a single justice system for all its citizens.

Supply

NATIONAL PARKS

Mr. Inky Mark (Dauphin—Swan River, PC): Mr. Speaker, the second petition states that the national parks are a Canadian institution. The petitioners request Parliament to reduce national park fees and camping fees.

BOVINE TUBERCULOSIS

Mr. Inky Mark (Dauphin—Swan River, PC): Mr. Speaker, the last petition talks about the elk herd in Riding Mountain National Park, which is infected with bovine TB. The disease is being spread to surrounding cattle herds and zoning has been imposed in Manitoba. The petitioners call upon Parliament to request that Parks Canada take immediate action to save the elk herd and protect the surrounding livestock and wildlife by eliminating the disease within the elk herd.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—CATTLE INDUSTRY

Mr. Gary Schellenberger (Perth—Middlesex, PC) moved:

That, in the opinion of the House, the Prime Minister should convene and lead a multi-party delegation including representatives of the industry to Washington at the earliest possible date to discuss with officials of the Congress and the Government of the United States all possible means to fully reopen the U.S. border to shipments of Canadian livestock.

He said: Mr. Speaker, I will be sharing my time this morning with my colleague from Dauphin—Swan River.

I think it is very unfortunate that I feel compelled to rise today to speak on this motion, a motion that surrounds a situation of tremendous importance to Canadians. I should not have to and the fact that I do is very unfortunate indeed.

Currently Canada is suffering from a major crisis in our agriculture community. Farmers, some of them fourth and fifth generation, some of them in my riding of Perth—Middlesex, many of whom I consider friends, are facing financial ruin, too many of them. At kitchen tables and at county fairs, these hard-working and proud people are telling me that they may not be able to get past this issue.

We have a disaster on our hands in Canadian agriculture. As if disasters are not bad enough, we also have a government that is not willing to take the appropriate steps necessary to help address this issue.

But the Liberal government does not take that action because the country is also suffering another crisis: a profound crisis in leadership. Instead of proactively addressing the challenges facing Canadian farmers, the Liberals choose to concern themselves with waging internal party battles, settling old scores and placing their interests within the Liberal Party of Canada ahead of the best interests of the nation.

The Prime Minister chooses to focus on legacy issues like same sex marriage and Liberal leadership, and stories regarding the shadow prime minister headline the front page of the major dailies across the countries. The media all too often, it seems to me, get caught up spending most of their time on these issues. Unite the right is another example, Mr. Speaker, and please forgive me for this as I am not a journalist, but it seems to me the issue of this crisis in Canadian agriculture has virtually been ignored as the Prime Minister and the media focus on other issues, issues that it seems to me are of far less importance than the decimation of a domestic industry, and more than an industry, a way of life that the country was built upon. This issue promises to ruin lives, tear apart homes and throw small communities in rural Canada into economic chaos.

Instead of opening a dialogue with our friends and neighbours in the United States, the Prime Minister has elected to mock them with disdain and scorn. Just yesterday the Prime Minister went to New York to the UN and took cheap shots and lobbed thinly veiled attacks at our American friends. Such actions do not go unnoticed by the powers that be in Washington, D.C.

While the Liberals play these games, it seems the same cannot be said of my colleagues in the caucus of the Progressive Conservative Party of Canada. Our leader, the hon. member for Pictou—Antigonish—Guysborough, has been out in front on this very important issue like a true leader, championing this cause.

I want to thank my friend, the leader of the Progressive Conservative Party of Canada, for pointing out in the House on numerous occasions how the Liberal government has chosen to ignore this crisis and, in doing so, how our Prime Minister and his cabinet have elected to take the path of least resistance and abandon Canadian farmers, abandoning the very people who entrusted them with the authority to govern their lives.

I also want to acknowledge several of my hard-working colleagues in the Alliance, NDP and Bloc, who have tried to shame the government into action. There are also several Liberal members who have shown courage in trying to convince their masters in cabinet to do the right thing and help Canadian farmers.

Sadly, because of the pattern of Liberal government inaction on this issue, those fourth and fifth generation farms I mentioned earlier are unlikely to produce fifth and sixth generation farms.

Supply

● (1015)

It has taken 100 years or more to build a proud, vibrant, Canadian agricultural industry and it is likely the history books will one day report that it took the Liberal government about a decade to completely destroy all the hard work; all that Canadian innovation, determination and perseverance under some of the harshest conditions faced by any people anywhere in the world. This looks to be the legacy of our two current Prime Ministers, who may be trying to distance themselves from each other now but who have walked hand in hand down the aisle of Canadian economic disaster orchestrating their ill-advised policy decisions as the Bobbsey Twins of grit governments.

It is sad, terribly sad.

All we hear about lately is our Prime Minister. I apologize to my colleagues and to you, Mr. Speaker. I need to clarify that remark. I am now talking specifically about the Prime Minister who is currently living at 24 Sussex. All we hear about is his concern over his legacy. If things continue down the same path his legacy will be the elimination of the family farm in Canada and, considering our state of relations with the United States, perhaps an end to Canada's positive balance of trade with the Americans.

What of the concern for the humble farmer in rural Canada who wishes only the legacy of one day turning his family farm over to his son or daughter?

As a small business person I can tell members firsthand how important it is to have good relations with one's best customers. I can say with total certainty how important it is to do business with people who have money. The Americans are great customers and they are wonderful friends. They also have wants and needs for which they can pay. They not only pay their bills on time but they have a history of bargaining in good faith with Canadians; good faith that sadly the Liberal government has not shown toward our American friends during debates over recent foreign policy issues.

Those are issues that have witnessed Canada abandoning our traditional allies, allies like the U.K., Australia and, yes, the United States, and seeing Canada aligning ourselves with nations like Russia, France and China.

At least the current Liberal regime shows some consistency. It has taken a prosperous cattle industry, which has taken 100 years to develop, and promptly set to work destroying it within the timeframe of about a decade. It then takes over 100 years of noble Canadian diplomatic tradition and completely rearranges our strategic international alliances.

Alas, an examination of the last decade shows that the current Liberal government has not been treating the Americans like good customers and best friends.

One would think that with two Prime Ministers currently, one of them could find time between fundraisers for the Liberal Party of Canada to lead a delegation of top level political, diplomatic and industrial officials to Washington, D.C. to sit around a table with Americans and talk through some of these issues. Is that unreasonable? Roughly 85% of our exports wind up in the United States, paid for by valuable American greenbacks. What could

possibly be of more importance than insuring the maintenance of a strong relationship with the Americans?

After spending time working on this abroad I can tell the House that our counterparts in the U.S. congress echoed many of the concerns I have raised here in the House today. When I asked one congressman about opening the U.S. border to Canadian beef he said "If we make an error, is it not safer for us to err on the side of caution?"

I appeal to the sense of fairness and decency I truly believe exists within the hon. members of the House. I appeal to my colleagues to do the right thing and to take action at the highest diplomatic levels, to travel to Washington, D.C. to engage our most important trading partner, most reliable ally and, frankly speaking, our best friend so we may sort this out and save the livelihood of Canadian farmers.

● (1020)

Mr. Jay Hill (Prince George—Peace River, Canadian Alliance): Mr. Speaker, I see other people want to ask my colleague from the Progressive Conservatives a question or make a comment on this important subject so I will try to keep my remarks brief.

I actually wrote down one of the things he said. I listened closely to his remarks and agree with the general thrust of his speech. He said that it was important to have good relations with one's best customers. That reminded of the comments made to me by one of my constituents this summer as I travelled around my huge northern British Columbia riding.

I was up at Fort Nelson, heading toward the Yukon, when I stopped in to visit a friend, Mr. Cliff Andrews, a guide and outfitter, who operates a small lodge at Tetsa River, north of Fort Nelson, with his wife Lori. Cliff said to me "Jay, I've got this pretty much figured out I think. Obviously when this started there was a mad cow. That was one incident that created the concern on the part of the Americans but that is not the reason this is continuing".

He went on to say "Let me put it this way. Let's say you are a chicken farmer and your best customer lives across the road. Every morning you get out of bed, you go across the road and you kick him between the pockets. Then after a week or so you wonder why he does not buy your eggs any more".

Mr. Andrews made a good point with his analogy. If the real people in the real world have it figured out, why have the Liberals not?

● (1025)

Mr. Gary Schellenberger: Mr. Speaker, being a small businessman I do understand what it takes to make a good relationship and carry on business. I have been involved in small business for over 40 years. Some of the remarks that were made to our friends and largest trading partner, the United States, have been less than likable. I know what I would have done had I been there. I would have shut the door too.

I do believe that as far as BSE is concerned we have had one mad cow. We do know that. However when the congressman told me that we should err on the side of caution, I think it was a very weak answer.

Supply

Most of us in this room fly every day. Far more people will die this year from airplane crashes than from catching mad cow disease from any meat that they have eaten, but do we fly? Yes, sir.

They are using this particular instance as a play. I think it is all political. They have been kicked and kicked and they are just showing us right now that they are not going to get kicked any more.

I appreciated being part of the parliamentary delegation at the WTO. I have touched some of those people. I know how hard it is to touch some of those people. That is why I am requesting help from someone even higher than the parliamentarians in here, and there is only one higher than them, the Prime Minister.

Mr. Inky Mark (Dauphin—Swan River, PC): Mr. Speaker, I am pleased to rise in the debate, although it is not really a pleasure because the problem is so large that no doubt disaster is just around the corner.

I also believe that most urban Canadians do not really understand what is happening. I know rural members of Parliament were busy throughout the summer trying to resolve the issue. The reality of the day is that even though the press headlines are saying that the borders are open, the fact is that the borders are not really open. There may be a crack in the door but, as we have heard, only a few truckloads of muscle cuts have been shipped to the south.

When we think what one mad cow has done to an industry, basically it has brought it to standstill.

I just want to let urban Canadians know the issue. Prior to May 20, 90,000 cattle were butchered per week in the country and after May 20 the number fell to 30,000. We have been told by packers that every possible piece of freezer equipment from coast to coast is filled with meat.

The big picture is that urban Canadians need to understand the size and the impact the cattle industry has on our economy. The fact is that the cattle industry is worth over \$30 billion. It is the third largest sector. It accounts for almost one-third of the agricultural sector. It affects tens of thousands of people. It affects rural people and urban people. I do not think urban people really understand how it affects them.

This disaster already has basically eliminated the transportation industry, the packers and even the fast food industry, everything to do with food.

I was here a little over a month ago to attend a Standing Committee on Agriculture and Agri-Food emergency meeting. Ironically, after that meeting we were led to understand that the borders would open, but that was over a month ago. We are no further ahead today than we were a month ago.

When we think of the timeline, from May, June, July, August and September, the farmers, basically, have no cash. I think that is the issue.

I asked at the committee how many of us could survive for four months without a pay cheque, especially when some people have millions of dollars invested in their businesses. At that meeting I learned that the cattle industry was certainly controlled by our

American friends. As was mentioned earlier, why would we slander or treat with disrespect our best trading partner and our market?

The fact of the matter is that in terms of market, six out of ten cows we raise in the country are exported. Canadians cannot eat all the beef we produce. My understanding is that at best we would probably be overfed with beef if we ate that one extra beef. It is highly improbable that we could eat five out of ten cows we produce.

As we heard from the agriculture minister, it is not the science. He is very accurate when he says that it is not the science. In fact I applaud the agriculture minister for the efforts he has made. However if it is not science then obviously it is politics.

As I said yesterday in my statement, politics created the problem and the only way we will get out of this is through politics, and through leadership. If we do not have the leadership on the government side with the Prime Minister, there is no doubt that the problem will continue and the cattle industry in the country will be decimated.

• (1030)

That is why the motion makes sense, that the Prime Minister convene and lead a multi-party delegation including representatives of the industry to Washington at the earliest possible date to discuss with officials of Congress and the government of the United States all possible means to fully reopen the U.S. border to shipments of Canadian beef.

I come from Manitoba. The industry there is supposedly 10%, give or take \$3 million, and worth \$550 million in revenue annually. The unfortunate part of the Manitoba beef industry is that 90% of the beef raised has to be exported. What does that mean to the industry in Manitoba? Basically, it shuts it right down. Of my constituents, 80% are mixed farmers. They raise cattle, cereal grains and other cash crops as well. The problem is it is out of their control.

Governments have told farmers across Canada to diversify. They have done that. They have gone into cattle so when grain prices are low they have something else on which to depend. This is even a bigger problem than what I have witnessed since 1997, when I came to the House, even than drought and low grain prices. Today people in the cattle industry, which account for a majority of the farmers across the country, some say probably 90,000 farm families, are on the verge of going broke.

As members of Parliament, it is very difficult for all of us to deal with this. We get calls from farm families who are pleading for help. They are almost crying on the phone. They ask how they will feed their families or pay their hydro or telephone bills. Some have children who are ready to go to university. I spoke to Betty Green, the president of the Manitoba Cattle Producers Association. Her children are at university and she wonders how she will help them continue their education. Farmers who have been bull producers for three or four generations have told me that there is absolutely no market for bulls today. How do they pay their bills?

Supply

Today on the average farm there may be 100 to 200 head of cattle. Summer has come and gone. In some parts of my riding they did not even have a good summer because of drought conditions. They cannot even feed their cows. There is a problem even when they put them in community pastures owned by the federal government. I had to intervene to get the government to defer payments so farmers could get their cattle home. Even on that point the government wants to charge them interest and wants them to pay the bill for grazing their cattle by next March.

I am here to plead on behalf of the people of Dauphin—Swan River and certainly the farmers across the country. This problem is impacting not only the farmers of Dauphin—Swan River but also those farmers across the country. It is impacting not only the beef producers, the dairymen, the bison producers, the chicken producers but all farmers. Again I plead with the government to show some leadership and deal with the problem so we can get it fixed.

• (1035)

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I want to take the opportunity in the question and comment period to ask the hon. member some questions.

I would like to know where he obtained the numbers of killing 90,000 cattle a week. We have not killed 90,000 head of cattle a week in Canada for a long time, if ever. Prior to May 20, we were killing about 73,000 to 74,000 cattle a week. Yes, it dropped down, but by the end of the beef recovery program at the end of August, which is working, we were killing 75,000 animals a week. Does he realize that?

He said that nothing had happened in the last month. By last Thursday there were permits to move eight million pounds of Canadian beef into the United States. Is that nothing? He says that nothing has been done for farmers. Is \$560 million between the federal and provincial governments, \$600 million that I announced in transition payments last week and \$500 million that is available to farmers in business risk management nothing to Canadian farmers?

He says that this is not a health issue. Is he saying that the world should ignore the organization Office international des épizooties which is the world authorities of scientists on this? Is this not a health issue? I think that was made very clear with the unfortunate situation in the European area a few years ago. Is he saying that we should ignore all these facts and just talk politics on this? Does nothing of this have any meaning to the hon. member?

Mr. Inky Mark: Mr. Speaker, the minister needs to respond to the guy on the ground, the cow-calf producer, the guy who cannot pay his bills, the guy who cannot ship his 700 pound yearlings and the guy who is on the verge of going broke.

I applaud the minister for all the work he has done because he has done it well. Everything certainly helps. This is an issue where everyone has to pull together. There is nothing to gain by member's criticizing each other in terms of what we have or have not done. The problem is politics, and that is the bottom line.

I was at the committee meeting a month ago and members asked about the transition fund of over \$460 million. We wanted to know where the money was. The question came up when Ontario Liberal members were asked this summer why beef prices at the counter

were so high considering there was so much beef and problems in shipping it. Beef producers were getting 30¢ per pound and cows were worth 10¢ a pound. That is a very relevant question.

Packers across the country were trying to track the money but no one could figure out where it went or how much money was spent. This is just like AIDA. The government threw \$1.5 billion into AIDA and it took years to figure out where all the money went, and we still do not know where it went.

It is easy for the government to say that it will spend money, but that money should be put into the hands of the people who need it.

• (1040)

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, I appreciate the fact that the member's party has brought this motion to the floor of the House today, which I fully support.

When we had the SARS crisis, the government responded immediately to deal with the problem, and rightfully so. When Ontario had the 72 hour power outage, which created great havoc, a committee was struck immediately to deal with that serious tragedy.

Could the member explain to me why the Liberal government, which showed so much concern at the right time for different events, has yet to strike a committee of Canadians, Americans, politicians and industry on either side of the border to deal with this devastating problem? Why has the government done nothing when in other instances, such as SARS and the power outage, it was quick to react?

A lot of ranchers in my riding, and myself included, would say that it has been five months and there still is nothing but a lot of blah, blah, blah. By the time they get their forms filled in and make application to the department of the agriculture minister in Ottawa, they will be broke. Why does the government hesitate to jump on problems in this area? It was quick on others—

The Deputy Speaker: Order, please. I know the hon. member for Wild Rose will want to leave the last minute to his parliamentary colleague to respond. The hon. member for Dauphin—Swan River.

Mr. Inky Mark: Mr. Speaker, it is unfortunate that we have to compare one province to another. It is not productive in this federation to pitch provinces against each other.

If the border were closed to the movement of auto parts between southern Ontario and the United States, how long would it take to re-open that border? I do not think it would take four months.

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I welcome the opportunity to participate in the discussion today.

Supply

I first want to thank everyone. The success we have had to date in getting the borders open for our Canadian beef and the success we have had in supporting the Canadian beef industry in so many ways has been truly a team Canada effort. The consumers have been there to support the industry. The provinces, industry people and members of Parliament have been there, and we certainly need to continue that type of approach. We have shown considerable success already.

While an all party delegation showing up on the door of Parliament Hill might sound like an approach that could be taken, I believe the one on one contacts I have had have been effective, for example with U.S. Secretary Ann Veneman and with the Mexican Secretary of Agriculture Javier Usabiaga. The calls I have made to other countries and the contacts, for example with the country of Japan alone, have been effective. We certainly have had more calls with the United States.

I looked at a list of contacts. The hon. members have said that diplomats, politicians and leaders of Canada. Some time ago I looked into what I will refer to as interventions, contacts and letters and there were over 76 with Japan alone.

Unfortunately we are dealing with a health issue, and that has been determined by the best scientists in the world in the OIE. Just to put that in perspective, the Office international des épizooties, the international body that corresponds with the World Health Organization, deals with, comments upon and gives guidelines as far as human health issues are concerned. This is a situation where science and the bad experience in Europe a number of years ago can show there may very well be a crossover between a situation in animal science to a situation in human health. That has to be everybody's primary concern.

There have been attempts by some leaders across the country to go to Washington. Some have been more successful and some of their comments have been more helpful than others. However I can assure members that the Prime Minister has spoken directly to President Bush on this issue. The President's comment on this was that he was keen to get the border open, and that is significant. From working with people in his administration, not only myself and officials from my office but officials from many other government offices, that also has been indicated.

Let us remind ourselves of where we are. Canada is the first BSE country in the world to get markets opened up to its product. Yes, it took 100 days, but it is the first time in history that has happened and it has happened because of the system we have in place, our industry, our primary producers, our processors and our food inspection system, and the fact that everybody recognized the importance of the integrated beef and cattle market in North America. There is the breeding aspect of this as well. There have been incredible numbers.

We also have to remember that it is not Canada's borders that are closed and we can make that decision to open them. Borders of other countries are closed. They have to make that decision to open. We have demonstrated with science and with all I said before and they have reacted by starting to open up their borders.

As I said in responding to the hon. member a few minutes ago, as of last Thursday we now have had certificates, and they are being issued every day. Over eight million pounds of product is going into

the United States. It is going to start to move into Mexico as well. We will continue to work in that area.

The secretary in the United States has said publicly the other day that she was expediting the regulatory process to move toward opening the border to live cattle under 30 months going directly to slaughter. It is usually a process that takes 12 to 18 months in the United States. As I said to the press the other day, she has assured us that she is expediting that process. We have encouraged her to do so. I talked to her specifically about it, encouraging her to do so, so we can take another step in opening those borders.

● (1045)

Mexico is working as well. It is no secret that Mexico and Canada are working on a protocol so that we can hopefully start moving bred replacement dairy heifers, as well as beef, into Mexico. That is not completed yet. Everyone has to agree, including the United States, because of the American concern of live cattle moving into Mexico.

We are also making some headway not only with, as I said, the U.S. and Mexico, but we are making some headway with Russia. The protocol is being put in place with Russia and it is preparing to move animals, not only in the under 30 months of age, but also over 30 months of age.

Never before have we worked so hard with Jamaica, Antigua and Barbuda, the Philippines, Trinidad and Tobago. They have not opened up to any other country that has had BSE or was listed as a BSE country.

The federal and provincial governments will continue these intense efforts with all of these countries and more. I can tell members that we will not rest, the industry will not rest, and the provinces will not rest until we get full restoration of where we were prior to May 20.

We are moving to expedite all of these processes and the countries are cooperating with us because they recognize the quality of Canadian beef.

While a trip to Washington by a group of politicians may give the appearance of making some headway, our thorough and behind the scenes approach is working. We know that is a big part of diplomacy which is contrary to what some people think should happen. They feel that it should be done in the open, on the front pages of the newspaper, in front of the TV cameras. However, it is the actions that count. With the actions that have happened so far, we can honestly say that we have taken steps that no other country has.

While we continue to do that, we are also working with the OIE. Canada is leading in that regard. When I met Secretary Venamen in one of the face-to-face meetings back in June, I suggested that the NAFTA countries, Canada, the U.S. and Mexico, put together a letter asking the OIE to review the level of risk with something like BSE. I asked the OIE to review BSE, in particular when a system works similar to ours. We have this situation not because our system failed but because our system worked. We found the animal and we took it out of the food chain.

We are asking the OIE, and we are being supported by other countries, when it meets in Paris in September, to look at the science that has come forward since the major situation in the United Kingdom and Europe a few years ago. We are asking it to look at the changes in feed practices, the level of surveillance, and the removal of specified risk material, for example, that has taken place. We could then put into perspective where we are as far as risk in these types of situations.

This is not a situation where in the past there have been estimates of up to two million animals in the food chain. This is a very low risk. I am not saying it should be ignored, but let us put it into perspective. Other countries are recognizing that this is important to them as well.

Our intent is to ask them to create international standards that reflect: science, surveillance, testing, feeding practices, et cetera. We will continue to promote what has been very successful to us and recognized by the international body. We have asked it to review what we had done and to give us recommendations on what we should do.

We have already completed some of those recommendations. With others, we have to work with the provinces in order to ensure that we have the capacity, the funding, and all that is involved in that approach. This is because some of the percentage of our beef in Canada is slaughtered in provincial slaughterhouses. The provinces must be able to do the further surveillance and testing on animals as well.

I have made reference to the fact that we have removed the specified risk materials in order to make a very safe system even safer. We are pursuing the level of surveillance that we need to achieve. We are working so that we will have a system that would be able to detect, as soon as all the resources are there—and we cannot commit to doing that until we have the resources—one animal in one million.

•(1050)

That is the goal we are working toward and we will take whatever steps are necessary as far as feeding and traceability measures, and increasing significantly the amount of surveillance in order to get that point.

It is actions like these that will open borders a whole lot quicker than taking a busload or a planeload of people to Washington. A number of people have already been there. That has been helpful, it is true. However, the work has been going on, diplomatically and scientifically, in the other areas coordinated by the trade minister and other ministers.

Routine Proceedings

The Prime Minister and the Deputy Prime Minister have been involved in taking every opportunity to make these points, and not only to the United States. Yes, it is our biggest customer, but it is not our only customer. That is why it is important that we do this with all of the 30-some countries.

I met with the minister from Korea and other ministers. I met with the minister from Japan again a week and a half ago when the hon. member was present, not at the meeting, but in Cancun. I want to thank him for attending the WTO and for the support he gave our Canadian team on WTO issues. I met with the minister from Japan there again and I met with the minister from China. As I said, I met with the secretary from Mexico as well as the secretary to the United States. I met with all of these ministers.

Another thing that helped was the announcement back in July by the Minister for International Trade and myself that all supplemental imports of non-NAFTA beef and veal will normally be refused. Certainly that creates a situation where any of our processors and further processors that were bringing in offshore beef above the WTO commitments through our tariff rate quotas will have more difficulties under normal circumstances.

To assist the producers, and I outlined this to the hon. member a minute ago, the government put up \$560 million. Some people have said that the government did nothing. We made the announcement on May 20 when we confirmed the situation. I made the announcement with the minister in Alberta within two hours of having that confirmed.

Those individuals are saying that 312 million federal dollars and the support of the province that raised it to \$520 million was insignificant. In the eyes of many Canadians, I do not think \$520 million was insignificant. Is there financial stress in the industry? We recognize that, but that program kept the market open and kept it moving. It moved us up to 73,000 animals a week.

While we continue to work on opening the borders, we are looking ahead to begin pooling the money that is available. There is—

•(1055)

The Deputy Speaker: Order, please. The hon. member for Huron—Bruce on a point of order.

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I want to thank you for allowing me to raise this matter. Discussions have taken place among all parties and I believe that you would find unanimous consent for the following motion. I move that the 45th report of the Standing Committee on Procedure and House Affairs concerning the membership of committees tabled earlier today be deemed concurred in at 2:00 p.m. on Thursday, September 25, 2003.

Supply

The Deputy 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)

HEALTH

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, again discussions have taken place between the parties and I believe that you would find unanimous consent for the following motion. I move:

That notwithstanding Standing Order 106(1), that the Standing Committee on Health be permitted to meet on Thursday, September 25, 2003, at 3:30 p.m. for the purpose of Standing Order 106(2).

The Deputy 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)

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—CATTLE INDUSTRY

The House resumed consideration of the motion.

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, would you give me an indication of how much time I have left?

The Deputy Speaker: I was just about to answer that very question. The minister has approximately six minutes remaining in his time.

Hon. Lyle Vanclief: Mr. Speaker, as I said, while we continue to work to open the borders in all the ways I have just described, it is important that we start the flow of the funds that we have.

On top of the \$560 million, \$312 million of which was the federal contribution to the BSE recovery program, I announced last Friday that the second instalment of the \$1.2 billion transition money that the Prime Minister and I announced in June 2001 would flow to farmers. The application forms and the information on that will go out in the very near future. That is \$600 million that will go out to farmers. It is all federal money. Last year, some of the provinces put up 40% of that. Others chose not to.

I have no idea whether the provinces will be doing that this year or not. However, I want to inform and remind everybody that \$600 million will go out. Much of that will go out to beef producers. But as hon. members have said today, there have been other stresses in our industry, be that drought in some areas or market situations for other commodities as well.

I also announced a few weeks ago that money will flow for provinces that have made their commitment to the agricultural policy framework. In other words, they have signed a federal-provincial agreement with the federal government. All federal-provincial

agreements expired on March 31, 2003. The provinces have known for three years that that would be the expiry date. Several provinces have signed, which allows the federal government to flow money to them.

By doing so those provinces have committed their 40% to programs, and not only to support crop insurance, companion programs, disaster programs, food safety programs, environment programs and renewal science and innovation. Some provinces have not signed and they have not even indicated to their industry that they will support them in that way.

We want to move that money. For those provinces that have signed, I announced two or three weeks ago that I would be prepared to and this week I signed bilateral agreements with four of those signatory provinces to allow producers there to make interim applications on the business risk management type program that will be there when more provinces sign. Those provinces have made the transition. They have made the commitment. Others have not made that commitment. I would suggest that the industries in those provinces ask their provinces to sign so that money can start to flow, because we know the producers need the money.

We will continue to work with the provinces and the industry to assess their needs and determine what additional measures would be appropriate.

We know that there have been and will likely be some continued changes to our beef industry overall. As the beef round table is doing and will continue to do, everybody in the beef industry—right from producer to consumer, governments to industry—needs to put their heads together, as has been happening, to develop the beef industry to deal with some of the realities that may very well be facing us. They are realities that we do not like, but realities that we are going to have to face in the future.

The beef industry can be proud, and we are all proud of it in the way in which it has reacted to and developed the beef market, not only domestically but around the world in the past. I am confident that whatever the changes are, few as we hope they are, that the beef industry will be able to react to that as well.

We can see that the federal government, along with the provinces and the industry, is doing everything possible to reopen the borders. Yes, that is extremely important and I am not diminishing that whatsoever, but what is also important is that we do all we possibly can to develop the industry here in Canada. If we are not able to market meat from older animals into other countries, which we are trying to do and will work on, then we need to help develop the use and the markets here in Canada.

● (1100)

All our fast food chains announced this year that instead of buying some of that beef offshore, they are going to use Canadian beef. That is a market opportunity. It is a tough way to get it, I agree.

We have lost because until we had the health situation, there was no Canada-U.S. border in the beef industry. There really was not and the beef industry develops on that. I am not criticizing them; that is just the reality that was there. We now have a health border that we have conquered to some extent. I am confident we will conquer some more as we go forward.

Maybe we have an opportunity to bring some of those slaughter facilities, or create some of those here. We could bring some of those jobs back and create employment here. We could create products here that in the past were being brought in from someplace else using somebody else's beef rather than our Canadian beef.

I want to thank everybody. It has been a team Canada effort. I have none other than a positive indication that it will continue to be so. Again, I want to thank the Canadian consumers because they have been there big time in recognizing the importance of the beef industry, along with everybody else recognizing it and supporting it throughout the summer. I know they will continue to do it.

• (1105)

Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance): Mr. Speaker, it was a pleasure to see the minister rise to speak to the issue.

He talked glowingly about a future for the industry. I agree with him. They are a tough breed out there. They will hang on. The thing that is missing, and the minister must show some leadership in this, is that we do not see leadership, we do not see a plan to transition the industry from the crisis it is in today to the future he talked about working toward.

We do not see protocols on the handling of the SRMs and rendering. Where is that protocol? We are seeing that type of thing happening. We are seeing landfills being filled with this type of product but we do not have leadership at that level. We are seeing the provinces and industry agreeing. Everybody agrees that the APF the minister keeps blackmailing folks into will never handle a crisis like this, or give us the transitioning that is required to get back to pre-May 20 situations.

Certainly there are going to be some changes but what we are not seeing is leadership and planning at the federal level. We have to have that. That is the void.

Hon. Lyle Vanclief: Mr. Speaker, it was some months ago, prior to May 20, that the government put in place a series of round tables. As minister I made the announcement.

There are many players in all of this. We put in place a beef round table. The first approach of the round table prior to May 20 rightfully asked how we could enhance the beef industry in Canada. How could they enhance it both domestically and internationally? On May 20 the concentration of their work obviously changed, but what we already had in place was a round table.

The hon. member asked what is happening. Unfortunately it is not like some people think, that we can just phone President Bush or Secretary Ann Veneman and say, "Excuse us folks, we are coming through with some cattle liners tomorrow. We are coming through with some culled cows tomorrow".

Supply

It is not that simple. It takes a lot of diplomatic work. It also takes a lot of work with the industry. The resources have to be there within the industry itself to change some of the plants over to process some of the product that they have not been able to process in the past. That work is underway.

I mentioned in my comments about making sure that when we change the regulations that we can carry them out. They have to be meaningful, credible and enforceable. We will not act until we can because we have demonstrated to the world in the past that when we did these things, we could live up to them. They have recognized them and that is why we have borders open.

Mr. Rex Barnes (Gander—Grand Falls, PC): Mr. Speaker, the minister talked about all the money the government has put into the crisis. It is like the fishing industry. All kinds of money went into the crisis but it seemed that the people on the ground who needed it the most did not get it.

The minister talked about a little over half a billion dollars. Basically it looks like it right now in the compensation package with the combination of the provinces putting in some money. Who actually got the money? If the money is out there, it seems that the farmers are saying that they do not have it. Who actually got the money? I would like the minister to outline where the money has gone.

Hon. Lyle Vanclief: Mr. Speaker, the hon. member should look at how the BSE recovery program went.

When the owners of those cattle shipped their animals, they filed and got a cheque for the amount that the BSE recovery program paid. That paid out over \$500 million directly to those people who sold their animals. The transition money cheques, the \$600 million of transition money that I announced last week, will be based on their eligible net sales, their history and will go directly to farmers' mailboxes. When they make their applications through the disaster aspect of the business risk management, the APF, it will go directly to the farmers. All of that money will go directly to the farmers.

That is who is getting it. That is who deserves it. That is whom it will go to.

• (1110)

Mr. Dick Proctor (Palliser, NDP): Mr. Speaker, the minister knows in the breakdown that a lot of the big feedlots got the vast majority of the money. There was a cheque written for almost \$5 million to one feedlot. There were a heck of a lot of cow calf operators who did not see a dime of that \$500 million and are not likely to in the near future.

I specifically would like to ask the minister about the issue that came up yesterday on cull cattle. This is the glut in the system that we need to get out, recognizing that a lot of the slaughterhouses in Canada really cannot process those culls that are normally processed in the United States. We only processed a little over 3,000 last week as opposed to 15,000 that need to be culled between now and the end of the year.

What plans does the minister have to see that glut and backlog reduced so that we can go ahead with the younger animals being processed here in Canada?

Supply

Hon. Lyle Vanclief: Mr. Speaker, we had a federal-provincial ministers meeting yesterday and the cattlemen made a presentation. As far as their suggestion on dealing with the cull cows, there was a clear consensus of the ministers who were there that we not do anything specific on cull cows, that we flow the money, the \$500 million that is there under the agriculture policy framework.

By the way, I do not have a cap on that. Some of the provinces have said to their treasuries, which I understand, that they budgeted for what they might think. Federally we do not have a cap. If we need more than that, that money is there, if more than that money is triggered because farmers' incomes dropped in reference to their production margins in the past. That may very well be because they did not get as much for fat cattle, they did not get as much for cows as they did in the past, or they did not get as much for canola or they did not get as much for wheat, corn, soybeans, or whatever it is, in their individual situations. That money is there. That was the decision as well.

As far as capacity to handle these, it was very clear yesterday through work that was done by the provinces and by the industry that they feel we do have the capacity to move them. The packers are not paying very much for cull cows right now. I am confident that if the packers were perhaps to pay a little bit more, more animals would be presented to them by the producers.

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, I want to thank the minister for making his presentation to the House today in this very timely debate.

When the crisis hit on May 20, we saw that the CFIA responded quickly and it seemed to have a plan. It seemed to be able to show over a period of time some of the evidence that it was only one isolated case. Now the public is seemingly more concerned that the strategy is over. Given that we have shown that it is one isolated case, given that we have shown the science, now the public does not see any strategy anymore.

My question is twofold. First, is there a strategy for reopening the border? The minister talked about diplomatic procedures and process, but is there a specific strategy and who drew up the strategy?

Also, the process for reopening the border was laid out decades ago, or at least 10 years ago. In some ways it would appear that the process is for a country that has an outbreak of BSE.

Could the minister explain the difference between a country that has an outbreak of BSE and another with one isolated case? How would we respond if we were in the Americans' shoes and if the Americans had the BSE outbreak? What measures—

The Deputy Speaker: Order. There is only one minute remaining on the clock and I would want to leave a little bit of time for the Minister of Agriculture and Agri-Food to respond.

Hon. Lyle Vanclief: Mr. Speaker, the hon. member is very familiar with the beef industry and I respect his comments and his question. I know he is not going to have a chance to respond but my guess is that if that cow had been in the United States, many hon. members in this chamber would have said, "They have BSE, we don't", and they would suggest that we follow the guidelines of the OIE.

The OIE has guidelines for different levels, minimal risk, different levels. Other countries are following those guidelines. However, many of those countries are saying that because of the system we have here, because of the strategy that the CFIA, Agriculture Canada and international trade, Health Canada and everyone has put in place, we have successfully had the borders opened to some extent. It is a big step but we have a long way to go.

Let us take advantage of what we have and the system that we have which is recognized throughout the world. Remember, the international body said that no other country in the world has ever moved as quickly, as competently and as thoroughly in addressing, assessing and seeking to see what the level was. No other country in the world has moved and moved as quickly as Canada has done. Our officials worked night and day. Our industry worked night and day. All Canadians need to be given thanks, and I know everyone does, for what has been done so far. But they too know that our job is not done.

•(1115)

Mr. Gerry Ritz (Battlefords—Lloydminster, Canadian Alliance): Mr. Speaker, it is a pleasure to rise today and speak to the motion put forward by my colleagues from the Tory Party. I certainly agree with it.

The motion came before the agriculture committee in an emergency meeting this summer. I think it was July. It was unanimously passed. It was a non-partisan push, that we need to do everything and anything to get back to normalcy in the livestock industry.

It is not just beef at this time either. We talk about beef because that is the key but it is the livestock industry as a whole. Every facet of it is facing crisis and needs to be let out.

I will be splitting my time with the member for Medicine Hat who just reminded me of that. Of course he is very much into the beef industry as well.

It is not just a photo op. The minister talked about that. It is fine to have all these folks go down to Washington and so on but Washington alone is not the answer. It is part of the answer but it is not all of it.

We have interventions from other countries saying that they are ready to get back into the Canadian beef trade. Who is over there talking to them? All members of the House who have been in sales know that if they get a lead on something they follow it up. They get over there, do their job, make the sale and then they are done.

The Prime Minister has led team Canada initiatives all over the world. At the drop of a hat, he is away. If he is looking for a legacy here is a chance. He can take a beef sample kit, hit the skies in his fancy new Challenger jet and get the job done. However he is not doing that. Where the heck is he? Neither one of the so-called leaders are showing leadership on this file.

Supply

We have the minister stumbling around saying that he talks to Ann Venamen on the phone and that he does this and he does that. I have a lot of constituents who will talk to me over the phone but a lot of people want a face to face meeting when it is a real crisis situation. I think this is and I think it requires a trip to Washington. We need to talk to the folks down there and show them the human side of this, show them the people who are in crisis out there.

In his intervention with the minister, the member for Crowfoot mentioned that we were not seeing a strategy now. We saw the CFIA do its job. We saw the trace-out working properly. They came back to a farm in my riding, McRae at Baldwinton. They are still questioning whether it was even their cow. There is a lot of concern out there that in their hurry to find the right animal they glossed everything over and, boom, we were done. They have some lawsuits pending and they are talking about going after the CFIA, the government and so on, because of the way they handled that particular farm. Others are looking at that too. That is something else out there on the radar screen, along with 3,500 people at CFIA who are poised to go on strike. Right in the middle of all of this, we may finally get some beef moving again and these guys will be off the job. The minister will have his hands full in the next little while, and rightly so.

We saw this develop into a crisis because they would not implement a floor price on sales right after the BSE incident happened. The minister talked about his round table and the beef industry, and so on. That recommendation came right from those folks. We picked it up as a political issue here and talked about a floor price. Let us not let it drop to the bottom. What is hurting cull cows now is not allowing the feedlots to restock and so on. People are not selling their cattle. The price is not back up.

We are starting to see it move. We are seeing some strength in grassers coming off, the six and seven weights, that the price is coming back, but a lot of folks out there who back-grounded over the summer are stuck with oversized cattle that will not fit into the feedlot situation. What do they do?

We have cow-calf operators, a lot of them up in my country, who do not winter their calves over. They do not even have the infrastructure to do it. No penning. No water bowls. Nothing. We are facing another year, in a lot of western Canada, with a lack of feed. We need feeding programs. We need a cull cow program. We need some leadership and some strategy from the government. We are not seeing it. It has dropped the ball right there at centre court.

We still have containers that were locked overseas when this hit 120 days ago. They are still sitting there now. The Beef Export Federation cannot get anybody to address the situation and get these containers home so we can start addressing some of these markets that will be coming back on stream.

The Alberta government announced \$4 million to bring back a few from Japan and Korea specifically for some of their shippers but we do not know what the federal government has done.

According to the Beef Export Federation and the folks who do this, the government has done nothing. Those containers are still over there. We do talk about the future of the industry but we are not

taking care of the ABCs to get us there. Again, it is that lack of vision and planning.

We do need a transition. We did not see one at the start of the BSE crisis and we are not seeing one now; a transition that will give the industry strength and something to hang on to and hang on for.

The banks and lending institutions have been very good. They have all restructured. Guys have gone in and renegotiated and done a great job at that. We have seen the PFRA, which falls under the minister's purview, demanding cash before cattle is released out of pasture. That is unprecedented.

- (1120)

The federal government's own agency is demanding cash from cash-strapped farmers when they cannot access all this APF money and transition money that the minister talks glowingly about. How do farmers get at it? Now he is saying that he will allow some advances to provinces that have signed on, which really puts pressure on provinces that have not signed on. The specific reason they have not signed on is that it will not work. There is less money in the system now for primary production of agriculture than there ever has been. The agri-food side of the Department of Agriculture and Agri-Food has always done very well and continues to do very well, but the primary producer on the agriculture side is getting short-changed again.

The federal government is trying to pull out of companion programs. There goes the farmers' crop insurance program, the drought and trade subsidies and so on. The feds are going to pull out. They are putting less money in. In the middle of all of this, the federal government announces that it will backstop Bombardier for \$1.2 billion in loan guarantees for the purchase of Bombardier products. Where is the backstop for agriculture products?

The fiscal capacity seems to be there because the Liberals have money to stuff in all their pet pigeon holes, but they cannot backstop primary producers. What is wrong? Agriculture is the third largest contributor to the GDP in this country. Some 200,000 jobs revolve around agriculture on the in and the out. How come these guys cannot get that?

The member for Crowfoot asked: If there is a strategy, who designed it? That is a pertinent question because we see more and more of these flawed agricultural programs coming out of the ivory towers here from guys who have never seen a cow, never seen a dusty piece of ground, do not even know what wheat or durum is, or canola for that matter, and they are designing the programs. No wonder they are doomed to fail. The Liberals are going for the public relations spin for the people who eat in Canada but not for the guy who produces the food.

Supply

If we look back over history at any third world country, we see that they became third world countries because they could not feed themselves. We are facing that same situation because the Liberals do not take the production of food in this country seriously. A lot of money is going into food safety, biometrics and all sorts of fancy stuff out there but not into primary production, not to the guy on the ground, the family farm, the guy raising the cattle, the guy raising the sheep, hogs, or whatever it is. The Liberals do not take it seriously.

We are seeing supply management going into a tailspin because every time we have trade talks the Liberals start talking about dismantling supply management because they do not have the power anymore on the world stage to keep things up. We are seeing trade challenges to our Canadian Wheat Board again and again. Whether one likes the board or hates the board, the farmer pays the bill. It comes out of their pooling accounts.

Every time we turn around the primary producer is getting whacked between the eyes and the government is sitting back and saying it has all kinds of money to backstop producers but they have to make a deal with the devil to get it.

A lot of folks in western Canada are starting to wake up and say that they will not go that way. They are saying that they cannot be bought. Ontario is saying the same thing. The Ontario minister is saying that farmers in Ontario cannot be bought. Even through an election she is standing solid because her production groups are saying that this is not a good deal and that we should not buy into it. Once a province is locked in it is locked in for five years.

The minister has said that he will do an annual review. He is missing one little word in that phrase. It should be a mandatory annual review. We have seen annual reviews on a lot of things that Treasury Board has done and the reports get shelved, never get looked at, disappear from the light of day and are never scrutinized.

Looking for an annual review does not mean a thing. It is a hollow promise unless he puts it in the legislative portion of it that it is mandatory and has to be done. In that way the provinces would have some clout and could come back after the minister.

Where is the plan? Where is the strategy? We have a processing shortfall in Canada, an infrastructure that is sadly lacking. We need to do something with our culled cows. Somewhere in the neighbourhood of 300,000 to 400,000 head of cattle by the end of the year have to go somewhere. A lot of things could be done with those cows but we do not even have the processing to do it because we have let that go.

This all comes down to one mad cow and 100,000 mad farmers. I think the minister would be much better off to start recognizing these farmers.

•(1125)

Mr. Sarkis Assadourian (Parliamentary Secretary to the Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I followed the hon. member's comments very carefully.

My riding of Brampton Centre, like most ridings in the Toronto area, does not have any cattle farmers. However they continually ask us what has happened to supply and demand. I want to tell my

colleague about the Chrysler Corporation in my riding. Every time there is an over supply of cars it reduces the price of its vehicles. If someone buys a car, it gives \$1,000 rebates, reduces the interest rate or makes the purchase interest free.

Most consumers in my riding have been asking me why they have not seen a drop in the price of beef for consumers to encourage them to buy Canadian beef when the price of a cow has gone from \$500 or \$600 to \$60 or \$70.

Mr. Gerry Ritz: Mr. Speaker, that really is not hard to explain. He is saying that his people do not understand farming, and so be it, but they have the safest, most secure food supply in the world, bar none. During and even before the crisis our grocery bill is still one of the cheapest in the world.

There are reasons that we did not see a change in beef and other livestock products over the counter. For one, we still have our NAFTA imports and in southern Ontario, and Toronto especially, a lot of American beef is coming in. It is not western beef. It is not even Ontario beef because it goes south to be processed. We have that inventory in the mix, roughly two months, at all times.

The problem we had was with the supplementary quotas, the Oceanic beef, Australia, New Zealand, Uruguay, the grass fed beef that feeds into the fast food chains. Again, that is in play and there is two months booking ahead of time. We have that kind of inventory in the cycle before we can start to see savings from domestic raised beef.

On top of that, the packers during the summer cycle were into the hamburger and barbecue cuts, so they could use about 25% of the carcass, that is all. The rest of it is sitting in freezers from coast to coast until we finally get a lot of this offshore stuff going.

The minister talked about 10 million pounds crossing the American border. That market is usually 880 million pounds a year. Ten million is a drop in the bucket. We are starting to roll but not to the degree that we need to do.

We do not have Mexico on board yet. It takes some of the lesser cuts, which will relieve some of the strain back to the packers. That is, in a nutshell, why we did not see a lot of change over the counter.

We also have the argument that if they lowered beef, pork would suffer, lamb would suffer, chicken, turkey and so on would suffer. There are always those arguments. The retail associations that came before the committee did a great job of outlining that. They print their flyers with pricing in them two and three months ahead of time. A lot of those things go into the mix.

We are seeing some cuts where prices have been lowered, such as hamburger. I know Rick Paskal from Alberta brought six semi-trailer loads of hamburger into Toronto. He was practically giving the stuff away just to prove that the product could be moved.

Supply

The right things were done without a plan from the government.

Mr. Gary Schellenberger (Perth—Middlesex, PC): Mr. Speaker, yes, I feel that the border is open but only a slight bit. We are talking about 10 million pounds of boxed beef having been shipped to the United States. I calculate that to be, and I am using a Liberal calculation here, about 1,000 head per million, so 10 million is 10,000 head.

One particular farm in southwestern Ontario, not out west, has 8,000 head of cattle. It did not even look after one farm. If we do not get these doors opened wider I think we may have to go to a domestic market instead of being an export market?

• (1130)

Mr. Gerry Ritz: Mr. Speaker, the member is absolutely right. That is the type of thing we are not seeing at the federal level. We are not seeing any sort of leadership that says that if it is going to be solely a domestic market, here are the changes we need to make to make that happen. Tell us. Show us the light at the end of the tunnel so that we can start making plans accordingly and cull accordingly.

We have a glut of culled cattle in this country and no place to go with them. We know they are safe. We know it is good beef. We just have no processing in play that will handle that type of a glut.

The member makes an excellent point. We are starting to get the border open. We have to have live cattle moving. We know that Mexico, Russia and a lot of other countries are looking at us and saying that it is safe and secure. Let us get it moving. Let us get it going.

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, I want to congratulate my friend from Battlefords—Lloydminster on his speech. He knows a tremendous amount about this issue. He gave a great speech and provided a very good critique of where the government has gone wrong on this issue.

I want to start by acknowledging our support for this motion. The motion essentially says that a trade delegation should be put together, headed by the Prime Minister, an all party delegation that would go to the U.S. to work on people, both in the administration and in Congress, to convince them to get the border completely open to Canadian beef and cattle. Of course the situation today is that the market is partially open to beef, but there are no live cattle moving across the border yet with the exception of veal. At any rate, suffice it to say that much has to be done.

I want to start by saying that what concerns me, and this criticism has already been raised, is that the government started out correctly. I think the CFIA did a very good job initially. It kept everyone in the loop. We knew what was going on when it was doing the trace-out; it provided us with a lot of information. But once it got to the point where that had been completed, suddenly the information loop was shut down and we were left out of the loop. If there was a strategy, it was not a very clear strategy. We did not understand what was going on. Certainly there were no daily briefings like those we had initially from the minister. All of that sort of went by the boards.

But I can tell the House that the crisis did not go away. In my riding in southern Alberta, we have a major packing plant that employs 2,500 people, Lakeside Packers, in the town of Brooks, Alberta, which has a population of 12,000. These people come from

all over Canada and from all over the world, frankly, to work at this place. When we were first hit by this, I can tell members that it was touch and go for Lakeside. It lost a lot of employees. A lot of people had to look for work elsewhere. Some people gave up their homes. Even though it was only a short period of time during which Lakeside was not employing people, some people had to give up their homes. They were living hand to mouth. It was a very difficult time.

Meanwhile we had people affected who are in the trucking industry. They are still affected by this today. People have lost their trucks because they depended on Lakeside and on having a market to haul cattle to feedlots, to haul cattle into the U.S., or to haul boxed beef into the U.S. We have lost that and many of those people who have lost their trucks are completely out of it; effectively they have gone bankrupt.

We have feedlots that are hanging by a cusp even today. There are some more positive signs out there, but we have such a long way to go. Some of them have gone under. More will go under. It is a very serious situation.

Finally we have the cow-calf operators, the ranchers. They are in very serious trouble right now. Many of them are very worried about their calf crop this fall and what is going to happen. Are they going to be able to get rid of their calves? It is the one time in the year when they make money. If they are not able to get rid of their calves, they will have to overwinter them. They will have to buy feed for them and all that kind of thing. These are very difficult situations.

I want to say that 100,000 Canadians have their livelihoods directly affected by this as ranchers and then there are another 100,000 who are indirectly affected because they provide support. There are many others I have not even mentioned who are affected by this.

What concerns me is that the government does not seem to have a coherent strategy. I have been very disappointed by the lack of effort at the highest levels of government in getting the border open. If there is something happening, it is not apparent to me. We have seen a couple of ministers go down to the United States, the agriculture minister and the natural resources minister, but what about the highest levels of government?

The Prime Minister of Canada has an obligation to deal with this issue seriously. He may not get out to Alberta all that often, but I remind him that he is still the Prime Minister of all of Canada, not just of the parts he likes to go to. He has not done the job when it comes to protecting the interests of people in rural Canada in general and in western Canada in particular. I can tell members that people are very disappointed.

• (1135)

If the Prime Minister wants a legacy, he has one, but it is not one that I think he would really want in the long run. His legacy will be that he did not stand up for the cattle industry when he had the chance to. Where was he when all of this broke? All we saw of him was that he ate a steak out on the street in the market here in Ottawa. That is fine, but that has to be followed up by action.

Supply

In fact, instead of being helpful, in many cases he was very unhelpful. He could not help himself; he had to continue to slur and slight our American colleagues at a time when we were trying to settle an important trade dispute, one of many trade disputes, by the way. He has affected them all.

The Prime Minister could not help himself. He had to continue to slander the Americans at every point. Even yesterday he could not stop himself. He had to rebuke the Americans.

I do not want to get off on a tangent on this, but I have to say that sometimes the Americans deserve rebuking. I am not arguing that, but it will carry a lot more weight if they also are given credit when they deserve credit. That never happens from this Prime Minister.

When the Americans are pouring \$10 billion or \$15 billion into Africa to help with the AIDS problem there and twisting the arms of pharmaceutical companies to get drug costs down to help people with AIDS in Africa, do we hear the Prime Minister stand up and say, "I congratulate the Americans for doing that". No. He is silent when it comes to offering praise, but he is down their throats every time he does not like what the Americans are doing. Frankly, I think it is a black mark on his already sorry record. His actions will not be forgotten by all those people who have been hurt by them, including many people in rural Canada and certainly in western Canada.

I say that as a cautionary note to my Conservative friends, who want the Prime Minister to lead this delegation. I would suggest that maybe someone who is a little less damaged might be the person who could lead this delegation to the United States.

This summer I went to the United States with my leader and the member for Lethbridge and the member for Fraser Valley. We met with Congress and we met with the senior agricultural adviser to the president. I think that is how it has to be done. We have to go to the United States and cultivate relationships. We cannot slam people when we do not like what is going on down there and expect to have them show any favour to us or give us any benefit of the doubt when we run into a trade problem like the one we have.

I think the people who deserve some of the most credit are those in the industry themselves. The Canadian Cattlemen's Association has gone to the United States and worked with its colleagues there, to the point where the National Cattlemen's Beef Association in the United States is recommending to its government that it open the border to live cattle exports into the United States from Canada. It is outstanding work that they have done.

I think about my own riding and the mayor of the little town I live in. Don Weisbeck went to Montana and talked to his colleagues down there to try to help them understand what was going on and how we depend on one another. The reeve of my county, Wayne Daniels, helped in pushing for a big rally at the U.S. border to draw attention to this, and on the American side too, and to point out that we need to work together.

There have been many examples like these where people have shown tremendous initiative on their own and it is helpful. Eventually these are all straws that break the camel's back and eventually we will get the exports of live cattle going back into the United States again. That is the goal, but let me say that it will not be done if we are constantly sticking our finger in the U.S.

administration's eye and that is something that this government never misses an opportunity to do.

I know my time has come to an end, but I again want to emphasize how important this issue is and how disappointed I am that the highest levels of the government have not addressed this issue as seriously as they could and should. I do not understand what is happening with the prime minister in waiting, who spent his summer eating hamburgers on the barbecue circuit when he could have been working toward influencing the Americans on this issue. He still has said virtually nothing on this issue, which is very disappointing.

Suffice it to say that the government has a lot of work to do in order to win the support of ranchers across the country and certainly of the official opposition.

• (1140)

[*Translation*]

Mr. Claude Duplain (Parliamentary Secretary to the Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I would like to make a comment and ask a question directed to the hon. member as well as to the other hon. members who have spoken so far.

They do not seem to be aware of exactly what is happening and they say nothing is being done. Perhaps they should listen when the minister speaks. Just now, he was talking and no one was taking notes to see what has been done in fact.

Hon. members have made allegations that are completely untrue. The first member who spoke said that the borders were not open; the borders are open. Someone talked about the quantity of livestock killed, and the numbers were completely wrong. They said that this sector of the economy was about to disappear but the associations told us yesterday that, while they are certainly having problems, the sector will not disappear.

And during this time, they accuse the minister of just eating hamburgers, while in fact he has been working relentlessly on this issue, all summer, since May in fact. It is incredible. This is the first time—after 100 days—that a country has succeeded in reopening its borders, and they make accusations that the borders are not open.

As for negotiations with Japan, as the minister mentioned, there have been over 76 contacts with that country to negotiate the complete opening of borders. We can see the light at the end of the tunnel.

And the consumers have not stopped eating beef, in contrast to what happened in Europe. On the contrary, they have increased their beef consumption in order to help the farmers. It is a very serious problem and the government is working with all its might to find solutions.

I wonder if the problem is not that the hon. members in opposition do not stay up to date on the issue in order to be able to inform both the farmers and their constituents properly. The allegations they are making are completely wrong.

If they think that they lack information, we can try to do something about that, and get more information to them, if that is what is needed. The information is available. However, they do not seem to transmit it because they do not have it.

Supply

[*English*]

Mr. Monte Solberg: Mr. Speaker, my friend has a lot of his facts wrong. I did not say that the minister was sitting around eating hamburgers, but I did say that about the prime minister in waiting and I said the same thing essentially about the Prime Minister. I stand by that. I do not think they have done anything at all. The agriculture minister has tried to do some things, but if he does not have the support of his cabinet, especially the highest reaches of the cabinet, he is not going to achieve a whole heck of a lot.

I reject some of the things the member said, but I will agree that consumers figuratively and literally have stepped up to the plate. They did so because beef prices did go down. Hamburger prices went way down, contrary to what a member across the way said a few minutes ago. In fact, in July beef consumption was up 40% over July of last year. It is an outstanding tribute to Canadian consumers, who I think have been far more effective than the government in addressing this issue.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, Canadian Alliance): Mr. Speaker, I would like to address my hon. Canadian Alliance colleague who talked about consumers stepping up to the plate. Were there other levels of government that showed more leadership on this? Notably in the west I think they probably did a whole lot better. Maybe the member could respond to that.

Mr. Monte Solberg: Mr. Speaker, I appreciate that question because I am remiss. I did not really pay tribute to the Alberta government, which has done a truly outstanding job of responding to the crisis in Alberta, sitting down with the stakeholders at every step and then, when the programs were not working quite right, changing the programs. It did that almost immediately.

It is a tribute to the type of government that we should have in Ottawa, which is a government that listens to the people who are being affected. It worked so well. It worked in an outstanding way. I would argue that Shirley McClellan, the agriculture minister in Alberta, today is one of the most popular politicians in all of Alberta because she listened to people. Shirley McClellan is a tough, intelligent person who listens to people. She deserves a lot of credit and I am happy to pay tribute to her today.

I also want to again acknowledge municipalities that stepped forward and did whatever they could. So many of them organized rallies around Alberta and around other provinces too, frankly, to draw attention to this and to show some support for their industry.

• (1145)

[*Translation*]

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, I am pleased to take part in this debate proposed by the Conservative Party, regarding an issue of great importance to our economy and vital to Quebec's economy. We are talking about mad cow disease.

Just yesterday in the House, the Liberal government, through the Minister of Agriculture and Agri-Food, refused to add a second phase to the financial assistance program for businesses affected by the mad cow crisis, which has continued since May 20.

The Quebec government is demanding—and the Bloc Québécois has tirelessly echoed that demand—that the federal government provide additional funds to the Financière agricole du Québec for the

creation of programs to enable its farmers to survive this crisis. They need the basic necessities.

The federal Minister of Agriculture and Agri-Food could not have been clearer. The answer is no.

In response to my question yesterday, the minister simply said that the government had money—over \$1 billion—to help farmers under its agricultural policy framework, but that it would not do anything until the provinces signed the agreement. In other words, it is knowingly using a catastrophe to blackmail the provinces. It prefers to let farmers suffer, although their revenues have dropped dramatically since the lone case of mad cow was detected in Alberta.

The Conservative Party motion demands:

That, in the opinion of the House, the Prime Minister should convene and lead a multi-party delegation including representatives of the industry to Washington at the earliest possible date to discuss with officials of the Congress and the Government of the United States all possible means to fully reopen the U.S. border to shipments of Canadian livestock.

Going to the United States is one thing but, until then, the goal is to ensure that our farmers do not go bankrupt. We must ensure that they have the necessary funds to survive.

The situation is so bad that the Canadian Cattlemen's Association is calling upon the government to inject no less than \$195 million in additional compensation to farmers affected by the ban on our beef exports. I would like the Parliamentary Secretary to the Minister of Agriculture and Agri-Food to note that I am not the one saying this, but I am reporting that the Canadian Cattlemen's Association is calling upon the government to inject no less than \$195 in additional compensation. That is something he ought to have in his notes.

Just to provide some idea of the magnitude of the problem, the price of cull cattle, which was around 55 to 60 cents a pound prior to May 20, is now around 18 cents. If that is not a problem, I do not know what is. The beef cattle producers are not the only ones in trouble now, so are the dairy producers. The whole food chain is involved, from farmer to processor.

People can no longer manage to feed their animals, and now are being threatened with bankruptcy as well. We do not want anyone trying to tell us there is no problem and we do not know the true situation. Fifteen percent of Quebec's entire dairy production is in my riding. I have talked to many farmers, and everyone is hard hit by the situation. There is a great deal of anxiety. Some people are losing sleep over it, because of their uncertainty about what is going to happen if a solution is not found quickly.

The drop in cull cattle prices, coupled with the fact that some producers got no compensation because phase one of the federal program did not apply to them, has had a huge effect on this important sector of our economy.

Supply

• (1150)

They can boast about injecting money into the program, but it was just the first phase. Not everyone was compensated or had the chance to turn to the Financière agricole for a loan to sustain their operation until the crisis passes. How long will it take to resolve this crisis—a month, two months, three months? No one knows. Will farmers be able to hold on any longer? Can they hold on for another three months?

The Quebec Minister of Agriculture, Françoise Gauthier, was here yesterday to hear the official no response from her federal counterpart. Yesterday and today the national news reported that Quebec's minister had returned to the National Assembly with a flat no. She believes she will be able to sign a policy framework agreement with the federal government by Christmas. That is only three months away.

Let us come back to the content of the motion by the Progressive Conservative Party. The Bloc Québécois supports this motion, which proposes sending a parliamentary delegation to our neighbours to the south. The problem is, who will lead the delegation?

The complex and unique situation, to say the least, that is brewing within the governing Liberal Party is such that we are ending up—I feel I must say this—with a type of two-headed monster: a prime minister who is no longer the leader and a leader who is not yet the prime minister. That is how ambiguous the machinery of government has become.

We feel that representatives from Quebec and the provinces should be added to this delegation. The presence of MPs from various parties would be all the more useful because the Liberal government has not done a good job of defending the interests of farmers, especially those from Quebec, since the beginning of this crisis.

The Bloc plans to be part of this parliamentary delegation going to the United States. Count on me to explain what is unique about the system in Quebec and to work on having the U.S. ban fully lifted, at least for Quebec. If Ottawa does not defend Quebec, the Bloc will.

The minister says there is no example of a territorial approach for an embargo—what we call regionalization—but he must have a really short memory. Canada took this approach last year by imposing a ban on chicken from three U.S. states. It can very well promote the partial lifting of the ban, but the situation is far from being resolved.

The effects of the crisis are still being felt and agricultural operations are having to deal with substantial quantities of livestock that have accumulated since the crisis began on May 20. Let us remember that, despite the partial lifting of the ban imposed by the United States, the amount of beef crossing the border represents only a portion of what was exported before the ban was put in place.

This partial lifting, which excludes live cattle, has not translated into a return to normal market prices for certain products. The price of beef is 65% lower than it was before May 20, 2003.

Producers, who continue to suffer despite the partial lifting of the ban, still need help. Products which can now enter the United States constitute only about 35% of shipments.

Since the beginning of the crisis, the Bloc has avoided being alarmist about public health measures. We wanted to give the government a chance. Four months after the ban was put in place, it is clear that there has been more talk than action from the government. Measures ought to be taken, in the direction of regionalization rather than centralization, which is so dear to this government.

Curiously, while we have been debating these important issues, he who is now the boss but not yet prime minister has stayed out of the debate. It would be interesting to hear the hon. member for LaSalle—Émard on this topic. What does he think of the current government's attitude with respect to producers' demands? What does he think of the blackmail being used by the Minister of Agriculture who wants to shove the agricultural policy framework down the throats of the provinces?

I recently took the opportunity of an open house day organized by the Union des producteurs agricoles du Québec to visit a dairy farm in my riding, owned by the Lupien family in Saint-Joachim-de-Courval.

• (1155)

As I had already done with a beef producer, Jocelyn Autote, I spoke with the Lupien family about the impact of the crisis on their sector. Beef producers are not the only ones affected; the dairy industry has been as well, as I have already pointed out.

According to the Dairy Farmers of Canada, on August 7, “We are losing close to a million and a half dollars daily as a result of the American embargo on our meat”. Dairy producers also sell cattle. They need to replace about 25% of their herd annually. The cull cows, those no longer producing enough milk, are sold for meat. Some 70% of cull cows were exported to the U.S. or Mexico before the ban.

Many calves and heifers brought good prices from American producers. These sales represented about 10% of the income of a dairy farm, but close to 75% of the amount of farm income producers set aside for maintaining their families.

It is estimated that, in Quebec, approximately 12,000 steers could not be slaughtered before August 31, the last day of the federal-provincial assistance program. Some farmers took them to auction but, despite their insistence, ended up taking animals that ought to have been headed for the slaughterhouse back to the farm. As a result, they were deprived of financial assistance from the federal government, because this was only for slaughter cattle.

This explains why, at the September 22 federal-provincial meeting of ministers of agriculture, Quebec was calling for Ottawa to add phase two, retroactive to September 1, to the compensation package for businesses affected by the mad cow crisis. The Liberal government refused to do so.

Both beef and dairy producers want to see all border restrictions lifted promptly, but they are sensible enough to realize that the financial impact of the crisis will continue long after the ban has been lifted.

To quote Jacques Desrosiers, President of the Association des engraisseurs de bovins du Québec, “The money we lost cannot be reinvested in our businesses. We generally buy a lot of cattle in the spring, but this year we put a stop to it, so that has slowed down our production for the entire year”.

Those most in danger of bankruptcy are small producers and next generation farmers. Every time an agricultural sector is hit by a crisis, the number of farms decreases. The reason is simple: the smallest producers often do not have the means to get through hard times and are swallowed up by the larger producers.

The President of the Syndicat des producteurs de bovins du Centre du Québec, Alain Laroche, said on August 28:

The cattle industry, which generates 20% of the jobs in central Quebec, is on the verge of a catastrophe. The situation is a cause for concern for the next generation. It will be impossible for young people to buy a farm, even a family farm. Young people will go down with their farm...People must be told that we can no longer make ends meet.

The mad cow crisis has lasted over four months. What can be said about how Liberal government is handling this problem? The Bloc Québécois has done its own analysis of the situation, and it can be accused of having some bias. But let us look at what observers outside the Canadian political scene think.

The Minister of Agriculture and Agri-Food is pleased with the way the Liberal government has handled the mad cow crisis. Here are the comments of a neutral foreign observer. Jean-Philippe Deslys, a French specialist in bovine spongiform encephalopathy, who was in Montreal on August 22, could not believe that Ottawa had not learned from the mad cow crisis in Europe. He said:

Because, faced with this crisis, Canada has behaved like all other countries affected, before it, by this strange disease, with France and Great Britain leading the pack. It is making the same decisions and the same errors with, ultimately, very predictable repercussions on consumer confidence and the economy.

● (1200)

How does he describe the way the federal government has handled the crisis? He thought it showed more concern for the media than for public health. He said:

One might have expected, in the context, that decisions would be made to protect the beef industry economically. But no: the authorities went into an administrative mindset, especially in terms of management of the crisis in the media, instead of taking a scientific or public health approach. And in the end, the repercussions on the economy are not what one would have wished.

There are other people who do not share the Liberal government's views. The President of the Union des producteurs agricoles du Québec, speaking about the agricultural policy framework, said, “We are not satisfied with this. Quebec has 25% of Canada's population, 20% of its agricultural production, and receives only 10 or 11% of the envelope”. He said this in a telephone interview.

He is worried about uniformity in implementation. “Not to recognize that there are differences in agriculture [in Canada] takes a lot of imagination”. Mr. Pellerin condemned the “hypercentralizing approach” of the agricultural policy framework. The President of the UPA intends to demonstrate over the coming months that the framework “does not improve the situation at all...Time will tell that it does not work”.

In this context, Quebec finds itself facing yet another demonstration of the effects of the fiscal imbalance. The consequence is that

Supply

Quebec might be forced into signing the agricultural policy framework.

“You know the state of our public finances”, said the Quebec minister. “We do not have \$130 million to spare, and everyone in the industry knows it. What we have to do is reach a consensus that will allow Quebec to sign this agreement while maintaining as much flexibility as possible to establish our programs”.

Finally, the leader of the Bloc Québécois, the member for Laurier—Sainte-Marie, on a recent visit to my riding, told journalists:

The mad cow problem should have been regionalized. There was no reason for it to involve all of Canada. When the problem arose in France, for instance, Italy did not panic. Yet, Italians are much closer geographically to the French than Albertans are to Quebecers.

While only one case of mad cow was diagnosed in Canada, all the provinces were affected by bans imposed by our foreign partners. The U.S. ban on all ruminants hit us especially hard, because the U.S. is our main buyer. It is very hard for farmers, slaughterhouses and labs that specialize in bovine embryos, such as IND Embryotech in my riding.

While the Bloc Québécois acknowledged that the American decision was reasonable during the diagnostic stage, we feel that it is unfair to continue the ban for provinces that were not affected.

The Bloc Québécois would like to point out that, if Quebec were sovereign and in control of its own borders and health policies at this time, it would not have been hit by the U.S. ban. Laurent Pellerin, President of the UPA, said the same thing at a press conference on May 21, 2003:

If we were separate provinces with distinct inspection systems and regionalized commodity marketing mechanisms, there would be just one province having to deal with this problem now.

The current situation is particularly frustrating for Quebec producers who have long had to submit to a series of constraints aimed at ensuring healthy herds and irreproachable product quality.

As far as tracking is concerned, Quebec is well ahead of others, and more and more innovative methods are being developed. I know a slaughterhouse in the riding next to mine, Richmond—Arthabaska, is working on a system that would make it possible to track an animal from birth right to the supermarket meat department.

In conclusion, over and above all the facts and figures about compensation, the columns of gains and losses, there is a human side to this. Agriculture is the men, women and families who devote themselves to providing us with food. This is something that the bureaucrats, and the Minister of Agriculture and Agri-food himself, seem to have lost sight of.

We support the motion of the Progressive Conservative Party, because we have the best interests of the devoted people of our rural areas at heart.

● (1205)

Mr. Claude Duplain (Parliamentary Secretary to the Minister of Agriculture and Agri-Food, Lib.): Madam Speaker, I have just a few questions for my hon. colleague. We are still hearing statements that are completely untrue.

Supply

I do not want to downplay the importance of the mad cow crisis in Canada and Quebec—since the hon. member comes from Quebec—as it is an extremely serious problem on which the minister works hard every day. There is talk of sending a delegation, but approximately 200 interventions are done directly with other countries via correspondence, discussions and so forth. This means that there is something happening every day.

People also say that nothing is being done, but budgets were prepared and there are still funds available under the strategic framework. All the stakeholders agree that a national agricultural policy was needed, and this policy is part of the strategic framework. Is the hon. member trying to get the strategic framework signed as quickly as possible, because there is a great deal of money for the farmers?

She continues to provide inaccurate information, including that the specialist from the European Union supposedly said that consumer confidence was down, which is untrue. Is she aware that consumers are eating more meat now? Here is the real question: does she know how many head of cattle Quebec buys from the west, when she mentions regionalization? Because cattle can be shipped from one province to another. Does she know the answer?

Ms. Pauline Picard: Madam Speaker, I am totally flabbergasted to hear comments like that. I am quoting people like the Canadian Cattlemen's Association, Jacques Desrosiers, President of the Association des engraisseurs de bovins du Québec, and Laurent Pellerin of the UPA. I have also quoted people from my riding, people from Saint-Joachim-de-Courval.

Of the 22 municipalities in my riding, 20 are rural. All summer I have crisscrossed the various areas and rural municipalities and the remarks I made are based on authentic numbers. I verified them with the farmers and with people like the presidents of the Association des engraisseurs or the UPA. And I have just been told I have been providing inaccurate information.

It is true that the problem has not yet been solved but what he said about consumers is not true. Let him come into my riding and see if beef consumption has gone up. People do not have the money they once had to buy beef. The price of beef to the consumer has not gone down. It is the same as before, despite the fact that producers are selling their beef, and their cows, the culled cattle, for lower prices. I do not know where he got his figures, but I know that mine are not the same. I would like to sit down with him and go over them, because mine have been verified.

It is really insulting to hear the parliamentary secretary accuse us of providing inaccurate information when we did some serious research. I do not know where he got his figures, but I have my doubts about them.

I would like to come back to the minister's attitude yesterday, when he met with the ministers of agriculture. They have to get down on their knees and plead with the Minister of Agriculture and Agri-Food and tell him there are people who have needs and who are being forced into bankruptcy; some are even having nervous breakdowns. I hope he watches the news, because this week we saw a western farmer who was in tears and he is not the only one there in this situation. People are very worried right now. There are even some who are threatening suicide. It is starting to get serious.

We were just told that \$1 billion is available but an understanding cannot be reached with the provinces because two or three of them do not want to sign the agreement. First, the provinces have to be brought to their knees and, once the government has the upper hand, then they will get the \$1 billion. Such an attitude makes no sense whatsoever.

I think the parliamentary secretary should apologize for accusing the opposition parties of providing inaccurate information. If he thinks he knows the truth, well, he is the only one. It is like the marching soldier who thinks he is the only one in step.

• (1210)

[English]

Mr. Inky Mark (Dauphin—Swan River, PC): Madam Speaker, let me applaud the member for Drummond for her presentation and representation of the real situation in her riding. Her comments demonstrate that this is not just a beef cattle, western Canada problem. This is an agricultural problem across the country.

Very little has been said about milk producers, the dairy industry. It has the same problem right now. The problem is the border is closed. What does the dairy industry do with its old cows? Normally the old cows would be shipped down to the United States for cheaper cuts of meat. Right now there is absolutely no market. It is the same thing with the old cows in the beef industry.

Further, not only has it affected the dairy industry in a similar manner that it has affected the beef industry, but because the borders are closed, the people who raise buffalo or bison have the same problem. The people who raise domesticated elk have the same problem. The sheep industry has the same problem. People who raise goats have the same problem. It just goes on and on.

It is not about all the billions of dollars that the Liberals tell us they are putting into funds to help people. The fact is that people who want help are not getting the help. That is the question the Liberals have to answer. If they were doing such a great job, people would not be asking where is the money. People are going broke. They are pleading for their livelihood. That is the issue today.

The member for Drummond indicated that yesterday the provincial ag ministers met with the federal minister to talk about funding. In fact the federal ag minister has always said it should be a 60-40 split on the BSE crisis. To date, the federal government has only committed \$276 million, while the BSE affected provinces have contributed over \$350 million. That is a fact. That came out of yesterday's meeting. How can the provinces get the federal government to really provide the help the people in this country need?

[Translation]

Ms. Pauline Picard: Madam Speaker, I thank the hon. member for his question. First, I want to answer the question about dairy cattle. I had spoken about this earlier.

Yes, it is a problem. It is not just about beef cattle. This is about all farmers. Whether they raise dairy or beef cattle, whether they are processors or consumers, everyone is affected by the mad cow crisis. It is not limited to the agricultural industry; it affects us all.

Supply

It was also said that numerous calves and heifers were sold at a good price to American cattlemen prior to the crisis. Those sales represented 10% of a dairy farm's total income. They constituted almost 75% of the amount that cattlemen deducted from their sales figures for their families' welfare. As a result, farmers do not have this money for their families. We are talking about their basic needs, not about money for a pension fund or a pension plan.

Earlier, in the Standing Committee on Finance, I heard a Liberal Party member ask a question of the representative of the Canadian farmers association. He mentioned a long-term tax credit. Yes, but you have to have money to get a tax credit. You have to pay taxes to get a tax credit. However, this problem is not something that will happen in a year's time; it is happening now. At this moment, people do not have the means to keep their business afloat, let alone their family.

What means should be considered, to answer the question? The Liberal government is basking in billions right now. The provinces, which are responsible for meeting the needs of their residents, should not have to beg on bended knee for the money they need to support their industry and their economy.

• (1215)

[*English*]

Mr. Dick Proctor (Palliser, NDP): Madam Speaker, the issue before us today is that there should be an all party delegation that goes to Washington as quickly as possible to intervene and get the border reopened to the export of live cattle.

We in the NDP caucus support that position although we think it is a relatively short term solution, and I will address that a little later in my remarks. Before I go any further, I will be splitting my time with the member for Regina—Qu'Appelle.

The situation is this. The border was reopened some three weeks ago to cuts of beef animals under the age of 30 months, and the United States border remains closed to essentially any shipment of live animals.

It is urgent that we remedy this as all speakers, including the Minister of Agriculture, have said in the debate today. However until that urgency is resolved and the border is reopened to live cattle, the other urgency is that there be programs in place to assist farmers, ranchers and cattle producers to get them over the hump this winter, and throughout the fall at least, until the border reopens.

Yesterday, when the federal Minister of Agriculture met with his provincial counterparts, such relief was not forthcoming. The argument was that the BSE recovery program for the mad cow case should be extended. The suggestion from the Minister of Agriculture was that we invite our so-called trading partners to countervail and put up objections to that.

I think that is patently ridiculous. That will not happen and it has not happened. Despite what the Minister of Agriculture says about the BSE recovery program, it has not been adequate. The point of proof is that three prairie provinces have put in additional supplementary programs to assist better their farmers and ranchers. Even more interesting is the United States is well aware of these additional supplementary programs and has not objected to them.

We find it passing strange to suggest that if they were to do something like this, it would jeopardize our trading relationships with the Europeans, Americans and other countries.

In rejecting the idea of extending the BSE recovery program, the government has put all its faith and trust in the agricultural policy framework agreement and has said that if provinces will sign on to that program, all the problems will be resolved and there will be lots of money there.

We know that six provinces have signed on and there are four significant agricultural provinces that have not signed on to this. I think one of the major reasons they have not signed on, but the government does not talk about it, is the fact that the industry itself is first very wary about the APF and second, they are even more concerned that we would take money from the agriculture policy framework and put it into the crisis called mad cow disease.

The APF was designed almost two years ago. It was agreed to in Whitehorse at a time when the Canadian Food Inspection Agency was telling Canadians that mad cow disease, or BSE, was “a European disease and it certainly couldn't happen here”.

The APF was designed for floods, drought, hail and all the other problems that farmers ran the risk of being affected by. It certainly was never designed for a crisis such as this, which is costing the country upwards of \$10 million a day or more.

On a tangential point, the minister suggested that the money had all been paid out very equitably. I want to note for the record that one of the program designers at Agriculture Canada was quoted earlier this summer as saying that right from the start people who were designing the program were concerned that equity could become an issue but no one had a solution to control whose cattle went first to the slaughterhouse.

• (1220)

I want to underscore that point because I am aware that there were a lot of people, small operators, small producers, who desperately were trying to get their 30, 40 or 50 head of cattle into a packing plant this summer when money was available through the BSE recovery program, but they could not get their cattle in. Why? Because the feedlot operators had basically a monopoly on it, working closely with the packing plants, so it was business as usual.

In one incident a farmer in the Moose Jaw area tried every day to get his 40 cattle to market. The day after the recovery program ended on August 28, the packing plant called and said that it would be happy to take his cattle after rejecting him all summer. Of course the only difference was that he was no longer eligible for the approximately \$500 of the federal money to offset the low price that the producer was being paid. That was the situation.

Supply

We have another situation now that I addressed the minister on earlier, and that is the whole matter of cull cattle. In a joint proposal from the Canadian Meat Council and the Cattlemen's Association yesterday, they proposed that there be a program to help get cull cattle to market. This would cost \$195 million and would provide the producer with a choice of marketing the animal or wintering it, the feed costs of course being higher. It is examples like these that the minister said that would invite a countervail so we could not go there.

Going to Washington is a solution but it is a short term solution.

The Minister of Agriculture said in his remarks that until we had this health problem we effectively did not have an international border when it came to beef and beef products. The reality is that 60% of our live beef are shipped to the United States for packing and processing. That has never made any sense to me, and it makes even less sense today. It is akin to shipping raw logs to Japan or somewhere else in the world and buying back finished lumber.

Why in the name of higher employment would we not want to build packing plants and have the jobs here, then ship meat products into the United States and elsewhere around the world rather than ship the live cattle? However it is typical of the way we have always treated our overabundance of resources.

It does not want to hear this, but the Canadian cattle industry is far too heavily integrated with the United States. The two major packing plants in Canada are both foreign owned, the one in Brooks, Alberta, and the other, the Cargill plant, in High River. We should give serious consideration to building another packing plant Canada, perhaps on the western Manitoba border or in eastern Saskatchewan, somewhere in there, where there would be more opportunity for shipping beef and producing boxed beef to go into the United States.

To wrap up, we are in lockstep with the United States on this issue and the industry in Canada does not want to hear any suggestions that we should not be in lockstep.

For example, we should consider eliminating the use of bovine growth hormones and potentially opening up markets to the Europeans and Japanese who are not interested in buying our products because of that. The Canadian side of the industry does not want to hear that. They do not want to talk about banning all animal feed to animal feed.

• (1225)

These are just some of the examples we need to look at to have a more Canadian market and less of a market with the United States.

Mr. Gerald Keddy (South Shore, PC): Madam Speaker, my question is primarily on the last part of the hon. member's speech, specifically on animal protein going into animal feeds.

His comment was that there seems to be some resistance from industry, but the members of the industry with whom I have met have conceded that it is absolutely essential and imperative that we take animal protein out of animal feeds, even to the point of any cross-contamination. We would not feed ruminant protein to chickens, for instance, which happens today. It would be taken totally out of the food stream.

The other issue is there is a good market for animal protein to be fed to fish. There is no reason that we could not feed a lot of our fish in fish farms and aquaculture animal protein made from ruminants.

I think there is more consensus on behalf of farmers and a real understanding that the animal protein needs to be taken out of the food chain, especially for ruminant? There is also consensus that there are other species that are safe to feed. Certainly we need to take it out of the barnyard so there is no opportunity for cross-contamination. Could the member comment on that?

Mr. Dick Proctor: Madam Speaker, I welcome the opportunity to respond to the member for South Shore on this issue.

It may be that I have talked to and have met with people different from those of the hon. member. However when the industry officials came to the Standing Committee on Agriculture and Agri-Food back in July, there was real reticence on the part of a number of those people about changing the rules significantly between Canada and the United States. They were concerned even about the specified risk material, the changes that were announced by Agriculture Canada to lessen the possibility of mad cow, which is contracted through the spinal cord and the retina.

The other thing that is interesting as well in this whole discussion is this. The Minister of Agriculture indicated to me in a conversation in June, before the House rose, that he fully expected before the end of that month an announcement from Agriculture Canada banning all animal feed to animal feed. It is now more than three months later and there has been no announcement. I have no idea, but I can only assume that it is resistance from the industry itself that has prevented that announcement from occurring to date. I think there are concerns from the rendering plants about what they will do with all this excess material and I think that is the reason for the delay in the announcement from the Minister of Agriculture.

Mr. John Herron (Fundy—Royal, PC): Madam Speaker, I have a question for the hon. member. I believe one sector of the cattle industry which has been drastically neglected in this debate is the transporters of live cattle. The individuals who own specialized equipment, the truckers, have been left out of any kind of potential compensation or bridge financing component in this crisis. These individuals still have to make payments on their equipment.

Could the hon. member comment on whether the haulers of livestock should be considered in a compensation package of this nature?

●(1230)

Mr. Dick Proctor: Madam Speaker, there is no question that a lot of people have been left out of this compensation package and truckers are definitely some of them. I know we have a very large trucking operation in my riding, Roberge Transport, that has been dramatically affected by this, but the smaller operator, the small cow-calf operator, the backgrounder, by and large has also been negatively impacted, or to put it another way, has not been able to access the BSE recovery program.

There is lots of hurt out there and that is why we need some transition steps until we can get the border open to live cattle.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): Madam Speaker, I want to say a few words in this very important debate and indicate my support for the motion by the Progressive Conservative Party to send an all party delegation to Washington. It is a positive thing and should really happen.

What I want to impress upon the House is that the mad cow crisis has been a real crisis across the country economically and in particular in western Canada. In my riding in the province of Saskatchewan it has been a very serious crisis. It has affected not only cow calf producers and cattle ranchers but also it has affected the truckers and people who work in the industry. There has been a whole economic slowdown that has had an impact of hundreds and hundreds of millions of dollars in terms of the spinoff. It has slowed down the whole economy. We have to deal with this crisis as a country.

The government should have taken a much stronger stand with the Americans. The Americans cut off the borders for many weeks and have now allowed them to open for some classes of cattle. The flow now is not much more than a trickle. It is because of the Americans' hard line that we have suffered greatly.

I think our cattle industry is far too integrated with the United States. We have far too few packing plants in the country. It was a big mistake made over the years, that we did not maintain more packing plants that would supply the need for ranchers and farmers and also provide jobs here in this country.

The Americans have taken a tough line. We have an industry now that is integrated with the United States. The packing plants are in America. The jobs are in America. The economic benefits go to America. When there is a problem, the Americans cut off the border. The mad cow that was found in this country may indeed have eaten feed that came from the United States of America.

It seems that we have been shafted on this. We have been hit over the head with a club by the United States. Our Prime Minister should have taken a much tougher stand with George W. Bush and the American administration.

It is not just this issue. It is also the American farm bill when it comes to grain and other crops with the huge subsidies by the Americans that are hurting Canadian farmers and hurting Canadian producers. We have very efficient producers in this country that cannot compete with the American farm bill and these massive subsidies. It is another example of the problems that we have because the United States is not taking a reasonable attitude toward Canada and Canadian producers.

Supply

I will give a couple of examples of how it affects ordinary people. I received a phone call early in July from a farmer in Balcarres in my riding. One of his neighbours had a bull that had been injured and because of the injury the bull had to be destroyed. The problem was there are no slaughterhouses nearby. To ship the bull to a slaughterhouse to be slaughtered would have cost more in terms of the freight for shipping the bull than the farmer would have received in the proceeds from the sale of the meat from the bull.

That is a good example how mad cow disease affects ordinary people, when the freight bill is higher than the proceeds from the sale of a particular product.

There is another example in my riding which shows again how some of the Americans overreacted. In rural Saskatchewan near my hometown of Wynyard is Big Quill Lake. It is about the fourth saltiest body of water in the world. Believe it or not, there is a shrimp fishing business on the lake. There is shrimp fishing in the Prairies, small brine shrimp. They rely on American buyers. They were told by the American buyers in June that they would have to delay buying the product until about August 1 because of mad cow. That mad cow is affecting the shrimp business does not make any sense.

Those are a couple of examples of how this has really affected ordinary people right across the Peace.

The beef industry is extremely important. I was at the demonstration on the Hill last Wednesday. It is extremely important for all Canadians. Farming really is the foundation on which our country is built. When the farmer is better off, we are all better off. When the rancher is better off, then we are all better off in terms of the spinoffs in the economy and the jobs right across the country.

It seems that the federal government does not realize this because it has been very slow to react. In fact since the crisis broke a few months ago, the federal government has only offered to pay 60% of a \$400 million program, some \$276 million. The provinces have to put up the other \$184 million. Since then, in Saskatchewan the provincial government has been adding extra money to the program, as have some of the other provinces as well because of the importance of the beef industry to the country.

●(1235)

The federal government has the money. There is a budgetary surplus. There is a contingency fund. The cattle producers need the money if they are to survive. Investment in the cattle industry at this time would be helpful not just to the industry but to the country in general in terms of stimulating the economy, circulating cash throughout the economy and making sure there are jobs for more Canadians regardless of where people live. These are very important things that should be noted by the federal government.

Supply

As I said before, the mistake we have made over the years is that we have far too few packing plants. Most of that industry is now going south of the border to the United States. That has to be changed so that we have more packing plants and more jobs in Canada. If that happened it would be a very positive thing.

The beef industry, the farming industry, is extremely important. We have had an incident of one cow that has caused a great deal of damage to the economy. Then we have a federal government that has been very slow to react in terms of trying to provide some assistance to the farmers of Canada. That is what a government is all about, to provide assistance to those who are in need. This a case where people are in need. This is a case where people need some help.

As I said before, the Americans have been very insensitive to the fact that we are their major trading partner. They have been insensitive to the fact that it is a very integrated industry. They have been insensitive to the fact that there was only one cow, and that cow may have eaten food that came from the United States.

Our government should have taken a much tougher stand with the Americans. It should have been much more aggressive with them on this issue. It should be providing more assistance to the cow calf producers and ranchers right across the country.

Mr. Jay Hill (Prince George—Peace River, Canadian Alliance): Madam Speaker, I listened to the comments of the member of the New Democratic Party. I am somewhat upset that he took the easy way out in the sense of simply turning his guns on the Americans and blaming them for everything that has transpired. I think we could get into a long debate about whether that is the proper way to go and the proper way to try to get the border open at this point.

He talked about taking a tough line with the Americans. One would not have to take a long look at the balance of trade to see who ultimately would end up getting hurt the most. However I understand that sentiment because I hear it in my riding, as I am sure the member does in his. It is being expressed by a lot of people who are hurting right now.

I want to very briefly say that one of the truly terrific things that has come of this crisis in our beef industry is the response by the Canadian public. It is just incredible what we have seen unfold from coast to coast to coast in Canada.

Beef consumption has shot up dramatically as people recognize that our beef is safe in Canada, unlike a lot of other countries that suffered through something similar when mad cow disease was found in their herds. Their public basically did not support their farmers. That has not happened in Canada. It is quite the opposite in fact. I would suggest that if the government provided even half of the support that the general public is showing to our beef industry, our industry would not be facing the problems that it is.

The member spoke very eloquently about some of the harm he has seen in his riding being done to very real people who have worked real hard over a lot of years to build up their farms and their businesses, whether it is a trucking business that hauls live livestock, or whether it is the farms, or the packing houses and the people who are employed there. There is a lot of hurt all across the nation.

I would put to the member that the proper place to point the finger is across the way. The deterioration we have seen in the relationship between our country and the Americans is playing itself out to the detriment of our beef industry. I would offer those comments to my colleague.

• (1240)

Hon. Lorne Nystrom: Madam Speaker, certainly we are the largest trading partner of the Americans. About 85% of our trade goes to the United States. One should not forget that we are also their largest trading partner. Canada is more important to the United States than all of the European Community put together roughly. The Americans depend on us a lot in terms of their trade as well. We are the principal trading partners of each other. The percentage is greater from our country because we are smaller. We should not forget that we are the most important trading partner of the United States of America.

The Alliance tends to think that we cannot stand up for our own rights. A little while ago that party said that the U.S. ambassador should be given ministerial status. Never before have I heard anybody suggest that the ambassador of the United States be made a minister in cabinet. Do we have to bend over backwards for everything the Americans want? The Americans have not even asked for that.

That party across the way has been talking about getting rid of the Canadian Wheat Board because the Americans do not like it. When the Americans say jump, those members always ask how high. What we see across the way on your left, Mr. Speaker, is republican party north. That is what the Alliance is.

What about George Bush and the war in Iraq? The Alliance wanted us in there fast. Thank goodness the majority of people in the House said no, that we would not send troops into Iraq. George Bush said that Saddam Hussein had weapons of mass destruction. Who believed him right away? The Alliance Party. Those weapons of mass destruction have not been found.

We need parties that stand up for Canada and for Canadians. We need parties in this country that will not kowtow to everything that a right-wing Republican in the United States wants. George W. Bush is losing the confidence of his people but he still has the confidence of the Alliance. Shame on the Alliance.

Mr. Jay Hill: Madam Speaker, I have a quick rebuttal. The reason the Canadian Alliance is opposed to the Canadian Wheat Board is that it is a monopoly. It is undemocratic. It is the same as the party that the hon. member represents. When we had a debate and a vote on the issue of protecting the traditional definition of marriage, the New Democratic Party ironically was the only party that would not allow its members a free vote.

Hon. Lorne Nystrom: Madam Speaker, the Canadian Wheat Board is democratic and is supported by Canadian farmers. Farmers elect directors to the board. If we want to listen to the farmers, we have to support the Canadian Wheat Board. Once again, that undemocratic party is standing for big business and American interests.

Supply

Mr. John Herron (Fundy—Royal, PC): Madam Speaker, it is my pleasure, but moreover, it is indeed my responsibility to enter some remarks, on behalf of my party and my riding, to the economic crisis that is affecting every single region and every single riding of this country. In one way or another this pertains to the fact that our border has been closed to safe Canadian beef products going to our principal trading partner, and our friend I might add, the United States of America.

To illustrate how tragic this particular crisis actually is, Madam Speaker, I know you are well aware of the fact that \$11 million has been lost each and every day to the Canadian economy due to this border closure. In addition, to make the number even more stark, over the last four months, since this border has been closed, it has been estimated that we have lost in the range of hundreds of millions of dollars to the point that many family farms are questioning whether they are going to be able to continue throughout this process.

I have not seen a more callous and disrespectful lack of leadership since I have been in this chamber over the last six and a half years, than we have received from the Prime Minister and the government on this crisis.

This is an issue that our leader, the hon. member for Pictou—Antigonish—Guysborough, has pointed out and made very clear. This needs all hands on deck. This is not a partisan initiative by any means. We are calling on the House, this chamber, to put its shoulder to the wheel and do what is best for all farmers and for the beef industry in Canada. We are asking for an all party delegation to go to the United States, our trading partner and friend, and show that we have a safe, sound food safety system and that there is no need for our border to be closed to livestock at this point in time.

Government members have said that we are the first government that has actually had any kind of a border opening when a country has had a BSE case and had the border partially reopened. Let us be clear. The border is 70% still closed right now. We are losing \$11 million per day. So far, the government has not done enough. It is completely and categorically insufficient.

Moreover, we have a duty as a nation to look at this issue from an international perspective as well. What signal does it send to the international community when a progressive country like Canada has a single case of BSE? We have a progressive and modern system to be able to trace the lineage of that cow which was detected to have BSE. We can determine what herd that cow was actually in. We can tell its entire life history in terms of where this cow has been and we have taken a number of steps to ensure that our system is safe.

What signal does it send to another country which happens to discover a BSE cow? Do we think that country will be as progressive as Canada has been in terms of fessing up to the international community, but moreover proving that we had our act together? We need to have this border open not only for the preservation of our own economy, for our own beef industry, but we need to ensure that responsible behaviour throughout this world takes place with respect to food safety and that we have an international perspective.

There are so many sectors of this industry which are really taking it on the chin right now. I would like to take a moment to speak to

two particular sectors which are front and centre in the riding of Fundy—Royal that I have the privilege of representing.

• (1245)

One sector I would like to speak to pertains to the dairy industry. Many people think this is a beef cattle issue and it is. However, it also means that dairy cattle cannot go to the United States. Many farmers breed dairy cattle for export. That industry is now closed. There is even a probability that cows over three years in age will likely not be shipped to the United States for a number of years even if we did have the border open to a livestock perspective.

We also know that it is paramount that farmers refresh and renew their dairy herds. Part of that process is the fact that culled cows must be rendered at a facility. Quite often those culled cows may be even shipped stateside to be rendered. Moreover, given that we have an incredible surplus in rendering products, we know that culled cows from dairy farmers are only receiving a pittance compared to what they had received in the past.

Madam Speaker, I intend on sharing my time with my colleague who has joined us to participate in this very important debate, the member for Cumberland—Colchester.

There is a clear consensus that actually rests within the agricultural community from the provincial level in terms of what needs to be done. We need almost \$200 million of immediate farm aid just to bridge the beef industry over the next number of months. I am saddened by the fact that we have not been able to convince the minister of agriculture to make the contribution that is required with respect to ensuring the preservation of the beef industry.

• (1250)

[*Translation*]

The provincial agriculture ministers have not managed to convince their federal counterpart. There is consensus on the fact that \$195 million is needed to lessen the impacts on cattle producers.

[*English*]

It will cost \$200 million. We have a clear consensus of what needs to be done to bridge this particular issue.

Another sector that I would like to highlight in my remaining time hits very close to home, about 30 kilometres from my house. The province of New Brunswick does not have a kill facility at the present time. One particular trucking company, Valley View Farms, which is Jim Sherwood's operation, has had an 80% drop in business since the outbreak in Alberta of BSE in this one cow.

Truckers carrying livestock have incredibly specialized equipment to transport livestock in a very humane way. The price impact may actually mean about a \$2,000 payment per month for only one trailer. If a trucker were to have a fleet of 20 trailers that would mean a \$40,000 payment. These individuals obviously have loans that must be repaid and no means to be able to address those loans.

Supply

I am calling on the Government of Canada to ensure that we maintain the infrastructure that is necessary for transporting live cattle. If we do not have bridge financing for those transporters, that sector of the beef industry will not be there once the border does open up. These truckers must be included in this framework as well.

Mr. Gerald Keddy (South Shore, PC): Madam Speaker, my colleague from Fundy—Royal spoke to this issue and what we are seeing as members of Parliament in our ridings, especially in rural Canada. The situation is not dissimilar anywhere in Canada, whether in the heart of beef country in Alberta, southern Ontario, New Brunswick or rural Nova Scotia.

I listened to the government earlier. One of the issues discussed was our relationship with Japan, and our opportunity with Japan to build new markets for beef and our lack of response very early on in this crisis to deal with it in an equitable manner. The Parliamentary Secretary to the Minister of Agriculture and Agri-Food spoke earlier and said they had 76 meetings with Japan. That is all well and good, however, it was the first three meetings that did not occur where the problem arose.

When we had one case of mad cow, the Japanese asked to come to Canada to loan their expertise on this subject and to see for themselves how we controlled the health of our product going out into the marketplace. Rather than accept that help and build goodwill with Japan, the minister responsible for agriculture and the Canadian Food Inspection Agency said it was okay, we were fine, and we did not need their help. The Japanese called the second time and got the same answer. They called the third time, but they have not called a fourth time. That is why we have had 76 meetings trying to open the Japanese market back up, because they got a total ineffectual response.

The other comment by the Parliamentary Secretary to the Minister of Agriculture and Agri-Food was that we have had 250 to 280 interventions on behalf of the department in regard to opening the border. Again, it is not the amount. We could have 2,000 interventions. What we need is a delegation that is non-partisan, non-political, and led by the Prime Minister and all the leaders of all the parties in this place, to go visit our partners in the United States and bring the message forth to open that border up. That becomes the issue.

•(1255)

Mr. John Herron: Madam Speaker, essentially, what it comes down to is that there would not be a better illustration that the Government of Canada could put forth than to send an all party committee.

Every Canadian has a major problem with this issue. They find it incomprehensible why the Prime Minister would not personally get involved in a file that pillages the economy by \$11 million a day. I do not know why the Prime Minister wants to keep his hands and fingernails on 24 Sussex so much that he would not even take the risk of getting on a plane, going to Washington, and having a conversation with the President of the United States. This is the right thing to do. It is all hands on deck on this particular file.

There is one aspect that I wanted to include in my remarks and I did not have time to do it. I would like to take a brief moment to do that.

This is a humanitarian issue as well. If the Government of Canada does not act and does not provide the financial resources to the beef industry right now for bridge financing, the \$200 million that the industry requires, that reckless and irresponsible judgment not to provide those funds will result in cattle dying en masse due to starvation over the course of the winter. That is a point of fact. That is an image that Canadians do not want to see from a humanitarian perspective.

If we end up having to burn these cattle that die from starvation due to this crisis because of one cow, then we will see the same imagery that we saw in the U.K. just a number of years ago. If we want to devastate an industry in perpetuity, that is what will happen. If we do not provide that bridge financing to ensure that we fulfil our humanitarian obligation to feed these cattle, that reckless abdication of action will result in that. Every member in the House will have to look at themselves in the mirror and say that they knew for a fact that not enough was done in this debate.

Mr. Bill Casey (Cumberland—Colchester, PC): Madam Speaker, it is a pleasure to rise and give a perspective on how the BSE situation has affected my little corner of northern Nova Scotia, which comprises Cumberland and Colchester counties.

Often we hear people refer to this as mostly an Alberta issue, but it is not. It has hit the entire country, not just Alberta. It has hit my Province of Nova Scotia. It has hit Ontario, as has been related by the very distinguished member for Perth—Middlesex who has spoken out very vocally on behalf of the farmers of Ontario. When many others have been silent, he has spoken loud and clear. He has made it very clear how serious the issue is for farmers in Ontario.

The first I knew about this whole thing was from a farmer in my riding who called me after shipping a load of live cattle to Pennsylvania. The cattle went through the U.S. border into Pennsylvania, but he was stopped by state troopers and made to take the truck back to Canada. He had to store the live cattle in New Brunswick. He could not even bring them home. It was devastating to him because they are still there and he is still paying for storage of the cattle and to maintain the cattle there.

This has hit farmers right across my riding in northern Nova Scotia, and not just beef farmers, because dairy farmers as well have had a hard time dealing with culled cattle and milk cows that are no longer useful for milk. It has hit everybody.

Recently a farmer came in to my office to tell me that he had a foreclosure notice from the farm loan board. He could not make his payments because he could not sell his cattle. The Government of Canada is proposing to foreclose on this man, this farmer who cannot earn a living anymore because the Government of Canada has been unsuccessful in getting the border reopened. The government will not try things. It is perfectly willing to sit back and let the system unfold without taking any initiative or using any imagination.

Supply

We in this party have proposed that an all party delegation go to the United States and send a really strong message that we want something done about this, that we need a change. The government refuses to do that and meanwhile the farmers in my riding are having their bank loans called. The government is calling loans. Farmers cannot sell their beef. At the last auction, I understand, there were only a few head of cattle. It is truly a disaster.

It really reflects the attitude of the government on agriculture and in regard to farmers in the entire country. It is not only BSE. We have had disaster after disaster in the agriculture industry and the government now in power does nothing to help. There is no handout. There is no effort to try to bridge the gap. It does not try to help in any way.

In my riding the farmers have experienced a double disaster. In March there was a terrible flood and a lot of the soil was washed away. There was a tremendous amount of erosion. They have applied for assistance under the disaster financial assistance program. The applications go through the province, but at first the farmers were told that the land would be covered under the DFAA and there would be no problem about it.

I have here a letter from a representative of the farmers, Sandra D. Fisher, in Brookfield, Colchester county, Nova Scotia. I will read just some selected lines to the House. It is a long letter.

She outlined to the minister that a representative from EMO publicly stated in front of all the farmers and the media that he saw no reason why leased agricultural land would not be covered. A simple letter from the titled landowner stating that the land was being used by the applicant for agricultural purposes would be all that was necessary. The farmers did that. Then they were told they had to bring in their financial statements to prove that 51% of their income came from agriculture.

She stated that again the farmers followed the instructions and did that. Then the farmers had to accompany, on several occasions, numerous inspectors, engineers and auditors to prove the actual damage. Then again they were asked for more documentation from the people who own the land stating that any reimbursement received for the land would in fact go toward reconstruction of the said land.

They did that. They went through that process. Most of the people were faced with many unanswerable questions. They could not even answer them.

Then in late summer, contrary to the first statement, they received word that the leased land was not going to be eligible under this program.

No matter how many documents they supplied, no matter what criteria, hoops and hurdles they were given to go through, they could not qualify.

● (1300)

I am still optimistic that they will get some compensation for this. I met with staff officials of the Minister of Defence this morning about this issue and some others. I am optimistic that maybe we can

get through some of these hurdles. Certainly it was a good meeting about this, but again we see that this is about farmers not being able to access assistance because of red tape, hurdles and roadblocks put in their way.

It is symptomatic of the way the government deals with agricultural issues. It is certainly very disappointing when the farmers are not asking for a lot on the BSE issue, to come back to that. They are not asking for a lot. They need some help with feed and storage costs and they need help to cover the costs of culled cattle. They need a revenue deficiency program to make sure they do not lose everything they have.

Many of the farmers in my riding have been in business for decades and are successful people. Under normal circumstances they can compete with anybody. They are successful and good at what they do and they can compete, but this is not a normal circumstance. This is a disaster. Where is the government? The government is hiding. It will not come to the table and help to any extent the farmers who are about to lose their livelihoods. This is not only their livelihoods; it is their way of life. It is their lifestyle. Usually it is their home. It is everything to them.

I join the chorus of voices here today calling on the government to use some imagination and to try some new ways. Even if it is our idea, the government should have a look at the idea of an all party delegation going down to Washington.

In the softwood lumber case, the government did just the opposite. It allowed every province to get to Washington. Instead of the Department of Foreign Affairs and International Trade leading the battle in Washington on softwood lumber, it let everybody go down individually and try to make their own deal. But in this case we are saying that everybody should go together to Washington and try to convince them of how critical this is to our farmers and how safe our cattle and meat products are now. We should not be sitting back waiting for something good to happen, but that is the style of this government.

I call on the government to consider our proposal, to accept the proposal and try it. What can go wrong? It could try this proposal to meet with the officials in Washington with the strongest possible representation from every part of Canada. The government could just try that. We have nothing to lose and an enormous amount to gain. I think it would send a strong message. It would also send a message that we are reaching out to the United States to try to build a bridge.

I call on the government members too. I call on them to join in the battle, to stand up and fight for the farmers, to speak up for the farmers and convince the government to try something new, to try our proposal. It will not hurt. There is nothing to lose. I call on the members and the government to do these things, to try something new, to use a little imagination, and to not sit back and let this hopefully unfold and resolve itself.

● (1305)

Mr. Inky Mark (Dauphin—Swan River, PC): Madam Speaker, I applaud my colleague from Cumberland—Colchester for his comments. He demonstrates that this problem is a very broad one. He demonstrates how the dairy industry is being hurt by the BSE problem. Not long ago we heard from the member for Drummond, who talked about the problems in Quebec.

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I think we also need to talk about and look at the impact it has had beyond agriculture. From this perspective of central Canada, the public of Ontario probably does not realize that the agricultural business industry in Ontario is second only to the auto industry. We can imagine the impact this will have down the road for the people of Ontario.

This is not just about people who live on farms. It is about the people who live in small communities. We can imagine cashflow coming to a halt and how that would impact business. In fact, as my hon. colleague is a former private entrepreneur and was in the business field, I would like him to comment on how it would impact all the small communities in his own riding.

Mr. Bill Casey: Madam Speaker, that is another dimension of the broad effect or impact of this disaster. On the weekend I talked to car dealers who have trucks on their lots that should not be there. They should be sold. There should be cattle dealers on the road. They should be delivering cattle to the U.S. The dealers have trucks lined up that they cannot sell because the farmers have no money. They have no income. Even if this is fixed today it is going to take a long time to catch up to where they were.

Tractor sales are down. I talked to a tractor dealer who has all kinds of tractors and implements in his yard that normally would be gone at this time of year but are not. They are still there, because the impact of this problem goes right from one end of our country to the other. It affects our small and rural communities, not just farmers. As I said, that was a very good point: it is not just about farmers, it is about small business people, and it does not matter whether it is groceries, clothing, farm tractors or trucks or whatever business it is in these small communities.

It is a tremendous amount of money. I think somebody mentioned a minute ago that it is \$11 million a day. If we take \$11 million a day out of the economy, that is going to hurt a lot of the car, implement and clothing dealers and the grocery stores. It is \$11 million a day and what are we doing about it? Nothing.

• (1310)

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Madam Speaker, I am very pleased to rise today to respond to the motion from the hon. member for Perth—Middlesex. The hon. member's motion would have the Prime Minister lead a delegation to Washington to persuade the United States authorities to open the border to shipments of Canadian livestock.

Federal and provincial governments, along with industry officials, have been working diligently to resolve this issue since a cow affected by BSE was first discovered in May.

In an effort to reopen international borders to Canadian cattle, the government has been maintaining a dialogue at the highest level, not only with United States authorities but with other countries as well.

Our case is clear. There is no scientific evidence to prove the need to keep the borders closed to Canadian cattle. We stand by our rigorous investigation that we conducted and the sound science it represented, which the international team of scientists agreed to as well.

With a single BSE cow being discovered in May, the science capacity of the Canadian Food Inspection Agency was certainly put

to the test. I believe that hon. members from both sides of the House will agree that not only did it meet that test, it surpassed it. It was proven that this animal did not enter the food chain, which was gratifying to Canadian consumers.

The CFIA launched a very thorough investigation on trace-forward, trace-back and trace-outs from this cow. Eventually the agency quarantined 18 locations. These included farms in two lines of inquiry, trace-forward locations, and a feed inquiry. The CFIA also investigated another 36 trace-out premises in Alberta and Saskatchewan. In all, they submitted over 2,000 samples to the laboratory. Out of the 2,000 samples, only one, the original cow, was found to be infected. This was very encouraging news.

On July 9, Canada made the decision to stop supplementary permits of non-NAFTA beef and veal. This action was taken to increase opportunities for Canadian beef and veal suppliers.

Since the investigation, the government has been successful at partially reopening some borders to certain beef products. Canada was able to regain access to the United States, Mexico and Russia in just over 90 days, as opposed to the seven years recommended by the Office international des épizooties.

No other country hit by mad cow disease has been able to open its borders, although partially, so quickly. This proves that the international community has confidence in the surveillance and testing we have in place and that the efforts made by the federal and provincial governments, along with industry, have been successful.

Regular shipments of certain cuts of beef are now moving across the border into the United States through permits. Discussions are ongoing to finalize requirements for the export of Canadian beef and beef products to several other countries, including Mexico, Russia, Jamaica, Antigua, the Philippines, and Trinidad and Tobago. We demonstrated that by working together we can surpass international standards, not only for our food safety and investigation but also to be able to partially reopen international borders in such a timely fashion.

In a letter signed by Canada, the United States and Mexico, they requested that the OIE encourage a more current, practical, risk based approach to BSE. The objective is to assure consumers worldwide of a safe food supply and to address international trade issues that arise upon discovery of the disease in a given national herd. All three countries believe there is a crucial need for an international agreement upon a science based trade response for countries that have tested positive for BSE.

Since the letter was sent, other countries such as Australia and New Zealand have provided supporting letters to the OIE to back North America's position. This proves that not only North America but the international community believes it is time for international standards to be revised.

Canada has demonstrated that we are a leader. And although we have accomplished more than any other country before us, we need to continue to work toward completely reopening international borders to live cattle. We need to continue our main focus, that is, to reopening international borders to live cattle as soon as possible. I cannot say that enough.

•(1315)

Border closings are to be based on science. It is time countries revisit the issue basing their concerns on science perhaps rather than politics.

I am sharing my time with the Minister of Health, Madam Speaker. I apologize for not indicating that earlier in my speech.

The current situation facing our beef and cattle industry is just another example of the support we provide. I assure the House that we will continue to support the agriculture sector until international borders are opened to livestock.

Over the summer we had three emergency agriculture meetings to address the BSE situation. I know that all members of that committee and the House want to do everything we possibly can to ensure that international borders are opened to live cattle as soon as possible.

The hon. Minister of Agriculture and the Department of Agriculture have been working tirelessly to open international borders to livestock. The Manitoba minister of agriculture had some positive comments to make today, according to the *Winnipeg Free Press*. Minister Wowchuk is quoted as saying:

In my opinion, they (the federal government) are moving on this as quickly as they can. I believe in the near future we will see live animals under 30 months moving across the border by the end of this year or very early in the New Year.

That was certainly a positive comment coming from Manitoba.

The Prime Minister has spoken directly with President Bush, who has agreed to work hard to reopen the borders. Many cabinet ministers, senior officials from CFIA and the Privy Council Office have also had numerous discussions with officials and ministers, not only with the United States but with other countries as well to urge them to reopen their borders.

Although the government has been in constant contact with officials from many countries and we have been successful in partially reopening international borders, I believe we need to ensure that we make every effort to open international borders to live cattle in the very near future. If this requires the Prime Minister to lead a

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delegation to the United States or wherever there could be a positive message, that should be done. If a trade delegation led by the Prime Minister is needed to help speed up the United States regulatory process, then I believe as a government we owe it to our producers to try every means possible.

This issue is not only affecting our beef producers but also many other sectors of our agricultural community and our communities as a whole. However we need to ensure that a trip to Washington by a group of politicians and industry officials is something that will be well received in Washington because if not, it could perhaps be a step backward.

Although we are making headway through the discussions that are taking place behind the scenes, maybe more advances could be made if the Prime Minister did go to Washington. It is definitely something we need to consider very seriously.

Canada understands that countries have control over their own borders and we would never dispute this fact. We just need to ensure that every effort is made to help convince the community that our beef is safe, continues to be safe and that borders can be reopened.

I also want to thank consumers for their faith in the industry, which has been so valuable during these serious times. We have never given up hope of opening up all international borders and we do not intend to give up on this fight. If it takes the Prime Minister to lead a delegation to accomplish this, that is what should be done.

Much has been done by all levels of government and industry since May 20 to move this along. Perhaps one area that needs to be improved by all of us is communication to our members and to our producers.

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Madam Speaker, I have a quick question. I appreciated the comments made by the member and I certainly agree with a lot of them.

I know there has been a lot of effort made by various individuals to address this problematic situation, and the Minister of Agriculture has certainly put in some effort I know, as well as his provincial counterparts. I take my hat off to Shirley McClellan who has been a real workhorse as the agriculture minister in Alberta to accomplish this.

The member said several times in her speech that if a delegation led by the Prime Minister was the answer, then it should be done and if this was a good idea, it should be pursued. However I never really gathered for sure if the member believed that this was something that should be pursued and that indeed there should be a delegation.

Does the member agree with the motion? Does she agree with me that we need a group of members from this Parliament in solidarity on this issue to address it in a meaningful way?

I know in my conversations with various people from the United States, particularly some senators with whom I have had a chance to visit, they are quite concerned about this.

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This motion is a great idea and it should be pursued. However I would like to have it confirmed whether the member feels the same, or does she think it needs examination, or what might be the weak spots.

• (1320)

Mrs. Rose-Marie Ur: Madam Speaker, I do not think a stone should be left unturned to ensure that we positively resolve this serious situation. I certainly agree that a delegation should visit the United States and any other countries that need to be visited on this issue, along with agency officials who could certainly back up this team.

The member asked if I supported the motion. This very motion basically came up in the agriculture committee and was unanimously accepted. I think that speaks to what I have addressed here today

Furthermore, the committee has a motion that will be dealt with in the next few days concerning an all party delegation which would visit, as an agriculture committee, on this very matter. I believe it is important that we move very quickly on that and assist the minister. We never know what that small element will trigger to benefit our beef industry.

Mr. Garry Breitkreuz (Yorkton—Melville, Canadian Alliance): Madam Speaker, I appreciate this motion being brought forward today. It is timely and it is absolutely necessary. I appreciate the remarks that have been made.

I just want to relay a little about the situation in my area and underscore the urgency of this, and I will ask the member opposite who just spoke if she would concur that this is an extremely urgent matter and that sometimes that is not grasped here in Ottawa.

In my area grains farming is the backbone of the agricultural economy. As most people realize, in the last decade or so grains have not done well, so many farmers have supplemented their income with cow-calf operations. Those feeders, those calves that will come off those operations, will come off these farms about October or November. That is when the crunch will really hit. If there is no market for them somewhere, such as south of the border where they traditionally have gone, that will become an extreme emergency situation.

Does the member opposite feel that the people here in Ottawa, including the Prime Minister, realize the extreme urgency of this?

I cannot underscore this enough. I get phone calls every day from people saying, "Garry, will you please do something". They have said that they absolutely need that cash flow, that they need a place to take these feeders and that because of the drought, they do not have feed to feed them and they will starve.

I do not know what we can do but we have to impress on our Prime Minister and all concerned the urgency of this. Would the member concur?

Mrs. Rose-Marie Ur: Madam Speaker, as my hon. colleague sits with me on the agriculture committee, it is very important to note that, yes, I honestly believe they recognize the urgency. I sometimes have been accused of being more of a critic of my own agriculture minister than my colleagues on the opposite in agriculture, and I have been told that more than once.

Never in 10 years that I have been a member of Parliament have I been called back to Ottawa on a particular issue to debate. We were called back three times this year, and I was more than happy to be one of the participants.

Hon. Anne McLellan (Minister of Health, Lib.): Madam Speaker, I thank the House for allowing me to add my voice to this debate about a matter of critical importance to Canadian farmers and the Canadian beef industry. As a parliamentarian from Alberta, this is an issue that hits very close to home.

Let me start my remarks by commending the Minister of Agriculture and Agri-Food as well as his provincial counterparts for their continuing efforts to explain our animal health and food safety controls, especially those for BSE to our American neighbours and the world community so that they can have full confidence in Canada's food supply. Thanks to these efforts, we have made considerable progress in reopening the border to trade. I support my hon. colleague's determination to reopen all foreign markets to Canada's beef industry as quickly as possible.

My heartfelt thanks as well to the dedicated farmers and ranchers across Canada who have consistently and conscientiously made food quality and safety their first priority.

As an Albertan, I know how difficult the last few months have been for the people in our province who have been hit hard by the one case of BSE. I know how diligently they and other Canadians have worked to uphold Canada's stringent food safety standards which are among the highest in the world.

As Canada's Minister of Health, I also know that Canadians can be confident in the strength of our food safety system. Health Canada's number one priority is the health and safety of Canadians. That is not just a promise, that is our business.

Canada has one of the safest food supplies in the world. I remind my hon. colleagues that this case of BSE came to light because of Canada's surveillance program. A comprehensive investigation was immediately undertaken. The animal was condemned and did not enter the human food supply. Therefore the system clearly worked.

As strong as our food safety system is, however, we are not resting on our laurels. We are co-operating closely with the Canadian Food Inspection Agency, the CFIA, as well as our other partners, including the provinces and territories, industry and consumers to address this issue.

Let me highlight some of the significant steps we have taken since the discovery of that one animal last May as well as some of the safety measures that were already in place. Together, these measures have been critical in maintaining the confidence of Canadian consumers and the world in the security of Canada's food supply.

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First, an intensive scientific investigation, coordinated by the CFIA, was conducted. We asked an international team to evaluate our investigation and the effectiveness of existing measures in Canada to protect the public. I am proud to report that expert panel praised us for the thoroughness and quality of our investigation as well as the effectiveness of public protection measures already in place. The panel also recommended actions in a number of areas to further enhance safeguards to human and animal health.

I can assure my hon. colleagues that we immediately heeded this expert advice. On July 24, regulatory amendments to the Food and Drug Regulations and the Health of Animal Regulations were introduced which prevent specified risk materials from entering the food supply.

These specified risk materials, or SRMs, are tissues known to have the potential to carry the highest concentration of BSE infectivity. In diseased animals the infective agent is concentrated in certain tissues such as the brain and the spinal cord. The new regulations establish a definition for SRMs and prohibit the sale or import for sale of food products containing these tissues from countries that are not BSE free. The amendments to the Health of Animal Regulations require the removal of SRM from carcasses and prohibit the export and use of any of these risk materials for human consumption.

These strengthened safety measures build on previous safeguards that were introduced by our government to prevent the introduction and spread of BSE in Canada after the problem first surfaced in Europe. We have been steadfast in our efforts to protect public health and safety.

The safeguards start with strict import controls. Canada prohibits the importation of beef and beef products from countries not designated as BSE free.

• (1325)

Since 1992 there has been a surveillance system for BSE. As well, since 1997 we have banned the feeding of rendered protein products from ruminant animals, such as cattle, sheep, goats, bison, deer and elk, to livestock. Exposure to BSE contaminated feed is considered to be the largest risk factor for the spread of BSE in cattle.

In addition, we have taken precautionary measures to protect the integrity of Canada's blood system. Blood donations have been prohibited for a number of years from anyone who has spent significant periods of time in countries with substantial occurrences of BSE.

Beyond these BSE specific controls, Health Canada continues to work closely with the CFIA and Agriculture and Agri-Food Canada to protect human and animal health through improvements to animal feeding policy and animal disease surveillance programs.

We will continue to monitor and evaluate the situation here in Canada and abroad, both from a human and animal health perspective. We are also continually assessing new scientific information that may relate to the safety of food or the health products regulated by my department.

As proud as I am of these progressive measures, I want to reiterate that Canada's food safety system is among the most effective and most respected in the world.

The initiatives I have just outlined are being introduced as a precautionary measure to further strengthen our already safe food system.

I also want to remind the House that the success of Canada's food system depends on close working relationships among federal, provincial and territorial authorities, as well as food producers, processors, distributors, retailers and consumers. Ultimately, it is our collective efforts and activities that maintain Canada's excellent national and international reputation for producing safe, high quality food.

I truly hope that we can count on the co-operation and support of the opposition in addressing this challenge which has taken such a terrible toll on the Canadian beef industry and so many of my neighbours and friends in Alberta. The stakes are high for everybody involved. This is no time to play politics with people's lives and livelihoods.

For the good of our farmers, ranchers, the beef industry and Canadian consumers from coast to coast to coast, I trust I can rely on my hon. colleagues to work with us to continue to keep Canada's food supply the safest in the world.

• (1330)

Mr. Rick Casson (Lethbridge, Canadian Alliance): Madam Speaker, I am glad the health minister is in the House today to address this issue because one of the issues I would like her to address is a health issue.

Not many people in this country know that Canada does not accept feeder cattle from the U.S. on a year round basis. We are expecting the Americans to take cattle from a BSE class country but we do not take cattle from them on a year round basis.

Two things stop that; anaplasmosis and bluetongue. Both of these diseases are manageable. All the industry, the Canada Cattlemen's Association and everyone, is saying that we need to get this done. That would send a clear message to the United States that Canada is serious about fair and open trade.

Will the minister do all she can to make sure the border is opened to year round access to our producers to American feeder cattle?

Hon. Anne McLellan: Madam Speaker, I am very aware of the very important issue the member has raised. I recently spent some time talking to the Canadian Cattlemen's Association and others and he is quite right, this is an issue that is on their agenda.

I have addressed this with my colleague, the Minister of Agriculture and Agri-Food. I have talked to my officials about it. We are working with the CFIA. I will be frank here. I think it is fair to say that there are some issues around health and safety in terms of Canada's cattle industry. We obviously have to ensure that we are doing everything we can to protect both human and animal health in this country.

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I do not think it would be appropriate for us to open the door even the tiniest crack to the introduction of any kind of disease or situation that might call into question our standards, which are viewed as the best around the world.

However I am fully aware of the hon. member's issue. We have taken it up. We will continue to work with my colleague, the Minister of Agriculture, and CFIA. I am in regular contact with representatives from the CCA and others in relation to this issue.

Mr. Garry Breitzkreuz: Madam Speaker, I appreciate the minister being in the House and for realizing that this is a very important issue.

I raised the issue previously as to how this is critical and needs extreme urgency in dealing with it. Many cow-calf operators in Saskatchewan will be taking their feeders to market in October. I think the minister has rightly analyzed the fact that there are politics behind a lot of this.

I do not think it is a secret that our relations with the U.S. are probably not what they should be and that we need to establish a very good working relationship with it so that when an incident like this comes up it will not become the full blown crisis that it has.

I would like to know what the minister is doing to ensure that the Prime Minister and the future prime minister will do all they can to get back to a good working relationship with the U.S.

I know the senators in the U.S. right now are getting a lot of votes because they can use this poor relationship that has kind of developed over the Iraq situation, poking our nearest neighbour in the eye when it was not necessary, as a way of continuing to get votes from their cow-calf producers by keeping the border shut because they are making huge profits there and we of course are on the opposite end of this.

However we also have the Japanese. Is it not true that we did not let them come in and review what we were doing with regard to safeguarding health here in Canada and that we do not allow them to export products here? Could this situation not be resolved, a situation that has been ongoing for seven years. They can use that as an excuse not to let the U.S. export to Japan and that is a way to leverage the U.S. into keeping the Canadian border shut. To me, that is another part of the dynamics that are at play here and part of the politics.

I come back to my original premise, that this is urgent. This has to be dealt with immediately. All these situations are intertwined to create the dilemma we are in right now. Would the minister concur with this and what is she going to do to rectify it?

• (1335)

Hon. Anne McLellan: Madam Speaker, I do not concur with a number of things that the hon. member has said. However I do concur that the most important trading relationship we have is with our neighbours and friends in the United States of America.

The government believes and I believe profoundly that the relationship is a singular one and we need to ensure the highest level of understanding, working together and integration. I think the entire challenge around BSE speaks to how important it is for us to develop

a higher level of integration, develop protocols so that we both know how to respond to these kinds of situations when they arise.

I would say as well that I know my colleague, the Minister of Agriculture, and others are working globally through the international agency based in Paris to perhaps have protocols with other countries, such as Japan, so that we all understand how to respond when a single case of BSE arises in another country and that we do not have these devastating effects on local markets, such as we have seen flowing from this one cow.

Mr. Rick Casson (Lethbridge, Canadian Alliance): Madam Speaker, it is great to rise today and speak to the motion brought forward by the Conservatives.

In the north part of my riding we have over 600,000 head of feeder cattle. When the BSE outbreak occurred back on May 20 the entire number of cattle on feed in Canada at that time was 950,000, and 600,000 of those cattle were in my riding. Therefore, to say that I have been somewhat associated with this issue since it started, I suppose would not be giving it enough credit.

I want to mention a couple of things before I get into the debate on the motion. The first is the confidence that Canadian consumers have in the beef industry in this country. Beef consumption in Canada for July was up 62% over last July. That is incredible. That has never happened before in the world when a country has been faced with a BSE issue. Consumers should be congratulated on staying with the industry.

However the industry also did a pretty good job. I wish to mention two people from my riding who did an incredible job of keeping Canadians on side on this issue. One of them is Rick Paskal. Members might have seen him this past summer in Ontario selling truckloads of 10 pound tubes of ground beef for \$1 a pound. I do not know how many tonnes of beef he moved all across the country but it was on his own initiative.

What he was trying to do was to make consumers realize that some of the prices they were paying at the retail level were a little too high. The fact is that the producer was getting so little for his animal that should have been reflected on the price at the retail sector.

Ever since Rick has been in the cattle industry he has been an activist. I have known Rick all my life. He has done a tremendous job. He has been in the United States lobbying for the industry. When the United States challenged the beef industry a few years ago he spent a lot of time down there educating those folks on how our business works. I congratulate him on that.

The other person I want to mention is Ed Fetting. Ed was recently appointed the economic development officer for the city of Lethbridge. He and others got together and came up with an idea for the great Canadian cattle drive. This was not the cattle liner that showed up here last week. This cattle drive brought employers together to allow their staff to buy beef on the payroll deduction plan. They moved hundreds of thousands of pounds of beef through this program. It spread out across the country. I have to hand it to him for doing it. The issue at that time was that we had a glut of beef in Canada that needed to be moved and all these initiatives helped.

The motion we are dealing with today on taking a delegation to the U.S. to lobby should already have been done. The Prime Minister should have been down there and stayed there until the issue was solved. It is unfortunate that he has not done that.

This summer the member for Medicine Hat, the member for Fraser Valley, our leader and I went to Capitol Hill in Washington to attend a great group of meetings. We met with congressmen and senators from all parties, and with bureaucrats, and we were able to talk to the person at the White House who had this file on his desk.

These people were very knowledgeable. They wanted to talk to us and they assured us that they were doing all they could. However the one thing they pointed out to us time after time was that the lack of communication between Capitol Hill and Parliament Hill was hurting the issue. We heard, not so much from the politicians but from the bureaucrats, that some of the comments that came from the government that went unreproached by the Prime Minister were hurting the issue.

When people tell us that everything is fine and that we are talking back and forth, maybe they are but it is not at the level that it needs to be nor the quality, because those lines of communication are not there.

As I have said, we had some incredibly good meetings and people were very sympathetic. I was very impressed with the people we met. It did not matter from what state or what party, whether they were a senator or a congressman, they were very knowledgeable on the issue. Everyone seemed to be aware of what was happening.

I think the thing that made them want to resolve this issue so quickly was the fact that they knew that with the 49th parallel beginning where it does this could be their problem and not ours.

• (1340)

That brings me to the issue I just raised with the health minister. As a country, we expect the United States to take our beef. We want that border open to live cattle, initially under 30 months because BSE does not exist in animals under that age. It is open an absolute fraction right now. There is a 3,500 mile fence between us and them as far as our cattle are concerned and there is a very small crack. We are trying to run a multibillion dollar business through that small gate and it is not working.

One of the issues that I mentioned was what Rick Paskal has fought for, which is to have access to the U.S. feeder cattle on a year-round basis. Right now they come in on what is called a vector season, from October to April. It is a non-fly season. The two diseases are anaplasmosis and blue tongue. Study after study has been done. When I asked the Minister of Agriculture about this yesterday, he indicated he wants the CFIA to look at it once again. The science is in on this. They do not have to look at it again. There are vets in the CFIA who will back this up and say that whatever health risks there are in these two diseases, they are manageable.

Harmonizing the health standards on both sides of the border is very critical. We have a continental market in beef right now, but if we did that, then the border would almost disappear and the situation we find ourselves in today because of one lousy, stumbling, sick cow that has cost our country and the industry \$11 million a day every day since May 20, would not be happening.

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The issue of Canada and the U.S. working with the OIE to come up with a different process to use when one of these diseases is found would be great. However, I think the reason the U.S. is so interested in that is the Americans know that this could very well happen to them and they do not want to have the ramifications that we had when it happened to us.

Year-round access is a critical issue. I believe that would send a clear message. I have been asking in the House since 1997 that we recognize the health of the U.S. herd and it has not happened yet. If we sent that one message, the Americans would understand that we are serious about having a level playing field and that we are serious about working with them on harmonizing the health standards. That would go a long way in helping us get the border open.

We heard the parliamentary secretary last week answer a question on this. He said that the problem is solved and the border is open. Until live cattle are going back and forth across that border, I do not want anybody to say that the border is open, because it is not. It is open like a crack in a long, long wall.

Madam Speaker, I would like to indicate that I will be splitting my time with the member for Peace River and he is on his way.

The other issue besides year-round access that I would like to mention is NAFTA. I have read in sections of NAFTA that if there is no scientific reason for trade to be discontinued, then it must be re-established. Ann Veneman, the U.S. secretary of agriculture, has said time after time that our beef is safe. They are taking boxed beef. They are taking that because they need it. Hopefully soon they will need our feeder cattle and they will open the border to them and at the same time to our cattle under 30 months.

Why has the trade minister not looked at this issue and said that under NAFTA rules, if there is no scientific reason for this trade to be stopped, then get it going? We have not heard that. It is right in the rules and regulations. People across the country who have looked at that and trade lawyers are saying the same thing. We have a legitimate case here to have a look at that. I think that discussions need to take place between us and the Americans. We need to say, "Look, it's right here". We need to take the next step and enforce the challenge.

We have to do all of these things. It all lumps into working harder and being more aggressive. I firmly believe that as a nation we have not been aggressive enough at the negotiating table on trade issues. This is one clear example.

Supply

The beef industry is in trouble. We are going to lose it. We have lost a good portion of it already. I think people have lost confidence in it. Investors and others will say that they just will not take that chance again. We have to be very cautious. We have to work very hard to make sure that this issue is solved. I do not know how much good a delegation led by the Prime Minister would do with the way the relationships are right now, but a delegation of some kind certainly should be taken to the U.S.

• (1345)

Mr. Joe Comartin (Windsor—St. Clair, NDP): Madam Speaker, I was interested in the opening comments of my colleague from Lethbridge about the importance of confidence in our system, our health system, our supervisory system for food in this country. He obviously is expressing support for sending a delegation to Washington to try to open up the markets fully.

Is the member aware of the comments of the premier of Alberta which he made to some American political people and authorities? He said that he would have been just as happy if the farmer who found the cow suffering from mad cow disease had used the methodology of shoot, shovel and shut up. Does the member support the premier in that regard and those comments?

Also, does the member think that would hurt our approach if in fact a delegation went to Washington? What type of reception does he think we would get with that comment from the premier?

Mr. Rick Casson: Madam Speaker, I am not here to reinforce the comments of the premier of Alberta or to go against them. I believe that we are in this mess because of one sick cow. I think that when the industry stands back and looks at what has happened because of this one sick cow, maybe some of that thought will come in, but that is not the way to deal with it.

It is unfortunate that those comments were made and that they were taken in the context that they were. When we deal with this issue, the people I have talked to who have been cow calf producers all their lives, for generations, understand the industry and they certainly do not practise that type of thing in this industry. They realize how precarious it is, how important the health standards are to all of us. Nobody in the world produces safer food than those people. It is just hurtful to see what has happened to them and what has happened to the industry because of this. There are 90,000 families in this country that are involved in the industry. It is just hurtful to see what has happened because of that one sick cow.

The fact that Canada, Mexico and the U.S. are working with the OIE to come up with different standards, practices and methods of controlling this disease once one case is found, as has happened in this instance, is the key to the next time. We have to come up with those issues so that the ranchers and the cow calf producers in this country can feel confident that the next time this does happen, they will not be put into this pressure cooker.

The premier of Alberta is entitled to his comments, as we all are, but I certainly do not endorse the philosophy of shoot, shovel and shut up.

• (1350)

Mr. Paul Steckle (Huron—Bruce, Lib.): Madam Speaker, I understand and I quite appreciate my hon. colleague's involvement in the cattle industry. As a member of the standing committee, I

know of the hard work that he has done on behalf of his farmer friends.

Of course the member understands the western situation much better than those of us from Ontario. The Americans have been buying a good number of cattle in the west, leaving them there to be fed until such time as they can be moved across the border as fattened cattle. Would he agree that means we will see a great deal of pressure coming to bear on the powers that be in the United States, the packing houses, on their governments and legislators to open the border, and perhaps that is where the resolve will come from eventually?

Mr. Rick Casson: Madam Speaker, yes, there is some pressure. I believe that if the beef industry in the United States had not been willing to take boxed beef, that border would not be open for boxed beef. I agree that the pressure that comes from the states is going to have a lot to do with this.

The northern tier packing plants in Pasco, Washington, Greeley, Colorado and Hyrum, Utah need Canadian cattle. Those organizations are putting on a lot of pressure to get the border open. However, we should not be counting on pressure from other countries to get the border open. We should be counting on pressure from within this country to get our border open.

Mr. Charlie Penson (Peace River, Canadian Alliance): Madam Speaker, I am pleased to take part in this debate. This issue affects a lot of producers, basic products in Canada that make a big contribution to our financial well-being, particularly in the rural areas but it certainly does not stop there.

The motion today is to send a delegation to Washington to try to get the border opened up. I take it in the spirit in which it was developed. I think it is a good idea. I see some difficulties with it in terms of how that might play out but I will deal with that in a moment.

As the trade critic for our party, I realize that overall we have an excellent relationship with the United States. It is a big customer for a lot of our products. In fact, there is trade of about \$2 billion a day that crosses the Canada-U.S. border both ways. Most of that trade happens without any incident or difficulties at all but there have been some longstanding disputes. Steel is one of them. Softwood lumber is another that has been going on for 25 to 30 years. Of course now there is the BSE incident that occurred. My colleague from Lethbridge talked of the matter of one cow being found to have BSE, or mad cow disease, which interrupted trade between Canada and the United States. That is a very big market.

The cattle industry is one of those integrated industries that has allowed product to flow freely between Canada and the United States for some time.

My riding of Peace River is in northwestern Alberta. Animals from the United States have come up to be on grass or pasture there. We know that animals from the United States have come up into our feedlots, into southern Alberta and vice versa. Cattle from Canada have gone down to feedlots in the United States. This has been an integrated industry, as it should be. Both countries have benefited a great deal from having that industry integrated as it was.

It shows how vulnerable we are when an incident of one animal upsets a tremendous market. It represents exports to the United States alone in the beef industry of \$4.5 billion per year. We export about 80% of what we produce. There are 15 million cattle in Canada. It is a big industry. Exports amount to 80% and 60% of that goes to the United States so it is a big market for our product. However, we only make up about 5% of what the United States needs so it is not as big a matter for the Americans, but it represents a livelihood for hundreds of thousands of Canadians. I know many people personally in my riding who have diversified and gone into the cattle business. It has been a good industry for them.

The goal is to get the border open to live animals as it has been in the past. We have to keep this matter in perspective. Yes, we had one incident in the past about 10 years ago with an animal that developed BSE. That animal was imported from Britain. Now another one has been found, one animal out of 15 million animals. There may be more but that is all that has been found at the moment and there is extensive screening going on.

Let us please keep this matter in perspective. There are 15 million animals with one animal affected by it. It has turned our border into a fortress with the United States, a market that we need very badly.

What is the answer? Today's opposition motion suggests that a high level delegation go to Washington to try to reopen the border. I think it is a good proposal but one which we have tried before. In fact, in the summer the leader of our party went to Washington with a number of our trade people to try to do just that. We need to continue to work on it. We need to ask the Americans what criteria need to be satisfied for the border to be opened.

We asked the Minister of Agriculture and Agri-Food on a number of occasions in the House that very question. He either cannot or will not answer the question. I am not sure why.

Surely countries that have that kind of close relationship in trade, as there is with Canada and Mexico, and we have NAFTA, should be able to get to the point very quickly. What exactly is keeping that border closed to our product? To date he has not done that.

•(1355)

Let me just take a moment to deal with the prospect of the Prime Minister leading a high level delegation because that is a problem right at the start. It is part of the reason the border has not been open before now. It goes beyond the Prime Minister.

Many members of the Liberal Party sitting opposite have spent the last year or so insulting our American neighbours, not just the administration. There have been references to the administration and to the President. It seems to me the Liberals have gone beyond that. They are insulting the American people. It is a finger in the eye of the American public.

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Then we wonder why it is so difficult for us to get the border open when insults have been hurled from the Liberal Party across the way at our very best customers. It does not make any sense at all. Until this current administration is out of here, we will not see any success in getting the border open, so the sooner it moves on the better.

The Speaker: It is 2 o'clock and my duty therefore is to interrupt the proceedings. However, the hon. member will get his time after the debate is resumed following question period. We will ensure he gets the full time allotted of course.

STATEMENTS BY MEMBERS

[*English*]

TILLY JOHNSON SCHOLARSHIP FOUNDATION

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, several weeks ago Hamilton celebrated the sixth annual Dr. Tilly Scholarship Foundation's dinner and dance.

Dr. Ethilda Verona Johnson is an experienced businesswoman in Hamilton, and has owned and operated a number of businesses over the past 30 years. Dr. Johnson, who knows the value of perseverance and hard work, feels it is important to provide assistance to financially disadvantaged youth through her scholarship foundation.

Founded in 1997, the Tilly Johnson Scholarship Foundation assists young people of African-Canadian descent with post-secondary school expenses. This year it was able to assist eight students.

I am sure that all hon. members will join me in congratulating the recipients of this year's scholarships and in thanking Dr. Tilly Johnson for her efforts in support of education, courage and strength in our community.

* * *

•(1400)

GOVERNOR GENERAL

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Mr. Speaker, this has been a tough year for most Canadians. We have had SARS, West Nile virus, mad cow disease, wildfires in B.C., and in my home province of Alberta we had another year of drought and locusts, not to mention how hard it has been and continues to be for our ill-equipped troops stationed in Afghanistan.

Yet, as if by magic, the government has come up with extra money for the Governor General and her cronies to traipse across the northern hemisphere. This trip is unnecessary and insensitive to the needs of hard working Canadians. The elites will tell us that it is critical to spread Canadian culture. I think they are wrong.

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Ron and Linda, Mel and Myrna, and Debbie and Darren are a few of my constituents who have not had a vacation in years. I would like the Governor General to explain the merits of this trip to these tired folks and every other Canadian who is working two jobs to make ends meet and cannot afford a day off. Or maybe she would rather explain to the parents who cannot afford a warm snowsuit for their child this winter or to the beef farmer who is forced to slaughter his entire herd and declare bankruptcy.

Get your priorities straight. Exporting Canadian culture is not more important than taking care of Canadians in need.

* * *

PERDITA FELICIEN

Mr. Dan McTeague (Pickering—Ajax—Uxbridge, Lib.): Mr. Speaker, I am pleased to rise today to pay tribute to the outstanding athletic achievement of Perdita Felicien of Pickering.

On August 27 Perdita took on the world by winning gold in the 100 metre hurdles at the world track and field championships in Paris. She accomplished this feat in the record time of 12.53 seconds breaking all previous Canadian records. Her victory is the first medal by a Canadian woman at the track event since the event was first held in Helsinki in 1983.

Perdita, celebrating her 23rd birthday a day after this momentous win, will finish her studies at the University of Illinois where she has twice been named national female athlete of the year by the U.S. Track and Field Coaches Association. She is also a two time Canadian champion in hurdles and holds the Canadian indoor mark in 60 metre hurdles.

Perdita has brought pride to herself, her family and her country and I join her family, friends and fellow athletes in wishing her well in her future scholastic and athletic endeavours.

It is on to Athens for Perdita. She is Canada's newest Olympic hope.

* * *

JOE MARTENS

Mr. Janko Perić (Cambridge, Lib.): Mr. Speaker, this fall His Worship Joe Martens, Mayor of North Dumfries Township, will be stepping down after 18 years of strong leadership and committed service to his constituents.

Known for being a straight shooter and for his easygoing style, the residents of North Dumfries have always trusted him throughout his 21 years of public service.

A former councillor of North Dumfries Township, he also served as a Waterloo Regional Councillor and was a board member of Cambridge Memorial Hospital, United Way of Cambridge and North Dumfries, Grand River Conservation Authority, and Cambridge and North Dumfries Hydro.

In 2002 he received the Queen's Golden Jubilee Medal. However, if we were to ask Joe Martens for the highlight of his career, he would say that he is most proud of having served the people of North Dumfries for 21 years.

I have had the honour and privilege of knowing and working with Joe, and I wish him every success in the years ahead.

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DAVIS CUP

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, Canadians have reason to be proud today. Yesterday, 18 year old Frank Dancevic from Niagara Falls, Ontario defeated Brazilian Flavio Saretta and in doing so, led Canada to a 3:2 Davis Cup victory over Brazil. This is the first time in over 10 years that Canada has moved on to the World Group in Davis Cup play.

What is even more impressive is that Dancevic, a 10 time junior champion, was a last minute fill-in, called on to replace Canadian veteran Daniel Nestor. This is a great achievement for Canadian sport and these athletes are role models for all Canadians.

We wish Simon Larose, Frank Dancevic, Frederic Niemeyer and Daniel Nestor the greatest success as they prepare for next year's battle of the elite 16 team World Group.

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GOVERNMENT OF CANADA

Mr. Jay Hill (Prince George—Peace River, Canadian Alliance): Mr. Speaker, why is it that it does not seem to matter what crisis is facing our country, the Liberal government's response is abysmal?

Whether it has been SARS in Toronto, West Nile in Saskatchewan, or a mad cow in Alberta, the federal Liberals offer photo ops and excuses. During the power outage in Ontario, the Prime Minister was sleeping peacefully at the switch in Quebec.

Just as when he orchestrated a photo op by throwing a single sandbag to stem the Winnipeg flood, this year he belatedly interrupted his summer golf to drop from the sky to offer his sincere condolences to the firefighters and victims of B.C. forest fires. The federal Liberals offer empty promises to combat the devastation facing British Columbia's forests from the mountain pine beetle and the softwood lumber dispute.

Now the member for LaSalle—Émard says, on one hand, how proud he is of his government's record over the past 10 years and, on the other hand, asks Canadians to trust that he is the instrument of change. It is unbelievable.

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● (1405)

INFORMATION TECHNOLOGY

Hon. Andy Scott (Fredericton, Lib.): Mr. Speaker, last night in Toronto, CANARIE held its seventh annual IWAY awards.

The purpose of these awards is to honour those who have made an outstanding contribution to this country's information society.

Fredericton's own Bob Gamble was recognized as the national winner in the category of "Application of Technology". This award recognizes individuals who have pioneered innovative uses of technology related to the development of Canada's information highway or have adapted existing products or applications in an exceptionally creative manner.

As President of Service New Brunswick, Mr. Gamble has worked to provide many online functions for the citizens of New Brunswick. In fact, Service New Brunswick currently provides more than 176 government services online. Mr. Andrew Bjerring, President and CEO of CANARIE said, "Under the direction of Mr. Gamble, SNB has accelerated and improved the way New Brunswickers access, use and benefit from government services".

I would like to take this opportunity to congratulate Bob Gamble on this award and thank him for his contribution to Canada.

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[Translation]

COUNCIL ON THE STATUS OF WOMEN

Ms. Christiane Gagnon (Québec, BQ): Mr. Speaker, the Museum of Civilization of Québec is organizing a series of events to mark the 30th anniversary of the Council on the status of Women and its significant contribution to the advancement of women.

These events started on September 10 and run until November 30, and include an exhibit, a major conference, a debate and a number of interpretive talks, as well as a very special presentation on September 29, that is not to be missed.

The Council on the status of Women has played a lead role for 30 years in improving the lives of Quebec women. In marking this anniversary, the museum is helping us learn just how much progress has been made and gauge what challenges remain to be met. I thank all the people behind this excellent initiative.

* * *

LE DROIT

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, a reception was held last evening at the Library and Archives Canada to honour *Le Droit* on its 90th anniversary.

I would like to congratulate this newspaper for having tracked social change and playing a lead role in providing information to the francophones of eastern Ontario and the Outaouais region of Quebec over the years. Since it first appeared on March 27, 1913, its readers have appreciated the quality of the information presented and the professionalism of its journalists.

Le Droit, with its broad range of subject matter and its hard-hitting editorials, has always met the needs of its readership. Throughout its long life, it has been able to adapt to the changes in our society and to our need to be kept informed. The fact that it has had such a long life is proof of this.

Le Droit will always remain our daily newspaper, a reflection of our world. Congratulations and best wishes to everyone on the *Le Droit* team.

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[English]

CRIMINAL CODE

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): Mr. Speaker, in recent years a new kind of violence against women has reared its ugly head at parties, on campuses and in nightclubs. Date rape drugs have become a violent weapon used to victimize women in cowardly assaults. It is long overdue for the government to act.

Starting today, and over the next two weeks, 48 Canadian Alliance campus clubs across Canada are involved in a campaign to raise awareness of date rape drugs and to encourage the government to classify them as a weapon in the Criminal Code.

From the University of Victoria, to York University, to Acadia University in Wolfville, Nova Scotia, and all points in between, the Canadian Alliance is pushing the need to protect women and students from the dangers of date rape drugs and to encourage the Liberal government to act to protect women from this ugly, and sometimes deadly assault.

Awareness is the first line of defence for young people targeted with this cowardly assault. Second is the strong arm of the law. Date rape drugs should not be treated the same way in the Criminal Code as heroin or cocaine because they are used to victimize other people involuntarily. Young Canadians deserve laws to protect them from sexual assault.

It is time for the Liberal government to step up and fight the cowardly use of these drugs and the sexual assault of women.

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● (1410)

CAPE BRETON SENIORS

Mr. Mark Eyking (Sydney—Victoria, Lib.): Mr. Speaker, I rise today to inform the House of a new project I announced yesterday to support seniors in Cape Breton. We are funding \$284,000 over three years to provide for a project at the Cape Breton Seniors Community Learning Network, which will be implemented by the CAP Society of Cape Breton County.

This project will establish a self-sustaining network of community members who will build links between local, regional, national and global communities of seniors to promote lifelong learning and access to information technologies. To do this, the CAP Society will implement online development, mentoring, outreach and community learning activities.

This demonstrates again our commitment to promoting lifelong learning to all citizens in our country in this new age of technology.

S. O. 31

AGRICULTURE

Mr. John Herron (Fundy—Royal, PC): Mr. Speaker, yesterday federal and provincial ministers finally met with Canadian farmers who are in desperate need of financial assistance to cope with the continuing beef ban and the closed border. Our federal agriculture minister shamelessly rejected their appeal.

The beef industry is losing \$11 million dollars a day.

We have an agriculture minister who will only give out more funding to suffering farmers if the provinces blindly sign on to his new agricultural policy framework. The minister has no business ransoming needed emergency funds for farmers by hanging the APF over their heads.

It is incomprehensible that we have a Prime Minister who is morally obligated but refuses to meet with the U.S. government to reopen the border. The government has been recklessly shirking its responsibilities on this national crisis since the get-go.

The government needs to stop punishing farmers and abdicating its responsibility. It needs to sit down and work with our partners to the south, develop concrete solutions and get the border open once and for all.

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[*Translation*]

TAXATION

Ms. Monique Guay (Laurentides, BQ): Mr. Speaker, last week, in a speech to the Board of Trade of Metropolitan Montreal, the former finance minister candidly admitted that once he has his new job, he will wage unrelenting war on the monster of accumulated debt, in the same way Ottawa attacked the deficit in the 1990s.

After touring everywhere in Quebec and Canada promising heaven and earth, now he has taken off his mask. The future Liberal leader confirms that once he has the reins of power in his hands, he will not hesitate to attack the unemployed by transforming employment insurance premiums into employment taxes, and continuing to refuse benefits to six out of ten unemployed people.

In so doing, he is also confirming that he will not hesitate to chop transfer payments to the provinces for health, education and social services, in order to reach his goals.

What he did not say, however, is why he prefers to take advantage of the tax haven in Barbados rather than be a part of the collective effort to reduce the debt by paying his income tax in the country he aspires to lead.

* * *

OFFICIAL LANGUAGES

Mr. John Godfrey (Don Valley West, Lib.): Mr. Speaker, last week, 95 students in the Edmonton area received their French immersion high school diplomas.

These students were part of a pilot project established by the Edmonton public school board and the Public Service Commission. Each student earned a high school diploma and acquired a knowledge of French equivalent to that required for bilingual imperative positions in the public service.

Not only does the prodigious success of this project demonstrate the talent of these students and their teachers, but it will also enable the project to continue next year.

I would like to congratulate all the students who earned their high school diplomas in this immersion program. I would ask the House to join me in wishing success to this project in the years to come.

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[*English*]

INTERNATIONAL AID

Ms. Alexa McDonough (Halifax, NDP): Yesterday, Mr. Speaker, Winstone Zulu, a courageous Zambian living with AIDS, brought his story to Parliament Hill. Each of Winstone's brothers contracted TB. HIV positive and denied access to medications, one after the other his brothers died.

Forty-two million people in the world are living with HIV-AIDS, 70% in sub-Saharan Africa. Twenty million Africans have died from AIDS, leaving 14 million orphans behind.

Winstone Zulu pleaded with Canadians to implement the foreign affairs committee's recommendation for this government to pay its proportional share of the global fund to fight HIV-AIDS, TB and malaria by tripling our contribution.

It is regrettable in the extreme that the Prime Minister failed to use the occasion of this week's UN special session to measure progress in the AIDS battle to announce that Canada will meet its obligations. Nor did the Prime Minister commit to changing our laws to enable life-saving generic drugs to be exported to where they are desperately needed.

I urge this government today to end the delay and save Winstone Zulu's African brothers and sisters.

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● (1415)

[*Translation*]

HURON-WENDAT NATION

Mr. Jean-Guy Carignan (Québec East, Lib. Ind.): Mr. Speaker, I am pleased to announce in this House that on September 16, the Council of the Huron-Wendat Nation received funding of \$1 million from the Department of Canadian Heritage to help develop and build a Huron-Wendat Nation museum.

Through the perseverance and determination of project organizers, Canadians will have access to historical and archeological artifacts of significant ethnological value that are true testaments to the cultural wealth of the Huron-Wendat Nation.

The funds will support the design and construction of the museum, as well as the purchase of specialized conservation, lighting, and sound equipment. In addition to its exhibitions and activities areas, the museum will contain space for storing collections and accommodating researchers.

This museum will allow the Huron-Wendat Nation to properly conserve and showcase its precious physical and spiritual artifacts and documents, within the same region the nation has called home for more than 300 years.

We congratulate the Council of the Huron-Wendat Nation and wish them good luck in this major undertaking.

ORAL QUESTION PERIOD

[English]

AGRICULTURE

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the American border has been closed to Canadian cattle now for 127 days; 127 days and the government still has no marketing strategy for Canadian beef, still has no plans to resolve the feeder cattle issue with the United States, and still has no planned trip to Washington by the Prime Minister and government leaders.

Why is this government acting so systematically slowly in getting this border open?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the hon. member fails to recognize and appreciate the fact that Canada is the only country in the world that has had other non-BSE countries open their borders to our product. That has been because of the efforts of a lot of people: ministers, diplomats, phone calls by the Prime Minister, the industry involvement in all of this, and the recognition by both the Canadian and the United States industries that this is an integrated industry in North America. Therefore they have as well recognized the safety system that we have here in Canada and therefore have begun to open their markets.

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, none of that answered my questions about the inaction. It does not explain why there is no marketing strategy for our beef. It does not explain why the feeder cattle problem is not resolved. And it does not explain why there has been no trip to Washington.

But there is one possible explanation and that is that this government wants to wait until it has a new Liberal leader to take credit for resolving the problem, at the cost of more worry and money for Canadian farm families. Is this government deliberately dragging its feet so that the new leader can take credit for the border being opened when it finally happens?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, when the United States has already imported over eight million pounds of beef from Canada, the hon. members are saying it is nothing.

When nothing was happening, they were upset. Now that we are starting to move product, they are upset. Do we have further steps to take? Yes, we do. Are those actions taking place? Yes, they are.

The Secretary of Agriculture in the United States again said this week she is expediting the process to move live cattle under 30

months directly to market in the United States. That is another big step that will be in the near future.

Mr. Stephen Harper (Leader of the Opposition, Canadian Alliance): Mr. Speaker, the House will note that the government did not refute my allegation; if this is not about playing partisan politics with the new leader.

For weeks there have been suggestions that there be an all party, non-partisan committee to go to Washington. That includes former prime minister Brian Mulroney. There have been suggestions that Premier Klein be invited to Washington. I know we in this party are prepared to do that. Others in this House are prepared to do that.

If this is not about promoting a new Liberal leader, will this government agree to lead an all party delegation to Washington to resolve this problem?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the approach that this government and this industry, with the provinces, have taken has been very successful in comparison to what has happened in similar situations in the rest of the world.

Some premiers have been to Washington. Some premiers have spoken out on this issue. I leave it to those people over there, as other people have, to judge how successful their actions and their statements were.

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● (1420)

VOYAGEUR COLONIAL PENSION FUND

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, there is more on the Voyageur saga. According to access to information documents, on November 12, 1998, OSFI met with the finance minister's political aide, Karl Littler, to discuss a draft memo that reads in part, "Based on the facts presented in the Price Waterhouse report and advice received from legal counsel, OSFI has decided not to proceed with any further action".

This was weeks before the audit was even completed. How could OSFI have decided not to act on the audit before the audit was completed?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, this is just a repetition of questions that arose last week. The hon. member knows full well that OSFI is an independent organization that regulates pensions within the federal sphere and that all the proper procedures were followed in this particular case.

Mr. Monte Solberg (Medicine Hat, Canadian Alliance): Mr. Speaker, we will repeat the question until we get an answer.

Oral Questions

Hundreds of the new Liberal leader's former employees at Voyageur bus lines have been stiffed out of their pensions. They have lost up to 30% of their benefits in some cases. The minister's political staff were in the loop getting briefings on the status of that pension plan. OSFI reached a decision on the Voyageur pension plan before the audit was even completed. How is that possible?

Why does the minister not admit that this audit was always intended to be nothing more than a cover-up for their political boss?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, a repetitious question deserves a repetitious answer. The fact is OSFI conducted itself in this case, as it always does, with utmost probity.

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[Translation]

FOREIGN AFFAIRS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, yesterday, in a preview of his speech to the United Nations, the Prime Minister sent a message to the United States when he said, "No one country, no matter how powerful, has either the wisdom or the ability to defeat terrorism on its own". Unfortunately, that is not what his successor thinks.

Will the government admit that the man who has the ear of the Bush administration is the new Liberal leader, who believes that, "Multilateralism is a means, not an end" and mentioned arrangements outside the United Nations.

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, I am a minister in the current government. If the hon. member wishes to ask the next prime minister a question, he can wait until his swearing in. The current Prime Minister, however, gave a good speech yesterday on matters relating to international security, and, in my opinion, he has the support of all Canadians.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, he does not have the support of the future leader of the Liberal Party.

The Prime Minister can talk all he wants about the benefits of multilateralism, his successor has already adopted the Bush administration's views on Iraq. Last May, the new Liberal leader stated, "The lack of consensus within the UN must not condemn us to inaction".

In light of such a statement, does the government realize that, with the hon. member for LaSalle—Émard as prime minister, Canada would have gone to war in Iraq without UN approval?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, the Prime Minister spoke for the government and, in my opinion, for all Canadians. We opposed the war against Iraq, we support the reconstruction of Iraq and we support the UN resolutions.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Americans are no longer even bothering to hide their impatience to start dealing with the future prime minister, the hon. member for LaSalle—Émard. His positions on the conflict in Iraq or increased military spending are far closer to the U.S. positions than Canada's current positions.

Is the government going to admit that, under the direction of the new prime minister, Canadian foreign policy is going to have to change and move far closer to the American positions on these matters, and that the speech to the UN this evening by the current Prime Minister is nothing more than an expression of a policy that is about to disappear?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, I speak for the current government. Our policies are clear and I believe that the majority of Canadians support our policies on the war in Iraq.

Mr. Michel Gauthier (Roberval, BQ): With the exception of the new leader of the Liberal Party, Mr. Speaker, who does not support the government's policy.

Despite the lack of clarity and precision we have been accustomed to so far from the new leader of the Liberal Party on important issues, do his foreign policy statements not indicate that, under his leadership, the government will be far closer to the United States than to the United Nations?

• (1425)

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, the hon. member will need to await the arrival of the new prime minister if he wants to ask questions of a new prime minister. Tomorrow, however, the current Prime Minister will be here to answer questions.

* * *

[English]

AGRICULTURE

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, the Minister of Agriculture's deadlock with the provinces is holding farmers hostage. His refusal to compensate farm families on the brink of bankruptcy until the remaining provinces sign on to the agriculture policy framework is callous and mean-spirited.

In the meantime, the Canadian agriculture sector is facing its biggest crisis since the Depression.

When can farm families expect the minister to live up to his own government's commitments and start the flow of compensation? It is a liquidity issue. They need the money now.

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the hon. member should be aware that last Friday I announced \$600 million in transition funding to farmers across the country. That is on top of the \$312 million from the federal government, plus the provincial money, as far as the BSE recovery program is concerned.

The hon. member also knows from his experience, legal and otherwise, that there has to be agreements and signatures before money can be moved. Three or four provinces have refused to sign federal-provincial agreements which would allow us to move hundreds of millions of dollars to those provinces.

Oral Questions

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, that is blackmail. That is blaming the provinces again. His government's inability to strike compromise with provinces and other nations is legendary. When will the minister give up on this stubborn refusal to work with the agriculture sector on this critical file?

I ask the minister, I ask the Prime Minister and I ask his understudy, when will they get fully engaged on this file? What discussions does the Minister of Agriculture currently have under way with his counterpart in the United States? When will he come forward with a comprehensive plan to get the US border open to Canadian cattle? When will he do that?

Hon. Lyle Vanclief (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, in the last number of months, we have had directly and indirectly, because I have kept track of them, close to 100 interventions with the United States. We have had face to face meetings, phone calls of diplomats, the Prime Minister, the Deputy Prime Minister, my colleague the trade minister, the industry, the food inspection agency and I can go on.

As far as working with the provinces, I have had signing authority since May. The provinces just need to sign the papers so we can flow the money to the farmers. We know they need money. Those provinces are not even committing their 40%—

The Speaker: The hon. member for Vancouver East.

* * *

CANADA ELECTIONS ACT

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, my question is for the Prime Minister.

Yesterday, we know who did his Mr. Democracy shtick again. It is a very unique brand: take over a party; stifle debate; and excite people so much that a whopping 11% of Liberal members bother to vote.

What is the big democracy plan? It is let Liberal MPs change their system before voters get a chance to change our system. Why should democracy work only for those who are elected and not those who do the electing?

I would like to ask government members, will they support real democracy by voting for the NDP motion for a national vote on proportional representation? That is democracy.

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, that was a convoluted way of getting at the question of changing our electoral system. Need I remind the House that we have a bill before it now about modernizing our electoral system, about giving effect to the future electoral redistribution?

I thank the official opposition, which has even supported the bill. I hope all members of the House vote for it later this afternoon.

Let us do the modernization that is before us now before thinking of any new ones, particularly some that do not even work.

Hon. Lorne Nystrom (Regina—Qu'Appelle, NDP): To the same minister, Mr. Speaker. I have been a member of Parliament for longer

than the incoming prime minister and I know the House needs some change and reforms.

I think it is also elitist to change the parliamentary system for 301 MPs and not change the voting system for 31 million people. People are tuning out of politics because this House does not mirror how people vote.

I ask the minister this. Does the government not think that the Canadian people deserve to be asked in a national referendum whether they would like to change the voting system in favour of one based on proportional representation?

• (1430)

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member is asking about proportional representation in a federation, something that exists virtually nowhere except one country in western Europe. I ask him to consider, aside from that, that all other western democracies which are federations have a system like ours.

If he is asking me if a party that barely wins any seats should have losing candidates win instead of winning candidates represent the people they were elected to represent, I do not think that is the way to go.

* * *

GOVERNMENT EXPENDITURES

Mr. Chuck Strahl (Fraser Valley, Canadian Alliance): Mr. Speaker, we would think the Liberal Party of Canada would have some shame but apparently not. The latest tax dollars for my buddies plan is being floated by the Liberal House leader to a \$30 million slush fund so that MPs can hand out cash in their own ridings. That is lolly from heaven for Liberals trying to buy a little influence in their ridings, and conveniently, miraculously perhaps, it would be in place in time for the next election.

Why does the minister not simply acknowledge that dollars left in the hands of the taxpayer are more productive and more appreciated than dollars sucked out of their pockets?

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member has a few facts out of sequence here.

The House has already voted against one motion in that regard. I understand that one Liberal member wants a parliamentary committee to review it. It is of course a free vote because it is private members' hour.

We on this side of the House are in favour of free votes. We practise it quite often. Perhaps the hon. member should engage in that from time to time.

Mr. Chuck Strahl (Fraser Valley, Canadian Alliance): Mr. Speaker, it may be a free vote but it is pretty expensive for taxpayers.

Oral Questions

Remember the HRDC grants that had to be vetted by the local party officials or the Liberal Party fundraiser who was convicted of influencing peddling in a cheque-swapping scheme, and we cannot forget the current ongoing RCMP investigation into the Liberal Party of Canada for its political donation scheme. It is about priorities.

We have been asking the government to find some money for the widows of veterans for ages. Instead of spending \$30 million for a Liberal slush fund, does the minister not realize that same money would top up widows' pensions for 12,000 widows in the country?

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, no one has mentioned any amount at all. The initiative in question is a private member's initiative that we vote on by a free vote in the House.

Insofar as improving benefits to our veterans is concerned, I ask the hon. member to support the excellent bill proposed by my colleague, the Minister of Veterans Affairs, Bill C-50, which hopefully will be before the House either today or the day after. We hope the Alliance will finally vote for something that will help veterans for a change.

* * *

[Translation]

HEALTH CANADA

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, Health Canada uses the services of young teenagers, paid \$10 per hour, to entrap corner stores that sell cigarettes to minors, in violation of the Tobacco Act. A Saint-Jovite school council objected to this shocking practice.

How can the Minister of Health endorse a Health Canada practice that encourages young teenagers to become stool pigeons and pays them to entrap small business owners by encouraging them to commit an offence under the Tobacco Act?

[English]

Hon. Anne McLellan (Minister of Health, Lib.): Mr. Speaker, we have a rigorous monitoring and inspection regime in relation to our tobacco control legislation. In fact it has been a longstanding practice. It is nothing new.

We do employ young people to ensure that those who sell tobacco products in their stores are obeying the law. This is only done after consultation with the parents of these young people.

It is quite amazing that the hon. member should suggest that we should not effectively monitor the enforcement of our tobacco control laws.

[Translation]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, Denis Choinière, a Health Canada employee, stated, "In Quebec, there are six thousand compliance checks each year by adolescents enrolled in school or a youth centre".

Will the minister agree that it is shameful, unacceptable and intolerable, and that she is encouraging young people to act as stool pigeons? That is not the role of Health Canada. That is our opinion.

[English]

Hon. Anne McLellan (Minister of Health, Lib.): Mr. Speaker, the role of Health Canada is to monitor and ensure the enforcement of our tobacco control laws. We are not encouraging young people to take up tobacco smoking. In fact one will find out that the young people we employ and their parents are some of the most vigilant in terms of being opposed to tobacco smoke.

* * *

● (1435)

HUMAN RESOURCES DEVELOPMENT

Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance): Mr. Speaker, critics gave the original HRDC boondoggle scandal a big thumb's down and now Canadian taxpayers are being subjected to a painful sequel. Despite the minister's assertions that the problems in her department are confined to a few bad apples, it looks like we have a rotten barrel on our hands.

Now the police probe into federal job training projects is sweeping southern Ontario, I would like the minister to confirm that the infectious wrongdoing in her department is way beyond her control.

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, what I will confirm is that the Auditor General herself, and himself before, came in and looked at our plan and said that we were on track. We continue to ensure it is implemented.

I would also remind the hon. member that the point in question is about individual wrongdoing and that the department has already taken swift and severe disciplinary action up to and including firing. He would not want to engage in continued speculation because I am sure he wants the police to complete its investigation and get all the facts.

Mr. Brian Pallister (Portage—Lisgar, Canadian Alliance): Mr. Speaker, I would also like the minister to accept some measure of personal responsibility for the problems in her department.

Political pressure by her Liberal colleagues has been pointed out as a factor in this issue. I am curious as to why the minister has failed to disclose whether her department's approval process was manipulated as a result of political string pulling.

Why has the minister still made zero attempt to depoliticize her \$800 million grants and contributions program after all this time?

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, I prefer the hon. member depoliticize his questions and listen to the facts here.

Again, this is an issue of individual wrongdoing. We have already acted up to and including firing. The hon. member can go on the website and look at all the grants and contributions made by the Department of Human Resources Development Canada in his riding and in the ridings of all members of the House.

Oral Questions

[Translation]

THE ENVIRONMENT

Mr. Jean-Yves Roy (Matapédia—Matane, BQ): Mr. Speaker, the preamble to the Oceans Act says, and I quote, “Canada promotes the wide application of the precautionary approach to the conservation, management and exploitation of marine resources in order to protect these resources and preserve the marine environment”. Thus, the minister has all he requires in order to act at Belledune.

By refusing to act on this issue, is the minister not proving his unacceptable cowardice to all the people of the Gaspé?

[English]

Mr. Alan Tonks (Parliamentary Secretary to the Minister of the Environment, Lib.): Mr. Speaker, the application that has been referred to in Belledune comes under the New Brunswick environmental assessment act.

There is no trigger under section 46, as was pointed out before, that would require any action by the federal department at this time.

We take this very seriously but if there is any further action required it will be reviewed as necessary.

[Translation]

Mr. Jean-Yves Roy (Matapédia—Matane, BQ): Mr. Speaker, there is a double standard operating here. When such things happen in Quebec, it is not the same.

The minister demonstrated much more caution and concern in northern Quebec, exactly where the risks were nearly nil, than in the case of Belledune, where there are highly toxic materials with a much higher potential for posing a threat.

What other reason but fear could explain the government's current hesitations in bringing New Brunswick into line?

[English]

Mr. Alan Tonks (Parliamentary Secretary to the Minister of the Environment, Lib.): Mr. Speaker, this is a case in federal-provincial relations where “You're damned when you do and damned when you don't”.

There was an exhaustive provincial hearing. There were 36 qualifications in the application and that is presently in the hands of the New Brunswick assessment authorities. If they cannot meet the provisions that have been required they will not get a licence to operate the facility. That is where it stands right now.

* * *

GOVERNMENT CONTRACTS

Mr. Leon Benoit (Lakeland, Canadian Alliance): Mr. Speaker, back to the Royal LePage scandal.

André Ouellet, the president of Canada Post, called the public works minister to inform him of wrongdoing in the tendering of the \$1 billion Royal LePage contract. Of course that would have nothing to do with the fact that Ouellet has close family connections to one of the losing bidders. It would have nothing to do with that.

The public works minister keeps bragging about how he has taken control of corruption in his department. Why did it take a call from the president of Canada Post to bring this scandal to light?

• (1440)

Ms. Judy Sgro (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, as I mentioned last week, any time issues of wrongdoing are raised the department and the minister look at it. They reviewed it and re-tendered the contract.

Mr. Leon Benoit (Lakeland, Canadian Alliance): Well, Mr. Speaker, the government should get somebody up answering these things who knows something about them.

The minister had no problem with the Royal LePage contract until he found out that a relative of André Ouellet, a former Liberal cabinet minister, had lost out on the contract.

Corruption should be dealt with no matter who is involved.

Why did the minister only see fit to deal with this scandal when he saw that a Liberal friend was on the losing end of this contract?

Ms. Judy Sgro (Parliamentary Secretary to the Minister of Public Works and Government Services, Lib.): Mr. Speaker, I suggest the member might want to check to make sure this is working effectively on that side of the House.

As I indicated earlier, we take anybody who raises an issue of any kind of conflict or issues regarding any contract very seriously. We looked into the issue and we re-tendered the contract.

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HOUSING

Mrs. Judi Longfield (Whitby—Ajax, Lib.): Mr. Speaker, the Government of Canada has signed \$680 million worth of agreements with the provinces to provide Canadians with affordable housing.

Would the secretary of state responsible for Canada Mortgage and House Corporation advise the House if the provinces have made any headway. Is any progress being made on the delivery of this much needed housing?

Hon. Steve Mahoney (Secretary of State (Selected Crown Corporations), Lib.): Mr. Speaker, over the summer I had the opportunity to meet with housing ministers from provinces across Canada, mayors and other stakeholders, to discuss their progress.

We have committed \$1 billion in two tranches of money, money that should be matched by the provincial governments to create 40,000 new affordable homes.

I am pleased to tell the member and all members in the House that it is working across the country just about everywhere. It is working in the west, in the east and in the north where homes are being built and planned as we speak. However it is not working in Ontario and, hopefully, that will change very soon.

*Oral Questions***MEMBER FOR LASALLE—ÉMARD**

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, in February 2002 the then minister of finance formally declared that through Sheilamart Enterprises he owned 438,210 preferred shares of Passage Holdings which owned Canada Steamship Lines. Now he has told the ethics counsellor that he has cut all formal ties with CSL, yet his lawyer's letter to the ethics counsellor makes no reference to Sheilamart Enterprises.

Would the government inquire of the ethics counsellor and then report to the House what happened to the shares in Sheilamart Enterprises? Were they cashed out in Canada or abroad? Were they transferred in some unrecorded transaction? Where did they go?

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, we have answered these types of questions over the past months which, obviously, are intended to malign the reputation of a very distinguished member of the House.

The fact is that the former minister of finance followed all the ethics guidelines and that was substantiated by the ethics counsellor himself.

Right Hon. Joe Clark (Calgary Centre, PC): Mr. Speaker, the redemption value of those retractable preferred shares in Passage Holdings is \$100 per share. That works out to an aggregate redemption value of \$43,821,000, yet the former minister's lawyer told the ethics counsellor "The Passage shares have an aggregate redemption value of \$829,000". That is a \$43 million difference.

Would the government inquire of the ethics counsellor and report to the House what happened to the \$43 million? Was there some cashing out, transfer or other transaction that was not—

The Speaker: The hon. Minister of Transport.

Hon. David Collenette (Minister of Transport, Lib.): Mr. Speaker, I might advise the hon. member that the ethics counsellor exists for all members of the House and if members have a question for the ethics counsellor dealing with their own conduct or another member's conduct they are free to raise that matter with him.

However it has been quite evident for some months now that the ethics counsellor has stated categorically that the former minister of finance followed all the ethics guidelines.

* * *

FOREIGN AFFAIRS

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, Canadians seek assurances that the government will not support any resolution at the UN that puts multinational forces in Iraq under U.S. command or fails to provide a transition of power with reasonable timetables that put Iraqis in charge of their country, not Bush and his cronies.

Could the acting prime minister assure us that Canada, even after a change of Prime Minister, will stand firm for multilateralism and not allow the UN to be subjugated to Bush's unilateral dictates, clearly proven to be disastrous?

• (1445)

Ms. Aileen Carroll (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, the Prime Minister, as we know, is at the United Nations. His speech while he is there, and in

all he has said before, reinforces this country's very strong belief in the processes at the United Nations.

We continue to support a multilateral approach in the reconstruction of Iraq and we have contributed \$300 million to do that.

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HEALTH

Mr. Svend Robinson (Burnaby—Douglas, NDP): Mr. Speaker, my question is for the Minister of Health.

It has been over four months since the date that Canadians were promised that the Canada health council would be up and running.

Will the minister now assure Canadians, who are concerned about the lack of accountability and the erosion of medicare through massive funding cuts by the new Liberal leader, and by privatization, that soon there will be a strong, well funded council in place with members committed to the Canada Health Act, to the Romanow commission and to a publicly funded and delivered medicare system?

Hon. Anne McLellan (Minister of Health, Lib.): Mr. Speaker, I am happy to report to the House that federal-provincial-territorial health ministers had a very good meeting a few weeks ago in Halifax. We unanimously agreed to move forward with the creation of the health council.

We are now working on the recommendations of first ministers as to the chair of that council, the 13 government representatives and the 13 non-government representatives.

We are very hopeful that first ministers will sign off on the health council, both its membership as well as its mandate, in or around mid-October.

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ABORIGINAL AFFAIRS

Mr. John Duncan (Vancouver Island North, Canadian Alliance): Mr. Speaker, the worst living conditions in Canada continue to be found on too many native reserves. Meanwhile, the Assembly of First Nations grand chief, Phil Fontaine, has asked Indian affairs for \$1.2 million for new offices and renovations. When reserve residents are without basic shelter and water, this demonstrates out of touch leadership.

Why is the minister even considering this outrageous request from the new AFN leadership?

Mr. Charles Hubbard (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the matter is under review. A request has been made in terms of a change of leadership among the first nations peoples, and the grand chief will need some changes.

It is certainly a matter for review but, as of this date, no definite amount of money has been set aside for that purpose.

Mr. John Duncan (Vancouver Island North, Canadian Alliance): Mr. Speaker, why is this matter under review? This is an outrageous request.

*Oral Questions***SCIENCE AND TECHNOLOGY**

The minister cut the AFN budget by two-thirds based on political disagreements with the previous grand chief. The message the minister is sending by entertaining this outrageous request is that favouritism is more important than the desperate living conditions on some of our reserves. \$1.2 million could purchase shelter and infrastructure, not fancy digs in Ottawa.

Why will the minister not just reject this request right now?

Mr. Charles Hubbard (Parliamentary Secretary to the Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I rather resent the fact that the member opposite has a very unfavourable position in terms of the relationships with the grand chiefs of more than 600 first nations peoples. They have a right to ask for changes within their offices and we, certainly, as a government have a right to consider those changes.

The decision has not been made but it will be made in due course. He certainly should have an office fitting the position he serves in this country

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[Translation]

GOVERNMENT CONTRACTS

Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la Mitis, BQ): Mr. Speaker, in 2002, when we questioned the Minister of Human Resources Development on the case of Modes Conili, which had obtained grants for the creation of fictitious jobs, we were told it was a matter for the RCMP. The RCMP does not want to tell us anything and, since then, there has been complete silence.

Is the minister able to tell us the results of the RCMP investigation and whether the company has repaid HRDC for the money it received.

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, it is unclear to which file the hon. member is making reference. However, it certainly would be up to the RCMP to advise her if it has answers to her questions.

[Translation]

Mrs. Suzanne Tremblay (Rimouski—Neigette-et-la Mitis, BQ): Mr. Speaker, I am speaking of the company known as Modes Conili. It obtained over \$700,000 for fictitious jobs. What I wonder is, if close to two years later, the RCMP has not got any results, perhaps the file should be taken back from the RCMP and a public inquiry held.

Is the minister prepared to give us the results?

• (1450)

[English]

Hon. Jane Stewart (Minister of Human Resources Development, Lib.): Mr. Speaker, the hon. member is right, this file was referred to the RCMP. I again state that if the hon. member has questions, it would be best for her to put them to the RCMP for response.

Mr. James Rajotte (Edmonton Southwest, Canadian Alliance): Mr. Speaker, IRAP, the industrial research assistance program, provides technology advice and financial assistance to small and medium sized enterprises.

It has come to my attention that there is an internal investigation under way into possible wrongdoing, bribery and fraud within IRAP.

Will the Minister of Industry confirm that there is an investigation, yes or no?

Hon. Allan Rock (Minister of Industry, Lib.): Mr. Speaker, I was informed yesterday by Dr. Carty that an investigation is ongoing.

I will provide the member and the House with additional details when that is proper and when they are available.

Mr. James Rajotte (Edmonton Southwest, Canadian Alliance): Mr. Speaker, apparently this investigation has been going on for more than a year. It is amazing that the minister does not even know what is going on within his own department.

Canadians deserve answers to the question about possible fraud and bribery within IRAP. These are serious allegations.

When does the minister expect this investigation, which has been going on for over a year, to be concluded, and how many millions of Canadian taxpayer dollars are at risk?

Hon. Allan Rock (Minister of Industry, Lib.): Mr. Speaker, the member obviously gets his exercise by jumping to conclusions. What he ought to do is be responsible about this. He has already said that IRAP is an important and successful program for small and medium sized businesses throughout the country.

Rather than leaping to those conclusions, let the investigation go forward and let it run its course. We will make the details available when they are available and when it is appropriate to do so.

* * *

NATIONAL DEFENCE

Mr. David Price (Compton—Stanstead, Lib.): Mr. Speaker, the supplementary budget estimates were tabled today, and we all know the financial challenges faced by the Department of National Defence.

Could the minister outline how the estimates will remove much of the pressure from the Department of National Defence?

Hon. John McCallum (Minister of National Defence, Lib.): Mr. Speaker, never has a single number spoken so eloquently to the depth of the government's commitment to the military than the number which appeared in the supplementary estimates today. No less than \$1.315 billion has been committed for the single year. Of this total, we have \$800 million in new base funding, \$393 million for the Afghanistan mission, including \$193 million in new money, and more than \$100 million in salary increases.

*Oral Questions***CANADIAN HERITAGE**

Mr. John Williams (St. Albert, Canadian Alliance): Mr. Speaker, last week it was champagne Charles Boyer, and this week it is the Pierre Théberge travelling road show. What is the common theme? Spending taxpayers' money with abandon. I thought that we had rules governing expenses by senior bureaucrats, but now we have \$600,000 in lavish expenses for the high-flying director of the National Gallery.

My question is for the Minister of Canadian Heritage. Why did she authorize these massive expenditures of taxpayers' money?

Ms. Carole-Marie Allard (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Speaker, I find the member's attitude deplorable. He knows that the government is committed to good management of public funds and he also knows that the National Gallery is a crown corporation, responsible for its day to day management and the management of its expenses.

Some hon. members: Oh, oh.

The Speaker: Order, please. It is clear there is a disagreement in respect of the allegations made by the hon. member for St. Albert, but he is going to ask a supplementary question and everyone will want to hear the question because there will have to be an answer.

Mr. John Williams (St. Albert, Canadian Alliance): Well, that was a rant, Mr. Speaker, but it would have been better coming from the minister herself to get the real answer to what is going on.

The point remains that we have over half a million dollars of taxpayers' money spent and we have only looked at two expense accounts. The poor taxpayers are dumbfounded that this can happen. They are convinced that the Liberal government is out of control.

Who will stand over there and say that they will tackle this high-flying spending, or is it just spend, spend, spend over there until they get thrown out of office?

• (1455)

Ms. Carole-Marie Allard (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Mr. Speaker, I am glad to share with the House this press release from the board of trustees of the National Gallery of Canada. It is signed by Mr. Sobey and it says:

—I want to express our confidence in the Director, Mr. Pierre Théberge.

Some hon. members: Oh, oh.

The Speaker: Order, please. Usually with short answers we get more time for questions, but we will not if there is all this hullabaloo.

[*Translation*]

The hon. member for Charlesbourg—Jacques-Cartier has the floor and the questions must be heard.

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FOREIGN AFFAIRS

Mr. Richard Marceau (Charlesbourg—Jacques-Cartier, BQ): Mr. Speaker, a Council of Europe committee report has focused on the apparent risk of abuse and torture being faced by Basques being held prisoner by Spanish authorities. These same fears have been echoed in a number of Amnesty International reports.

How can the Minister of Justice state, relying solely on the word of the Spanish authorities, that the two Basque militants whose extradition he has authorized are not at risk of torture, when there are serious reports to the contrary?

Hon. Martin Cauchon (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the colleague across the way is referring to an extradition decision, essentially. Given the nature of the extradition process, the various appeal processes afterward, and the fact that the Minister of Justice is also involved, you will understand that I cannot make any comment on an extradition matter.

* * *

[*English*]

FISHERIES

Mr. Jim Pankiw (Saskatoon—Humboldt, Ind.): Mr. Speaker, once again the Liberals have thumbed their noses at the principle of equality. For years the Liberals have known that Indian-only fishery regulations are discriminatory and illegal, and two recent court rulings confirm this fact. Judge Kitchen called the regulations “government sponsored discrimination” and Judge Saunderson called it a “policy of political correctness”.

Why is the government appealing court rulings that restore equality to the west coast fishery to prop up a racist Indian-only fishing scheme?

Hon. Robert Thibault (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, as the House knows, that decision is now under appeal before the courts, and therefore I will not comment on it.

But I would like to advise the House and assure everybody that we want to see the aboriginal people, the first people, participate in a commercial fishery and derive commercial benefits from all natural resources. We want to do it in an orderly way. We recognize that the old policy for fishermen is not the panacea, but we are willing to work actively to find a good way to the benefit of all, unlike the member opposite.

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VETERANS AFFAIRS

Mr. Roy Bailey (Souris—Moose Mountain, Canadian Alliance): Mr. Speaker, the Prime Minister found \$1.6 million for a horse show in his riding. Today, it is reported the Liberals want to establish a \$30 million slush fund to be administered by MPs. Canadians can clearly see that the government is so cheap when it comes to our war veterans' widows. Why is that?

Hon. Don Boudria (Minister of State and Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member spoke of some figure in his mind, and perhaps the minds of others, of \$30 million or something like that. That figure does not exist and as far as I know the member of Parliament who will be proposing a private member's motion to that effect has not proposed it either. Perhaps it exists only in the hon. member's mind.

Maybe he should vote for the government bill of my colleague, the Minister of Veterans Affairs, that will be before the House tomorrow or Thursday for improving veterans' benefits. That is where—

The Speaker: The hon. member for Terrebonne—Blainville.

* * *

[Translation]

FOREIGN AFFAIRS

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, a spokesperson for Reporters without Borders has expressed concerns that the charges against the alleged murderer of Madam Kazemi are nothing but a ploy by the authorities to protect the ones really responsible for this tragedy.

Can the government tell us whether the Minister of Foreign Affairs will take advantage of his visit to the UN to express to his Iranian counterpart the dissatisfaction of the Canadian authorities with the way the Government of Iran is acquitting itself of its responsibilities in the Kazemi affair?

• (1500)

[English]

Ms. Aileen Carroll (Parliamentary Secretary to the Minister of Foreign Affairs, Lib.): Mr. Speaker, we are demanding an open trial where those responsible will be brought forward and punished. We are demanding that the remains of Madam Kazemi be returned to Canada.

While we welcome the news of some progress, we remain very concerned that there be action following the announcement. We are monitoring it very closely indeed and members can also be assured that the Minister of Foreign Affairs is meeting with his Iranian counterpart in New York to push all of those objectives.

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FIREARMS REGISTRY

Mr. Inky Mark (Dauphin—Swan River, PC): Mr. Speaker, today we learned that the supplementary estimates show an additional \$10 million for the firearms registry.

Access to information requests have revealed that between April 14 and June 30 there were no full time or part time employees of the Department of Justice working on the Canadian firearms program. Another access to information request showed that during the same period no employees in the department of the Solicitor General were working on the firearms program.

My question is, if no one in either the justice department or the Solicitor General's office is working on the gun registry, just exactly who is minding this—

The Speaker: The hon. Solicitor General.

Hon. Wayne Easter (Solicitor General of Canada, Lib.): Mr. Speaker, I want to be very clear that the hon. member has his facts wrong.

We are not, through these supplementary estimates, asking Parliament for one more cent for the firearms program. Not one more cent. The money is not new money. The money was approved

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by Parliament and the money is within the spending targets that we announced earlier.

In fact, we are on target in terms of our action plan. We met the deadline for registrations. We are continuing to maintain registrations and we will continue until—

The Speaker: That concludes question period for the day. We will proceed to orders of the day.

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—CATTLE INDUSTRY

The House resumed consideration of the motion.

The Speaker: Before we began question period, the hon. member for Peace River had the floor. The hon. member had four minutes remaining in the time allotted for his remarks.

Mr. Charlie Penson (Peace River, Canadian Alliance): Mr. Speaker, I think where I left off in my speech was in regard to the all party delegation that should go to Washington to resolve the BSE issue in terms of opening up access for our beef cattle into the American market. In particular, it is in regard to live animals. That is where the pressure is these days.

This is vitally important to the people in my riding of Peace River. There have been many people who have diversified and switched over from cash crops and gone into the cattle sector. All of a sudden they find themselves on the wrong end of a border being closed which has the effect of depressing prices greatly.

In fact, I talked to someone shortly before I returned to Ottawa who shipped an animal and that individual received \$88 for one cow. That is approximately 10% of what that animal was worth. It is like the Depression era where farmers would ship an animal and get a bill for freight. That would be their net loss in terms of income because there was no market there.

We have to remember that this is a very important issue for a lot of producers in the country. The request to have an all party delegation go to Washington was endorsed by the leader of the Canadian Alliance in question period. I think it is a good request. It means that more work must be done to put pressure on opening up that border for our products. We feel that this is a safe product. This has been clearly demonstrated. Canadian farmers rely on the government to make those kind of requests come true.

Before question period I was talking about the poor relationship that has developed as a result of an antagonistic Liberal party deliberately antagonizing the United States administration. It is not only the administration, but I would add the American people which is even worse.

We have the new Liberal leader who was basically all but elected on Saturday. He is on his grand tour, his royal tour across the country. He is out in Alberta and B.C. He is on his way to see the forest fires in British Columbia. He is about a month late though. Those fires have been put out by a lot of rain.

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I can just imagine when he flies over Alberta, Saskatchewan and Manitoba at about 35,000 feet, and he says, "Oh, that is really nice scenery down there. Look at all those nice cows".

A lot of those cattlemen would like to see their cattle moved into markets in the United States which represents a \$4.8 billion export a year. We need a little bit more from the soon to be Liberal Prime Minister than just platitudes. We need him to make some clear statements on what he intends to do about this serious problem.

When the new Liberal leader is out there looking for ways to solve the western alienation problem, I suggest he make a few steps along the way and talk to some real people out there. The cattlemen are concerned about the loss of income and how that border will be opened up.

I suggest the new Liberal leader should spend a sizeable amount of his time talking to Canadians. He should suggest some real solutions to a serious problem.

• (1505)

Mr. Leon Benoit (Lakeland, Canadian Alliance): Mr. Speaker, I would like to thank my colleague for his statements. It is important for farmers to hear what kind of thought is going on at least from this party on this issue.

I would like to ask the member whether in fact this is one of the most difficult issues that he has seen farmers face since he has been a member of Parliament?

I would like to point out what has been truly remarkable when looking at this issue is the support that we have seen right across the country from consumers. They have truly supported our cattlemen in every way that they possibly could, from eating more beef, which is extremely important, to putting pressure on the government saying that this is an important issue.

We know that cattlemen are going through a completely unfair situation which is devastating to them. That kind of support that we have seen is truly remarkable. I would appreciate it if the member could comment on that support.

Mr. Charlie Penson: Mr. Speaker, in regard to the question from my colleague from Lakeland, I think that has been one part of this whole sad business we have been through all summer that has been very rewarding. Canadians got behind our cattlemen to a very great degree. Beef consumption has gone up. The Canadian public is not scared by this issue. Canadians realize exactly what issue is: one problem animal in a herd of 15 million. They have reacted accordingly. They have responded accordingly and they have supported the cattlemen.

I just wish that the federal government would now find the resources. The government ended its support program at the end of August. That is not good enough. The Canadian public wants to see our cattlemen supported through this tough time.

It really means that the federal program is going to have to be continued, because there are many calves that normally come off pasture this time of year and would move to market. This is the time of year that farmers have income to pay their bills. If they do not have a chance to pay their bills, the farm equipment dealer does not

get paid and the fertilizer dealer does not get paid. It ripples through the whole economy.

Even worse, there is an infrastructure built up for a certain size of cattle herd to be put through the winter. If cattlemen are going to have to carry that livestock over a longer period of time, they really do not have the resources for the extra numbers they need. They do not have the resources for the extra feed they need. It is a tremendous burden.

I think the federal government has to step up to the plate. It was not good enough to end its program at the end of August. This problem has not been resolved. The resolution of the problem will be when live cattle are allowed into the United States. Hopefully that is going to be sometime soon. In the meantime, in the interim I think the federal government has a responsibility and it would be supported by the Canadian public in doing just that.

• (1510)

Mr. Larry Spencer (Regina—Lumsden—Lake Centre, Canadian Alliance): Mr. Speaker, I would like to ask the hon. member a few questions.

This BSE crisis, with \$11 million lost per day, impacts even my riding, which is only one of 301 ridings. It even impacts my grandson, whose stepfather cannot pay the hockey fees for this year because he cannot send his cattle to market.

It impacts the meat producers. It impacts the transportation industry, which has lost over two-thirds of its drivers and cannot continue in business as it was. The implement and equipment sales are lost. Sheep producers as well as cattle producers have gone out of business. Equipment manufacturers are suffering lower sales. This is all happening in my riding.

How can the government claim to be doing all it can when the Prime Minister continues to heap insults on the people whom we are asking for help?

First, does the hon. member believe that we could try harder by sending a delegation of neighbour-friendly people to encourage the complete opening of the border rather than the partial opening?

Second, does the member believe this is an emergency issue even if it is not called SARS and is not located in Toronto?

Third, does the hon. member believe that the government is being insensitive to the many needs of the people who are involved in this industry?

Mr. Charlie Penson: Mr. Speaker, I think the member for Regina—Lumsden—Lake Centre has raised the key aspect of the debate today. This really is a true emergency for an awful lot of people. It does not end at the farm gate, as he has just pointed out. It ripples right through the entire economy. I know many people who are feeling the effects of this, because if farmers do not have money they do not spend money and they cannot pay their bills.

I would have to say that I think the current Prime Minister has been part of the problem and is part of the reason the border has not been opened. I think it is really up to the prime minister in waiting to talk to Canadians about what he would do about this issue. He has said he feels that there is alienation in some parts of the country. I am sure we would like to hear his point of view on how he intends to resolve this issue. It is not good enough to fly over the country at 40,000 feet and say, "I'm doing my royal tour". He has to get down on the ground and he has to find out from people what they need, how they are going to make it through the winter, what government support is going to be required, and how he intends to get the borders opened.

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I will be sharing my time with the member for Dufferin—Peel—Wellington—Grey.

I am pleased to rise today and speak to the motion brought before the House by the member for Perth—Middlesex. Let me say from the outset that this motion calling upon the Prime Minister to lead a delegation to Washington in an effort to open the border to Canadian beef is sound. Recently the Standing Committee on Agriculture and Agri-Food passed a similar motion. The only difference in that motion was that the committee also urged the Prime Minister to travel to Japan. The committee felt that both Japan and the United States must be lobbied at the highest levels so they would understand that our beef is truly safe and that our system really does work.

As members know, on May 20, Canada's world class beef industry was dealt a blow that would eventually cost the Canadian economy billions of dollars. With the discovery of a single case of BSE in an Alberta cow, Canada's beef industry was plunged into unparalleled uncertainty and chaos. The good news, however, is that due to Canada's active, targeted surveillance program, the single case was detected and a comprehensive investigation was immediately undertaken. The affected animal was condemned and did not enter the human food supply; again, proof that the system worked.

As chair of the Standing Committee on Agriculture and Agri-Food, I have in the past three months met with countless individuals, businesses and organizations on this matter. We have met with farmers, with representatives of the packing industry, with grocery distributors and with most other components of the sector. I have also taken the liberty of addressing the matter with several Japanese and American politicians and diplomats at the recent WTO trade talks in Mexico. I would point out that while I was doing this, the CFIA and Department of Agriculture officials had been trying to allay the fear expressed by Tokyo and Washington.

Essentially, since May 20, the focus of the department and the committee has been primarily on the topic of BSE. The international team that reviewed Canada's investigation praised its thoroughness and quality as well as the effectiveness of measures already in place to protect our public.

As a result of the strong leadership demonstrated by the government and the Minister of Agriculture, today Canada is the only country that has experienced a case of BSE to be successful in negotiating access for its beef products into countries which have never reported the disease. In my opinion, this is a strong

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reaffirmation from our trading partners that they are confident that our inspection system works and that our beef products are safe.

I also believe it is safe to say that Canadian consumers share this confidence. The public has rushed to the aid of the beef industry by increasing their consumption of beef and beef products. This is also a Canadian first. For domestic consumption of beef to increase after a case of BSE has been identified is indeed a testament to all Canadians.

That being said, there is still much more to do.

Currently, as each member knows, the U.S. is permitting Canada to export the following: hunter-harvested wild ruminant products that are intended for personal use; caribou and muskox meat from Nunavut for commercial use; veal meat from calves that were 36 weeks of age or younger at slaughter; boneless meat from sheep or goats that were 12 months of age or younger at slaughter; meat from farm raised cervids such as deer and elk; boneless bovine meat from cattle that were 30 months of age or younger at slaughter; fresh or frozen bovine liver; finished pet chews that are made from bone, ligaments, hides or hooves; and calf milk replacer, pet food, and feed ingredients that contain processed animal protein and tallow of non-ruminant sources when produced in facilities with dedicated manufacturing lines.

Despite all of this, there are still serious problems facing the industry. First, the products being imported by the United States are being authorized through a system of permits. This is a cumbersome system at best. Second, and most important, our live cattle and cull cows are not being permitted to enter the United States for slaughter. This poses a serious problem for both the dairy and the beef industries. Come winter, farmers will have cattle that are normally gone which must be fed and sheltered even though there is no room in their farm feedlots.

● (1515)

All in all, we have come a great distance, but there is a long road ahead. In the past three months our beef industry has forever been changed. Canadian farmers are hurting more than most of us can appreciate. We are all hearing stories of farm notes being called and other similar instances of economic anguish. It is primarily for this reason that I am prepared to support this motion today.

I do not believe it is fair to say that this government does not understand the urgency of the problem. As the BSE crisis was unfolding, members of the committee were in regular conference calls with the minister and with departmental and CFIA officials. This was required almost daily, as the situation was developing and changing so rapidly. Every attempt was being made to keep members engaged and involved in departmental actions. I should point out that this was being done regardless of political affiliation.

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I must say to my committee colleagues and those with whom I worked on this issue that they have been most indulgent in the experience that we have had together in trying to resolve this issue. I thank them for it. Moreover, the agriculture committee met three times over the summer at what we called and considered emergency meetings. Never in my 10 years of political life have I been involved in emergency meetings on any issue. During this time, we met with witnesses and representatives of the industry. Without exception, all cylinders of the government were firing in an effort to open the U.S. border to our beef.

Today I heard the member for Cumberland—Colchester invite government MPs to join the fight for the Canadian farmer. By way of reply to that member, I must say that I would suggest we are already there. As chair of the standing committee, I have felt from the beginning of this crisis that all parties were working cooperatively together in an effort to put this behind us as quickly as possible. Had we followed the normal protocol, we would probably be looking at seven years to resolve this issue. That is not going to be the case, as we have already seen with partial border openings.

Accordingly, I am completely supportive of the motion before us today. I could not imagine that anyone would be against it in principle. The Prime Minister is the leader of Canada and, as our leader, he should continue to pursue all avenues to resolve this situation.

In Canada we know that our beef is safe. The science is complete and conclusive. In fact our beef is more than safe; it is the best in the world. If a meeting of our Prime Minister, the U.S. president and perhaps even the Japanese prime minister would help to demonstrate that fact to foreign diplomats, I am fully prepared to support it. I trust that my colleagues and others in the House will do the same.

• (1520)

Mr. Joe Comartin (Windsor—St. Clair, NDP): Mr. Speaker, I appreciate the expression of the support the member is giving to the Progressive Conservative Party's motion today, but I am concerned about the tenor that things are going well. I think his point is well taken that we have done better in terms of responding to this crisis than a number of other countries may have, but I am concerned that the tone of his comments and the image he is leaving us are more positive than the reality. I know from his background and expertise that he may be able to help the House with this.

I would ask him specifically about Ontario and about the volume of exports leaving Ontario now compared to what it was before we were faced with this crisis. Could he give us any sense of how far along we are in getting back to where we were before the incident arose?

Mr. Paul Steckle: Mr. Speaker, I think my colleague has asked a fair question. Certainly when we look at the partial opening of borders, the hon. member understands quite clearly that this is simply cuts of meats under 30 months of age. It is boneless beef in most cases. It is boxed beef. They are of course entering the United States under permits required and asked for by the Americans.

As the minister has indicated today, something like 70 million or 80 million pounds have gone. Or is it 70,000 tonnes or 80,000 tonnes? I am not sure, but it is on the record today in the minister's statement in regard to how many tonnes have left the country. In

excess of 170 permits have been applied for, so we are moving rather quickly given that we started off with only three or four and we have moved to that number in such a short time.

In an earlier conversation with the member I believe we discussed the matter of sheep, goats and those kinds of things. Of course the same thing applies for those animals as well, so we have another industry that is also hurting. We need to hope it will be resolved and it will be fully appreciated once we see the opening of borders to live cattle and sheep and goats as well.

Mr. Gary Schellenberger (Perth—Middlesex, PC): Mr. Speaker, I appreciate the support of the hon. member for Huron—Bruce on this motion. As we know, the compensation package ended on August 31. It did not cover a wide enough scope of the agriculture industry, as we have talked about on various occasions. For instance, the dairy issue is very strong in my riding, yet it has not been a part of the compensation package.

I have one particular incident. An auctioneer held an auction in eastern Ontario and 130 head dairy cattle were purchased by a person from Michigan. That was on May 19. On May 20, as these cattle were being taken to Michigan, the border closed. The individual still has some of them boarded out at various places but they are still in his domain.

Along with that, this person also is a big supplier of replacement heifers in the dairy industry. At that time he had a lot of springing heifers. Of course right now they have all sprung and this is a problem. He has a lot more calves and so on. However just to look after them he has had to hire more staff to feed them. It has been suggested that he dig a hole and get a gun, a registered gun.

We do not want those things to happen. However there should be more compensation, and it should not have stopped at the end of August. What would your remarks be in this regard?

• (1525)

The Speaker: I am quite sure the hon. member was intending to address his remarks to the Chair. The hon. member for Huron—Bruce.

Mr. Paul Steckle: Mr. Speaker, my colleague from the riding of Perth—Middlesex shares a riding boundary with me so I understand quite clearly the predicament in which some of his constituents find themselves.

This is an industry which has somehow not been given compensation because of the fact that these animals are live. They are usually springing heifers, as he has said, but they are now calving in his ownership and of course he has to milk these heifers. He has no quota to sell that milk and therefore he is paying to ship the milk but is not getting any remuneration for it.

It is a double whammy for this gentleman. I know that there are contracts on heifers into Mexico, into various parts of the United States and even into South America which cannot be honoured because of the fact they are live cattle. We must open borders to live cattle to effectively help this gentleman. Certainly the method which he alluded to is not an alternative to which we can look. We need to look at opening borders.

Mr. Murray Calder (Dufferin—Peel—Wellington—Grey, Lib.): Mr. Speaker, the discovery of a single case of BSE in a cow on May 20 changed Canadian agriculture forever. It is also forcing us to re-examine the international system of food safety and its impact on trade relations.

The partial opening of the U.S. border in August was an important achievement, but this matter is far from settled. I am reminded daily by farmers in my constituency and across the country that their economic hardship remains desperate. Every day I hear heart-rending stories from farmers and others in my constituency about the impact this crisis has had on their families and their businesses. Just the other day I heard from Dean, a young farmer who had bought his farm five years ago and struggled to make a go of it. The weekly drop in cattle prices has forced him to sell off 36 heifers at just over half their cost and he cannot even find buyers for the remaining 23. He faces financial ruin and has had to work off the farm to cope with his payments.

I hear from cow and calf operators in the beef industry, backgrounders, who argue that they have not benefited from the compensation package and that their current need is critical. Compensation can help in the short term, as long as it does not trigger trade challenges, but it does not solve the problem. We must restore confidence in the system and re-open international borders. That takes time and I believe though that we are on the right track.

On one level, I welcome the intention of the opposition motion that the MPs should become more active in lobbying their counterparts in the U.S. Congress on important bilateral issues. I have believed this for some time. On another level, this motion seems to imply that the Canadian government has not done enough to try to open international borders to Canadian beef. I completely reject that implication. Instead, I praise my colleagues, especially the Minister of Agriculture and the Minister for International Trade for their hard work and for what they have accomplished so far.

I have previously advocated, and I will repeat it here today, that MPs should be allocated four travel points per year for trips to the United States. We have heard a lot about Canada-U.S. relations in the past year. I believe that more face to face contact between the legislators of our two countries would help improve relations and resolve problems. Canada and the United States are economically interdependent. The beef issue, more than many, shows just how true this is. If MPs could visit Congress periodically those trips would likely be reciprocated by American congressmen and congresswomen coming here.

In short, I support the intention of the motion, that there be more contact between Canadian MPs of all parties and their American counterparts, especially on issues such as BSE. However I see this as part of an ongoing process rather than a single delegation aimed more at scoring easy media points at home.

I would like to turn now to what has happened since May 20. Canada's market access strategy was to keep our trading partners fully informed of the BSE investigation. Transparency is essential for restoring confidence in the system. Through Canada's embassies, consulates and high commissions abroad, we have kept foreign governments fully informed from day one. As a result of the investigation that concluded in late June, Canada asked its trading

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partners to resume trade in a wide range of products including: veal calves less than 36 weeks old for immediate slaughter; bovine animals less than 30 months for immediate slaughter; bovine meat from animals less than 30 months of age; sheep and goats for immediate slaughter; and meat therefrom; wild caribou; muskox and non-ruminant pet food.

Over the past four months the level of Canadian engagement with the United States and other trading partners has quite frankly been unprecedented. The Prime Minister has spoken with President Bush and the prime ministers of Japan and Korea. The Minister of Agriculture has been in regular contact with U.S. Secretary of Agriculture Veneman and agriculture ministers in other countries. The Minister for International Trade has raised the issue regularly with U.S. trade representative Zoellick and other trade ministers.

• (1530)

Other ministers have been taking every opportunity to raise the issue with their counterparts. Senior officials in Ottawa have been in constant contact with U.S. officials. There have been Canadian technical level delegations to the U.S., Mexico, Japan and Korea. Several foreign technical level delegations have come to Canada.

All of our missions around the world have been in regular contact with host government authorities, keeping them informed of developments and pressing for a resumption of trade. Canadian officials have briefed foreign missions in Ottawa. Multilaterally Canada has reported to the Office international des épizooties, the OIE, the international standard setting organization for animal health, and to the WTO committee on sanitary and phyto-sanitary measures.

This intensive international lobby has resulted in progress. On August 8 the United States announced it would reopen the border to a wide range of products. At the same time the Americans committed to a rule making process that should lead to the importation of live animals. Our next priority is resuming live animal trade.

Although the United States is by far our most important market, we have also had significant successes elsewhere. Mexico announced it will be opening its borders to products like those that can now be sent to the United States. Substantial progress has been made in discussions with other countries, such as Russia, Saudi Arabia and several Caribbean countries, including Antigua, Trinidad and Tobago.

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I would like to take this opportunity to praise our American friends for the flexible approach that they have taken. We need to face the reality that as a result of that one cow, Canada is now officially a BSE country and will be a BSE country for the next seven years. Other countries have the right to block livestock imports from Canada for health and safety reasons. The Americans have chosen to open the border in stages rather than waiting to do it all at once. They did not have to do this.

The fact that the border is open even partway is no small accomplishment. Canada is the only country with a confirmed case of BSE that has had its trade resumed with a non-BSE country. This partial opening speaks to the close and interdependent nature of the North American beef industry, as well as to the dedicated efforts of our officials and the livestock industry representatives to reopen the border. Let us celebrate this accomplishment while continuing to work harder for further opening.

The Canadian beef industry has in the past decade made enormous progress in improving its tracing and tracking system. We are now world leaders in this regard. We must keep being proactive. Convincing the world of the safety of Canadian products is the key to reopening borders. In light of these improved methods, it is time for a reassessment of the import standards established by the OIE.

Canada, like our friends in the United States, Mexico and elsewhere, believes that the OIE standards are unnecessarily strict. Our three countries have been lobbying the OIE to revise its standards to take into account today's realities and to exempt products that pose no risk. Until the OIE standards are revised, however, our trading partners are within their rights to exclude affected products from Canada. Our success in obtaining exemptions then is due to our hard work in convincing our international partners of the safety of the Canadian system.

In summary I welcome any move that would increase ongoing contacts between members of Parliament and members of the U.S. Congress. I believe that members of Parliament should be given the means to do this through changes to the travel point system. I believe, however, that the delegation called for in this motion might not be productive at this time and could be aimed more at scoring cheap media points than achieving real accomplishments. I would hope that this is not the case.

• (1535)

Our governments are working well together on this matter. While much remains to be done, a lot has been accomplished in a very short time.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I listened carefully to the hon. member's remarks as he was turning himself into a pretzel to praise the government's performance on this. He will have to agree that in spite of this litany of wonderful interventions that the government purports to have made, the border is still only open a crack. Less than 30% of Canadian beef products are making it into the American market.

I would like the member to acknowledge publicly that in spite of these efforts, there are the previous comments by the government. There are the previous comments from individuals associated with the government, such as the press secretary to the Prime Minister

making very antagonistic remarks against the president. Members of his own caucus have referred to the American people in less than complimentary terms. There is the Prime Minister's refusal to act quickly after September 11, including his recent visit to the United Nations where he provoked the United States with some very antagonistic remarks about what was going on in Iraq. Would the member acknowledge that this does not bode well for Canada?

This does not improve the goodwill necessary to bring about the opening of the Canadian border. This type of half-hearted effort that his Minister of Agriculture and his government is making is not cutting it. It is not happening.

This is the biggest agriculture crisis in the country since the Depression. This is an effort on behalf of parliamentarians to bring forward an all party delegation to go Washington, complete with members and stakeholders of the agriculture community. There is no money for that he said. But we should give money to individual members of Parliament to go off on parliamentary junkets. We should give the Governor General money to go touring around the north, but we cannot find money to save a multibillion dollar agriculture industry.

Why would the member not support this particular effort? If he really does embrace the Prime Minister's call for an all hands on deck approach, why would he back away from an effort that would bring together stakeholders and members of Parliament in a non-partisan effort to go to Washington and make the case, with the science, with the individuals affected, with the political will?

I know he is a chicken farmer, but he is behaving more like a weasel farmer with his words today.

• (1540)

Mr. Murray Calder: Mr. Speaker, the leader of the Progressive Conservative Party has just verified what I was concerned about. I just laid this out. I said at the beginning of my speech that I support the motion. I said at the end of my speech that I was hoping he would not be over there trying to make cheap political points on the backs of farmers who right now are in dire straits financially because of BSE. What did he do? Exactly what I was worried about.

Now, the relations between us and the United States are very good. The United States had an option when it closed the border. It could have closed it in such a way that the only way we could open the border back up again would be all at once, which would be extremely difficult. We would have to have everything solved.

The United States is a good trading partner. The member across the way may not be aware of the fact because he does not have an agricultural background, but the beef industry is a highly integrated industry. It is just as important to people in the United States who are part of the U.S. beef industry to get the border open as it is for us. But unfortunately the member is wrapped up as usual in cheap, partisan, political shenanigans.

Mr. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I wonder if the hon. member could let us know some of the feedback on the government's work from agricultural organizations or those involved in agriculture.

Mr. Murray Calder: Mr. Speaker, just last week when the beef farmers were on the Hill, they met with members of Parliament outside. The chair of the rural caucus and the rural caucus members went to the Minister of Agriculture and asked for a private meeting afterwards with the leaders of the CFA, the OFA and the OCA, which we had. It was a very productive meeting. We laid out the direction in which the government was going and basically how we were looking at solutions to the problem.

[*Translation*]

Mr. Odina Desrochers (Lotbinière—L'Érable, BQ): Mr. Speaker, I am pleased to speak to this important motion on what is commonly referred to as mad cow disease, an increasingly difficult situation for people in the west and people in Quebec.

The situation is becoming increasingly difficult because the initiatives taken by parliamentarians on either side of the House and by groups, breeders and the labour organizations that represent them, are addressed to the United States Government. The United States government is not necessarily paying attention to these complaints and no wonder, no decision has been taken in this House for the past few months.

The Prime Minister is much more interested in preparing for his farewell party than in Canada's current economic problems. Moreover, we have a new Liberal leader—he is not leader yet, but the delegates are saying he will be elected at the convention in November—and even though he is not officially the prime minister yet, he is running things.

When the Bush administration meets and talks directly with the people involved in bilateral negotiations, it must think that we in Canada have an odd way of running the country.

Consequently, we are faced with situations like the current mad cow crisis, which is dragging on and for which no decision is being made.

The Minister of Agriculture and Agri-Food said he showed great leadership in resolving the mad cow problem. In actual fact, he is very good at announcing things, but they are always limited to the first phase, in other words, phase 1 when the federal government has money. When it comes to phase 2, we are told it is not ready and that it is being reviewed. The new Quebec minister of agriculture, Ms. Gauthier, was here yesterday for a meeting and asked the federal Minister of Agriculture and Agri-Food if there truly was a phase 2.

The minister is certainly a champion of consultation. I had the opportunity to sit on the committee for a few years and I can say that there is plenty of consultation and review, but nothing is ever really decided. When we are faced with a situation like mad cow, decisions are slow in coming. When negotiations between Canada and the United States drag on, the government should show leadership, since this is not provincial jurisdiction.

The market and international trade are federal responsibilities. The Minister of Agriculture and Agri-Food, the Prime Minister, the future prime minister or the Minister of Finance—who is also much more concerned with his personal future than his political future—would be the ones to examine this matter and make any decisions.

Supply

The government's behaviour with regard to the agricultural industry in Quebec, which is a fundamental and vital industry, is unbelievable. On the one hand, the UPA and all the unions are working together to ensure that this industry remains diverse and, on the other hand, we are dealing with a very unsupportive government.

This has direct consequences on central Quebec, which is where my riding is. The President of the Syndicat des producteurs de bovins du Centre du Québec, Alain Laroche, stated, on August 29, that, “the cattle industry, which generates 20% of the jobs in the central Quebec region, is on the verge of a catastrophe”. The farmers say that this situation is cause for concern for the next generation, and a solution must be found in order to help them, otherwise it will be impossible for young farmers to buy a farm.

● (1545)

Currently, in Quebec, the industry is concentrated. Consider the problems faced by the hog farmers due to giant hog farms and mega-hog breeding operations which are taking over the market. There is no room for the next generation.

Mr. Laroche also said:

People must realize that we can no longer make ends meet.

There is no doubt about that.

Inverness is a small municipality in central Quebec. Its entire economy depends on the beef market, to the point that the beef festival is one of the most important events there. This social and economic activity attracts all the big cattle farmers in central Quebec. Along with various cultural activities, this festival helps to promote this industry.

Farming is the primary industry in central Quebec. Those on the other side of the House, the Liberal Party members, must pay more attention to what is happening in our regions.

We also have some statistics. We all know that the crisis has had a number of consequences. First, the slaughterhouses are no longer operating normally. As a result, producers incur higher costs to keep their herds. Another consequence is the reduced need for workers. The lack of production in the slaughterhouses means that, here, too, there is more unemployment.

Each time a crisis is brought on by the lack of leadership in the Liberal Party of Canada, the current Liberal government, it always affects the little people, the people who live on reasonable salaries but who cannot live very long on employment insurance benefits. It is not the same as earning \$12 to \$15 an hour. And first, one has to qualify for EI.

Supply

Right now, I know that representatives of the major central labour bodies in Quebec are going to knock on the doors of federal Liberal MPs to call them to account. With all that was said during the last election campaign, I am eager to get to the next one, because we will be able to call them a name I cannot say here because we are in the House and it would be called unparliamentary language. What we are saying is that these people are not telling the truth. That is a little better. We know that the Liberals made grand promises to make changes in employment insurance, but nothing has been done.

The mad cow crisis, the softwood lumber crisis, and the crisis in manufacturing are all factors with harsh effects on rural areas.

When people talk to me about the survival of rural communities, I know that the previous government in Quebec made incredible efforts to revitalize rural areas. We know that a province or country that finds itself with some weaker regions is not well balanced. Thus, if the rural regions are confronted with economic problems, it is because they were first up against the Employment Insurance Act, which really depopulated the rural areas. This legislation made it necessary for people to leave rural areas to move to large urban centres in order to regain their economic health.

All of that was to say that, of course, we shall vote in favour of the motion brought forward today by the Progressive Conservative Party. Any steps that can be taken to get us out of this blockage are important.

Before I close, I would like to say that I am sharing my time with the hon. member for Joliette. I had forgotten to mention that, but it is the hon. member for Joliette who will continue the efforts I began some 10 minutes ago to convince the Liberal government to wake up and solve the problem.

• (1550)

[*English*]

Mr. Inky Mark (Dauphin—Swan River, PC): Mr. Speaker, I commend the member from the Bloc for his comments. He mentioned the survival of the regions in Quebec from an economic point of view. That is basically what we have talked about today. We have talked about the broad impact the mad cow disease issue has had across the whole country. Members from western Canada, from central Canada, from Quebec and from the Maritimes have spoken. We are all saying the same thing: do something about the problem. The people in the industry are crying for help.

One topic that has not been discussed has been the impact on the public school system. The fact of the matter is that many farmers across the country cannot pay the school taxes. The public school system relies on the collection of these taxes. What are we going to do, shut the schools down because the school boards cannot operate? That is a real fear.

I want to ask my Bloc colleague how this will play out in the province of Quebec.

[*Translation*]

Mr. Odina Desrochers: Mr. Speaker, in reference to the situation I mentioned where farmers and breeders are faced with certain problems, I think there must be some who have difficulty paying their taxes.

When people lose a significant portion of their monthly or annual income, they have to make choices, and that is becoming increasingly difficult. That means when income decreases, the farmer or breeder has to make big decisions.

The mad cow issue started in May. The United States government is slow in responding and does not seem willing to show much openness. The federal Liberal government should show more leadership. It sometimes tends to intrude in our provincial jurisdictions. However, the international market is a federal jurisdiction. I just want the government to do its job.

• (1555)

Mr. Claude Duplain (Parliamentary Secretary to the Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I would just like to make a few points concerning certain aspects of what the hon. member has said, particularly about the problems facing farmers.

Farmers are not being confronted by certain problems, but have certain problems that have to be solved, and which the government is in fact in the process of solving.

One hundred days after this extraordinary and harmful crisis began—one that makes no sense whatsoever—the minister succeeded in reopening the border. The government initially invested \$460 million to help farmers, and then another \$50 million or so. I think that an extension of some five or six days was given because of the power outages in Ontario.

We are currently negotiating protocols with Japan and Mexico. As for the agreements, we are involved in daily discussions with the United States with a view to fully reopening the border. It is partially open, I must point out, which has allowed 8 million tonnes of beef across so far.

The opposition must realize one thing: this is the first time in the world that borders have been successfully reopened within 100 days.

In this connection, I am curious to know whether the hon. member is in the least aware of the efforts that have been made. Judging from what he has said, he seems to be indicating that nothing at all has been done. I have, however, given some examples of efforts that have been made and could give dozens more.

Does he realize that efforts have been made by this government, with a view to fully reopening the border?

Mr. Odina Desrochers: Mr. Speaker, my point is that while some efforts were made, much remains to be done. Because this comes under federal jurisdiction, the government ought to put more effort into this.

This government is very good at always announcing a phase one that is on a very large scale, from coast to coast, as it were, and then, with phase 2, at scaling things down. When the time comes to take steps to save production, there is no money left. There are studies and consultations, but no decisions.

I agree that efforts have been made, but much remains to be done.

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, I am delighted to join in the debate after the hon. member for Lotbinière—L'Érable. Needless to say, my remarks will be along the same lines as his.

I do believe that the tragedy being experienced by many farmers, not only in Quebec but also across Canada, is being seriously underestimated by the government. I can speak for the Lanaudière area.

On September 7, the Union des producteurs agricoles held a Quebec-wide open door event called "Les portes ouvertes". It was an opportunity for the public at large, and not just elected members, to visit a number of farms. I visited a cattle farm operated by the Ricard family in the Lanaudière area.

The Ricards had already come to see me in connection with the mad cow issue. We may appear to be relatively unscathed in Quebec, but that is not the case. After being made aware of the problem, I wrote the Minister of Agriculture and Agri-Food. I am still waiting for an answer. That was several weeks ago.

In my opinion, the lack of such simple action is proof of the insensitivity of the minister and the government with regard to the reality of this problem. Certainly some attempt at action was made. It is normal for any government, including Canada's, to react to an embargo like that imposed by the Americans on Canadian beef. Any other reaction would have been absurd. But, once again, as the hon. member for Lotbinière—L'Érable said, more was expected, especially to help farmers face this crisis, which is not yet over. This is critical.

Mr. Ricard is also the President of the Syndicat des producteurs de bovins de Lanaudière, and he told me that this was also affecting the dairy industry. The price of cull cows sold by dairy farmers is also affected. This has an enormous effect on income, to the point that, in Quebec overall, losses are set at approximately \$50 million. This is a great deal of money, especially when it comes to developing an agricultural industry based on family farms.

Multinationals are not the ones breeding cattle in Quebec, particularly in the Lanaudière region. It is small family farms where people invest a great deal of their energy and savings. When I visited Mr. Ricard's farm, I talked with another farmer. We were admiring the system he had installed. This other farmer told me that he would never raise cattle because the capitalization is too risky. Starting a cattle farm is extremely costly. As a result, these farmers are very vulnerable to crises such as this one.

Cattle farmers in Quebec are experiencing a 50% to 70% drop in their income. For these farmers, the price of meat has dropped from \$1.80 to 50¢ per pound. It must be said, however, this drop has not been reflected in supermarkets prices in Quebec until recently. I do the shopping at home when Parliament is not in session. I was able to see that the retail price of beef did not drop substantially until quite recently. I am told that, in the rest of Canada, prices decreased much more substantially.

I think that there is another problem that is equally important. This leaves the people of Quebec with the impression that beef producers are doing all right because consumers are buying their beef at the same retail price as before the crisis. This gives them the impression that the beef producers must be getting some income, but that is not the case.

There are some very serious financial problems being experienced. I could make reference to an article that appeared very

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recently, September 21, in the Joliette newspaper *l'Action*. Not a month ago, but after the U.S. embargo was lifted, and of course after the end of the federal government assistance program. It was not extended, as the parliamentary secretary has said. The report quotes André Richard, President of the Syndicat des producteurs bovins de Lanaudière as follows:

If nothing is done between now and December, Quebec cattle producers will lose an additional \$50 million plus.

There will be no compensation for these losses, because there will no longer be a program in place. He goes on to say:

Producers cannot afford these losses, and the only outcome will be that the future of this sector is in jeopardy.

In other words, a number of farm operations are at risk of closing down, not just in Lanaudière but all over Quebec. The member for Lotbinière—L'Érable spoke of problems in his area. I am sure that the same reality exists all over Quebec and Canada.

● (1600)

So there should have been pressure on the Americans. I have some doubts, moreover, as to whether the lifting of the embargo was really the result of Canadian pressure, or just the outcome of developments in the issue. We will give them the benefit of the doubt, however.

As far as the assistance program is concerned, that is however something that was controlled by the federal government. Not everyone got help from the program. Cattle farmers who sold stock to other farmers were not compensated for their losses under this program. The only ones compensated were those who sent their cattle to slaughter. Yet prices dropped for the entire herd.

As well, the assistance was inadequate. It was inadequate when it did exist and is even more so, now that it does not.

On Sunday, during open house, I was given the following example: a calf was normally purchased for \$800 to \$900 and could be sold for \$1,400 to \$1,500. As it stands now, farmers are happy if they get their \$800 back. Federal government aid programs have not been able to compensate for the whole loss. Farmers have had to absorb hundreds of dollars of loss per animal sold. Since these are family farms—as I mentioned earlier, these are not multinationals—since these are people who have taken a great deal of risk with their farm's equity, they are financially weak. They need this aid. They needed it from the moment there was a total ban and still need it now that the ban has been partially lifted.

Supply

Furthermore, the program should have been extended. It was extended for a few days, as the parliamentary secretary mentioned, because of a totally unpredictable event: the blackout in part of eastern North America. However, the extension should have continued until the crisis was totally resolved. That is not the case. Particularly for Mr. Ricard; most of his production was exported to the United States. He is reduced to looking for new opportunities and is at the mercy of the current situation. The program should have been extended until the end of the crisis.

That said, it is true we must continue to make efforts at all levels to be able to pull through this crisis. For instance, in the case of the Union des producteurs agricoles de Lanaudière, my colleague from Berthier—Montcalm and I have made many representations not only to the government, but also to the general public in the Lanaudière area in order to raise awareness. We are going to continue to do so.

The cattle farmers received support during an organized event to promote Canadian beef consumption, or Quebec beef consumption if you will, Mr. Speaker.

In this context, the motion put forward by the Progressive Conservative Party is a perfectly valid one. When I was the critic for international trade, I remember the suggestion being made repeatedly to the government, through its Minister of International Trade, that delegations be sent to the United States. Timid attempts were made. The government was content with thinking that the tribunals, under the World Trade Organization or NAFTA, would solve the problem for us, but the problem has yet to be solved.

It is important to understand that these kinds of problems are political in nature. Often, parliamentarians are in a better position than anyone else to convince not only American politicians but also the American people that Canadian beef and Quebec beef is of prime quality.

We do need the delegation referred to in the PC motion and this delegation must reflect the reality of all regions of Canada, and of Quebec in particular.

I am not surprised, however, by the Liberal government's attitude, its lack of sensitivity. Regardless of the issue, we never get solid answers from the government. This is not peculiar to the mad cow issue. The same is true for tobacco growers, also in the Lanaudière area. There is also the whole issue of supply management, in which the government systematically says the exact opposite of what we are saying. And then there is the movement of compromised animals, an issue about which nothing is being done and where farm producers are being penalized.

I hope that the approaching election will wake some people up and that we will actually get results. I hope we do, because what I am seeking is growth, agricultural growth, in Quebec and in the Lanaudière area. All farm producers, and cattle producers in particular, can count on the Bloc Québécois to defend them both now and after the upcoming election.

•(1605)

Mr. Claude Duplain (Parliamentary Secretary to the Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I would like to congratulate the hon. member on his remarks. I found him to be

rather optimistic, in contrast to what we had heard before. In any case, he understands the issues in Quebec very well.

At the same time, we might congratulate the UPA for organizing open house days on the farms. That made it possible for us to visit thousands of farms in Quebec and find out firsthand about the problems they face.

I would like to reassure the hon. member; the minister is entirely aware of the issues in question and he understands them. While not rushing to his defence with regard to the letter that was mentioned, I can say that the minister has received not just hundreds, but thousands and thousands of letters since the mad cow problem began. I am sure that the letter in question will be answered.

I would just like to make a little statement here. We must understand that the farmers of Canada have developed an incredible economy in collaboration with the federal government, regarding agriculture in Canada. We have lived through a problem, but it is through the farmers and the federal government working together that we will be able to solve the problem.

Mr. Pierre Paquette: Mr. Speaker, I do not wish to question the good faith of the parliamentary secretary. I have had discussions with him on many issues.

What I have seen is that we are not able to solve the problems. What I want is solutions. The mad cow problem is not the only issue; we have a whole series of problems that are not being resolved. I invite the parliamentary secretary to come to the Lanaudière area and meet the representatives of the UPA. I can assure him that he will be well received and that the farmers will be ready to ask him questions. They want answers, not just letters of acknowledgement.

That said, along with my hon. friend from Berthier—Montcalm, I extend a very friendly invitation to come and meet the UPA in the Lanaudière area.

Mr. Claude Duplain: Mr. Speaker, I can only say that it will be a real pleasure for me to go meet the UPA representatives. In any case, I have done this in the regions that invited me.

I want to take this opportunity to say something else. Some contact has been made regarding various other problems in agriculture. The hon. member for Joliette talked earlier about the tobacco problem; we met with people about this issue.

I want to say once again that, under the new agricultural strategic framework, we will invest \$5.2 billion in agriculture over the next few years, once the provinces have signed the agreement so that these funds can be made available to help farmers immediately. This money is there. It just needs to be made available to farmers, and our provincial counterparts can help us to achieve this goal.

•(1610)

The Deputy Speaker: I do not know if other invitations will be forthcoming but, in the meantime, the hon. member for Joliette has the floor.

Mr. Pierre Paquette: Mr. Speaker, I made the invitation, but I did not receive one. I must say that it is important to be very careful. The agricultural strategic framework is mentioned every time a problem arises.

I know that the Quebec government signed, but the Union des producteurs agricoles and the Financière have set conditions to flesh out this agreement in principle, and I do not think that Quebec farmers will be bought.

If the money is there, it should be invested in special programs to resolve the problems Quebec is currently facing. I do not want the agricultural strategic framework to be used as an excuse. If the money is there, special programs need only be created. This was done to some extent in the case of the mad cow crisis. Had this been done immediately, a great deal more could have been done, in this case as in others.

[English]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am happy to enter into the debate on the issue of BSE. I should say initially that there was a brief time in my life when I actually raised beef cattle. Although I was only a small producer, I certainly learned the trials and tribulations of that industry.

I can well remember back some 15 years ago when it seems to me we were selling beef cattle at 75¢ a hundredweight. Those numbers have not changed very appreciably in the ensuing years, and the BSE issue, of course, has made that even worse.

During that same period of time overhead costs to that industry have increased tremendously. The cost of fuel to run tractors and so forth has multiplied exponentially. The actual profitability of the cattle industry in the first place is very slight.

I heard people talk about the capital involved in, for instance, a feedlot operation. People's margins are very small so they rely very much on heavy volumes. Significant changes in the input and output prices of a commodity will cause tremendous fluctuations in one's bottom line. This of course is what we are dealing with today.

The cattle industry in Canada is a very significant one. It represents something like 20% of farm cash receipts in Canada among all agricultural industries. It represents about a \$6.6 billion industry. From the statistics I have seen, Canada has 103,673 beef producers and 77% of these are a small size with less than 122 head. These producers represent over \$3 billion in export trade.

When I first heard about the issue of BSE, I, like so many farmers in my area, thought that this would be resolved possibly quicker than it has. I do not think a lot of us fully understood the ramifications of BSE and its impact on our industry.

Cattle producers in my area often wonder out loud why one cow in the province of Alberta caused such consternation. I have often heard them say that the markets in Britain are closer than the incidence of mad cow disease, so why are they caught up in this issue.

Mr. Speaker, I want to remind you that I am sharing my time with the member for Hastings—Frontenac—Lennox and Addington.

The reality is that we do not segregate where in a country the disease occurs. It is simply that the whole country is embargoed. As we know, the Europeans, the Japanese and others have lived through this peril to some great extent.

Supply

Quite frankly, Canada is noted as a BSE country. As much as we talk about it and debate it in this chamber, that is the reality. We have a reportable case of BSE and Canada is designated as a BSE country.

I know many of our consumers would demand us to be diligent on the importation of food from other countries that had this disease. Indeed, Britain, which had an incident of BSE, still does not export beef to the United States.

We can see that in the 100 days that we have been talking about this incident since it occurred in Canada, we have actually been very successful in opening the borders to Canadian beef production, more so than any other country. We are also entering into protocols with Mexico to try to find ways of actually importing, exporting and transporting cattle through the United States to Mexico.

Some very positive things are going on. The substance of the motion is that somehow nothing has been happening, and that just is not the case.

• (1615)

I was one of the members of our rural caucus who was able to meet with the Canadian Cattlemen's Association, the Canadian Federation of Agriculture and the Ontario Federation of Agriculture. It was interesting to hear most of those gentlemen, in their opening comments, thank the government for its efforts. They wanted to thank the governments for acting promptly on the file in the sense that it realized the shortfall would impact cattle producers who ship live cattle across the Canadian border and for the fact that we had found a system that would actually get money into their hands to alleviate some pain and suffering.

Some people think that my riding of Durham is somehow part of the Greater Toronto Authority. In some small ways it is, but I can say that General Motors is the largest economic producer in my riding and second is beef cattle. The cattle industry is worth \$1.2 billion to the province of Ontario and is rated as the number two generator in Ontario agriculture, only behind the dairy industry. There are approximately 200 producers in Durham. That is just under 1% of all of the producers in the province of Ontario.

Before May 20, finished cattle were selling at \$1,500 a head or \$1.10 per pound. In July, after the BSE issue hit, that price went down to 30¢ a pound. That is a significant drop in the selling price of cattle.

Since the border reopened to packaged beef products the price has rebounded. I wanted to emphasize that because it seems to have been totally missed in this debate. Producers in my riding have said that this rebound in price back to 75¢ has been a significant boon to those who ship live cattle because they have been able to ship to slaughter houses in Montreal. That has been a significant recovery in the industry but we do not talk about that here.

Supply

In fact that was a specific result of government policy and efforts to reopen the border to Canadian beef shipments that has had a positive impact on producers in my riding. Those producers are not, unlike the debate that is going on here today from some of the members in the opposition, blaming the government per se. They are saying that they appreciate the efforts the government is making. Of course they would like the government to do more. They would like the border to be 100% open to live cattle and put them back where they were before May 20.

I know the cattlemen, who are proud, rigorous and independent entrepreneurs, understand that this is an issue that will not go away easily. We are a BSE noted country and all of the discussion in this chamber will not make that issue go away.

The class of livestock that was hardest hit was culled cattle, which is very important to the cattle producers today. Usually they would get 50¢ per pound or about \$650 a cow when they shipped them. Today that price is 5¢ to 12¢ and there is no subsidy on culled cattle. The big issue with a lot of producers is to how to cull their herds. The fact of the matter is that there is no cash flow coming from that.

There has been a lot of discussion about the agricultural policy framework. Yes, it is the truth, even within my riding, that people in the agricultural industry are not happy with the way the agricultural policy framework has been put together. My experience with the farm community has been that it is very difficult to get agreement among all the producers and all the industries within the agricultural sector. Quite frankly, I think we are missing the boat if we feel that it is a form of blackmail, as was mentioned here today, because it is not. In fact, we need to have signed agreements to let money flow.

Since agriculture is under federal-provincial jurisdiction, we need agreements with the provinces to make money flow. Money is available. We might not like exactly how the policy framework is put in place. The federal government and Minister of Agriculture and Agri-Food has talked about a review process that is in place.

We have the machinery to review that as it is going on but by all means I would encourage the province of Ontario, in particular, to sign the agreement and get the money flowing into the producers hands who really need it. The whole purpose of this program is to deal with risk management .

• (1620)

I know my time is running out, but one other issue I want to talk about is the dairy industry. This is one industry that has been overlooked in this process. I have a number of breeders in my area who ship dairy cattle not only to the United States but worldwide. They are prevented from shipping those cattle today. That has had a tremendous negative impact on them. Of course there is no subsidy. There is a recognition that somehow we should try to address that issue. The reality is they have been negatively impacted through no particular fault of their own but because of the discovery of BSE in one animal. This was certainly the most expensive animal that we have ever seen in this country and possibly in the world.

I do not support the motion. I think it is grandstanding. The opposition does not seem to think that we should have an independent foreign policy, but certainly the producers have an independent mind and think we are doing a lot of positive things.

Mr. Gary Schellenberger (Perth—Middlesex, PC): Mr. Speaker, I will remember to address the Chair this time.

I do have one thing to say. I agree that the Minister of Agriculture and the agriculture committee have worked very hard to resolve this problem. I know the difficulty. I was in Cancun. I have talked to a lot of people. I know how hard it is to negotiate with the various countries and how hard it is to put things together.

All I am saying, and I am not grandstanding, is that I wish he would realize that I do not think it is wrong to try something different or new to quicken the process to open the borders. That is where I am coming from. It is not that whatever has been done has not been done with a real sense of urgency and importance.

I saw how we impacted in Cancun in our meetings. Yes, we were parliamentarians and we had some impact but not the impact that senior ministers or senior people would have. That is why I suggest that the Prime Minister head a multi-party delegation, like the one in Cancun. Let us have the heads of the parties or those people make a presentation to the president or the vice-president. Let us send some very high profile people there. I think this needs high profile people, not that we are not, but I think the Prime Minister has to be involved in this.

Mr. Alex Shepherd: Mr. Speaker, I am very happy for that question from the member for Perth—Middlesex. The reality is the Prime Minister has spoken to the President of the United States on numerous occasions on this file. We know that the Minister of Agriculture has talked to his counterpart in Japan and indeed his counterpart in the United States, Mrs. Veneman. We know that those discussions are going on.

What I did hear was the member for Pictou—Antigonish—Guysborough talking about the belief that somehow the Prime Minister's stand and our party's stand on Iraq and a number of foreign affairs issues, which really stood up for Canada's independence as a nation, or independent foreign policy, were somehow faulty and that that is the reason we could not open up the border. The motion is simply a cheap political stunt to try to make the opposition parties look like they are doing something on this file.

The reality is those producers are independent-minded people. They do not believe in begging. They believe in carrying on a negotiation on a one to one basis and that is what the government has been doing.

• (1625)

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, I appreciate this opportunity to talk about a very serious crisis that is ongoing. I have met with many people from Prince Edward County, Hastings County, Lennox and Addington and Frontenac. They are all suffering, yet I want to take this opportunity to talk about some of the things we have done and what we are doing.

The government fully understands the financial hardships that Canadian cattle producers and the Canadian cattle industry have endured and continue to endure ever since we had the bad news on May 20 that a single cow had been discovered with BSE. When we export \$4 billion worth of cattle and beef a year and our major customer closes its border, the impact is going to be severe. It has been severe on the farms, in the feedlots and throughout the beef industry.

The Government of Canada continues to work with people in the industry to help see them through this difficult time. We have done so since day one and we will continue to do so until we have the full resumption of the integrated North American cattle industry that we had on and before May 19.

While the immediate priority has been to focus energies on reopening the border, at the same time the government has been working to assist the industry financially until such time as full trade in beef and cattle resumes with all of Canada's trading partners. Of course other animals are involved such as the goat industry, the sheep industry, and as we have heard, cattle of all kinds, from the dairy to the heifers and the springers.

As my hon. colleagues will recall, immediately after the news was announced, the Canadian Food Inspection Agency launched a comprehensive trace back and trace forward investigation. This investigation involved the necessary culling of some 2,700 animals. The CFIA has now compensated producers for all animals ordered destroyed during the active investigation. Cheques have been sent out, with amounts based on the market value of each animal.

When it became apparent that the U.S. border reopening was not imminent, on June 18 my hon. colleague, the Minister of Agriculture and Agri-Food, along with his provincial and territorial colleagues, announced cost shared assistance totalling \$460 million. The national BSE recovery program comprised a maximum investment of \$276 million from the federal government and a maximum of \$184 million from provincial and territorial governments.

This assistance was designed to compensate producers when the price of cattle fell below a reference price based upon the market value in the U.S. The producers of other ruminants were also eligible for payments.

Under this program, processors are also offered incentives to sell or otherwise move out of inventories surplus meat cuts that were produced after May 20. The aim was to free up storage space, allowing processors to operate in an increased capacity to serve the domestic market.

On August 17 my colleague, the Minister of Agriculture, announced an addition to the recovery program involving an investment of \$36 million.

The national BSE recovery program, which represented a total federal investment of \$312 million, fully did the job it was intended to do. Slaughter levels were restored to comparable levels before May 19. The domestic market was kept moving and feedlots and processors received some relief from severely depressed prices. With the help, support and fairness of those processors, we certainly could have done much better. In my opinion, they did not try hard enough.

Supply

We are now in the fall season. Calves are coming off pasture and producers' need for cash to mitigate the effects of the border closure is still urgent. To this end, in his August 17 announcement, the hon. Minister of Agriculture and Agri-Food also advanced disaster assistance to producers under bilateral agreements, with provinces already committing funding for all five elements under the agricultural policy framework. Some provinces signed these bilateral agreements yesterday and producers will be able to apply for assistance within two weeks.

These advances constitute a transition measure until new business risk management programming is fully implemented across Canada. Transition funding will be equal to a portion of a producer's expected payments for this year, when the new Canadian agricultural income stabilization program comes into force.

Just this past Friday, my hon. colleague, the Minister of Agriculture and Agri-Food, announced further assistance for producers through the second installment of \$600 million in transition funding. This investment is part of the \$1.2 billion investment that the Government of Canada announced in June 2002.

• (1630)

This will help producers with immediate needs related to BSE as well as other pressures encountered this year. Cheques will be delivered directly to producers across the country this fall. Payments will be based on a producer's average eligible net sales for the past five years. Payments will not be counted as revenue under the Canadian agricultural income stabilization program.

This direct payment approach is preferred by most producer groups, and it fulfills the Government of Canada's commitment to continue to help the industry with its immediate needs while in transition to the new programming under the agricultural policy framework. I know my colleague the hon. Minister of Agriculture is eager to get the available resources out to farmers as soon as possible.

Under the business risk management element of the agricultural policy framework, there is a total of \$1.1 billion a year in federal dollars available to producers in provinces that have signed the framework implementation agreement. Collectively under the cost sharing agreement, the provinces and the territories will contribute another \$700 million. This brings the total investment to \$1.8 billion a year. That amounts to a total federal, provincial and territorial investment of some \$9 billion over the five years of the framework.

We need to flow these APF funds as soon as possible. What is needed right now is the money, but we continue to work with the industry to assess its needs. The Government of Canada remains committed to doing everything possible to help our cattle producers and our industry manage through this difficult time. We have been working co-operatively with the Canadian beef industry and we will not let up one iota until we have full restoration of the integrated North American market.

Supply

I want to thank my neighbour and our friend the agriculture minister and his department because all we have to do is check the records. It is sad to say we are a BSE country. No country has ever gone from BSE to shipping products across the border as quickly as Canada has done and that is because of the good science and the cooperation of our neighbours, the United States.

The United States wants the border open except for a few people who have protectionism along the border. My neighbour, our friend the Minister of Agriculture has worked untiringly, continually on this all summer. He has done such a good job that now U.S. secretary of agriculture Ann Veneman is working to fast track this. Let us hope that comes along well and we can have the border open so we can resume some normal sense of shipping back and forth.

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, I want to thank the member for his presentation on BSE. It was a little disheartening because it was a presentation from a Liberal and was nothing but accolades for the Liberal government and for what it has done. All Canadians still have some major concerns with the border not being completely open. When that border is open and when live cattle are moving across that border, perhaps then we will stand back and give a little more applause. Until then, the majority of Canadians are asking where the government is now.

It was on May 20 that one isolated incident of BSE was found in Canada. The CFIA moved into action. It had the ability to trace and to track, and to show the genetic lines of that animal to prove beyond a shadow of a doubt that it was one isolated incident.

Since that time, we have not seen the government step forward with a strategy to open the border to live cattle. We do appreciate some of the help that has come through the recovery plan and other programs, but we have not seen a strategy with timelines involved showing what the government is doing now to get the border open. We have a process and a protocol for countries that have an outbreak of BSE. Most of these protocols are put in place for countries that have many cases of BSE. We had one isolated incident.

Could the member tell us that he believes the process is flawed? Could he tell us that the protocol for reopening the border is flawed?

A government that should be applauded is one that puts a process in place before a crisis hits. Seeing how the crisis is here, what is the government's strategy toward letting the public and producers know that there is a process in place to have the Americans open the border?

• (1635)

Mr. Larry McCormick: Mr. Speaker, our strategy is to continue to work on this. As I have said, the minister, the Prime Minister and several ministers have met and have talked to every level of government in the United States. We have taken the good science that is recognized around the world as well as that of Dr. Brian Evans who is one of the top veterinarians of the world.

However there are politics in North America and our neighbours have elections.

We have pages and pages of records and documentation of when members of our front bench have talked to the United States, or

Japan or when they have worked with Mexico. They have been back and forth continually.

We have the science and that is why the border is open now, and it has been opened quicker than for any other country that had BSE. I wish we had it open fully. I am sure we will.

I want to mention one thing at this opportunity. The Calgary paper is not always friendly to the Liberals, but today it stated:

Alberta's agriculture minister said Ottawa's argument that available aid money has not yet been accessed is fair. I cannot argue that" McLellan said. They've got money available.

Let us work through this and let us get that border open as soon as we can.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I listened intently to the member's remarks. I do, however, agree that there appears to be an absence of a comprehensive plan going forward and I acknowledge that there have been extraordinary efforts made at all levels and in particular, the stakeholders.

I listened very closely to one point in the member's speech when he said, "and this Liberal government is willing to do anything".

My question for the hon. member is this. Why would the government not support a non-partisan effort? If other ministers of his government, if other members, if other emissaries have made interventions and tried to go to Washington to make this happen, why would the government not support this effort?

I hear someone flapping their gums over there, referencing it as being a partisan effort. I remind the hon. member that members of the agriculture committee, members of his own party, supported almost an identical motion put before the agriculture committee at a special meeting this summer. Why is there the pull-back now?

I know the hon. member spent time on a farm. I have spent time on a farm. We raised beef cattle when I was a kid. While my father was here, my grandfather and I were looking after our Scottish Highland cattle. Therefore I know the perils they are facing. I know very much the angst they are feeling over these cattle that may have to be fed over the winter months because they cannot take them to market. They cannot do their normal routine and slaughter in the fall.

If the government is sincere in saying, "we're willing to do anything, we're willing to do everything in our power", why would it not support a non-partisan intervention, an effort to bring stakeholders, people from the agriculture community, members of Parliament, leaders—

The Deputy Speaker: Order, please. I want to leave a bit of time for the hon. member to respond. The hon. member for Hastings—Frontenac—Lennox and Addington.

Mr. Larry McCormick: Mr. Speaker, I appreciate the comments by the leader of the Progressive Conservative Party, who is a fine young person and a very bright young man. I also compliment the person who brought forward the motion today with good intent. I will give him credit for that.

Our agriculture committee has a reputation for getting along with all parties more than any other committee on the Hill. I have said that in all 10 provinces and I hope I can continue to say that.

I do not think this is the right timing. Last week we had beef people from across the country and a cattle liner assembled on the Hill. I went to the meeting later with the Minister of Agriculture and Agri-Food along with the Ontario Federation of Agriculture and the Canadian Federation of Agriculture. The minister laid the cards on the table and we made great advances, according to the top officials of the United States department of agriculture.

I think we are getting there. Our steps are quickening. I just do not think it is the time for us to go to Washington. We have been there before at a committee and I think we should do it regularly, as my colleague said.

• (1640)

Mr. Stockwell Day (Okanagan—Coquihalla, Canadian Alliance): Mr. Speaker, I too congratulate the leader of the Progressive Conservative Party for bringing the motion forward, as our own leader has done the same in a number of different ways.

We have been able to make some rather tragic observations in this process, observations in general about the performance of the government. Depending upon the type of pressure, we can estimate how the government will respond.

If the pressure is on the government from internal individuals or organizations for the government to be quick to get them their subsidy, or their contract, or things that they did for the government or their particular appointment, the government can move with the speed of light and address those concerns. However when it is an issue on one of the inevitable crises of life, when it is an issue that affects all Canadians outside of government, Canadians who maybe are not in line for an appointment, or a contract or a subsidy, then the government moves with glacier-like speed.

The problem is livelihoods are at stake at these times when crises like this hit. It is inexcusable to have a government that drags its feet and is so unconcerned, possibly because so many of the people affected, not all, are beyond the sight of the CN Tower.

There are many in Ontario who are affected and this is true. However this industry which is so vital in the western Canadian economy is suffering. It has been hit hard. We can see the pattern. When people from within the Liberal party need help, the government is quick and to be there for them.

When it is outside the party, the first response is usually denial, that it is not a problem. We have seen this pattern in a number of different crises that have hit. Then we see an acceptance when the groups and citizens themselves react and the opposition speaks up and raises the issue. The then government moves from denial to all right there may be a problem.

There is sort of a grudging acceptance that there could just be an issue here affecting Canadians. Then only under sustained pressures, usually from the opposition, does the government admit there is a problem and it takes a few baby steps to address what is a huge problem, then sits back and says that it is done.

We see that pattern all the time. Frankly, it is not acceptable when people's livelihoods and futures are at stake.

Supply

[Translation]

Look at every international incident of the past year: the blackout in Ontario, the outbreak of SARS in Toronto, the softwood lumber issues. All of these emphasize this government's short-sightedness and inability to respond.

Minister Vanclief travelled to Tokyo in June, but came back empty-handed. The Japanese were unable to tell him how to restore international trade, and the minister did not present them with any suggestions for resolving the problem. The crisis continues.

Another question we can ask ourselves is: Where is the Minister for International Trade? Where is he?

Is it enough to have Prime Minister Jean Chrétien speak on the phone? It is not.

The Deputy Speaker: Order, please. This is the second time a cabinet member has been referred to by name instead of by portfolio. I do hope the hon. member for Okanagan—Coquihalla will be able to adapt his text to refer to the portfolio or title of members instead of their names.

Mr. Stockwell Day: As usual, you are right, Mr. Speaker. Thank you for correcting me; I needed to be reminded.

I was saying that our Prime Minister speaking on the phone is not enough.

• (1645)

[English]

That is not enough. More has to be done.

We have looked at the rapid response from the industry itself, whether it is beef, veal or dairy. That industry has lost over \$1 billion and is facing a true winter of discontent, a winter where feeding has to take place or there is a possibility that we may have to destroy up to 700,000 head of cattle.

The support announcement in June was only good until August 30. Today is the first day of fall. It is a harbinger of a winter to come. Regardless of the views on global warming, it will be a cold winter for the industry. Banks, equipment dealers, retailers in small towns across the west, in Ontario and in other parts of Canada will all face very difficult choices.

The Minister of Agriculture has said that money will flow, but he said that it will flow when farmers force their provincial governments to sign on to a flawed agriculture policy framework. It is one thing to stand up and say that the money will flow, but the Liberals always leave out the other portion. They say that when farmers get their provincial governments to sign on to this policy, a policy that is ripe with flaws, then there will be money. They need to be honest about the money problem and why it is not flowing. The APF has no provision for emergencies such as border closures and provides less coverage in bad years than previous programs.

Supply

The Canadian Cattlemen's Association has called for the government to assist in finding alternative markets. We understand Russia was willing to buy older cows and to pay ranchers up to \$330 per head for 10% of their herds. That is the usual number that is culled in a year. They also want the payment, regardless of slaughter, which will allow ranchers to wait for the best time to sell rather than flooding a down market.

People in the industry, the hard-working people, the agriculture community, have worked to come up with solutions. They are not just sitting back shouting and protesting, though they are doing that. It was a pleasure and an honour to be involved in a demonstration and a rally out on the steps of Parliament just last week with colleagues and with members of almost every other party except the governing party.

Mr. Larry McCormick: I was there.

Mr. Stockwell Day: Mr. Speaker, we have an intervention there. I was not aware that an element of the backbench was represented. Obviously he saw the writing on the wall, saw some votes and got out there. I will not presume a negative incentive. I think he was probably there with a good heart, and we will give him that.

All the other leaders were there speaking. Where was the leader of the governing party, at least to send a message that the government heard and understood there was a problem? Nobody was there. It cannot continue this way. A government that simply does not respond quickly to the issues and pressures of its citizens should forfeit its ability, which it has already forfeited, and should forfeit the right to say that it is representing the people, because it is not.

A sneaking suspicion has begun to enter into the minds of Canadians that there are answers to all of these problems but the government is seemingly slowing down and delaying. A question was raised today by the leader of the Canadian Alliance. Is the government holding back with the answers until the other prime minister, and it is rare that we have two prime ministers at once, enters, stands upon the national stage with all kinds of answers and is seen to be solving the problems? Are Canadians being put at risk? Are Canadians under the pressure of these crises, which could be resolved if the will was there? Are they under that pressure because back in the wings the Liberals are ready to introduce their new leader some months from now with the answers, with the solutions that are ready to go today?

• (1650)

We are asking the government to move now, to move today, to set politics aside and put people first. Ironically that will probably get a good response from people, more so than being seen as trying to contrive things politically. Put people first: that is what we are asking the government to do.

Mr. Larry McCormick (Hastings—Frontenac—Lennox and Addington, Lib.): Mr. Speaker, I am glad the previous speaker did pull back a few comments.

I was not able to meet you under the big top as I read in your column when I was in Merritt—

The Deputy Speaker: Order. I know this exchange is friendly, but sometimes exchanges can be a little less friendly. Please make sure your interventions are made through the Chair.

Mr. Larry McCormick: Mr. Speaker, thank you very much for correcting me.

I was in western Canada this year in the great cattle country around Merritt, which I admire greatly, and I just want to ask the member about his remark about the APF. He said it was flawed. If I am not mistaken, British Columbia signed this policy in June or earlier.

I would like to see the provinces sign it and get on with it. I am sure we can make adjustments. In fact, there is going to be a review every year.

I would expect the hon. member to respect the people with the knowledge in his own province. I do not think it was flawed or else we would not have seen B.C. sign it as soon as anyone.

Mr. Stockwell Day: Mr. Speaker, first let me clarify a couple of things. The member talks about being under the big top in Merritt. Merritt is a fabulous part of the constituency, which I am honoured to serve. The people there actually live up to the name Merritt because the people of Merritt have been hit by a number of crises, and definitely the crisis with the beef problem. As I am sure the member would know, within and close to the town of Merritt in the Nicola Valley there is in fact the largest ranch in North America.

When I am in Merritt to have meetings, as I often am, one of the things I like to do is set up a little booth right there on Main Street. I put up a sign to let people know I am there and they come and tell me about the things that concern them. It is a way of working with people right on the street rather than people, with their busy schedules, trying to meet me in an office somewhere. It is effective. I am sorry the member could not meet me there under the big little top. We could have had a good discussion.

It is one thing for a province to sign on to the APF, and some provinces are and some are not, but when nothing else is being presented except something that is meagre then the province is bound to. Under that pressure, some of them see it as desperation or almost as, and I will say this in a soft sense, a form of extortion. It is take or leave it, so they are settling for something far less than what could be. Provinces that sign on are under that kind of pressure. Of course they are going to take what they can, but the greater solutions still elude them because the federal government has not stepped up to the plate as it should.

Mr. Peter MacKay (Pictou—Antigonish—Guysborough, PC): Mr. Speaker, I was particularly taken by the hon. member referring to the speed with which the government can react. We saw it with the purchase of Challenger jets. We have seen it with the procurement of contracts that are currently under investigation by the RCMP. We have seen many of the corrupt advertising practices of the government. We have seen all sorts of instances when money could be accessed very quickly. We saw it today, where more money is being put into the gun registry. Clearly when the motivation and the political will are there, the government is able to access money.

My direct question to the member is with respect to the way in which the government has emitted anti-Americanism, including our own natural resources minister who referred to the president as a failed statesman. Does the hon. member think that this may in fact be part of the political problem between Washington and Ottawa, that this may in fact impact on our ability to have an audience with the president, to have actual input into the solutions required for the BSE crisis that is crippling the Canadian cattle industry?

Mr. Stockwell Day: Mr. Speaker, I appreciate the insight of the hon. member in posing the question, so closely on track with our position on so much that it does of course beg the question about how we can work together even more closely in our two parties.

It is a dimension of the problem that the federal Liberals do not like to address, but in fact, as we find with international relations, with foreign relations and even in relations with our friends to the south of us, these types of relations are just relations between people. The leader of the Progressive Conservatives is quite right when he points to the fact that one can make a solution more difficult to arrive at when all the way along one insults everybody who is involved in the possible resolution of that particular problem. This federal Liberal Party takes on anti-Americanism as a policy. That is a policy position for the Liberals. Not only is it a knee-jerk reflex, it is a policy position.

I much would have much preferred to see the Prime Minister going to bat for Canada on issues like the U.S. farm policy and its subsidies, which hurt all Canadian farmers, and on softwood lumber and certainly on this beef issue. I wish his focus and his energies had been there instead of on the mindless insults across the border that he not only perpetrates but allows his ministers to perpetrate, without any kind of recourse, without any kind of correction. That has poisoned the well of negotiations. The member is quite right in pointing that out.

•(1655)

[*Translation*]

The Deputy Speaker: Before we resume debate, it is my duty pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Saskatoon—Humboldt, Public Service; the hon. member for Windsor West, Infrastructure.

[*English*]

Resuming debate, the hon. member for Crowfoot.

Mr. Kevin Sorenson (Crowfoot, Canadian Alliance): Mr. Speaker, it is a privilege to stand in the House again and support the motion before the House today, a motion that calls upon the Prime Minister to convene and lead a multi-party group to Washington with the goal in mind of seeing the border reopened to Canadian beef and, I should say, to Canadian livestock. Not only beef is affected by this.

I would like to take this opportunity to commend the members of my party for their diligence and hard work in drawing attention to the plight of the Canadian cattle industry, especially those rural members of Parliament who are faced on a daily basis with ranchers, farmers and beef producers who fear a very uncertain future knowing that the government is coming from a perspective of having no real

Supply

strategy, of not understanding how to achieve what it claims it wants to achieve but still going through the exercise.

This single incident of BSE has had a very obvious and devastating impact on the complete cattle industry. It is going to take a long time to recover. To be quite frank, it is going to take a long time to recover because the Liberal government has not placed this as a priority. It has not placed it as a priority from the very outset. Regardless of what some of the members of this House have said today, we have seen other issues brought forward which have diverted the attention that should have been put on the BSE issue. In the meantime, producers are hurting.

The cattle industry has lost over a billion dollars to date and approximately 100,000 Canadians have been directly targeted by this tragedy. We obviously recognize that ranchers, cattle producers, the cow-calf individuals and the feedlot operators are being hurt. They are the obvious ones who feel the crisis at this time, but there are many others as well. There are auction houses, auction companies, stockyards, slaughterhouse owners, transporters, butchers, truckers, and even restaurant owners who pride themselves on serving only grade A Alberta beef. They have all felt the prolonged financial pinch because this government has failed to respond to the disaster to the degree that I believe it should have.

This past summer while the Prime Minister was sipping champagne in Great Britain, my leader and a number of people from caucus were in Washington speaking to Congress, speaking to those who were trying to listen to what was happening in Canada. The main purpose of their visit was to explain to our neighbours to the south the extreme impact that this was having on the family farm, on the beef industry and on businesses.

It came down to the fact that we saw the CFIA moving on tracing and tracking and we saw other people showing that this was only one isolated incident, but the government was not coming forward with a strategy on how we could see a comprehensive plan put in place that would move the Americans to reopen the border to Canadian beef. We are losing approximately \$11 million per day, primarily in the beef industry, but an estimated \$20 million when we look at all the other spinoffs from it.

We recognize that much more could have been done and now must be done in order to address this extremely serious issue. That is why we sent a delegation to the United States. We must get the border open before harm is done to the cattle industry and we must get it open before that harm is irreversible.

When we talk about irreversible, we talk about family farms that are disappearing. We talk about young farmers who are trying to meet payments this fall, young farmers who are calling our offices. In one instance the caller told me his payments are due on November 1. He sells his calves in the middle of October. He has land payments, equipment payments and cattle payments. What does he do at the local auction mart with the prices that he has seen there? How does he know what to do? He asked, "What can I tell my banker today?"

Supply

• (1700)

I would like to read to the House a couple of quotes that appeared in some of the local papers in my riding. The first one is from an article written by Murray Green in the *Camrose Canadian*:

The hard times farmers in this country are faced with because of the mad cow disease rest squarely on the shoulders of the federal government, according to the Alberta Association of Municipal Districts and Counties.

"The single case of BSE that was discovered on May 20 has crippled the cattle industry in Canada," said Jack Hayden, president of the Alberta Association of Municipal Districts and Counties.

Mr. Hayden went on to say:

—we have been very frustrated in our efforts to get the federal agricultural minister on side. He doesn't even return phone calls".

The lack of full border opening to the United States has left about 260,000 culled animals with no place to go in the market place or for slaughter. A mass slaughter is not the answer, says Hayden.

Mr. Hayden said:

Even a partial reopening of the border is not going to counteract the devastating effects the widespread border closures have caused...farmers need help now and the federal politicians have to get on board.

I would add that before the Liberal government finally does make some steps, when it finally does get on board, I would suggest that it let the Canadian public know that there is a strategy, that there is a plan, that there is a way we can move or influence that border to be opened.

We have seen that the Canadian Cattlemen's Association has come up with a plan, a four-part strategy to get the border open. We have had no such indication from the government. The minister and members on the opposite side stood in the House today to say that they have put \$200 million here and \$260 million there, that they have put this much money in, but we have not seen a plan. Until the industry knows that the government has an idea on how it can do it, there is no confidence in the border being opened and there is certainly no confidence in the government.

We want to be assured today that when there is a plan, when the government finally does disclose some type of plan that it may be making in the future, not only will that plan come out of round table discussions, which already have taken place and are very important, we want to be assured that the people who are devising this plan are individuals who are involved in the industry, that is, individuals who have mud and other substances on their boots and who understand the cattle industry and the effects that this is having on the family farm.

We know there is a litany of people across the way who have individuals in ivory towers who will come up with some type of strategy, but we want to be assured that ministers such as Shirley McClellan from Alberta are involved. We want to know that groups such as the Canadian Cattlemen's Association and other Alberta people like Neil Jahnke and Arno Doerksen are involved in the devising of the strategy.

Blair Vold is well known in Alberta. He owns the auction company Vold, Jones and Vold, in Ponoka. He said that we must "stop and think about the anti-American bashing that has come about because of the border closure to Canadian beef".

In a letter to the *Bashaw Star*, Mr. Vold said:

We in the cattle industry, not only in Alberta but also in all of Canada, have developed a very large trading relationship with our American neighbours in the cattle business...Whether some like it or not, we in the cattle industry have built a relationship with our U.S. neighbours that has drawn respect and friendships over many years of cattle deals done on handshakes and phone calls.

Being a neighbour, whether it's in town or country, is no different than being a neighbour with the Americans. It's the people that live beside each other than need to respect and support each other. Americans are our friends and neighbours, so let's respect them more and bash them less...We have a lot of work to do yet, and there are a lot of good cattle people and politicians on both sides of the border that will get the task done, so let's let them do their work.

• (1705)

Yet we see that the job is not being completed. We have seen infant steps. We need to be sure that all those people are brought into the process. We need to be assured and we need to thank Canadians for their response in the consumption of the amount of beef that has taken place this summer. I have attended many beef rallies and beef on a bun dinners night after night after night.

Mr. Jay Hill (Prince George—Peace River, Canadian Alliance): Madam Speaker, I listened with great interest to my colleague from Crowfoot. Like so many of us who represent rural western ridings, I know that he spoke with great emotion. Indeed, all members of Parliament, regardless of political stripe, could speak to this subject if they are representing their rural voters and would find it very difficult not to get emotional because we know how it is affecting families.

This is how I always try to look at it. It is not just a business. Whether it is a trucking business or a packing plant or an auction mart or a farm, it is families that are hurting badly because of this border closure.

The motion states that the Prime Minister should lead an all party non-partisan delegation to Washington. I certainly support that. It would seem to me that if the Prime Minister-in-waiting, the member for LaSalle-Énard, really cared about ending some of the western alienation in this country, he would pick up that cause and lead that delegation as the new Prime Minister-in-waiting. He could show that he cares about this issue and that he cares about these farm families.

I know that every one of us from every party would be happy to send some of our members with him to Washington in a non-partisan atmosphere to solve this problem and get the border open so that these families do not have to face the dismal winter about which my colleagues from Okanagan—Coquihalla and Crowfoot just spoke about.

Mr. Kevin Sorenson: Madam Speaker, obviously this is an emotional issue. When I was first elected in 2000, I remember coming back to my office and seeing the results in Great Britain of foot and mouth disease. We pushed the government to do everything so that this disease would not come to Canada because we recognized the effect it would have on the industry.

Last year we saw the worst drought in Alberta history in 133 years that affected not only the grains and oilseeds but also the cattle industry. They were hit hard. I was involved in the hay west program and we saw farmers in Ontario responding. We applauded them for their action and assistance. They helped Alberta and the west in sending hay and drawing attention to the severity of the drought.

I can remember driving down the highway and hearing on the radio that one case of BSE was found. I knew that this would be a crisis that would need some leadership and that it needed a government that would have a plan.

To be honest, when I first heard the motion which was put forward today, I was not sure if I could support it. Is it the best thing to send a leader who has been discredited to a certain degree, who even his own side is trying to push out quickly, and one who has been very vocal on what he believes about the Americans?

The new member for Perth—Middlesex talked about going to Cancun and the importance of that. Maybe our Prime Minister would have a great deal of influence in Cancun. I am not sure how much influence he has in Washington. We recognize the importance for the highest level of government being there to show leadership on this. I am in a kind of a dilemma, do we really want to send our current Prime Minister?

We want to send individuals who will make a difference. We want to send individuals who care about the industry and who have influence in seeing this border open. I wish I could stand and say that it was my Prime Minister. I am not sure I can.

• (1710)

The Acting Speaker (Ms. Bakopanos): The hon. Parliamentary Secretary to the Prime Minister on a point of order.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

AGRICULTURE AND AGRI-FOOD

Mr. Rodger Cuzner (Parliamentary Secretary to the Prime Minister, Lib.): Madam Speaker, I believe you would find unanimous consent for the following motion. I move:

That notwithstanding Standing Order 106(1), the Standing Committee on Agriculture and Agri-Food be permitted to meet on Thursday, September 25, 2003, at 3:30 p.m. for the purposes of Standing Order 106(2).

The Acting Speaker (Ms. Bakopanos): 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)

GOVERNMENT ORDERS

[English]

SUPPLY

ALLOTTED DAY—CATTLE INDUSTRY

The Acting Speaker (Ms. Bakopanos): Shall we proceed with questions and comments for another two minutes?

Supply

[Translation]

Is the parliamentary secretary in agreement? There is not enough time for a debate. Would you rather make comments?

Mr. Claude Duplain: Agreed.

The Acting Speaker (Ms. Bakopanos): Questions and comments, the hon. member for Wild Rose.

[English]

Mr. Myron Thompson (Wild Rose, Canadian Alliance): Madam Speaker, I know the member is familiar with my riding and that the area is filled with ranchers and cattle. In fact, there are more cattle than there are people, but those ranchers are anxiously awaiting some real results coming out of this. There is one thing that they would like to know more about and that is the involvement of the NAFTA in this entire situation. Would the member take a moment to explain what that is all about?

Mr. Kevin Sorenson: Madam Speaker, we certainly believe in the NAFTA in our party. There are certain parts of the NAFTA that talk about border closures and health risks, but if I understand it correctly it is contingent on the fact that there is science and evidence.

Now that there is science and evidence showing that it was one isolated incident, it would give cause to put a little pressure on the government to open the border. However, I would be very cautious before we move to any type of trade lawyer or any type of trade dispute because the Americans, or any country, can use such court cases to stall, postpone and hold this issue up even more.

Therefore, we need to move carefully. I am not one who says we should bring forward a dispute that is there in NAFTA with trade lawyers and such, but we need to move cautiously on it. However, NAFTA does say that if the evidence is there the border should be opened and we hope that it happens soon.

• (1715)

[Translation]

Mr. Claude Duplain (Parliamentary Secretary to the Minister of Agriculture and Agri-Food, Lib.): Madam Speaker, I just wanted to mention that the comments made by opposition members this afternoon indicated their opposition to what the government has been able to do.

I will be voting against this motion because we have already heard from the opposition members, who did not quite agree as to whether the Prime Minister should go or not. These speeches attested to the government's actions, past and present, with regard to the mad cow crisis.

I am voting against this motion.

[English]

The Acting Speaker (Ms. Bakopanos): It being 5:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

Is the House ready for the question?

Some hon. members: Question.

Supply

The Acting Speaker (Ms. Bakopanos): The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Ms. Bakopanos): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Ms. Bakopanos): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Ms. Bakopanos): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Ms. Bakopanos): Call in the members.

Ms. Marlene Catterall: Madam Speaker, the vote is to be deferred.

The Acting Speaker (Ms. Bakopanos): Accordingly, the vote is deferred until September 24, 2003, at the end of government orders.

Gouk	Grewal
Grey	Guay
Guimond	Harper
Hearn	Herron
Hill (Macleod)	Hill (Prince George—Peace River)
Hinton	Jaffer
Johnston	Keddy (South Shore)
Kenney (Calgary Southeast)	Laframboise
Lancôt	Lebel
Lill	Loubier
MacKay (Pictou—Antigonish—Guysborough)	Marceau
Mark	Martin (Winnipeg Centre)
Martin (Esquimalt—Juan de Fuca)	Masse
Mayfield	Ménard
Meredith	Merrifield
Mills (Red Deer)	Moore
Nystrom	Pallister
Pankiw	Paquette
Penson	Perron
Picard (Drummond)	Plamondon
Proctor	Rajotte
Reynolds	Ritz
Robinson	Rocheleau
Roy	Sauvageau
Schellenberger	Schmidt
Skelton	Solberg
Sorenson	Spencer
St-Hilaire	Stoffer
Strahl	Thompson (Wild Rose)
Toews	Tremblay
Vellacott	Venne
Wasylcia-Leis	White (North Vancouver)
White (Langley—Abbotsford)	Williams
Yelich— 107	

ALLOTTED DAY—TAX CONVENTIONS

The House resumed from September 18 consideration of the motion.

The Acting Speaker (Ms. Bakopanos): Pursuant to order made Thursday, September 18, 2003, the House will now proceed to the taking of the deferred recorded division on the opposition motion standing in the name of Mr. Paquette.

Call in the members.

• (1745)

[*Translation*]

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

(*Division No. 219*)

YEAS

Members

Abbott	Ablonczy
Anders	Anderson (Cypress Hills—Grasslands)
Bachand (Saint-Jean)	Bailey
Barnes (Gander—Grand Falls)	Benoit
Bigras	Bourgeois
Breitkreuz	Cadman
Cardin	Casey
Casson	Chatters
Clark	Comartin
Cummins	Dalphond-Guiral
Davies	Day
Desjarlais	Desrochers
Doyle	Duceppe
Duncan	Elley
Epp	Fitzpatrick
Forseath	Fournier
Gagnon (Champlain)	Gagnon (Lac-Saint-Jean—Saguenay)
Gagnon (Québec)	Gallant
Gaudet	Gauthier
Godin	Goldring

Alcock
Assadourian
Bakopanos
Barrette
Bélangier
Bennett
Bevilacqua
Blondin-Andrew
Bonwick
Brown
Bulte
Calder
Caplan
Carroll
Catterall
Chamberlain
Coderre
Comuzzi
Cuzner
Dhaliwal
Dromisky
Easter
Eyking
Folco
Frulla
Godfrey
Guarnieri
Harvey
Ianno
Jennings
Karetak-Lindell
Keyes
Knutson
Lastewka
Leung
Longfield
Macklin
Malhi
Marleau
McCallum
McGuire
McTeague
Mitchell
Neville
O'Reilly

NAYS

Members

Allard
Bagnell
Barnes (London West)
Beaumier
Bellemare
Bertrand
Binet
Bonin
Boudria
Bryden
Byrne
Cannis
Carignan
Castonguay
Cauchon
Charbonneau
Collenette
Cullen
DeVillers
Discepola
Duplain
Eggleton
Farrah
Fontana
Fry
Grose
Harvard
Hubbard
Jackson
Jobin
Karygiannis
Kilgour (Edmonton Southeast)
Kraft Sloan
Lee
Lincoln
MacAulay
Mahoney
Maloney
Matthews
McCormick
McKay (Scarborough East)
Minna
Myers
O'Brien (London—Fanshawe)
Paetiti

Pagtakhan
Perić
Peterson
Phinney
Pillitteri
Price
Redman
Regan
Rock
Savoy
Scott
Shepherd
Speller
St. Denis
Stewart
Telegdi
Thibeault (Saint-Lambert)
Torsney
Valeri
Volpe
Wilfert

Patry
Peschisolido
Pettigrew
Pickard (Chatham—Kent Essex)
Pratt
Proulx
Reed (Halton)
Robillard
Saada
Scherrer
Sgro
Simard
St-Julien
Steckle
Szabo
Thibault (West Nova)
Tonks
Ur
Vanclief
Wappel
Wood— 132

PAIRED

Members

Asselin
Crête
Girard-Bujold
Manley
Owen

Bergeron
Drouin
Lalonde
Martin (LaSalle—Émard)
Paradis— 10

The Speaker: I declare the motion lost.

* * *

[English]

ELECTORAL BOUNDARIES READJUSTMENT ACT

The House resumed from September 19 consideration of the motion.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the referral to committee before second reading of Bill C-49.

Ms. Marlene Catterall: Mr. Speaker, I believe if you seek it you would find consent in the House that those who voted on the previous motion be recorded as voting on this motion, with Liberal members voting yes.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Mr. Dale Johnston: Mr. Speaker, Canadian Alliance members present today will vote yes to the motion.

• (1750)

[Translation]

Mr. Michel Guimond: Mr. Speaker, the Bloc Québécois will vote against this motion.

[English]

Mr. Gerald Keddy: Mr. Speaker, Progressive Conservative members vote no.

[Translation]

Mr. Yvon Godin: Mr. Speaker, the NDP members will vote against this motion.

Mr. Jean-Guy Carignan: Mr. Speaker, I will be voting in favour of this motion.

Supply

[English]

The Speaker: The hon. member for Saskatoon—Humboldt. Saskatoon—Humboldt. Yes or no?

The hon. member for Saint-Bruno—Saint-Hubert.

[Translation]

Ms. Pierrette Venne: Mr. Speaker, I will vote against this motion.

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

(Division No. 220)

YEAS

Members

Abbott
Alcock
Anders
Assadourian
Bailey
Barnes (London West)
Beaumier
Bellemare
Benoit
Bevilacqua
Blondin-Andrew
Bonwick
Breitkreuz
Bryden
Byrne
Calder
Caplan
Carroll
Castonguay
Cauchon
Charbonneau
Coderre
Comuzzi
Cummins
Day
Dhaliwal
Dromisky
Duplain
Eggleton
Epp
Farrah
Folco
Forseth
Fry
Godfrey
Gouk
Grey
Guarnieri
Harvard
Hill (Macleod)
Hinton
Ianno
Jaffer
Jobin
Karetak-Lindell
Kenney (Calgary Southeast)
Kilgour (Edmonton Southeast)
Kraft Sloan
Lee
Lincoln
MacAulay
Mahoney
Maloney
Martin (Esquimalt—Juan de Fuca)
Mayfield
McCormick
McKay (Scarborough East)
Meredith
Mills (Red Deer)
Mitchell
Myers
O'Brien (London—Fanshawe)
Pacetti

Ablonczy
Allard
Anderson (Cypress Hills—Grasslands)
Bagnell
Bakopanos
Barrette
Bélanger
Bennett
Bertrand
Binet
Bonin
Boudria
Brown
Bulte
Cadman
Cannis
Carignan
Casson
Catterall
Chamberlain
Chatters
Collenette
Cullen
Cuzner
DeVillers
Discepola
Duncan
Easter
Elley
Eyking
Fitzpatrick
Fontana
Frulla
Gallant
Goldring
Grewal
Grose
Harper
Harvey
Hill (Prince George—Peace River)
Hubbard
Jackson
Jennings
Johnston
Karygiannis
Keyes
Knutson
Lastewka
Leung
Longfield
Macklin
Malhi
Marleau
Matthews
McCallum
McGuire
McTeague
Merrifield
Minna
Moore
Neville
O'Reilly
Pagtakhan

Private Members' Business

Pallister	Patry
Penson	Perić
Peschisolido	Peterson
Pettigrew	Phinney
Pickard (Chatham—Kent Essex)	Pillitteri
Pratt	Price
Proulx	Rajotte
Redman	Reed (Halton)
Regan	Reynolds
Ritz	Robillard
Rock	Saada
Savoy	Scherrer
Schmidt	Scott
Sgro	Shepherd
Simard	Skelton
Solberg	Sorenson
Speller	Spencer
St-Julien	St. Denis
Steckle	Stewart
Strahl	Szabo
Telegdi	Thibault (West Nova)
Thibeault (Saint-Lambert)	Thompson (Wild Rose)
Toews	Tonks
Torsney	Ur
Valeri	Vanclief
Véllacott	Volpe
Wappel	White (Langley—Abbotsford)
White (North Vancouver)	Wilfert
Williams	Wood
Yelich — 185	

NAYS

Members

Bachand (Saint-Jean)	Barnes (Gander—Grand Falls)
Bigras	Bourgeois
Cardin	Casey
Clark	Comartin
Dalphond-Guiral	Davies
Desjarlais	Desrochers
Doyle	Duceppe
Fournier	Gagnon (Québec)
Gagnon (Champlain)	Gagnon (Lac-Saint-Jean—Saguenay)
Gaudet	Gauthier
Godin	Guay
Guimond	Hearn
Herron	Keddy (South Shore)
Laframboise	Lancôt
Lill	Loubier
MacKay (Pictou—Antigonish—Guysborough)	Marceau
Mark	Martin (Winnipeg Centre)
Masse	Ménard
Nystrom	Paquette
Perron	Picard (Drummond)
Plamondon	Proctor
Robinson	Rocheleau
Roy	Sauvageau
Schellenberger	St-Hilaire
Stoffer	Tremblay
Venne	Wasylcia-Leis — 52

PAIRED

Members

Asselin	Bergeron
Crête	Drouin
Girard-Bujold	Lalonde
Manley	Martin (LaSalle—Émard)
Owen	Paradis — 10

The Speaker: I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Procedure and House Affairs.

(Motion agreed to and bill referred to committee)

The Speaker: It being 5:52 p.m., the House will now proceed to consideration of private members' business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[Translation]

ENCROACHMENT UPON QUEBEC JURISDICTIONS

Mr. Yves Rocheleau (Trois-Rivières, BQ) moved:

That the House acknowledge that Quebec constitutes a nation, and accordingly, as it is not a signatory to the social union framework agreement of 1999, the said nation of Quebec has the right to opt out of any federal initiative encroaching upon Quebec jurisdictions, with full financial compensation.

He said: Madam Speaker, I would like to begin by thanking my colleagues who have agreed to join me in this debate, which I feel is important to the history of Quebec and Canada.

What is important is not that I have taken it upon myself to bring forward this motion, but that it has to do with such an important issue: the existence or non-existence of the Quebec nation and the appearance on the historical scene of the 1999 social union policies.

To aid in the process, I will reread Motion No.394. It states “that the House acknowledge that Quebec constitutes a nation, and accordingly, as it is not a signatory to the social union framework agreement of 1999, the said nation of Quebec has the right to opt out of any federal initiative encroaching upon Quebec jurisdictions, with full financial compensation”.

The meaning of the motion must be clearly understood, and a historical overview is necessary as well. It must be kept in mind that the federal government, Canada, had a choice. It had a crucial choice to make in the aftermath of the October 30, 1995 referendum, because of the resounding results. The columns of the Canadian temple were strongly shaken by the desire for change expressed by 49% of Quebecers. At the very least, this sent a message to the federal government that things had to change.

The Canadian people—although that concept is also a debatable one—had a choice, through its government. It could recognize the need for change expressed by the referendum and shape the Canada of tomorrow to fit the aspirations and demands of the Quebec people. It could also bring about constitutional change to the way the country works so that Quebecers might feel more comfortable. That is, in our opinion, where the problem of Canada, and Canadians, lies.

It could also continue along the path toward centralization that we have become familiar with since 1967, one that has characterized the constitutional evolution of Canada, shaped by crises and wars, throughout its entire history.

Some hon. members: Oh, oh.

• (1755)

The Acting Speaker (Ms. Bakopanos): Order, please.

Members should continue their conversation outside the House. This is the second time. I apologize to the hon. member for Trois-Rivières, but we cannot always control the situation.

The hon. member for Trois-Rivières.

Mr. Yves Rocheleau: Madam Speaker, it might be good to remember what John A. Macdonald said in 1864, three years before confederation in 1867, in terms of his vision for Canada. He said Canada would have:

Private Members' Business

A strong central government, a powerful central legislature and a decentralized system of small legislatures for strictly local purposes.

That is one of Canada's great founders' view of Canada. We end up with this will to centralize which has left its mark, unlike the will to make changes; we end up with this will to continue on the momentum of centralization to form an increasingly unified Canada.

We saw the new Minister of Intergovernmental Affairs arrive on the scene. He had a very specific mandate from the Prime Minister, since this minister was also President of the Privy Council. He had to run things, ensure order and put Quebec back in its place.

And the minister gladly did just that—everyone knows it—with, first, the clarity bill in 1999. It was a direct attack on the rights and sovereignty of the Quebec National Assembly in terms of its right to ask the people of Quebec any question it wants.

Then, still in 1999, there came the social union agreement. It was signed by 9 of the 10 Canadian provinces and the federal government; the Government of Quebec, then led by Lucien Bouchard, chose not to sign.

For the benefit of those who would doubt the seriousness of this agreement, I shall simply quote two constitutional experts who have written articles in a monograph on constitutionalism. They wrote about this social union agreement. This book is called *The Canadian Social Union without Quebec: 8 Critical Analyses* and is published by the Institute for Research on Public Policy. First I shall quote Mr. André Binette, a well known constitutional expert who says:

The 1981 constitutional agreement and the social union agreement are the major and minor aspects of the same proposition: Canada cannot continue to coexist with the identity of Quebec. Canada is less and less capable of defining itself in view of Quebec's aspirations and will to achieve autonomy. Although the social union agreement was created in less dramatic circumstances than the 1981 constitutional blockbuster, its effects are more concrete and more damaging to Quebec's aspirations.

That is what Mr. Binette said.

Another eminent constitutional expert, André Tremblay, has written an article in the same monograph. In my opinion, this passage, this stance taken by a constitutional expert, is an important aspect, and I quote:

For the first time in the history of intergovernmental relations, the provinces, with the exception of Quebec, have confirmed and recognized the legitimacy of the power to spend and have given Ottawa carte blanche to intervene in all exclusively provincial spheres of jurisdiction.

He continues:

The agreement of February 4 [, 1999,] provides all the leverage and all the tools for centralization, and reduces our Quebec specificity. The federal government is crowned supreme and the provinces become its branches or franchises.

What the social union agreement means in practice is that the federal government has grabbed some powers and new responsibilities and that these have been recognized. That is what is new. There is no more debate and argument among the provinces, because Canada's provinces have bowed to the pressure of the moment and the historical pressure of the central government. They have abdicated. Only Quebec has refused to get on board the bandwagon.

In short, the following is involved: recognition of the legitimacy of the federal spending power; equality of the provinces among themselves, Quebec being considered a province like all of the

others; no recognition of the Quebec people, as well as no recognition of the concept of two founding peoples.

• (1800)

From now on, the federal government can deal directly with organizations or individuals without any consideration for provincial jurisdictions, even in areas of exclusive provincial jurisdiction. This means that it will now be dealing with municipalities, hospitals, universities, CLSCs, research centres, volunteer organizations and so on. Its presence will be felt increasingly, but we will come back to that later.

Another aspect is that the provinces will have to come to an agreement with Ottawa to establish new programs in their own jurisdictions and soon meet national standards set by Ottawa. The provinces will also have to account to the federal government for their management of certain programs, while the reverse will not be true. Furthermore, it will be up to the provinces to prove that they are managing the programs in question properly.

Finally, and this is the crux of the motion, no province will be authorized to opt out with financial compensation if it turns down a federal program and wants to establish its own. This seems to me to be central to the social union agreement.

Why is it despicable? Why do we feel compelled condemn this agreement today? Because Quebec is not a province, and above all, it is unlike any other province. Quebec is a people, a nation and, therefore, the right-thinking federalists should lead the fight to ensure that, in this country so dear to their hearts, Quebec is recognized as a distinct society. That was the expression used by the Prime Minister himself, but he had to backtrack when he realized that the rest of Canada was not on board.

Where are we headed for in this Quebec and Canada, if not toward recognizing Quebec's distinctiveness and giving it the special powers that go with it? We are moving literally and very quickly toward an increasingly centralized and unitary Canada.

The intention behind this attitude is clearly articulated by the Privy Council. Anyone who is monitoring closely the situation can tell. The result will be that there will be only one national government in Canada and that Quebec's claims in this respect will be eliminated over the next few years or, at most, the next few decades.

This then is the whole issue for Quebecers: to properly understand the game, the manoeuvres, going on here in Ottawa, day in and day out, week after week, ever since the referendum of 1995. In my opinion, this government has neither legitimacy nor mandate, has not carried out any consultations, and most particularly has not carried out any referendum authorizing it to act so cavalierly, thereby downplaying the distinct character of Quebec. Quebec is a people. It is a nation. Quebec, despite its status as a province, has considerable influence in the international community.

These are not empty words. What does the reference to an unprecedented offensive aimed at making Canada into a centralized and unitary state mean? I will give you a whole list of all the initiatives the federal government has taken without any mandate to do so.

Private Members' Business

There is the millennium scholarship foundation, the young offenders legislation, the rural policy, the policy on the volunteer and community sector, the national agricultural development strategy, the university chairs, the national strategy on end of life care, the privacy legislation, the national standards on admission to the medical profession, the national strategy on technological innovation for training, the federal rules for environmental assessment, the endangered species legislation, the potential power to divert Quebec Rivers in the St. Lawrence watershed, the sponsorship program—that never ending saga—the planned multitude of cultural funding initiatives, although culture is exclusively a Quebec jurisdiction, the coming national securities commission, the potential national health insurance system, the planned national identity card so dear to the heart of the Minister of Citizenship and Immigration, the program for funding post-secondary research, the national housing strategy for the homeless, the early childhood program, the program for marine conservation areas. Our list could go on all night.

• (1805)

That makes no sense.

It would be better to discuss whether this government was transparent and had the courage of its convictions. Whether the Prime Minister, the member for Saint-Maurice, the member for LaSalle—Émard, the Minister of Justice—all Quebecers—had the courage to explain to Quebecers that their plan in 20, 25, 30 years is to make education, health and social programs belong exclusively to the federal government, to say, that is their vision for the Canada of tomorrow and that is Quebec's place in the Canada they dream of.

I think that if people had the courage of their convictions and the intellectual honesty to talk about their daily actions, there would be a lot of problems in future elections. But, since people hide their intentions and do not have the courage to tell Quebecers what they intend to do, they can still go to Quebec with a semblance of dignity while Quebec disappears slowly but surely.

Just look at our demographic weight compared to our political weight. There were 294 members in this House in 1993, 301 members in 2000 and there will be 308 members in 2004. There is no new seat for Quebec, while Canada will have almost 13 more. We have not even talked about globalization, where the sovereign Government of Canada will increasingly make decisions that will affect all the provinces, or those that remain, and that will have an impact on the daily life of the people of Quebec, putting its destiny at stake.

• (1810)

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): Madam Speaker, I would like to congratulate my hon. friend from Trois-Rivières for his brilliant remarks. It is a wonderful exercise to raise the awareness of all Quebecers, and I hope, of the hon. members on the front benches.

My question is related to that idea. Is he not surprised by the silence among the Liberal members from Quebec, who, after all, were elected by the people of Quebec? They have been completely silent here since they arrived, since 1993, with regard to this invasion of provincial jurisdiction. And yet they saw the steamroller flattening Quebec's areas of jurisdiction one by one, without saying a word.

We even wonder if some members are not considering suggesting changing the name of the party and, instead of calling it the Liberal Party, we could call it the muffler party, because it keeps things so quiet.

But how can they stay silent, in your opinion, hon. member for Trois-Rivières, when faced with such an invasion of our jurisdictions and such a disappearance of our nation, our people? Whether we want it or not, this social union, as you call it, will make Quebec truly provincial, then turn it into folklore, and finally make it just another Louisiana.

Mr. Yves Rocheleau: Madam Speaker, I want to thank my hon. colleague from Bas-Richelieu—Nicolet—Bécancour for his question.

There is a cultural aspect to all this. People belong to a political party. They wear blinders and prefer not to fully investigate things. In particular, they prefer not to see how serious the situation is.

Either that is the case or we need to refine our vocabulary after 40 years of debate, because the real issue is Quebec's status. Since our goal is a sovereign Quebec, we call ourselves sovereignists.

When it comes to Quebec's status, these people see Quebec as a province. For the past 40 years, we have had the courtesy—I do not really know why—to call them federalists, when federalism is the relationship between the central state and the federated states, including the division of powers and the power relationship, which has nothing to do with the real debate in Quebec. This is applicable to all provinces.

It is their mindset to consider Quebec a province. They are provincialists, therefore. Perhaps this is what we should call them from now on. Both in Quebec City and Ottawa, all Quebecers who consider Quebec a province are really provincialists. They see Quebec as small, shrunken and confined to being a province.

An hon. member: They see Quebec on its knees.

Mr. Yves Rocheleau: They see Quebec as being on its knees, as not having any major international significance and therefore as being, ultimately, a closed society.

In keeping with what my hon. colleague from Bas-Richelieu—Nicolet—Bécancour said, this provincial reality is not neutral. There is an evolution. This concept of a provincial Quebec is progressive. We see this clearly under the current Quebec government, which is advancing the idea of a council of the federation to help make Quebec a better province.

We saw this again yesterday in connection with the municipalities. The Government of Quebec is celebrating as a victory the fact that it has achieved rapid agreement with the federal government on something that dragged on for three years under the former Quebec government, because the Government of Canada in the past was concerned with respecting the constitution. This means that the green plan for municipalities would have funds go directly to Quebec for distribution by it to the municipalities, as set out in the constitution and intended by the spirit of that constitution.

The good provincialist Quebec Liberals were quick to reach agreement, but that agreement was for the federal government to distribute funding directly to the municipalities, through the Canadian Federation of Municipalities. That was yesterday's decision. We describe the process as evolving from day to day. That was what happened yesterday.

This is a good illustration of how provincial these people are, their provincialist mentality, which is headed 15, 20 or 30 years down the road to folklorization and eventually Louisianization. At that point, we will no longer have any influence.

The issue at stake is a very important one. We must hope that the true thinkers among the Liberals, and among the Conservatives as well, take off their partisan blinkers and take a look at the destiny of the Quebec people, look where we are headed, evaluate the price Quebec has to pay to remain within the Canadian federation, assess the price of non-sovereignty. For example, taking a look at one little historical event—

• (1815)

The Acting Speaker (Ms. Bakopanos): I am sorry to interrupt the hon. member, but the hon. Parliamentary Secretary to the President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs now has the floor.

Mr. Joe Peschisolido (Parliamentary Secretary to the President of the Queen's Privy Council for Canada and Minister of Intergovernmental Affairs, Lib.): Madam Speaker, I wanted to take part in this debate on Motion No.394 put forward by the hon. member for Trois-Rivières for several reasons.

In a nutshell, this motion is to recognize Quebec as a nation. It states that, since Quebec did not sign the social union framework union of 1999, the Quebec government should therefore have, and I quote:

—the right to opt out of any federal initiative encroaching upon Quebec jurisdiction, with full financial compensation.

The hon. member's motion raises several questions I would be hard pressed to deal with in any degree of detail during the time allotted me. Still, I would like to touch on them and focus on those aspects that seem fundamental to me, that is, the concept of nation, as the Bloc Québécois and my hon. colleague seem to understand it, the legitimate role played by the Canadian government in the social field, and the need for cooperation among partners in the Canadian federation.

First, let us agree that the Canadian social union is central to the life of the country. It refers not only to the wide variety of social programs available to Canadians from coast to coast, but also and more importantly to the underlying common values of compassion,

Private Members' Business

generosity and solidarity. It is an essential and incontrovertible component of the Canadian identity.

When we look at all that has marked the building and shaping of our social union, we are struck by how this great and noble endeavour adapted to the times.

Following the constitutional amendment providing for the establishment of a national unemployment insurance program in 1940 and the passage of the appropriate legislation by the House of Commons the following year, Saskatchewan introduced a hospital insurance program in 1947, followed, two years later, by Alberta and British Columbia.

In 1957, the federal government offered to share costs with any province which introduced similar programs. In 1961, Saskatchewan innovated again, with universal healthcare. A few years later, the other provinces signed on to a program jointly funded by the federal government.

Over the course of the next few decades, other programs were introduced, which had a direct impact on the enviable quality of life enjoyed by all Canadians, including Quebeckers. By the end of 1990, the governments in our federation undertook to update Canada's social union by making it more efficient and tailored to the realities of the new century.

The motion before us does not refer to the need for closer cooperation between the countries' governments. It proposes that the House of Commons acknowledge Quebec as a nation. It is less about determining whether Quebec is a nation than it is about determining how we can work together, with all our partners in the federation, including Quebec, to improve our country and the policies in place, to better respond to the needs and aspirations of the Canadian public, including Quebeckers.

Numerous definitions can be given to the concept of nation, and we have heard a few. However, that is not the issue that Quebeckers want to see their governments spending their energy on and investing their efforts in. Quebeckers want to see their leaders work together and not get into semantics or, worse, break up a country that works well and one they have every reason to be proud of.

The motion mentions that the Government of Quebec is not a signatory to the social union framework. Allow me to describe the context in which the negotiations for this 1999 agreement were held. The negotiations took place during a first ministers' meeting that was held on December 11 and 12, 1997, at the end of which the heads of government expressed their will to work together in the many areas that were considered a priority by all the partners of the federation and by Canadians. The social union was at the heart of these discussions.

• (1820)

Unfortunately, the Government of Quebec at the time decided not to be a party to the federal-provincial initiative for social policies. It was not until later, in 1998, that Quebec finally tried to take part in the negotiations.

Private Members' Business

The purpose of this motion is not to find a mechanism for improving social policies. The Bloc's objectives in this House are completely different, and this motion is more than enough to remind us of that.

This motion seeks only to paint a picture of Quebec as not being well served by the Canadian federation. It neglects to mention the considerable independence the provinces have within the country. Over the years, numerous arrangements, notably of an administrative nature, were made to allow the provinces to assume their full role within our federation. Quebec was not excluded from this movement.

Both levels of government are better able to agree because they both have a real desire, a political will, to reinforce the federation for the benefit of all. This desire must, however, come from both sides and not just ours. The Quebec government has lacked this desire since September 1994. This desire to cooperate, with respect for each other's jurisdiction, appeared with the election of Jean Charest as Premier of Quebec.

Not that intergovernmental relations between Quebec and federal government will be completely harmonious. Such differences are normal in a political system such as ours. Their resolution will require constructive, fruitful discussions based on the common good. Such differences will highlight our shared desire to build a future in keeping with our expectations and dreams.

This motion illustrates two different ideas of Canada's social union. The Bloc continues to talk about the right to opt out with full financial compensation. The governments in our federation have proposed a new vision. This vision is working, and the framework agreement of February 4, 1999, has implemented it. It has led to the creation of a new model of federal-provincial cooperation, the "race for the top" model. This model will first lead governments to agree on priorities and objectives.

This model proposes a flexible approach based on cooperation, and it reinforces the ability of governments to work together to achieve shared goals. It promotes consensus-building, innovation and experimentation, with consideration for diverse needs. This model has already been put to the test, and we can all be proud of it.

I am fully convinced that Quebecers, like other Canadians, want to join this collaborative effort, and that all of us will be better off as a result.

• (1825)

Mr. James Moore (Port Moody—Coquitlam—Port Coquitlam, Canadian Alliance): I am pleased to speak today in this important debate on Motion No. 394 brought forward by the hon. member for Trois-Rivières. The motion asks:

That the House acknowledge that Quebec constitutes a nation, and accordingly, as it is not a signatory to the social union framework agreement of 1999, the said nation of Quebec has the right to opt out of any federal initiative encroaching upon Quebec jurisdictions, with full financial compensation.

I wish to speak against this motion.

Motion No. 394 has two purposes. It seeks to have Quebec recognized as a "nation" and to entrench a right for Quebec to opt out of any federal initiative, with full financial compensation.

With regard to the first goal, we believe that the Province of Quebec is not a nation in the legal sense of the word.

[English]

Black's Law Dictionary defines a "nation" as:

A people, or aggregation of men, existing in the form of an organized jural society, usually inhabiting a distinct portion of the earth, speaking the same language, using the same customs, possessing historic continuity, and distinguished from other like groups by their racial origin and characteristics, and generally but not necessarily, living under the same government and sovereignty.

[Translation]

The *Larousse* dictionary defines the term "nation" as follows:

Large human community, most frequently occupying the same territory and having a certain degree of historical, linguistic, cultural and economic unity.

[English]

The flag of the city of Montreal features the emblems from the city's coat of arms first adopted in 1833. The emblems represent the city's ethnic heritage as being from France, England, Ireland and Scotland.

Few modern observers of the city of Montreal would find that its residents speak a common single language, use the same customs or possess a pure straight line historic continuity. Indeed, the Quebec government's own provincial website states in English, French and Spanish:

Québec's openness expresses a wish to go beyond exclusive reference to cultural origin and simple coexistence of diverse peoples. Québec has adopted a wider vision, one of civic relations. The individual successively or simultaneously integrates various identities, i.e. occupational, familial, ethnic and so on.

This statement is an acceptance of the fact that Montreal, the largest city in the province of Quebec, is one of the most diverse cities on Earth, and its residents, for the most part, do not consider themselves members of any singular nation but rather citizens of Canada.

[Translation]

Thus, being a nation is a legal matter; if Quebec is not a nation in fact and if most residents of Quebec do not consider themselves to be members of any singular nation, there is nothing we can do here that will change that reality.

[English]

With regard to the second objective of Motion No. 394, it is my understanding that, under the terms of the social union framework agreement, Quebec has the right to opt out of any federal initiative with full financial compensation. The right exists already.

I specifically looked into this point because it is virtually identical to the Canadian Alliance policy.

Article 74 of my party's policy declaration reads:

We believe that the Government of Canada must respect the vision and intent of the original Confederation agreements regarding the division of power and responsibility inherent in Canadian federalism as enshrined in our Constitution. We are committed to ending any misuse of the federal spending power that undermines that intent. We will seek appropriate provincial consent for financing any new program in a field of provincial jurisdiction, and provide full compensation for provinces choosing not to participate.

We fully support this principle but I believe the social union agreement already gives this right to Quebec even though Quebec did not sign the social union agreement. The website for the Canadian Centre for Management Development contains the following statement:

The Social Union Framework Agreement was signed on February 4, 1999, by the federal government, nine provincial governments, and the two territorial governments. Although Quebec and Nunavut are not signatory to the Agreement, the federal government has indicated that it will adhere to the provisions of the Agreement when dealing with all provincial and territorial governments, including Quebec and Nunavut.

It is therefore helpful to read those provisions to ensure that Quebec's right to opt out is in fact respected.

The right of a province to opt out is found in the fifth paragraph of the social union framework agreement.

• (1830)

[Translation]

The right to opt out is mentioned in section 5 of the social union framework agreement.

Some hon. members: Oh, oh.

The Acting Speaker (Ms. Bakopanos): Order.

The hon. member for Port Moody—Coquitlam—Port Coquitlam is entitled to the same respect as all other members.

The hon. member for Port Moody—Coquitlam—Port Coquitlam.

Mr. James Moore: Those are the cries of a party in fear of being snowed under in the coming election.

[English]

Section 5 of the social union agreement, entitled “New Canada-wide initiatives supported by transfers to Provinces and Territories”, states:

With respect to any new Canada-wide initiatives in health care, post-secondary education, social assistance and social services that are funded through intergovernmental transfers—

That means from one level of government to the other. It goes on to state:

—whether block funded or cost-shared, the Government of Canada will:

Work collaboratively with all provincial and territorial governments to identify Canada-wide priorities and objectives

Not introduce such new initiatives without the agreement of a majority of provincial governments

Each provincial and territorial government will determine the detailed program design and mix best suited to its own needs and circumstances to meet the agreed objectives.

This is the important paragraph:

A provincial/territorial government which, because of its existing programming, does not require the total transfer to fulfill the agreed objectives would be able to reinvest any funds not required for those objectives in the same or a related priority area.

I will repeat the last part of that paragraph.

[Translation]

A provincial/territorial government which, because of its existing programming, does not require the total transfer to fulfill the agreed objectives would be able to reinvest any funds not required for those objectives in the same or a related priority area.

Private Members' Business

This is a paragraph of great importance to us. I am no lawyer, but I am told that this provision specifically addresses the right to opt out with full financial compensation.

[English]

The social union framework agreement contains the right of provinces to opt out with full compensation. The federal government has expressed its willingness to respect this clause in all dealings with Quebec, even though Quebec did not in fact sign the agreement. We must therefore conclude that Quebec already has the opt out right that Motion No. 394 seeks.

[Translation]

It seems to me then that Quebec already has the right to opt out that the hon. member for Trois-Rivières wants. This pleases us in the Canadian Alliance, because we are fully in agreement with this type of policy and the division in our federalist system.

At the same time, however, Quebec is not a de facto nation, and nothing can be done here to change that reality.

Consequently, neither I nor my Canadian Alliance colleagues can support Motion No. 394.

Mr. André Bachand (Richmond—Arthabaska, PC): Madam Speaker, I am pleased to take part in this debate. First, I want to congratulate the Bloc member for Trois-Rivières for putting the issue of federal-provincial relations on the table so we can discuss it.

We have discussed some important issues, such as the leadership of the member for LaSalle—Émard. However, it is important to see that Canada is a federation that deserves to be modernized. It has been experiencing problems for several decades.

Even if it is somewhat late in the day, what the member for Trois-Rivières is doing is bringing up, for a debate that will last about an hour, the issue of federal-provincial relations. That is the crux of the problem.

Where the government opposite is concerned, there is always presumption of guilt and not presumption of innocence. We are afraid, because we have a decade of experience with the Liberal government. Those who care about their province or territory, especially in Quebec, will automatically see the federal government as guilty. It will try to encroach upon provincial jurisdictions.

We can see that right now with regard to the very difficult decisions that the provinces have made on issues such as municipal mergers, among others, which, by the way, are a very good idea. We end up having provinces within provinces. That is the problem. Going back to the presumption of guilt, we can see that the government is thinking of municipal affairs as an election issue.

How many tens of ridings are there in Toronto alone? There may be more than in Atlantic Canada. So the government will leave aside Atlantic Canada and the fisheries issue to take care of Toronto. It will also take care of Calgary and even Montreal. That is what the government has done.

This government has even put in place a partisan committee, a Liberal committee, to study this issue. It has refused to let the House of Commons deal with it. Municipalities are a provincial jurisdiction. That must be said. The federation needs to be modernized.

Private Members' Business

The other interesting aspect of this motion concerns the issue of Quebec's place within Canada. This is important. People may say whatever they want about the Bloc Québécois. However, the word Quebec is often mentioned by members of that party, more often than by government members. It is important to point that out.

On the issue of nation, I think there is a distinction to be made. I would humbly suggest to my hon. colleague from Trois-Rivières that it all depends on the dictionary one might be using. My colleague from the Canadian Alliance touched on this earlier.

As far as we are concerned, it is clear, we recognize that Quebec constitutes a nation. However, if I were speaking in English right now, the word "nation" would have a completely different meaning. Depending on whether we are looking in the *Larousse* dictionary or the *Oxford*, the definition might not be to the liking of the hon. member for Trois-Rivières. If we stick to the definition found in the *Larousse*, then we do not have any problem recognizing that Quebec constitutes a nation, quite the opposite.

I would remind my hon. colleague from Trois-Rivières that the Progressive Conservative Party recognized Quebec for what it is a long time ago.

In fact, in 1991, some of his colleagues were still members of the Progressive Conservative Party. At the time, motions were passed to recognize the right to self-determination—that was in 1991—which meant that Quebec constituted a nation—that was in 1991—and the fact that Quebec was a distinct and unique society. That occurred in 1991. It is important to point that out.

I also want to go over the background of the social union. I would remind the House that the Quebec premier at the time was a sovereignist. During the negotiations, before the final agreement was reached, he had managed, with the support of his partners, to come to a basic agreement, a framework agreement, where the right to opt out with full financial compensation was granted to everyone.

Then it was realized that, for Quebec, that right was rather an obligation. To the other provinces, it was a bargaining chip. That goes to show again that Quebec is truly a distinct society.

I am not sure that the provinces have realized yet that they missed the boat by not supporting Mr. Bouchard, who was the Quebec premier at the time.

• (1835)

And that has nothing to do with whether Quebec has a sovereignist government or not. The current premier, when he was in the opposition, said that he would not sign this agreement without a full right to opt out with full compensation; he is still saying that today. It has nothing to do with it.

When a government or a political party, no matter which, dilutes this position, it is a slap in the face in terms of demands—not just for Quebecers but for all Canadians—it is arrogance. It is not love, not Amour with a capital A, it is Arrogance with a capital A.

A federation is a living and changing thing. Even though Canada has one of the oldest written constitutions, not much has changed. There have not been many constitutional amendments, but there have been agreements that have evolved.

We may remember that in the 1960s, Quebec opted out of 22 federal programs with 7 tax points. Now we are talking about opting out with tax points. It has been done in the past. It is one way of looking at the country.

Then, there was some centralization. The presumption of culpability behind the Liberal's centralization is the heart of the problem. Federalists and sovereignists alike realize that this is not working and that each side of the House has a different vision.

I was listening to my hon. colleague from the Canadian Alliance and I think that he did not read the entire web site. With all due respect, he should investigate further. Neither Quebec nor any province has the right to opt out with full compensation. There is no such thing.

First, in order to take advantage of it, Quebec would have to sign it. But it did not. The provinces are so hungry for resources that, often, during negotiations, they accept certain conditions. But some provinces—including Quebec—some politicians—including the Bloc—and some Conservatives at times, rise to say it is not logical.

This system must be re-examined, and I say this with all due respect, because my position on this is clear. We are talking now about the leadership; there are now, officially or unofficially, two prime ministers. As a constitutional lawyer, I am inclined to say this is hardly legal under normal circumstances, but not to worry, the Liberals will work around it.

However, the system currently is not working. We are talking about important issues, of course, but we forget what makes a country: its units and its partners.

Canada is more than just Parliament Hill in Ottawa. Forget that. Ottawa has done wonderful things in remote regions; but it has also caused problems in my own riding.

The social role was to modernize relations, to remove the presumption of culpability behind the federal government's centralization and say to the provinces that it is now to be presumed innocent. I believe in a balanced relationship between the partners in a federation. It is a dog's breakfast. This country is failing in terms of relations between the partners. As soon as a partner becomes strong, the Liberal government tries to appease it.

That is not how the system works because a federation, a country, must also be there to help people facing difficulties and challenges.

What the member for Trois-Rivières has done is perhaps to again raise—on the eve of an election with the king from LaSalle—Émard—the issue of relations between the partners in the federation and I thank him for that. In the coming weeks and months the Progressive Conservative Party will be giving this some thought as well.

I hope all the partners here in the House of Commons will also give this some thought.

• (1840)

A country is more than a name on a piece of paper. It is alive and like the people who live in this country and evolve, the country must evolve too.

Private Members' Business

Mr. Yvon Godin (Acadie—Bathurst, NDP): Madam Speaker, I am pleased to rise in the House today to debate Motion M-394 put forward by the hon. member for Trois-Rivières. The motion reads as follows:

That the House acknowledge that Quebec constitutes a nation, and accordingly, as it is not a signatory to the social union framework agreement of 1999, the said nation of Quebec has the right to opt out of any federal initiative encroaching upon Quebec jurisdictions, with full financial compensation.

The hon. member for Trois-Rivières is basically referring to the concept of distinct society. In fact, over the summer, a number of Bloc Québécois members presented their party with a petition asking that it take action in this respect. There is growing impatience.

The NDP has always been forward thinking. At its founding convention in 1961, it adopted a policy recognizing a federal system, which alone would ensure the unified development of the two nations that came together at the beginning to form a Canadian partnership.

We must bear in mind that the Canadian Constitution specifically guarantees the national identity of French Canadians and cultural development. The NDP vowed to uphold and respect these guarantees, because the Canadian federal system must protect cultural, religious and democratic rights, promote robust and balanced growth in the country as a whole and ensure provincial self-sufficiency.

The NDP believes that social and economic planning must take place at every level of government. It therefore expects close cooperation between the governments responsible for planning coordination, administration and the development of minimum Canadian standards.

What makes our country beautiful is certainly its diversity, but it also makes it difficult to define the Canadian identity with a single word. We must take into account the variety of languages, traditions and cultures that have enriched our country and the importance of new Canadians in our social, economic and cultural landscapes.

Let us not forget that this vast Canada has a geography and social and historical character of its own. Each province and territory has its own political and social culture. Yet Canadians share values such as tolerance, compassion and the sense of collective responsibility, as reflected in social programs and national institutions like health care.

As a lady pointed out during an NDP forum on Canadian federalism:

What binds Canadians together, regardless of their background or language, is their shared experience of living in this huge northern land. Quebeckers are not alone in identifying with Gilles Vigneault's "Mon pays, c'est l'hiver".

This vision, shared by a goodly number of Canadians, is one of belonging to one country, the country that is Canada.

It is true that Quebec has become the centre for a dynamic society, a varied, multicultural society that speaks French. In that regard, Quebec is not a province like the others.

Yet the interests of the population of Quebec are the same as those of people in the rest of Canada. They share the same concerns: universal access to health care, the environment, natural resources, a

fair and equitable employment insurance system, social policies to overcome poverty, and so on.

It must be acknowledged that the federal government has already decentralized certain powers. Quebec has its own civil code, its own pension plan, control over immigration and other mechanisms allowing it to protect and promote its French culture. The same does not go for the French-language minority communities outside Quebec.

The NDP believes that an alternative solution needs to be proposed, a reasonable and balanced solution, one that we can propose to all Canadians in a spirit of constructive dialogue.

That dialogue needs to be carried out with a view to a social union that is based on the principle of co-decision.

• (1845)

Canada must meet the needs of its citizens. It must celebrate and encourage the geographical, linguistic and cultural diversity of our country, and reflect the values we share: cooperation, mutual responsibility, equity and justice. This must be done within the principle of co-decision.

Such an approach will make it possible to protect our Charter of Rights and Freedoms for all Canadians, to recognize and respect the Quebec people in a meaningful way, to protect French speaking minorities and to revitalize democracy.

The motion by the hon. member for Trois-Rivières refers to the social union framework agreement which Quebec had refused to sign. It is true that a debate on whether or not the social union is a good thing merely proves the weakness of the agreement entered into in 1999.

Essentially, the social union framework agreement proposed a cooperative agreement on social policy between the federal, provincial and territorial governments. It established mechanisms aimed at creating and funding social programs.

In the opinion of the NDP, it did not address the serious erosion of our national safety net, including its chronic underfunding and lack of mandatory standards. Its greatest shortcoming is that it makes no reference whatsoever to social rights.

That framework agreement makes no reference to Canada's diversity and has very few provisions dealing with the specific needs of aboriginal people or of Quebeckers. A social union requires the involvement of all the provinces.

Can we build on the work started by the first ministers and make the social union a true co-operative decision-making process driven by a commitment to the well-being of all Canadians?

That is what the NDP is wondering about. Yes, Quebec is different from the other provinces, but could we not establish a principle of co-decision that would be fair and recognize Canada's diversity?

While the principle of co-decision proposed by the NDP contains certain components of the social union framework agreement, there are also fundamental differences.

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Co-decision is a process whereby governments co-operate to establish priorities with regard to social policy and to set Canada-wide standards for social programs.

The NDP believes that we must take an approach that puts the well-being of Canadians first and encourage governments to take part in creating and maintaining programs that meet these national standards.

Co-decision balances the need to establish pan-Canadian standards with the fact that programs have to be delivered according to the different needs and situations Canadians are facing in different parts of the country.

Any government can decide to opt out of a shared cost program, but the standards still need to be met.

However, a truly open social union must recognize the unique role played by Quebec within the federation.

One of the benefits of an open social union based on co-decision is that the federal government would no longer be able to use its spending power in areas of exclusive provincial or territorial jurisdiction without taking into consideration the priorities and needs of the provinces and territories, as it did with the millennium scholarship foundation.

The NDP believes that a more inclusive and cooperative decision-making process would eventually lead to a stronger federation. The development of an open social union based on co-decision would have a long term impact not only on our social policy, but also in other areas, like our environmental policy.

The NDP is in favour of Quebecers determining their own future, but within a more open federation. Unfortunately, to this day, Canada has yet to find a significant way to recognize the situation.

French-speaking minorities should not, however, be forgotten in this debate. Francophone communities outside Quebec will also have to face great challenges in order to protect their culture. We must support the rights of the francophone minorities outside Quebec to ensure that they have access to the tools they need to protect and promote their language and their culture.

In short, the motion brought forward by the hon. member for Trois-Rivières is closely akin to my stand on this issue. However, the NDP believes that Quebec must be recognized but within a more open type of federalism. Therefore, I hope that we, as members of Parliament, can work together for the good of all Canadians.

● (1850)

Mr. Claude Bachand (Saint-Jean, BQ): Madam Speaker, I have listened attentively to all the remarks made by my hon. colleagues. I am pleased to begin, even though I only have a minute or two, to speak to the importance of the motion made by my hon. friend from Trois-Rivières.

I was very surprised at some of the ideas I heard, including the issue of the concept of the "nation of Quebec". For some members of the House of Commons, this concept no longer even exists. That is yet more evidence that things have evolved.

If we recall the history of Canada, in the beginning, Canada was made up of two equal nations, two founding peoples. Moreover, I might mention in passing, the people from which I have come, the people of Quebec, had the great disadvantage at the time of union, of having budget surpluses, while the other had deficits. It was treated as normal to merge the finances, which was the beginning of the injustice.

Madam Speaker, you are indicating that I do not have time to finish my remarks. I hope I will have nine minutes left during the next hour of debate.

● (1855)

The Acting Speaker (Ms. Bakopanos): The hon. member has nine minutes remaining in his time when this matter comes before the House again.

The time provided for the consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the Order Paper.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

PUBLIC SERVICE

Mr. Jim Pankiw (Saskatoon—Humboldt, Ind.): Madam Speaker, I am bringing to the attention of the House an issue that I have raised repeatedly. It is the issue of race based hiring quotas and the government's hiring practices.

I understand that the member opposite is going to respond to my question. I suspect that he has a verbiage of talking points that has been supplied to him by the Liberal government, but I would like him to drop that and listen to what I am about to say.

We can either hire people based on their merit and qualifications, or we can do racial inventories and racial profiling and hire people on that basis. In other words, we can either assure equality of opportunity, or we can legislate equality of outcome.

I am standing here today to say that legislating equality of outcome does not and cannot work. It breeds resentment and is unfair and discriminatory. If the parameter is based on race, then it is fundamentally racial discrimination. It is not possible to discriminate in favour of someone on the basis of their race without simultaneously and unfairly discriminating against someone else because of their race. To give someone else an advantage based on their racial ancestry or their skin colour means that someone else has to be discriminated against. I think it is a fundamental truth.

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Furthermore, to have these policies and these racial hiring quotas that discriminate in favour of one racial group and against others is very demeaning to the group that is discriminated in favour of because it basically says that because of their racial ancestry or their skin colour they are inferior and not capable of competing on a level playing field and they need this extra advantage. I think that is insulting, demeaning and offensive. Furthermore, it is simultaneously offensive and demeaning to the people who are discriminated against based on their skin colour.

Does the member opposite not understand that? To me it is extremely simple and obvious. Let us cut to the chase, put down the talking points and talk about this one on one.

Madam Speaker, I look at you sitting in the Chair. Did you get the position because you are a woman? I would hope not and in fact I know not. You got the position because you attained it and deservedly so.

Should we then say that the next Speaker has to be a man? I would say not necessarily so. Should men begrudge women who sit in the Speaker's chair because they attained it on their own abilities and qualifications? Heck no.

Whoever is sitting in the Speaker's chair of the House of Commons should be there because they deserved it and they earned and attained that right. We should not pre-judge, prejudice or discriminate against anyone based on gender, skin colour, ancestry, race. We should all be equal and let equality of opportunity prevail.

Ms. Nancy Karetak-Lindell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Madam Speaker, on behalf of my colleague, the Parliamentary Secretary to the President of the Treasury Board, I welcome the chance to respond to the hon. member's question and comments.

Canada's employment equity legislation supports hiring based on merit and I do not think any of us would dispute that. This is a practice that is used by the Public Service of Canada.

Employment equity is consistent with merit by seeking a recruitment of qualified individuals. It aims first to reinforce the merit principle by ensuring that members of groups that were under-represented in the past and continue to be under-represented now have an opportunity to compete on a level playing field.

Second, the legislation aims to correct situations of under-representation created by past practices. It is precisely because of the results of discrimination against certain groups that we must now take special measures to ensure the full participation of these groups in the workforce.

To correct situations of under-representations and to target groups that have been under-represented, we require them to self-identify themselves as members of these groups. To assist them in the self-identification process, we often include in our publications the definitions of the designated groups as those definitions appear in the Employment Equity Act.

Let me remind my hon. colleague that we on this side of the House, and I would say the vast majority of all members, recognize the conditions of disadvantage and exclusion experienced by members of visible minority groups must be corrected. We recognize

and celebrate differences and embrace the different cultures that have made Canada the envy of much of the world.

The world will not look at information on a government website and characterize Canadian society in the way the hon. member suggests. Rather, the world will look at such information and understand that because of these differences and the strengths that they provide, we need a Public Service of Canada that reflects the rich diversity of Canadian society. Such a national institution will provide all Canadians with the relevant programs and sound policies that they need and deserve.

Canadians value equality in the workplace. They respect differences and recognize the need to develop a more inclusive workforce by correcting the disadvantage and discrimination that has resulted in the exclusion of so many persons in the designated groups.

By instituting positive measures to develop a more representative public service, we are providing the foundation upon which all groups can contribute to a better future and a better Canada for all of us.

• (1900)

Mr. Jim Pankiw: Madam Speaker, first, I asked the hon. member opposite to drop the talking notes and talk to me one on one, which she obviously did not do.

Notwithstanding that, she talked about under-represented groups. If we look at the ads from the federal Government of Canada, many of them make exclusions. They say that one has to be of aboriginal descent or things like that. That makes exclusions in my view.

If we want to talk about visible minorities, I would say that Japanese or Chinese people are visible minorities. Why are they being excluded from those ads, from those job opportunities?

There is a fundamental thing. I would implore the hon. member opposite to think about this, drop the notes and answer this question. I do not know if she has children or not but she probably has loved ones in any event. Let us say they are flying on an airplane, and I ask her to drop the talking notes. I want a yes or no answer. Who does she want flying the airplane?

Ms. Nancy Karetak-Lindell: Madam Speaker, I come from an area where the population is 85% Inuit, yet we are not reflected in the employment levels. Unless we had ways of providing employment equity, we would not be represented in the workforce.

I understand where the member is coming from but I really cannot agree with his point of view. We come from a country that respects everyone and wants to treat people equally. That does not mean that if we do not put in special measures to help the disadvantaged people, we will be equal.

Adjournment Debate

● (1905)

INFRASTRUCTURE

Mr. Brian Masse (Windsor West, NDP): Madam Speaker, it is a privilege and an honour to rise again to speak about an important issue that has been part of my life in my constituency since I was on Windsor city council and now here as the member of Parliament representing Windsor West.

For several years I have been raising the issue of the Windsor border crossing and the lack of infrastructure investment, which has caused serious economic and health degradation to our community. Not only that, it has threatened southern Ontario and even the greater Ontario economy through the lack of investment.

In fact my first question in the House of Commons highlighted the inaction of the government and forced the Minister of Transport at that time to acknowledge that we had to speed up the process for a binational planning process to provide for a future means to get across the border.

The government then set about a 60 day committee that held secret meetings with selected groups. It was only after further pressure that it opened up some of those meetings to the public. It was being done behind closed doors. We forced it open after a big community struggle.

My question on May 5 specifically related to the fact that the federal government was constantly floating ideas to the public and not surprisingly, citizens became more suspicious and the well was poisoned by the policy of the Liberal government. It was simply cowardice behaviour by the government, which cannot be accepted by citizens nor the country.

My original question was for the Prime Minister as we needed leadership. The Windsor-Detroit crossing handles approximately 30% of Canadian trade between the United States and Canada alone. However it was the Minister of Transport who decided to respond to it, not the Minister of Industry. I believe he was absent at that time.

In his response he stated, "Certainly nothing will be done that does not seem to receive favour with the local residents". Then within days the federal and provincial governments released what they called the nine point plan. The city residents looked at the plan and they liked it so much that the city council rejected it and hired David Estrin, one of Canada's premier environmental lawyers, to fight the plan. That is how much citizens accepted it.

Subsequently, the Premier of Ontario, Ernie Eves, has stated now that the plan will not be forced upon the community. He was quoted by the Windsor *Star* as saying, "Obviously we're not going to impose a solution. It would be foolish, ourselves and the feds, to spend \$300 million worth of improvements if the city doesn't want them".

Ironically most of the \$300 million is slated to go to the private sector proponents for the border crossing locking out even the only public crossing, being the Windsor-Detroit Tunnel plaza, which is being recommended in the plan. What is happening is we have private dedicated roads for private companies to make their profits at the expense of citizens and their environmental conditions.

My question is simple. Given the weight of evidence, will the government back off and meet with local municipal leaders? Will the

Ministers of Industry or Transport or the Prime Minister meet with their provincial colleagues, the city council and mayor to resolve this issue?

We have been desperately requesting leadership from the first day: no more backroom deals, no more sending flunkies down. We need the actual leaders to come to the community and work together. Too much is at stake. It is not just the health and the vibrancy of the community I represent. It is all of Ontario and Canada. We cannot keep the status quo. Will the government commit to that?

[Translation]

Ms. Carole-Marie Allard (Parliamentary Secretary to the Minister of Canadian Heritage, Lib.): Madam Speaker, on behalf of my colleague, the Parliamentary Secretary to the Minister of Transport and the hon. member for Beauharnois—Salaberry, I am pleased to rise this evening to answer the question by my hon. colleague from Windsor West.

[English]

The Windsor gateway is a priority for all of Canada and we need to have the infrastructure in place to meet the needs of the Canadian economy in the 21st century. That is why on September 25, 2002, the Prime Minister and the Premier of Ontario signed a memorandum of understanding and committed \$300 million over the next five years as part of a joint investment to upgrade existing infrastructure at the Ontario approaches to the Windsor-Detroit border crossings.

[Translation]

As part of this memorandum of understanding, a federal-provincial joint management committee was set up. This committee was asked to identify projects, hold consultations and make recommendations, in the form of an action plan, in Canada and in Ontario. During this process, the committee welcomed suggestions from interest groups and the general public to determine what infrastructure projects were a priority for upgrading the existing border crossings and their approaches, namely plans that could be implemented as partnerships between the public and private sectors.

This committee invited suggestions from various interest groups and the public throughout the development of the action plan. It held bilateral meetings with interested parties and interest groups, including municipal governments. A workshop was held for interested parties and participants, made up of various business and community representatives, seemed satisfied.

The committee placed ads in the local media seeking input from the public. During this period, members of the joint management committee also participated in a public gathering organized by the City of Windsor.

The hon. member for Windsor West will no doubt remember that the joint management committee delayed the action plan, in Canada and Ontario, to November 25, 2002, and that, in response to public expectations, the recommendations in the action plan were made public on December 20, 2002.

I want to say once again that the purpose of these recommendations was not to dictate a formal action plan. The members of the joint management committee clearly indicated, when the recommendations were published, that they were only one stage in the process and that no decision had yet been made.

In addition to the numerous briefs received since the process began, the committee members also sought the public's opinion by holding two open forums with Windsor residents, and participated in a public meeting organized by the City of Windsor on January 27. The comments from these sessions were carefully considered.

On May 27, 2003, the governments of Canada and Ontario agreed on a nine-point plan.

The joint management committee continues to work in close cooperation with the members of the group responsible for overseeing the application of the bi-national Canada-U.S. partnership process—

• (1910)

The Acting Speaker (Ms. Bakopanos): The hon. member for Windsor West.

[*English*]

Mr. Brian Masse: Madam Speaker, now I know why I believe the Minister of Transport will take a patronage position very soon and why Premier Ernie Eves will lose in the next election.

What we have here is an absolute disrespect for the process. We have seen what has happened. We know about the nine point plan.

Adjournment Debate

The nine point plan was flawed so tragically in its development in behind the scenes meetings, which were never talked about in the previous speech. The municipality, which represents the citizens and groups, has rejected the plan and has hired a lawyer to stop it. That is a crisis. The municipality which holds the border crossings has hired one of the premier environmental lawyers in Canada to stop the plan. It is not healthy.

When can we sit down with the leadership? When will the government show initiative and go to the doorsteps of residents and the elected officials at the local level, being the municipality and the mayor, and help us—

The Acting Speaker (Ms. Bakopanos): The hon. Parliamentary Secretary to the Minister of Canadian Heritage.

Ms. Carole-Marie Allard: Madam Speaker, I said this earlier. The Windsor gateway is a priority for all of Canada. We need to have the infrastructure in place to meet the needs of the Canadian economy. I do not understand. We are doing our best to get everybody together to decide. What is my colleague's point?

[*Translation*]

The Acting Speaker (Ms. Bakopanos): The motion to adjourn the House is now deemed to have been adopted.

[*English*]

The House stands adjourned until tomorrow at 2 p.m. pursuant to Standing Order 24(1).

(The House adjourned at 7:14 p.m.)

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