



CANADA

# House of Commons Debates

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OFFICIAL REPORT  
(HANSARD)

**Monday, May 30, 2005**

—  
**Speaker: The Honourable Peter Milliken**

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# HOUSE OF COMMONS

Monday, May 30, 2005

The House met at 11 a.m.

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*Prayers*

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## PRIVATE MEMBERS' BUSINESS

• (1100)

[*English*]

### SYMBOL FOR THE HOUSE OF COMMONS

**Mr. Derek Lee (Scarborough—Rouge River, Lib.)** moved, seconded by the member for Edmonton—Sherwood Park:

That the House hereby commits to the adoption of its own institutional symbol which will reflect its distinct constitutional role, heritage and authority, and for this purpose requests our Speaker to develop a process which would involve Members and the public, invite and consider design proposals, allow the House to make its selection and take steps to protect and promulgate the symbol in the public work of Members and the House, all to be completed within one year from this date or such later time as this House or a successor Parliament shall allow.

He said: Mr. Speaker, I am pleased to lead off the debate on the motion, a subject matter to which I have directed some attention over the years. I am hopeful the House will agree that it is time for us to consider the adoption of a unique symbol for the House of Commons.

• (1105)

I am pleased and want to thank the hon. member for Edmonton—Sherwood Park from the official opposition for seconding the motion. Clearly nothing is terribly partisan in the motion. It is an attempt to bring together the will of the House on a matter that I have believed always is important for the House.

The subject matter might seem narrow to some members when compared to other private members' business subject matters often debated and raised in the House but it is one that looks at the House itself and not outwardly at the broader public interest.

The House of Commons, as most members would accept, is a lynchpin in our constitutional form of governance. We are not the only part of government. The public sees the executive branch of government in most of what it does. The executive branch carries on most of the functions of government but the executive and the thousands of public servants working in the executive would simply have no legitimacy, no accountability if it were not for this House and the role played by this House.

Similarly, the judiciary, another branch of our form of constitutional government, would not have any laws democratically passed. It would have no laws to adjudicate if this House did not create the laws and amend them from time to time.

I review this only for the purpose of making the point that this House and its functions are important to the overall functioning of our democracy. It is the lynchpin institution without which the rest of government would not function at all as we know it now.

Over the years I have been struck by the degree to which members of this House have borrowed other symbols in their day to day work. When we look at our business cards, our letterhead, our stationery and our press releases we seem to want a symbol but we borrow those symbols. One of those symbols is the Canadian flag. Many of us use the flag and there is no problem in using it but it is not a symbol unique to this House.

The other symbol often used is the coat of arms. We find it consistently in use right across government. If we go down the street to the Supreme Court of Canada we will find the coat of arms. When we drop into any of the minister's office from time to time we find the coat of arms. The coat of arms is used by all of government. It is used at Rideau Hall by the Governor General to represent the unity of the Crown and all of Canada.

There is no harm in members using the coat of arms. In fact, it is placed right at the top of my own business card which I use as a member of Parliament. However it is not a parliamentary symbol as such. I say again that we borrow these symbols because we do not have our own.

It seems to me that just about all our historic partners in the evolution of democratic government have adopted their own symbols. I will refer to Westminster, the U.K. House of Commons. It has adopted a symbol called a stylized portcullis, the portcullis being the big gate that stands at the entrance to the castle, and it is unique to the British House of Commons.

• (1110)

As for our American neighbours, the symbol used by the House of Representatives is a stylized seal. It is found on most of what members of the U.S. House of Representatives do from time to time in their correspondence and communications.

*Private Members' Business*

Our own Speaker has his own symbol. Most members know what it is. It is the mace. The Speaker has used that symbol for many years. It is the symbol of the Speaker, not the House, although we find it from time to time on House documents wherein the Speaker has a role. Again let me note that even our own Speaker has a symbol but we generally in the House do not.

I want to underscore the importance of a symbol, a wordmark or what is called a trademark in modern communications. I suppose I do not have to make the point too strongly. I think most members will accept that in our society, and in the world in general, trademarks, symbols and wordmarks are incredibly important in communications.

One can see corporate or institutional symbols everywhere. The CBC has its own trademark symbol, as do General Motors and all of the television networks, including CTV and Global. I do not want to leave anyone out. The universities all have their symbols. My own high school has its own symbol, which is on a coffee mug that I still use from time to time. All of these symbols are part of a global industry in trademarks and wordmarks. They are all there for the purpose of assisting with communications.

We in the House do not have one. Even Canada itself adopted the Canada wordmark approximately three decades ago. That is the word Canada with a small Canadian flag placed above the last "a" in the word Canada. That has been a very successful communications device used by Canada consistently over the years. I think I saw it on military aircraft not too long ago. Then there is the Canadian armed forces, which is a very good example of the use of insignia, shoulder flashes and badges, symbols of the Canadian armed forces.

All of our institutions in society sooner or later get around to adopting a symbol; we just do not have one here yet. I believe that we need one for this institution to reflect our unique role as distinct from that of the executive, the judiciary in our country and as distinct from the other organs and agencies of government. We should have one. I think it will help us continue the role of making Canadians better aware of the functions and purposes of the House of Commons.

If we happen to look around the House we will note that the place is almost literally festooned with art as symbols. Various symbols are carved in the wood of our desks. We have stone carvings on the walls. We have stained glass windows with symbols and art. We have a ceiling with many symbols. I believe it was a gift of linen from the people of Ireland many years ago; it is still in good shape.

There are a lot of symbols but there is no House of Commons symbol. The great oak doors at the entrance to the House have carvings on them that are representative of many different things. There are also carvings all around the lobby, but there is no House of Commons symbol. There should be. I am looking forward to the day when there can be. I think we should seize this opportunity now, join the 21st century, adopt a symbol that reflects this place and embark on that process.

• (1115)

As I said, I do not see anything terribly partisan in this. I am hopeful of having support from all members of the House to embark on the process. As the motion says, this is a process led by the

Speaker with consultations inside and outside the House. The consultations would produce one or more proposals which the House could deal with and select from. I am hopeful that the symbol we choose will be here for Canadians long after we have left this place, perhaps for centuries.

I encourage members to look favourably upon the motion and to consider adopting it. It is possible for us to adopt this motion today without going into further debate, but if there is a vote, I would ask members to consider voting in favour.

**Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC):** Mr. Speaker, I am speaking today in support of this motion. The goal of establishing a formally agreed upon symbol for the House of Commons seems to be a worthwhile one.

To some degree, institutions develop their own symbols in an informal manner. Sometimes the informally chosen symbols are the most valuable. Part of my comments today will be an observation about the informal symbols that we have adopted and their value, but there is no harm, indeed, perhaps there is a benefit, in attempting to formalize the symbols that we have informally started to adopt as a part or as symbols of this place.

Perhaps I will start by talking a little about the symbols which on their surface I think people relate to the House of Commons. These perhaps could serve as potential ideas to be thrown into the mill for future reference.

An obvious one is the mace, of course, which is already used. On all MPs' badges, which all members are assigned and which some of my colleagues are wearing today, the mace is used to signal that one is a member of the House of Commons. So the mace is already used as a method of identification elsewhere. The mace is used in other spots as the symbol of the Speaker's authority but also of the House itself. Of course that authority is given to the Speaker by the House and therefore at one remove the mace is already an important symbol of the House of Commons. There are good things and bad things about that.

The mace is a beautiful work of art and has tremendous historical importance. It is the symbol of the independence of the House, of course, because the original purpose of the mace was that of a club to be used by the Sergeant-at-Arms to fend off the king's men if they tried to come into the House when they were not invited. It has an important symbolism.

One problem with it is that the mace's design is not unique to the Canadian House of Commons. There are maces in other Canadian legislatures that are unique. I think of the very beautiful mace that I saw a couple of years ago when I was visiting Yellowknife; it is the mace of the Northwest Territories. It really is uniquely designed for that House. It captures both the tradition and the uniqueness of the territories. That was not done with our mace, which is identical to those used in a number of other countries within the Commonwealth of Nations.

Another thing that could be used as a symbol, of course, is the Speaker's chair or throne, which is also a very beautiful object. As well, the peace tower strikes me as being an obvious item that could be used as our symbol; certainly when people see the peace tower it is instantly identifiable with Parliament. One could argue whether or not it is more identifiable with Parliament as a whole, including the Senate, or whether we could legitimately appropriate it for our own purposes and use that as our symbol. These are all options.

I should emphasize, however, that right now we actually do use informally a symbol, the coat of arms of Canada, on many items that are associated with the House of Commons. For example, when members of Parliament select their business cards, one of the standard designs, and the design that I have used for my business card since I was first elected, includes the coat of arms of Canada. It is seen as indicating one's participation in the Canadian political process.

I am well aware that this is the symbol of Canada, the Government of Canada, and we could argue that therefore the House is not sufficiently distinct from it, but I do not think there is anything wrong with appropriating a symbol that is used more widely and saying that it is also our symbol. The House of Commons binders and correspondence folders many of us use also carry the coat of arms of Canada. It is even used as the default screen saver on our computers and appears on my computer whenever I leave it alone and do not use it for more than five minutes.

The coat of arms is a possibility. The whole idea of using coats of arms is one that is widely used by legislatures. I know, for example, that the Legislative Assembly of Ontario has its own coat of arms. That is its symbol. The easiest way to see this is by watching the Ontario version of CPAC, the channel that broadcasts the debates of the Ontario legislature. We see that coat of arms being used as the motif.

• (1120)

Actually, I think that is not a very good idea. I say that because its coat of arms bears no relationship to any of the symbols that are commonly associated with the province of Ontario. When we see the symbol, there is no instinctive understanding of what it represents. In some measure, I think it would have been better to just use the coat of arms of Ontario as its motif.

I have seen in other jurisdictions that I have either visited or lived in, the use of symbols derived from a coat of arms. Given the importance of coats of arms as our standard form of symbolic representation in Canada, it seems to me there might be some merit in this.

For example, the Parliament of the state of Victoria in Australia uses as its motif a southern cross, which is a simplified version of the coat of arms of the state of Victoria. That works quite well. It is clearly understood that is its symbol. The red lion of Tasmania which is taken from its coat of arms is used as the symbol of the Parliament of Tasmania. In Western Australia it is the black swan, which is central to its coat of arms.

If we look at the documents produced by the Quebec national assembly, we will see that the fleur-de-lys is used. It is part of the symbolism of Quebec. Documents, laws and white papers coming

### *Private Members' Business*

from the legislative assembly in Quebec are very distinctive and easily recognizable by the use of the fleur-de-lys as the ornamentation and background. As well, a distinctive font is used for all its documents, which is something else we might want to consider for the House of Commons.

My hon. colleague mentioned the use of seals in the United States. Coats of arms are not used in the United States apparently as a result of the fact that in the revolution, the Americans rejected any idea of aristocracy, nobility or symbols of nobility. Therefore the next thing to turn to would be seals. The U.S. President, for example, has his own seal and uses it to seal documents. That is a holdover from the seals that are used to indicate Crown authority. A seal is affixed by the Governor General of Canada to every law that is passed by Parliament. That is an American tradition and it fits within a pattern of usage. We have come to understand that each of the various departments in the U.S. has its own seal which typically then is put on a flag, if a department has a flag. It is used by various states. The idea of the seal as a symbol of authority is well understood in the United States.

In Canada the idea of a coat of arms is the central symbological notion. Therefore it seems to me that any symbol we take should potentially be derived from the coat of arms of Canada. We have a very rich and elaborate coat of arms. We could take an element from the coat of arms, simplify it and use it as our symbol. There are numerous maple leaves. We could incorporate the national symbol of the maple leaf into the symbol that is chosen.

It does not mean that items that are not in the coat of arms, such as the mace, necessarily would have to be excluded. However, I would suggest that some elements from the coat of arms be incorporated with whatever distinctively parliamentary item is put into the standard and accepted symbol of this place, whether it be the mace, the Speaker's chair, the Peace Tower or some other item.

• (1125)

[*Translation*]

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, in this nice little musical piece, I will have to play in a slightly different key. I feel like making a general comment to my colleague from Scarborough—Rouge River, and I will make it with a typical Quebecois expression: They really must have time to waste in order to come up with such nonsense. It is laughably absurd to waste one hour of this House's time with such an issue.

Let me explain. You are not used to hearing me talk this way, but my remarks will be non partisan. Last week, members of Parliament did not sit, which is not the same thing as being on vacation. We had the opportunity to meet lots of people. Our parliamentary calendar provides one week breaks every three, four, or five weeks at the most for us to work in our ridings, meet people, organize events or simply be present in our ridings. I am convinced my 53 colleagues in the Bloc and I had a very active week in our ridings. We met and talked with ordinary citizens.

*Private Members' Business*

I have a scoop: no one I spoke with last week brought up the issue of a symbol for the House of Commons. I feel like directing my question to the people in our galleries, even if they cannot answer me. Is a symbol for the House of Commons a top concern of theirs? Is that not totally ridiculous?

As for the people I met last week, what issues did they bring up and what do they want to hear about? The unemployed want to know when the government is going to solve the problems with EI eligibility. Is it acceptable that only 40% of those who contribute to the employment insurance plan qualify, while 60% do not? Their concerns are not remotely connected to a symbol for the House of Commons.

Over the past week, we have met seniors and retirees who are still being penalized in terms of the guaranteed income supplement. Incidentally, I commend the work done by my hon. colleague from Saint-Maurice—Champlain on this issue. While some may have managed to put a little money aside for their retirement, many are having a hard time making ends meet. Some of them are watching us right now. Do you think that, for these retirees, with their small pensions and with old age pension increases sometimes totalling 47¢ a month, a symbol for the House of Commons is a top concern? Absolutely not.

Last week, we also met with community groups. Like us, they have been affected by cuts in the summer career placement program. In my riding, depending on the area, the cuts to this program vary from 31% to 50%. In addition, certain villages of the upper north shore are experiencing unemployment rates as high as 18%, 20% and even 22%.

The community groups need programs like the summer career placement program to help them provide services to the public and also to provide young people with some work experience.

● (1130)

Parents will be relieved if young people can earn money from jobs they got through the summer career placements program.

Community groups are angry with the Liberal government. They do not want to hear about the institutional symbol of the House of Commons. Come on.

This week, we met another group of people whose work schedule has allowed them to follow the hearings of the Gomery commission, which enjoys the highest ratings in Quebec right now. Taxpayer dollars have been literally stolen by this government and the Liberal Party.

Those following the hearings of the Gomery commission are familiar with the Liberal Party's wrongdoings: friends of the government, hired help on the payroll, the cash-stuffed envelopes, the \$120,000 in dirty money for campaigns in ridings in eastern Quebec held by Bloc Québécois MPs. Do they think that the people shocked by the daily revelations from the Gomery commission want to hear about the institutional symbol of the House of Commons?

This makes no sense. I do not know who will be able to straighten this member out. He is constantly going off on constitutional tangents. Someone must talk some sense into him.

It will come as no surprise that, in my opinion, the Bloc Québécois will not be supporting my colleague's motion. It all comes down to good old common sense.

Maybe, one day, when all the other problems in Canada have been resolved, we will be able to think about this. However, we will no longer be part of this country, and, we will be able to say, if the House of Commons has a symbol, that it is a beautiful and an appropriate reflection of the country. But, by that time, Quebec will be a sovereign nation.

So, we are completely indifferent to this ridiculous motion. It will be a free vote, but I am convinced that the majority of my Bloc Québécois colleagues will vote against this useless, ridiculous and totally futile motion.

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## ROUTINE PROCEEDINGS

● (1135)

[English]

### COMMITTEES OF THE HOUSE

#### FINANCE

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, I rise on a point of order. Discussions have taken place between all parties and I believe you will find consent for the following:

That the recorded division scheduled to take place Tuesday, May 31, 2005, on the motion from the member for Prince George—Peace River, as well as the amendment from the member for Calgary Southwest thereto, be re-deferred to the end of government orders on Wednesday, June 1, 2005.

**The Acting Speaker (Mr. Marcel Proulx):** Is there unanimous consent?

**Some hon. members:** Agreed.

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## PRIVATE MEMBERS' BUSINESS

[English]

### SYMBOL FOR THE HOUSE OF COMMONS

The House resumed consideration of the motion.

**Mr. Pat Martin (Winnipeg Centre, NDP):** Mr. Speaker, I am pleased to have this opportunity to enter into the debate on Motion No. 228 put forward by my colleague from Scarborough—Rouge River.

Let me preface my remarks by saying I have great admiration for the work of my colleague from Scarborough—Rouge River and the genuine interest that he has demonstrated on issues pertaining to Parliament and the House of Commons. We should acknowledge and recognize that he is a noted and published author on this subject. Perhaps more than anyone present, at this point in time at least, he is also seen as a leading authority on the subject pertaining to the House of Commons.

*Private Members' Business*

I enter into the debate with that preface to demonstrate that I acknowledge, recognize and welcome his interest in trying to have us be seized with the issue of the well-being of Parliament and the House of Commons and what that means in a constitutional democracy such as ours. Some of us who have been sent here recently and some of us who have been here for a long time sometimes forget how precious the institution of Parliament and the House of Commons is and the genuine affection in which we hold this place.

I represent the riding of Winnipeg Centre, which was home to one of the greatest parliamentarians in Canadian history. I will backtrack a little and share this with members. In 1921 the Government of Canada wanted to send J.S. Woodsworth to prison for his role as a leader in the 1919 Winnipeg general strike. In fact, he was up on charges of sedition for quoting scriptures from the Holy Bible and from the Book of Isaiah at the strike meeting in downtown Winnipeg. The federal government wanted to lock him up and throw away the key for that.

The people of Winnipeg Centre sent him to Ottawa to be their member of Parliament not to send him to prison. As a man of the cloth, as a minister, they felt that he was entitled to quote the scriptures in the midst of a gathering to do with social justice as one of the architects of the social gospel. He became known in this place as one of the champions of using the House of Commons for its intended purpose, which is to give voice to those commoners who may not otherwise have a voice under less democratic systems.

The reason I raise this point of history is that J.S. Woodsworth served as a member of Parliament for my riding for 21 years, from 1921 until he passed away in 1942. However, at that time the good people of Winnipeg Centre elected another champion of Parliament and a champion of parliamentary procedure in the name of the hon. Stanley Knowles.

Stanley Knowles went on to represent my riding with great distinction for 42 years, from 1942 until 1984, until a stroke made him unable to do so. He lost his seat only once during the great Diefenbaker sweep of 1958. However, during that time he became known as very much the conscience of Parliament and also a master of parliamentary procedure. All of us here will know that he was granted the exclusive honour of being given a permanent lifelong seat at the Clerk's table in the House of Commons. Even after his stroke made it difficult for him to carry on his duties as a member of Parliament, we could see Stanley Knowles sitting by the mace, where the Clerk sits in the centre of this institution. I would put it to members that no one in recent history loved Parliament more than Stanley Knowles. No one had greater admiration and respect for the institution of Parliament than the member for Winnipeg North—Centre as it was called then, the same riding that is called Winnipeg Centre today.

• (1140)

When I saw the motion of my colleague, the member for Scarborough—Rouge River, I asked for the opportunity to represent our party by speaking to the motion in memory of Stanley Knowles.

Stanley Knowles passed away six days after I was elected to represent his riding of Winnipeg Centre. I did not get a chance to visit him in the hospital to tell him that we had won his seat back.

His seat went to the dark side for two terms and was represented by a Liberal member of Parliament from 1988 to 1997. I am sorry I did not get a chance to tell him personally, but I know that he was aware that the election had gone in our favour.

Therefore, for most of the last hundred years that riding has been represented by two of the greatest champions of social justice our country has ever known. I am speaking of J.S. Woodsworth and Stanley Knowles.

What really stands out in the career of Mr. Knowles is his admiration and respect for Parliament. Therefore, when I saw Motion No. 228, regarding adopting an institutional symbol exclusively for the House of Commons, I was excited by the idea.

I am not a great one for pomp and ceremony or even formal traditions in the country. I have outspoken views about whether we need the Governor General any more. Frankly, I am not a big fan of the monarchy. I will confess all those things. However, even more important, if we are to steer away from the tradition of the monarchy and perhaps the office of the Governor General, I feel there is a need for us to replace that ceremony, pomp and circumstance with our own made in Canada version of formal symbols like the House of Commons and Parliament.

I am very intrigued by the idea of having our own made in Canada crest, symbol or whatever it might be, so that this institution could reflect our unique constitutional heritage, authority and our role in Parliament. I see no harm in it. I certainly do not feel threatened by it. My colleague from the Bloc seems to get really annoyed with that idea. I do not know why it would irritate someone so much. If anything, it is harmless and there is no downside.

It does open itself to ridicule. I know around our caucus table when we were toying with the idea of what that symbol might be, some rather less than kind suggestions were put forward, given the current political landscape we are enduring today.

Some people said that perhaps the symbol should be a hog trough. I do not think that is kind at all. I do not share that idea and I would not support that. Some people said that it might be a broken arrow to symbolize the broken promises made to our first nations and aboriginal people in the country. I do not support that idea either. That would be a negative thing. Some of us like to believe that within the life of this parliamentary session we may see a formal apology by the Prime Minister of Canada for the tragedy of the Indian residential schools. We may see a new fiscal relationship negotiated between first nations and the federal government. Those are positive initiatives that none of us would want to diminish in any way.

I liken my colleague's initiative to the great flag debate that took place in the mid-1960s where there were very strongly held views on both sides of the debate such as whether we should have our own domestic made in Canada symbol that did not include the Union Jack in the corner. That was a hotly contested and passionate debate across the country.

*Private Members' Business*

This is of a similar nature, if not quite the grand scale. Within the parliamentary precinct, I think it will awaken the same kind of interest from various members of Parliament of all political parties. We already have seen how apoplectic my colleague from the Bloc Québécois gets at the very notion of institutionalizing anything to do with the nation state of Canada. Again, I do not share his views.

● (1145)

I acknowledge and admire my colleague from Scarborough—Rouge River for rising above the fray of everything else that is going on in Parliament and bringing to us something that we can reflect upon and perhaps even move forward with that may be a lasting testament or a legacy issue for this 38th Parliament. Let us face it, most of the other issues we have been dealing with are divisive. This may be inclusive and something of which we can be proud.

I am voting in favour of the motion and I am urging my other colleagues and my own caucus to do the same.

[*Translation*]

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am pleased to take part in the debate on Motion No. 228 put forward by the member from Scarborough—Rouge River.

I had the good fortune to work with the member from Scarborough—Rouge River while we were both sitting on the Special Committee on the Non-medical Use of Drugs.

[*English*]

I have seen first-hand the commitment of the member for Scarborough—Rouge River to the institution of Parliament and the House of Commons. I have seen his integrity in terms of the history and the process by which the House and Parliament should govern itself. He is a committed parliamentarian and a very knowledgeable person about the history of this institution and the important role it plays in our democracy.

I learned from him, for example, about the scrutiny of regulations. He has become a bit of an expert in this rather esoteric field, but he reminds us of the importance of parliamentary oversight and scrutiny.

I have seen the sincerity of the member for Scarborough—Rouge River in his motion and his desire to develop a Canadian symbol, a distinct symbol, for the House of Commons. Our colleague, the member for Lanark—Frontenac—Lennox and Addington, gave us a rather interesting descriptive of the difference between seals, which we often see in the United States, and the idea of a coat of arms and the tradition that represents. I found his intervention also interesting and rather useful.

The member for Winnipeg Centre described the proud tradition of his riding, including the hon. Stanley Knowles who served this institution with great honour. My father happened to be in Parliament at the time Mr. Knowles was here and he shared the respect that the member for Winnipeg Centre has for Mr. Knowles.

These are important reminders of the importance of the House of Commons. It is the centre of Canadian democracy. Identifying itself

with its own symbol might reflect the cherished democracy that the House represents.

The motion as introduced by the member for Scarborough—Rouge River correctly leaves this in the hands of the Speaker. He will lead a process by which there would be consultation among members of the House, but equally important among members of the public. The Speaker is in a position with members of the House to look at what would be the best way to receive input from the public. Our colleagues referred to the flag debate which was an important defining moment in the history of our country. For the Speaker to engage the public in meaningful participation in terms of suggesting what this symbol might look like is a very worthy initiative.

Less important in terms of institutional meaning, we are reminded of Canada Day. School children in various provinces across Canada are asked to submit a drawing or a painting on what Canada means to them and the winner is chosen on Canada Day. That competition has incited considerable interest among school children with respect to the meaning of Canada Day and our national holiday.

● (1150)

[*Translation*]

The involvement of schools and of young Canadians through a discussion on the appropriate symbol for the House of Commons could prove very useful. I do not share the views of my colleague from the Bloc Québécois. I had the opportunity to work with the whip of the Bloc during meetings we attended as part of our role as parliamentarians. He is a devoted member of Parliament, one who speaks very strongly for his riding.

However, in this case, I do not agree with him on the importance of this issue. On the contrary, I do not think it is up to us members of Parliament to pass judgment on private members' motions or bills.

[*English*]

We have not chosen to heap such scorn on private members' bills or private members' motions because they are an essential part of our democracy. They allow our colleagues to bring forward issues, to have the benefit of input from colleagues, and then to have the House of Commons pronounce itself. This is obviously a matter that will come to a vote. I respect that process. Those of us on this side of the House respect the private members' process. I would urge the member from the Bloc to have the same deference that we have with respect to motions or bills brought forward by private members.

The government intends to support this motion because we see it as an important step in beginning a process that may lead to a uniquely Canadian symbol for the House of Commons. We have heard colleagues talk about other legislatures and other jurisdictions. Those are certainly worthy suggestions. We believe that to initiate this process, led by the Speaker, involving members of the public and then giving the House of Commons a chance to decide on its own symbol is certainly worthy of discussion.



*Private Members' Business*

That is why the government will be supporting this motion. I would urge other members to allow this process to proceed. We look forward to seeing the various suggestions that will come from this. Because the Speaker, as in the wording of the motion, will to some extent lead or coordinate this process, at some point it will obviously be important for the Board of Internal Economy to look at what resources might be needed for this process to be undertaken should in fact the House adopt Motion No. 228.

• (1155)

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, I would like to address this motion which is related to a symbol that would represent the House of Commons and those who sit and work here.

First, I wish to acknowledge that I have seen the work performed and done by the member of Parliament who is presenting this particular motion. He is a member of the opposite party and, who knows, that may change over time. We see in this House of Commons that it does change from time to time when people walk across the floor. I will still acknowledge and be in hearty agreement with some of the things he has done.

However, I have to pose some questions about this particular motion. First, and this is entirely his business and he does not have to respond to this, is this something that this constituents are clamouring for?

Last week I was in my constituency. I heard about government corruption. I heard about the Auditor General's comment saying that the government is mired in the worst financial scandal in Canadian history. I heard about the fact that the government presented a budget at one point several months ago, to which my party gave somewhat tacit support. Then, when the government thought it might lose a confidence vote, it shifted its goal. The government shifted and in a dramatic change of events blew a \$4.6 billion hole in the federal budget to buy 19 votes.

I suggest that from what we have seen in the last couple of weeks here, people would be selling their votes for a lot cheaper than \$4.6 billion for 19 votes. If we believe certain polls that we are seeing about how people perceive members of Parliament and how they perceive the House of Commons, the symbolism is not good. The symbolism is one of people who cannot be trusted, of debate that does not matter, and of discussion that focuses on things that are not at the heart of the concerns of Canadians.

I know too often that members listen to their constituents selectively. MPs will have their own view on something and they will hear one or two people talk about that view and then say they are hearing that from their constituents.

I have not heard from one person across Canada who wants us to spend time and resources, however little that might be, on a symbol of this place. We are faced with all kinds of things. I cannot even say another letter poured in today because it has not happened.

What are we doing spending time and energy, and focus in this place on something that I for one, and as I am hearing from other of my colleagues, no Canadians are asking for? We need a symbol all right. We need a symbol of honesty and integrity, and one in which members are truly representing their constituents.

We do not need to spend time in this place to craft yet another symbol. There are symbols of this place. We have already heard of Parliament Hill, the Peace Tower and the mace. How many more symbols do we need? We have a much bigger problem in this country. It is a lack of confidence, not only in the government but in the political process in and of itself.

We have been seeing and hearing a lot in the news these days about the decorum in this place. When we look at history, and this is not condoning bad behaviour in this chamber, the demeaning personal attacks that take place from time to time, any first year student of parliamentary history will know that this place is always charged with emotion, name calling and sometimes insults. When we look back at what took place in this House even in the late 1800s, believe it or not but members of Parliament would come in here with bagpipes to drown out another speaker. Now I have heard some speeches in here that I would like to drown out with bagpipes.

There has been the throwing of food and at one point dead chickens across the floor to silence someone, and drunkenness was known to be almost an every day activity even by political leaders. I will not mention which party because it could diminish our history. We can go to the Liberal rat pack that supposedly terrorized and did outrageous things in this place. I am not condoning any bad behaviour in here.

• (1200)

Let us not go into some kind of septic shock at the fact that it has been contentious here in the last few weeks. Let us use the present concern as a way to tone things down, be more respectful, and talk about the issues that matter most to Canadians.

As everyone can see, I am restraining myself. I am not getting personal on this. I have acknowledged some of the previous good work done by this member of Parliament, but to spend time in this place talking about coming up with a symbol for the House of Commons, something that not one Canadian has asked for, to me is counterproductive at best. The symbol that Canadians want to see is one of respect and integrity.

Canadians understand there will always be divisive debate, robust, vigorous and sometimes fractious debate, but they want to see a symbol represented by human beings not something we are going to hang on a lapel or stick on a wall somewhere. It is a symbol of respect for the fact that citizens have elected us and sent us here to speak about the things that matter most to them. That is the symbol they want.

Even when there are issues that constituents may disagree with from time to time, at least they know there are men and women in this chamber who rise to speak about issues of importance. That alone will help to reinvigorate and restore the tremendous lack of confidence that they have in this government. Clearly, there is a lack of confidence in this government. We do not believe every poll we see. The ones that show us doing well as a political party are of course the very scientific ones and the ones that do not show us doing well are not that good.

*Private Members' Business*

It is disturbing to see the social indices that suggest, just as the results of the survey that came out today, that politicians may or may not return a wallet they find on the street. Canadians were asked which politicians they thought would return a wallet. That is a tremendous indictment in some ways, but it is understandable. If the government will not return \$250 million in the biggest financial scandal in Canadian history, then why would Canadians think they would return a mere wallet they find kicking around?

These are the symbols that people are looking to. People are looking to each of us as members of Parliament and saying they do not want us to come up with something symbolic but to do something real that will restore a sense of integrity to this place.

An interesting poll came out today that asked who people trust. CBC did the poll and I am going to give the CBC 1 point out of 10, which I do not often do. It did acknowledge that people were also asked the question of how much trust they put in the media. Trust in the media actually had a very low rating too. They were sort of duking it out at around 11% with how much trust they have in members of Parliament. I appreciate that the media at least was being honest in acknowledging that there is not a whole lot of trust by the public in the media itself.

That brings us back to the issue of symbolism. Members of Parliament speaking with integrity, speaking about things that matter to their constituents, and doing that on a consistent basis will be the only thing that will turn around public perception. It is not a lapel pin with a backdrop of the Peace Tower saying "Trust Me" or "Vote for honest John" or "Vote for honest Mary". It will be words, actions and follow-through on a consistent, daily basis, and not erratically from time to time standing up and giving some kind of pronouncement about wanting to serve our constituents.

With great respect for the member who brought this forward, I cannot vote for this motion. This time is designated and we have to use it, but I cannot vote for something that will have us spending more time and resources, however little, to give a symbol of this place when the symbol that Canadians are asking for are symbols of honesty, integrity, hard work, and speaking up on the things that matter most. I am not suggesting the member opposite lacks any of those qualities, but to divert time and attention to something so uncalled for by the Canadian public is just not worthy of our time here and I cannot support this motion.

• (1205)

**Mr. Alan Tonks (York South—Weston, Lib.):** Mr. Speaker, I was not going to speak to this but I feel compelled to, following the statement made by the last speaker.

I remember when I was teaching I brought a number of students here, as we have students in the Commons here today. One of the members was standing and speaking about the closure of one of our satellite and military stations upon which the local economy was tremendously implicated.

My students were quite befuddled by the fact that most of the members were either reading their newspapers or carrying on discussions. They were asking their teacher to give an explanation as to why there was this lack of respect, this lack of dignity for a

member who was representing the views of constituents, as have been represented so often by members on all sides of this House on agricultural issues and farmers, and the issues we have had with respect to the closing down of postal stations.

I do not find at all the motion that has been put forward as empty symbolism. I do not know what empty symbolism is when it is talking about dignity and about being charitable with respect to the opinions of others and how we deal with them. I do not know what empty symbolism is when it is applied to this House in the context of what our public has a right to demand from us in terms of what they see and what they hear.

Should that be any different than what we expect to see and hear if we were in any classroom in this country, if we were visiting the schools, if we were engaged in local activities with respect to very high opinions and highly charged atmospheres back in our own constituencies? I recently experienced one where we had nearly 2,500 people on a single issue.

What I think is very important to emphasize is that there should be respect for the opinions that are being put forward and that ultimately the community, in its collective wisdom, if the process is transparent, up front and has integrity, would prevail. It seems that is the democratic process. That is what is represented by what we believe should transpire in this place.

I do not know what empty symbols are when they are applied to what we expect from ourselves as individuals from our institutions, be they represented in government at all levels through this House; be they the institutions of law, order and justice; be they the corporate institutions as represented by fiduciary responsibilities and so on.

All too often our public sees institutions that are eroded because the fundamental values that support them are not respected by the individuals who practice them.

Therefore, rather than the member having his motives or intent brought into question, the very process of discussing this motion adds credibility and integrity to this House, regardless of whether we think those symbols are empty or not. It would be my opinion that the symbol of this House is the respect for various opinions, our ability to put those forward, yes, in a partisan manner, but one that is charitable and cognitive of the rights of individuals to put those opinions forward and defend them.

• (1210)

[*Translation*]

**The Acting Speaker (Mr. Marcel Proulx):** 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.

## GOVERNMENT ORDERS

[Translation]

### ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC ACT

The House resumed from May 20 consideration of the motion that Bill C-9, an act to establish the Economic Development Agency of Canada for the Regions of Quebec, be read the third time and passed.

**Mr. Pablo Rodriguez (Honoré-Mercier, Lib.):** Mr. Speaker, I am pleased to address the hon. members of this House at third reading stage of Bill C-9, an act to establish the Economic Development Agency of Canada for the Regions of Quebec.

This legislation has prompted excellent debate within this House and in committee on the major issues surrounding regional economic development. This is a very important time for all those interested in the economic development of the regions of Quebec.

Bill C-9 sets the parameters by which the Government of Canada intends to contribute to the economic development of Quebec. Consideration of this bill began last fall.

Collectively, we face many challenges. We are reminded of this each and every day in the current economic situation, whether one of our companies finds success abroad or a plant has to close its doors for lack of viable markets for its products.

Businesses are at the heart of economic development for the regions of Quebec and lead the economic development of each region. For us, giving support to business translates into more dynamic and more competitive companies that can create more wealth and jobs in the regions.

Moreover, the bulk of new jobs created in Quebec were in businesses with fewer than 100 employees.

Today, we have multiple possibilities for creating wealth, and also for increasing productivity, inventiveness and flexibility. A number of businesses and sectors of activity in Quebec are still too vulnerable to the ups and downs in the world economy. It is therefore the duty of a responsible government such as ours to support these businesses and to orient them so they may adapt or transform their approaches, their manufacturing procedures and their products.

I need only refer to the difficulties in our textile sector to convince you of the importance that all of us, whether executives and employees of businesses, community volunteers, stakeholders in regional development or government, must assign to innovation and improving the productivity of our businesses.

We are not, moreover, the only ones to hold this view. In its study, "OECD Territorial Reviews: Canada", the OECD concluded that "for the Quebec economy to move to a higher trajectory, the productivity of small businesses must be improved, management performance upgraded, and efficient technologies acquired."

Through its IDEA-SME, program, Canada directly supports businesses involved in targeted projects, including export and innovation, thereby moving into the future.

I would like to take a moment to quote the words of Mr. Yves Goudreau, Director of Business Development at Premier Tech Ltée,

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a firm located in the Lower Saint Lawrence area. When he appeared before the Standing Committee on Industry, Natural Resources, Science and Technology he said, and I shall quote:

The loans granted by CED for the development of innovative technologies have allowed Premier Tech to create one of the most important private regional research and development centres....

Without these amounts, we would have, without any doubt, directed our product development to the partial improvement of products. In the middle term, this delay would have caused the withdrawal of our products from the market, because of the constant optimization of the products of international competitors, who are continuously working on the development of new, innovative concepts.

Since 1997, CED loans to Premier Tech have enabled more than 400 direct jobs to be created, and close to 200 innovative products developed. As a result, the company's sales have grown from \$50 million to \$300 million.

● (1215)

This is very eloquent testimony to the importance of the assistance provided by Canada Economic Development and of its clear impact on the development of a business.

In general, the businesses that have benefited from CED funding have significantly increased their sales and staff. More than three-quarters of them would have been unable to implement their projects had it not been for the agency's assistance, while others would not have been able to see their projects through on the same scale or to complete them within the same timeframe. Moreover, the agency's average cost recovery is 75% of the repayable contributions. That is one of the best in the government.

By devoting itself to the start-up and development of small businesses, Canada Economic Development helps create and maintain jobs, besides having an impact on the restructuring of local economies. That is why, through its support of businesses in Quebec, it is also promoting the economic diversification of communities and helping to ensure the economic stability and vitality of the various regions of Quebec.

These figures speak for themselves and tell us loud and clear that this government is right to rely on assistance provided to businesses in all the regions of Quebec.

Take for example Sixpro inc., of Sainte-Clotilde-de-Horton, in the central Quebec region. In January 2005, a repayable contribution of nearly \$400,000 was made to this business to implement a project designed to improve its productivity.

This metal colour coating company will acquire new equipment and improve its operating methods. This important undertaking will allow 200 jobs to remain in the Sainte-Clotilde region and some 20 more may be created.

This support from Canada Economic Development is another solid example of what we mean when we say we want to have everything in place to promote optimum productivity and thus better business performance.

I would also like to mention another example, the firm BCH Unique Inc. of Saint-Martin, Quebec, which got \$200,000 in support last February in order to improve its productivity.

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The company will reconfigure its assembly line and acquire some high tech equipment in order to eliminate bottlenecks and improve the working conditions of a number of employees.

Canada Economic Development's tangible commitment to the economic development of SMBs in Quebec has to be seen as an investment in the future and prosperity of a business in Quebec and as a major contribution toward improving the quality of life of many people in a community.

You will agree that this mandate is very important, and Bill C-9 will make it possible for us to do what the people of Quebec want done to carry it out.

I would therefore invite all members of Parliament to vote in support of Bill C-9 and in solid support of the development of Quebec's businesses and regions.

In closing, I move, seconded by the member for Pontiac, that the question be now put.

• (1220)

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, I listened carefully to the argument made by the member for Honoré-Mercier concerning Bill C-9. As we already know, the Bloc Québécois opposes this bill not so much because of some aspects relative to job creation or regional development but mostly because it creates a new entity. Actually, while there was an agency, we are now creating a department in order to give the federal government more tools to intrude in the development of Quebec regions. This is why we cannot accept this bill.

That being said, how can we possibly find his argument consistent with the fact that, for instance concerning the summer career placement program on which we have worked during the past few weeks, most of the rural regions of Quebec have suffered substantial cuts, thus encouraging out-migration in rural areas? In my view, this is a contradiction that totally invalidates his argument.

**Mr. Pablo Rodriguez:** Mr. Speaker, it must be understood that the idea behind this bill is that there be a common effort to develop all Quebec regions. This legislation shows the good will of the Government of Canada, which has an obvious role to play in the development of Quebec regions in cooperation with businesses in various ridings, economic stakeholders and mayors of all cities and towns. That is the goal of the government concerning this summer career placement program.

The member ought to know that that project is a responsibility of another department and has nothing to do with Bill C-9.

**Mr. Sébastien Gagnon (Jonquière—Alma, BQ):** Mr. Speaker, I would like to ask my colleague a question. I come from a region that faces a variety of challenges, including the softwood lumber dispute and the mad cow crisis in agriculture. Numerous plants have also shut down due to the restructuring of economic activities.

Would my colleague agree that the Liberal Party could have taken advantage of this golden opportunity? That bill offered an excellent opportunity to meet the people involved and to consult the economic leaders of Lac-Saint-Jean—Saguenay.

I have been a member of Parliament for three years and I have been involved with the economic development of my region for 10 years. There has never been any such consultation in the region. The economic development models of the past no longer work and must be revised, including principles as fundamental as decentralization. The bill only puts forward a new structure. Even if we do not pass this bill, judging from comments issued by Economic Development Agency of Canada for the Regions of Quebec, nothing will change.

Why has this government failed to meet with regional leaders to come up with a bill that would reflect the current trends in economic development?

**Mr. Pablo Rodriguez:** Mr. Speaker, in fact, it must be pointed out that the minister responsible for Canada Economic Development went not only to the member's region, but also to Quebec's regions in general. The minister also met with the mayor of Saguenay. Perhaps the member was not in his region at the time, but this tour happened. There were broad consultations as well. I wonder if the Bloc Québécois' opposition to this bill is not because it simply does not want the Government of Canada to be present in Quebec's regions to work for the welfare of Quebec's communities.

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, contrary to what the member just said, for all the reasons that he mentioned, we find that Canada Economic Development is a structure that should be providing services. The problem is that, in the bill that is being introduced, we do not see any change in the programs.

If this did not work for Quebec's regions, it is because the way of intervening is not right. The important thing is not to change the structure and create a department, but to have programs that correspond to what people want. This is what my colleagues from Saguenay and Jonquière—Alma meant when they said that there is a problem in the way that CED intervenes.

Perhaps this was a good thing in the past, for all sorts of reasons. The Liberal member mentioned successes and results, but this does not work now. It is the intervention programs that need to be reviewed, not the structure. The Liberal Party always has this famous tendency of changing the structure, thinking that this will solve the problem, when the problem is not there.

We do not want to create a new administrative entity. We want to be able to really benefit from this bill in order to improve the programs and to make real interventions, as Quebeckers want.

• (1225)

**Mr. Pablo Rodriguez:** Mr. Speaker, everybody knows that there are 14 regional CED offices which contribute to the development of their respective regions. Many of these successes have been pointed out by local stakeholders. One must rely on those who work in the communities. One must also rely on business leaders who are creating employment and developing the Quebec of today and tomorrow. Comments are very laudatory concerning what CED does at the regional level.

I can tell you, for instance, that what CED is doing in Montreal's east end is exceedingly appreciated, both by the private sector and by elected officials. I feel that this Bill C-9 is good news. It may not please the Bloc Québécois because, once again, it would rather do without this presence of Canada in the various regions of Quebec, but the Government of Canada has a role to play and it will continue to play it.

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## ROUTINE PROCEEDINGS

[English]

### COMMITTEES OF THE HOUSE

#### PROCEDURE AND HOUSE AFFAIRS

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, I rise on a point of order. Discussions have taken place between all parties concerning the motion to concur in the 35th report of the Standing Committee on Procedure and House Affairs standing in the name of the member for Glengarry—Prescott—Russell. I believe that you will find consent for the following:

That the motion to concur in the 35th report of the Standing Committee on Procedure and House Affairs standing in the name of the member for Glengarry—Prescott—Russell be withdrawn.

[Translation]

**The Acting Speaker (Mr. Marcel Proulx):** Does the member have unanimous consent of the House?

**Some hon. members:** Agreed.

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## GOVERNMENT ORDERS

[Translation]

### ECONOMIC DEVELOPMENT AGENCY OF CANADA FOR THE REGIONS OF QUEBEC ACT

The House resumed consideration of the motion that Bill C-9, an act to establish the Economic Development Agency of Canada for the Regions of Quebec be read the third time and adopted.

**Hon. Jacques Saada (Minister of the Economic Development Agency of Canada for the Regions of Quebec and Minister responsible for the Francophonie, Lib.):** Mr. Speaker, I am pleased with the answers provided by the hon. member for Honoré-Mercier. If he had had more time, he could have added that I not only met with the mayor of Saguenay, but also with the economic stakeholders, as I did in each of the 14 regions of Quebec. The hon. member could also have pointed out that Canada Economic Development often serves as a channel for the involvement of many other federal departments, including Canadian Heritage, Transport, Industry and so on. He could have added that the offices of Canada Economic Development are not service points. They are proactive and they reach out to the community to solicit projects.

There is something that I do not really understand. The questions being asked by members opposite deal with Bill C-9, even though these members know full well that this is a purely technical bill. They are the ones who wanted to have a substantive debate. Canada

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Economic Development does achieve the work that is expected of this organization. In fact, it does so under the Constitution because, under the Constitution, we have a mandate to try to eliminate regional disparities.

The hon. member for Honoré-Mercier did an excellent job in the field. He came to us with projects that we were able to support in his region. The hon. member opposite will not admit it, but some projects were also supported in his region, without his involvement. He showed up for the photo ops when the Aluminium Technology Centre was announced, but he had nothing to do with it.

Making a few corrections and displaying a bit of intellectual honesty might be in order here.

• (1230)

**Mr. Pablo Rodriguez:** Mr. Speaker, I just wanted to add once again that I have observed and found after discussing with some of my colleagues, municipal officials and business leaders, that CED's programs are well targeted and concrete and promote the development of not only the Quebec of today, but also the Quebec of tomorrow, a modern and thriving Quebec.

**The Acting Speaker (Mr. Marcel Proulx):** We should perhaps have done it before questions and comments, but we will now proceed with the hon. member for Honoré-Mercier's motion.

**Mr. Pablo Rodriguez (Honoré-Mercier, Lib.)** moved:

That this question be now put.

**Mr. Réal Lapierre (Lévis—Bellechasse, BQ):** Mr. Speaker, Bill C-9 purports to better the lives of Canadians and Quebecers. It is at the very least a big claim as far as Quebec and its regions are concerned.

In spite of all that can be said, no matter how we look at it, all my colleagues without exception will tell you that there is nothing new in Bill C-9 that can help to improve the standard of living of Quebecers or make things easier for the regional economic development stakeholders.

We all know very well that the various mandates given to Canada Economic Development, whether for programs or budgets, are unchanged. Bill C-9 sets out to establish a federal department to run Quebec's regional development. In practical terms, it is nothing more than a new duplication against the prerogatives of the Quebec government. It is an unacceptable incursion into an exclusively provincial jurisdiction.

We all agree that the regions need a well orchestrated strategy. This being said, Quebec is better equipped to take action and to implement an integrated development strategy because its knowledge of its regions is far superior.

The federal government is using regional economic development to interfere a little more in Quebec's areas of jurisdiction. As proof, Bill C-9 states that the minister himself shall have authority over policies and programs in relation to the development and diversification of the economy of the regions.

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The minister's mandate includes all federal activities in the regions in order to channel projects, in cooperation with the other relevant federal departments or agencies, toward an integrated federal strategy. There is no mention of jurisdictions belonging to Quebec, let alone the regions.

The government refuses to let the CFDCs focus on regional needs instead of federal priorities. Come on. Does it seriously believe that this makes sense? If anything, the experts in regional needs and regional economic engines are authorities in such a policy and best placed to oversee its implementation.

I refuse to think that anyone here now believes for one second that Atlantic fishers have the same needs as prairie wheat farmers. Responsibility for development must be regional. In other words, this is not aid, it is abject poverty.

To top things off, this affects everything: natural resources, education, training, municipal affairs and infrastructure. In short, there is a range of possibilities but there is not always an effective focus. The way this policy is worded proves that this is yet another shameless attempt to interfere in areas of jurisdiction belonging to Quebec and the provinces. Under the Constitution, Quebec is responsible for matters relating to regional development.

So, why the desperate attempt to establish another administrative level? The money that such duplication requires does not grow as fast as leaves on trees in the spring. All these funds could be invested much more wisely by giving Quebec its rightful share.

The problem with the federal government's plan is that neither level of government is able to allocate all the resources needed to adequately develop the regions. Because of this, we see an anarchic situation that leads to astronomical unemployment rates and mounting problems.

● (1235)

It would be far more advantageous to provide more support to consolidating the agricultural sector in my riding. The mad cow crisis has had a more than considerable effect on dairy producers. Beef producers, although fewer in number than in western Canada, have suffered the same ill effects, while having played no part whatsoever, directly or indirectly, in the genesis of the problem. As we know, for some months now exports to the U.S. have been limited. As well, there are insufficient measures for facilitating the transfer of family assets to the next generation. Quebec, along with the regions, would manage to solve this problem if it had the financial means to invest in this area.

In our area and elsewhere as well, the textile industry has unfortunately felt the impacts of globalization. Once again, the federal government's funding measures have been far from having the desired outcomes, and why so? Because they do not follow the natural path of efficient implementation, which would of necessity involve the Government of Quebec and the regional authorities.

Then, on another topic, I would just point out for those who might not be aware of it that R&D efforts are insufficient, given the diversity of the industries in my riding. If there were better orchestration between the Government of Quebec and the regional authorities, results might well be better. Again, and still, the impediment is insufficient federal funding.

I do not see how adding a department, as proposed here, could make any significant change. It is a well known fact—something that cannot be repeated often enough—that the regional stakeholders are in the best position to identify needs. Would it not therefore be more convenient and efficient for the central government to show an interest in regional development within jurisdictional limits?

The Bloc Québécois has made, and continues to make, certain proposals. We are faulted quite regularly for not making any concrete proposals for regional development.

First of all, the Bloc Québécois suggests leaving Quebec in charge of its regional development. It already has a policy many governments would be glad to have. What it needs is the financial means to properly support emerging initiatives.

Second, we propose respect for local joint planning groups and the adaptation of federal programs to regional circumstances in Quebec. All local and regional authorities, for example, should be involved in reorienting development in a field of economic activity, when existing sectors have achieved their potential.

This is the case in agriculture and forestry where I come from. This is exactly what is happening in the southern part of my riding: we want to integrate the recreation and tourism sector to complement agriculture and forestry activities. The neighbouring ridings to the east and west would like to do the same thing. Clearly this is the road to the future. It is a brilliant idea the government should promote. The money the federal government wants to set aside for Bill C-9 would be used much more wisely in a project like this one.

Let me explain. Recently, there has been a veritable flood of awards to operators of tourism businesses adopting the new philosophy of the southern part of the region. A number of businesses in my riding, from various sectors of the economy, are moving toward adopting it and thus filling a gap never previously filled.

● (1240)

Unfortunately, a shortfall in available funds makes this move impossible. There is not enough money for this new regional reality, which is not unique to my riding. So here is another area in which the government could better support the regions by giving the money to the Government of Quebec.

The joint planning of this new orientation—and I am referring more specifically to my riding—is in keeping with the wishes of the RCMs, the CLDs, the regional conference of elected officials and the chambers of commerce. Who could oppose such an undertaking? Those with the most relevant knowledge are the most likely to promote the welfare of the people in my region.

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Why insist on adding another level, which could well destroy the consensus? The federal level would do better to provide financial or technical support, but respecting Quebec's jurisdiction. For purposes of objectivity and efficiency, let us allow the government most able to evaluate and understand the regional problems, namely the Government of Quebec, to do what it does well already. It is up to the federal government to adapt to the regions. So, the best approach is no doubt to conclude an agreement with the Government of Quebec providing for opting out with full compensation.

Let us now move on to another area. The old infrastructure program was much more respectful of regional authorities, in that the Quebec government selected the projects. The start-up of numerous businesses in the private sector and in the social economy relies on better linkages between the federal and provincial bodies working for regional development. In my riding, the economic spinoffs of this social economy are quite significant. However, the Government of Quebec does not receive enough money and is forced to maintain restrictive subsidy standards, which is precisely why the sector is unable to reach its full potential. It is such a shame.

In the social sector, as we know, the needs are great. This is another sector that has become indispensable, but does not receive the full financial consideration it deserves. At the same time, the aging population phenomenon is exacerbating the problem. The needs in housing and services are not being met. Unfortunately, Quebec is still suffering the effects of underfunding. It is a victim of the fiscal imbalance. When will everyone realize it?

The Bloc Québécois also suggests decentralizing the federal public service. Doing so would create new jobs in the regions. Would that not be a good idea? It is a constructive suggestion that would not cost an arm and a leg. The quality of services would improve. The regional economy would improve as a result of many well-paid jobs. We must put a stop to the exodus of federal employees from the regions to the benefit of large urban centres and the Ottawa area. Saguenay, Gaspé and the North Shore all deserve to have suitable and professional services locally. We have to stop cutting back on services in the regions. The people there need to eat too. We do not need a new agency for that.

Just consider the capital costs. Does it make sense for the Government of Quebec to invest five times more than the federal government does? There is indeed a \$224 million difference in investment between the federal government and the Quebec government. Is that acceptable in the Outaouais?

When it comes to air transport, the federal government has placed a new burden on the regions, which must now finance assets that are beyond their means on their own. Is that acceptable? The same is true with regional sea ports, which are unfortunately in a dangerous state of disrepair. How will potential buyers be able to fix them without adequate budgets?

• (1245)

Does this whole situation not justify taking a hard look at how federal funds could be better used?

And what about shipyards? It is totally unacceptable that the only shipyard between the St. Lawrence estuary and the very end of the

Great Lakes that can receive big ships is constantly uncertain about its future.

This is a blatant demonstration of the federal government's inefficiency in dealing with regional development issues. In this specific case, it is not just a regional issue. It is a matter of national and international safety.

An increasing number of cruise ships are coming to Quebec. Will the Queen Mary end up being stranded between Île d'Orléans and Lévis some day? There is no question that a lack of a true Canadian shipbuilding policy has largely contributed to this bad and dangerous situation.

How else explain, for example, the fact that the Canadian fleet is in such bad shape, that it requires a great deal of repairs and needs to be renewed, and that our shipyards cannot at least meet our own needs? In the meantime, Asian shipyards are working non stop and cannot meet the demand. This is yet another reason for a better structuring of the various authorities, but we do not find it in Bill C-9.

If the government spent as much energy to save a proven industry such as MIL Davie, which is renowned internationally and which is likely to return to a high level of performance, the results would be far better than adding a department that will only make an already inadequate process even more burdensome.

If we look at what is going on elsewhere in Canada, we can see that the Government of Canada is investing three times more in the maritime provinces than it does in Quebec. The prairie provinces, where the underfunding was comparable to that of Quebec, have already received a 32% increase in regional support development, compared to only 7% for Quebec. The time has come to stop this sprinkling. It is clear that Bill C-9 merely seeks to provide greater visibility, without incorporating the tools that would guarantee the future. We know the value of these visibility programs. We are fed up with them. We no longer want such programs.

On a different note, regional needs should be the highest priority of the employment insurance program. It is time the government dealt with this issue clearly, without being influenced by political considerations that are often questionable, and with the same generosity as that displayed by the workers who contributed to the employment insurance fund.

Young people, vulnerable and seasonal workers deserve better than the present measures. Federal money would be better spent if the federal government treated these workers justly and equitably, at last. It is not the recent, weak measures added by the minister that will solve the problem and improve the situation.

*Government Orders*

The federal government still denies the fiscal imbalance and hands out public funds to provinces in a piecemeal manner. Are we not justified in considering that as implicit recognition of the fiscal imbalance? I think we are. Quebecers also think we are. If the federal government devoted as much energy to encouraging regional development in Quebec by transferring money to Quebec as it does to denying the fiscal imbalance, we could say that it cared about contributing to our regional development and the well-being of the citizens of Quebec.

The billions of dollars that were invested these last few weeks in complete anarchy way show, without a doubt, that this government is incapable of favouring regional development, and incapable also of respecting the fields of jurisdiction of Quebec and the provinces, which are a fundamental part of Canada's constitution.

The Bloc Québécois has always proposed a balanced approach for the use of the money that the federal government is sadly allocating to the creation of a regional development department for Quebec.

• (1250)

Why continue to create an infinite number of functions and a maze of wasteful spending? Consequently, I ask that the funds be directly transferred to Quebec, which can better evaluate the needs of its regions and implement programs that will contribute to their economic and social development.

**Mr. Sébastien Gagnon (Jonquière—Alma, BQ):** Mr. Speaker, I would like to salute and congratulate my colleague from Lévis—Bellechasse for his speech. He has an impressive record: reeve of an RCM and mayor of a municipality. His background is a welcome addition to the expertise his colleagues from the Bloc Québécois possess.

Since he is willing to help us with his expertise, I would like to ask him the following question. My colleague certainly contributed to the economic development of his region for many years, as shown by his record. As well, I am sure that he participated directly or indirectly in the consultations held at a summit where Quebec and its regions met, not so long ago. This type of event produces consensus and guidelines to influence regional development.

In my own region of Saguenay—Lac-Saint-Jean, everyone is now coming to the conclusion that it is time to decentralize powers in order to help communities. Consensuses emerged, particularly about the creation of a venture capital fund managed within the region. We see that the whole orientation of the region, from its economic development leaders, is about decentralization. Lately, I received a letter from the regional conference of elected officials asking federal members of Parliament to see what could be the federal government's contribution along this line.

I would like my colleague from Lévis—Bellechasse to tell us about what is happening in the regions, and also about the fact that the federal government missed an opportunity, with this bill, to decentralize and take part in this more realistic vision of regional development where decentralization enables regional leaders to take control of their region's development.

**Mr. Réal Lapierre:** Mr. Speaker, I would have to say that 25 years in municipal politics have taught me an undeniable truth. The moment a consensus is reached on one or more projects in a

given region, much has already been done. Indeed, it is not always easy to gather around the same table and to target the same projects as an RCM, a CLD, the regional conference of elected officials or even chambers of commerce. However, being a member from a non-resource region—since I come from the region of Quebec—we still have specific needs in some given fields.

For example, it is impossible to further develop agriculture in my riding. Our region is already one of the most agriculturally productive in Quebec. We cannot develop the forestry industry any more, either. Therefore, we have managed to reach consensus on a new niche, the development of recreational tourism via heritage or other avenues.

The problem is that federal subsidies were ad hoc and meant to go towards clearing an old right-of-way, and so forth. However, when the time came to make the right-of-way accessible to snowmobiles, all-terrain vehicles and, in certain areas, bicycles, the funding never allowed us to get tangible results, despite all past efforts. You see, this was the key to the whole thing. I am not talking about getting casual workers to help us out. We never had the capital base that would have allowed us to turn this project into a reality.

• (1255)

**Ms. Françoise Boivin (Gatineau, Lib.):** Mr. Speaker, as member for Gatineau, it is a pleasure for me to take part in this debate at third reading on Bill C-9, to establish the Economic Development Agency of Canada for the Regions of Quebec.

I would have liked to see our friends from the Bloc come back from our recess week with new feelings towards Bill C-9. If they had listened to Quebecers, they would have realized that that bill is extremely important and goes far beyond what has been said this morning by some members from their party.

Canada Economic Development, under the various names it has had over the years, has been working for about 40 years to support the entrepreneurship spirit of women and men, young and not so young, to help them contribute to regional economic development. Bill C-9, once adopted, will give Canada Economic Development the flexibility and tools it needs to stimulate development and to apply an integrated federal strategy.

This is more than what my colleague for Argenteuil—Papineau—Mirabel implied when he said that it was a simple structural change. The bill will make the agency independent from the department of industry and commerce.



*Government Orders*

Furthermore, the agency will be in a better position to represent the views and interests of Quebec regions in the elaboration of different national policies and programs. The agency will continue, as it has always done, to support promising ideas, determined entrepreneurs and innovative businesses. Option Femme Emploi, in my riding, and Produits Chanteclerc and Styro Rail Inc. are only a few good examples of these. The agency will also continue to help entrepreneurs to adapt to new market conditions created by globalization of trade.

Indeed, over the years, the agency has endeavoured to provide small and medium-sized businesses, the true engines of economic growth in Quebec, with immensely useful strategic information on the expertise and the resources of the government of Canada which can help them continue their growth.

The agency's interventions produce results of which our fellow citizens can be proud and which, even more importantly, meet their needs and their expectations. Thus, the agency has pledged over a billion dollars in financial support for the implementation of some 2,000 projects which were under way in 2003-04. If one adds the investments of other backers to those of the agency in those projects, their total value reaches close to \$4 billion across Quebec's regions. This leverage amounts to \$4 for every dollar invested.

Within the context of its various programs, Canada Economic Development has contributed to the pre-startup and startup of nearly 2,800 businesses across Quebec. A study undertaken by the agency reveals that more than half of the respondent businesses, that is 58.6%, have stated that their turnover increased following the project for which they received financial assistance from the agency. Moreover, according to data compiled by the agency for 2003-04, close to three-quarters of those clients, 73.9%, have pointed out that they would not have been able to bring their projects to fruition without its financial support.

Community representatives who share this view include Ms. Manon Laporte, president and CEO of Enviro-Accès Inc., who stated before members of the Standing Committee on Industry, Natural Resources, Science and Technology on February 16—and I was very pleased to be there—how support from Canada Economic Development had been important in setting up eight strategic projects. Those initiatives essentially aimed to raise awareness and support the implementation of pollution prevention practices and an environmental management system for production processes with a view to profitability and increased competitiveness.

Ms. Françoise Bertrand, president and CEO of the Fédération des chambres de commerce du Québec, in an article in *La Presse*, highlighted the importance of the economic benefits that publicly-funded assistance can bring. She said that these benefits go far beyond the assistance received initially.

On another note, an external audit of Canada Economic Development's Regional Strategic Initiatives program shows that the agency's contributions have a considerable leverage effect on the other active financial partners in regional development.

The same audit reveals that the Regional Strategic Initiatives program, compared to other regional development programs in

Europe, is a pioneer in targeting the region instead of the business and in supporting the development of innovative capabilities.

• (1300)

As part of an evaluation related to the agency's activities in the field of innovation, 80% of participants said that the assistance provided by Canada Economic Development in the form of repayable contributions helped them meet the challenges of innovation and productivity-related projects.

In that sense, Mr. Yves Goudreau, director of business development for Premier Tech, an important eastern Quebec company, speaking to the Standing Committee on Industry, Natural Resources, Science and Technology in February:

During the past year, I was able to note ... as a businessman, the full importance of CED in the development and the diversification of the Quebec economic regions. ... Without these amounts, we would have, without any doubt, directed our product development to the partial improvement of products. In the middle term, this delay would have caused the withdrawal of our products from the market, because of the constant optimization of the products of international competitors—

Also, the agency's actions are sustainable in nature. In fact, among enterprises having received assistance from the agency to carry out innovation and R and D activities, 85% continued to perform this type of activity. In addition, 87% of enterprises stated that these activities contributed to increasing their productivity, and 83% pointed to enhancement of their competitiveness.

A long term impact on employment is also observed. More than half the enterprises, or 57%, reported an increase in the number of employees following a project completed with the agency's support.

Finally, to show just how relevant the agency's involvement is, for the past three years, its clientele's satisfaction levels have been rising consistently. In 2003-04, for example, 94% of the agency's clients stated that they were satisfied with the quality of services in general.

In this respect, I would like to quote Raymond Giguère, the director general of the Cégep de Rimouski. On February 16 he told the Standing Committee on Industry, Natural Resources, Science and Technology that Canada Economic Development was an ideal partner for our regions, working together with all concerned and making its extensive economic development expertise available to the regions.

Mr. Giguère added that, in his view, Canada Economic Development was a key player in the economic development and diversification of Quebec's regions, through its financial and technical support. He went on to say:

Canada Economic Development's capacity to technically and financially support community-based projects focused on domestic and global positioning contributed to this success.

He also said that it would be necessary not only to maintain and develop this capacity to be guided by long term planning in conjunction with the regional community, but also to maintain the capacity to foster a collaborative approach with stakeholders from other orders of government and other federal departments.

*Government Orders*

Canadians expect, and rightly so, that their governments produce results that reflect their expectations and needs. The ongoing evaluation of our programs and procedures ensures that our activities are in line with the priorities we have set for ourselves and that we will achieve the desired results.

Bill C-9 states that the minister responsible for Canada Economic Development shall cause a comprehensive report providing an evaluation of all activities in which the agency was involved to be laid before each House of Parliament every five years.

In closing, I would like to encourage all members of the House to support Bill C-9 so that Canada Economic Development can have the tools and the flexibility that it needs to continue its effort with the Quebec businesses and communities. I am convinced that Canada Economic Development will do everything in its power to meet the aspirations of the people of all regions of Quebec.

The work done in committee helped to bring in the adjustments that should have allayed the fears or the red herring being used by the Bloc members who keep saying that we want to interfere in areas of Quebec's jurisdiction. This will be done in all respect for Quebec's jurisdictions. If Canada Economic Development was able to work for more than 40 years without interfering in provincial jurisdictions, I think that by resorting to fearmongering, the Bloc is only showing that it does not want this to work.

• (1305)

I know that the regions need Bill C-9. I hope that the other parties will support us as they have done up to now, because it is extremely important for Quebec. I will be very proud to go around my province to say that we have worked very hard to pass Bill C-9.

**Mr. Sébastien Gagnon (Jonquière—Alma, BQ):** Mr. Speaker, I have a question for the hon. member, who gave us a list of what the agency has accomplished. She mentioned some results obtained and some actions taken. I would like to make sure that she clearly understands that what we are talking about today is the creation of a legal entity—no more, no less. After listening the various witnesses in committee, they had to admit that the bill would, in fact, create a new legal entity. The members opposite should stop accusing us of being against regional development or saying that we do not like it.

Both the bill and in the literature from the agency itself state that there will be absolutely no change to its mandate and present programs. So, let us stop scaring people by saying that regional economic development will be affected if this bill is not adopted by the House. Will the hon. member admit, as the witnesses did, that the only thing no more, no less that the bill will do will be to add one more senior minister and one more ministerial limousine?

**Ms. Françoise Boivin:** Mr. Speaker, I find it quite simplistic to say that it is just one more limousine and one more senior minister. As the proud member for Gatineau, who may represent Quebec and its interests differently than the members of the Bloc Québécois, I focus on the important part. Indeed, there will be a new senior minister responsible for regional economic development at the cabinet table. I am flabbergasted to hear such a question from a member of the Bloc Québécois.

I will repeat what I have already said, since he opens wide the door every time. His own constituents are asking him why he will

not back Bill C-9. This comes not from me but from the mayors of his region. There is a fear, as we have already seen with respect to the bill amending the Official Languages Act, as we see with everything. Every time something good could be done for Canada, you can bet the Bloc Québécois will not support it. I have no problem with that. If you have any other questions, bring them on. We will gain a new senior minister who will not need another department's consent to determine what will be done in terms of regional economic development. Shame on the Bloc Québécois for not backing this bill.

**Mr. Réal Lapierre (Lévis—Bellechasse, BQ):** Mr. Speaker, I would like to emphasize, contrary to the arguments of my colleague opposite, that some mayors are active in regional development, an area in which I have worked myself. I am thinking here about people like Mr. Beauchemin, the mayor of Rouyn-Noranda, Mr. Marc-Urbain Proulx, a professor at the Université du Québec à Chicoutimi, and many others who do not want any federal intrusion in Quebec jurisdictions. Everybody knows that reaching a consensus in a region is the one and only way to bring projects to fruition. We will not get anything done if we do not get all those responsible for regional development to dance to the same tune.

My question is this: Has the hon. member ever seen in the past situations where a consensus was reached around one or several projects in a region and where federal intrusions have been conducive to a favourable conclusion?

• (1310)

**Ms. Françoise Boivin:** Mr. Speaker, what a nice question! I thank the member opposite for asking it.

Indeed, I will give the example of the great beautiful region of the Outaouais, which is engraved in my heart and in which I have been living since I was born. I do not know how it is in the region of the member who asked the question, but in ours, in the riding of Gatineau and throughout the Outaouais, when we have projects to submit, the CLD, CED and all stakeholders hold consultations.

I would like to go back to some of the statements that were made by the honourable member opposite. He mentioned among other things the mayor of Rouyn-Noranda, Mr. Beauchemin. I was at the committee when he came to give us his perception of Bill C-9. It is sometimes useful to take part in committee meetings. Before defending a project, I like to know what it is about. In this context, what struck me the most is that the mayor of Rouyn-Noranda has a very good relationship—and I say this in a very positive sense—with the CLD in the area. We know that, in some regions, the CLD, being more a provincial organization, sometimes sees the federal government as the enemy. I am fed up with this. From what I hear, people in my region are also fed up with this simplistic discourse from the Bloc Québécois. It reduces Quebec to a small island, as though it should stop, because it cannot breathe in front of others.

*Government Orders*

It is strange that, in the Outaouais, we are able to work in cooperation and to bring out the positive in all of this. The Bloc is afraid of a federal intrusion, but these programs have been in place for 40 years and are working very well. This will allow Quebec to receive additional funds for regional economic development. Who is against virtue? Members opposite never stop talking about fiscal imbalance, constantly overusing that argument, while, on this side, we find ways to allow businesses to perform well in Quebec. The Bloc Québécois still prefers to remain simplistic, because this is how it sees life in Quebec.

**Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ):** Mr. Speaker, I find it very enlightening to hear my colleague opposite. I would like to ask her a few questions because I think that we do not have the same understanding of how the economy works.

Over the last five or six years, this government has increased the number of public service employees by 59,000. Talking about the fiscal imbalance, she said that increasing the number of public service employees in a particular region would solve this problem. We believe that a better way of dealing with the fiscal imbalance would be to stop stepping on each other's toes and to give the money back to the provinces in their areas of jurisdiction.

I find it hard to believe that people such as the member would say that we need to have more offices, more limousines and more ministers to solve the issues with which the provinces and the regions are struggling. That is simply not true. The first thing that needs to be done is to respect provincial jurisdictions and to give the money back to the authorities responsible for dealing with these issues. As my colleagues were saying, regional economic development requires regional consensus. The federal government cannot tell us what to do. One just has to watch the Gomery commission to understand that there are no lessons to be learned from the federal government.

Can the member explain to me how increasing the number of federal public service employees by 59,000 and increasing the number of offices would solve the fiscal imbalance? I would like her to elaborate on that.

•(1315)

**Ms. Françoise Boivin:** Mr. Speaker, first of all, perhaps the colleague over there ought to have listened to what I was saying. I was in fact answering one of his colleagues about this giving us just one more senior minister and a ministerial limo. My response was that for Quebec to have a senior minister at the cabinet table able to speak to regional development for Quebec, and nowhere else, was of the utmost importance to Quebecers.

That said, I never mentioned 59,000 public servants. If there are 59,000 additional public servants in Quebec, it is certainly not because of this bill. Yes, there are already 14 offices, but I have not asked for more. There was no reference in my speech to adding offices. Things are working very well as they are. My reference was strictly to a structural change, solely in order to have—and this is the innovative element here—a senior minister.

I am offended by their statement that we are trampling on their toes, because we never do such a thing. A reading of the Constitution will show there are a number of jurisdictions. This bill complies with the Constitution. We even made an effort during the clause-by-clause

examination in committee to ensure that it was clearly stated that Quebec's jurisdiction would be respected.

Once again, the Bloc Québécois is being alarmist. There is, when it comes down to it, no encroachment here. The Bloc would like to take the money and pass it over to Quebec, when things are going very well.

As I said, large numbers of people throughout Quebec are extremely pleased that CED is present in Quebec, that it is working in partnership—not telling people what to do, but in partnership—with the commercial, economic and social stakeholders of Quebec.

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Mr. Speaker, I was listening to my hon. colleague opposite just now. I wonder if the Liberal Party of Canada is listening to the same radio stations as the other members of the House. She should have listened to the mayor who looked for Canada Economic Development programs and who was unable to find any. He would have liked some aid after a report on substandard housing was released. He was unable to obtain any because no such program was available.

I also want to say that, according to Canada Economic Development's 2003-04 report, the agency managed to spend only two-thirds of its budget because it did not have the programs it needed to invest in other areas despite the needs identified by its offices.

Once again, the member opposite could have left her own office and visited the agencies. No doubt, she would have discovered this.

All things considered, it is quite simply—I am repeating after my colleagues—a new department that will serve to guide, promote and coordinate the policies and programs of the Government of Canada in relation to the development and diversification of the economy of the regions of Quebec.

It obtained a few more powers than the board of Canada Economic Development, for example, whose funding and mission is provided by the Department of Industry.

Its additional powers seek to interfere in Quebec's areas of jurisdiction and, consequently, the minister shall, in cooperation with other concerned ministers, boards and agencies of the Government of Canada, formulate and implement policies, plans and integrated federal approaches. This is very important.

However, the government has been careful not to ensure the approval of the different provincial departments or agencies in areas under their jurisdiction.

So the minister will be responsible for the impact, not the needs of federal programs on the regions. Quebec does not want an integrated federal strategy, but rather improved programming able to meet the needs of Quebec, while respecting its areas of jurisdiction.

I repeat: the Constitution makes Quebec responsible for most matters related to regional development, and an integrated strategy must touch on a wide range of issues such as natural resources, education and training, municipal affairs, land use and infrastructure. Ottawa does not have jurisdiction over such matters, and it is no expert in them either.

*Government Orders*

In this government, ministers are appointed first, and then portfolios are created for them. It is certainly the case for the Minister of the Economic Development Agency of Canada for the Regions of Quebec, as it was for the Minister of Foreign Affairs and International Trade, a department that was recently split by Parliament. The same government—with the pleading eyes and trembling hand of its leader who, even if he has no credibility, is trying to have the public believe that he is seeking the cooperation of the opposition parties—will not respect the decisions, motions or recommendations made by this Parliament. As a result, it is maintaining a department that was voted down by a majority vote and that has not yet been recognized by this Parliament. If that is what the Prime Minister meant when he promised to correct the democratic deficit, the opposition parties should take the government's measure and defeat once and for all a measure that only serves the interest of the governing party.

As far back as I can remember without going all the way back to Duplessis, Quebec has always demanded to be in charge of its regional development. Just think back to 1965, when Jean Lesage stated the following at a federal-provincial conference:

—Quebec will consider it normal, from now on, that any federal action with respect to the regions of Quebec be taken through Quebec's administrative structures, once Quebec has agreed with the objectives and the means to achieve them. Otherwise, there is a risk that policies based on divergent premises cancel each other out.

• (1320)

After 43 years of debate and continuous improvement in Quebec's ability to manage its own development, the question remains unresolved.

Members will recall that, between 1973 and 1994, there was a framework agreement in place between Quebec and Ottawa. The two governments were obliged to agree, otherwise Ottawa could not have intervened, and most of the federal money went to Quebec structures.

In its dictatorial approach, this government, more centralizing than that of Pierre Elliott Trudeau, circumvented the established agreements, and confrontations could only become more nasty—all for federal Liberal visibility and an outstanding battle with an immigrant to Quebec prepared to betray his adopted fellow citizens, who, for his own purposes and desire for power, got himself elected leader of this government.

Make no mistake: this federation will not be destroyed by a vote for or against the budget, or a vote of confidence, or a vote for or against Bill C-9, or Quebec's sovereignty. The Conservatives, drawn from the Conservative Party or the Alliance, and the NDP all know that. What will kill this federation are the piecemeal negotiations and the unfair competition this government has created among the provinces, to their detriment.

With the insistence by all parties in the House that this bill be rammed down the throats of Quebecers, we in the Bloc have tried to have certain changes introduced, which would have permitted minimal respect for the areas of Quebec's jurisdiction and the needs and aspirations of Quebecers in terms of their development and territorial integrity.

We called for the removal of all references to “integrated federal approaches”. It was never recognized in the past in any form whatsoever. It is not recognized today and will not be in the future either. Any elected representative in a country agreeing to such a formulation would be considered a traitor to his country, and all Quebec members doing so here should be considered so as well.

They need only refer to the words of Jean Lesage in 1965 or recall the agreements in existence between 1973 and 1994 to realize that the government has never done a thing for Quebec and continues to seek out confrontation through offensive legislation and action, like the sponsorships and the law—

• (1325)

**Hon. Denis Coderre:** Mr. Speaker, on a point of order, people can use freedom of speech to express their point of view, but there is not a single traitor in this House. That said, I ask that the hon. member retract his statement, as he called members on this side of the House traitors.

**Mr. Yvon Lévesque:** Mr. Speaker, I did not say there were traitors. I said that in any other country, people who behave that way would be considered traitors. I did not say there were traitors here. The law and the outlook of the people of this country are much more open than in some other countries.

**Hon. Denis Coderre:** Mr. Speaker, we cannot get away with saying whatever we want by doing it in a roundabout way. For instance, we cannot quote profanities used by someone else to get around the fact that we are not allowed to swear in this House. Calling people traitors is the same thing.

I believe we all want decorum here. These antics must stop. I ask that the hon. member retract his statement. There is not a single traitor on either side of this House.

[*English*]

**The Deputy Speaker:** I thank the member for Bourassa for his comments. I have been listening to the interpretation and I did not hear anything that would have twiggged a point of order. I will look at the blues to make sure. I caution members, of course, that all members here are honourable members. There are no traitors or things such as that. The member is right in that we cannot ascribe motives to someone through a quote indirectly that we would not do directly. I will look at the blues and will come back to the House, if necessary.

[*Translation*]

The hon. member for Abitibi—Baie-James—Nunavik—Eeyou.

**Mr. Yvon Lévesque:** Mr. Speaker, I was referring to the behaviour of this government, which continues to seek confrontation with all sorts of degrading acts and measures, such as the sponsorships and the Clarity Act, in an attempt to control Quebecers. Such proposals are unacceptable and the Quebec National Assembly is unanimous on this.

We also asked that Quebec's regional development priorities be respected. To do otherwise would be perceived as today's equivalent of the sponsorships, that is, an attempt to legalize the future wasting of taxpayers' money in futile investments that neither Quebec nor Quebecers want.

*Government Orders*

Another demand had to do with the implementation of Quebec's regional development objectives, in order to promote those objectives. We also asked that the minister fulfill his duties so as to reach agreements providing for the transfer of federal funds to Quebec, in the context of regional development. This would have resulted in Quebec and Ottawa cooperating in economic areas, as wished by Jean Lesage back in 1965, that is 40 years ago.

We also asked that regional priorities for development be taken into consideration. Since there are such differences between the regions of Quebec, it is necessary to have a very good knowledge of these regions before making decisions. There was an immediate outcry on the part of all the other parties in this Parliament, because these amendments would have reduced too significantly the federal government's power to interfere in this typical and true provincial jurisdiction, particularly in the case of Quebec.

It is easy to understand why these same parties were also opposed to signing agreements with Quebec to transfer the funds required for regional development, and to decentralize the powers relating to regions and their needs.

Again, we maintain that establishing a federal department in this area would only perpetuate the counterproductive duplication that already exists. The regions need help, they need it urgently, and they are not interested in watching Quebec and Ottawa fight.

We are repeating that this bill is offering nothing new to the regions. EDC's allocations remain unchanged; its programs and budgets have not changed at all. The department itself said there was no foreseeable impact on the agency's programs and current client base. The only real change will be that there will be a minister, a limousine and another unjustifiable increase in personnel in Ottawa, where people from outside Quebec will be deciding what Quebec and its regions need.

The government can do a lot for all the regions of Quebec within its own jurisdictions, in terms of employment insurance, support for older workers and skills upgrading, by restoring federal capital spending to an acceptable level. There are so many other areas, such as support for the mining industry, similar to that provided to the oil and automotive industries. Support could even be provided for clean energy like wind and solar power.

Because this bill does not offer anything to the regions, because it further politicizes federal intrusions in the regions of Quebec, because it interferes with the implementation of a real integrated policy that can only be adopted by Quebec, because it ignores regional authorities, because, in considering bills, this government has shown no willingness to respect Quebec's priorities, which will result in many more years of conflict and inconsistency, the Bloc Québécois will not support this bill.

•(1330)

**Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ):** Mr. Speaker, I want to congratulate my colleague for the very interesting speech he just made. Unfortunately, if the MP who spoke earlier about the Bloc's intentions had been here, she would have discovered exactly what was in the bill, thanks to the speech we just heard. In my opinion, it says a great deal about areas of jurisdiction.

I was also there during the period to which he referred, from the time of Jean Lesage to now, and I can confirm that it is true. Quebec has always fought for funding, but without interference in its jurisdictions or being undermined. This is exactly what my colleague was saying and what this legislation will do yet again.

I have a question for him. Earlier, I was misunderstood when I said that, in the past six years, the federal government—and I am not referring to the Quebec government—has increased the public service by 59,000 employees. Payroll for the provision of services has increased by \$9 billion, give or take several hundred million, although the provinces, including Quebec, have the means to do this. There is a duplication in the provision of services.

I want my colleague's opinion on this. Maybe he could elaborate a little because his experience is different from mine. However, in my opinion, it is disgraceful that we cannot get our money and that, furthermore, we are being told how to administer areas of jurisdiction belonging to Quebec.

**Mr. Yvon Lévesque:** Mr. Speaker, my colleague has just referred to something the member for Gatineau said earlier. The increase in the federal public service is also related to the transfer of other federal employees to the regions, which is slowly destroying them. As a result, unemployment has increased, more young people are leaving the regions, and there are fewer job prospects in these regions.

I want to give another example of waste. Even before the Parliament considered the bill, two departments were created from one, without anyone even asking for Parliament's approval. Although Parliament did not sanction the appointment of the minister, he is still there, along with all the public servants under him. This is wasteful and evidence of duplication within the federal government itself. In addition, there is an attempt to duplicate provincial initiatives. It is unbelievable.

•(1335)

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, I would like to begin with congratulations to my colleague from Abitibi—Baie-James—Nunavik—Eeyou for his excellent work and his good grasp of economic development. It is not easy to represent a region as vast as his and to come here to say that this bill, aimed at promoting the regions of Quebec, is nothing more than a structural enlargement rather than any real assistance program.

I have a real problem with the attitude taken by the Quebec Liberal MPs who lack an understanding of certain things.

*Government Orders*

Before I was in politics, I spent eight years as the head of the Conseil régional de développement de l'Outaouais. I could go into considerable detail on the economic development problems of Quebec. A lack of departmental presence is really not the problem. Canada Economic Development is there. As their representatives have said, their interventions will not change in the least, and therein lies the problem. New programs are necessary if we are to be able to deal with the various problems affecting our economic development.

A few years ago, who could have predicted the disappearance of the Quebec textile industry? Yet now we are seeing it happen. There is a huge agricultural crisis and some farms will also be disappearing.

So there are new needs. A new structure and department are not what Quebecers, the businessmen and women of Quebec, need. What they really need is new programs, and that is not what this bill we are discussing today is all about.

The Liberals tell us that we have a problem with visibility. No, our problem is with Canada Economic Development and its programs, which are insufficient for the need. They are likely the ones concerned with visibility, so much so that they want a new department to raise their visibility in Quebec. That is their problem.

What is it that the people, those businessmen and women need? That is what I want to ask my colleague. Would it not be improved programs better adapted to the needs, rather than a new means of increasing federal government visibility in Quebec?

**Mr. Yvon Lévesque (Abitibi—Baie-James—Nunavik—Eeyou, BQ):** Mr. Speaker, I mentioned this a little earlier and I will elaborate on it.

I was saying that, during the last year of its mandate, Canada Economic Development only used two-thirds of its budget. Despite all, regional directors had to somehow put their necks on the line to provide projects that were not included in the programs. It was left to the goodwill of regional directors to create programs because they did not exist.

These programs could really respond to the needs of the regions. Adding these programs would have been much easier and much less controversial than this bill we have been debating for almost a month now. It is a huge waste of time. We could have solved this with the everyone's agreement and to everyone's satisfaction, except perhaps the people who are seeking a minister's job. Automobile salespeople would have one less limousine to sell, but this might have still satisfied the people of Quebec and of all the regions of Canada. Canada would still have continued to follow the example of Quebec.

[*English*]

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

**Some hon. members:** Question.

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

**Some hon. members:** Agreed.

**Some hon. members:** No.

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

**Some hon. members:** Yea.

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

**Some hon. members:** Nay.

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

*And more than five members having risen:*

**The Deputy Speaker:** As requested, a recorded division on the proposed motion stands deferred until the end of government orders tomorrow, Tuesday, May 31.

\* \* \*

• (1340)

[*Translation*]

**DEPARTMENT OF HUMAN RESOURCES AND SKILLS DEVELOPMENT ACT**

The House resumed from May 9, 2005, consideration of the motion that Bill C-23, an act to establish the Department of Human Resources and Skills Development and to amend and repeal certain related acts, be read the third time and passed.

**The Deputy Speaker:** The hon. member for Compton—Stanstead has 13 minutes remaining.

**Ms. France Bonsant (Compton—Stanstead, BQ):** Mr. Speaker, I do indeed have 13 minutes left to speak to Bill C-23. At the risk of repeating myself, I will say that the Bloc Québécois is against this bill since it proposes an Employment Insurance Commission without any real power and with the opposite makeup to that outlined in our Bill C-280. My colleague from Chambly—Borduas introduced a bill for an independent employment insurance fund that would have only 17 members. Bill C-23 does not help our Bill C-280 whatsoever.

Furthermore, this bill institutionalizes blatant constitutional interference in the jurisdictions of Quebec and the provinces, particularly with respect to the National Literacy Secretariat, Learning Initiatives Program and the Office of Learning Technologies. All these matters come under provincial jurisdiction. As my colleague already said during consideration of another bill, the federal government interferes in anything to do with provincial jurisdictions. In Quebec and in the other provinces, we have appointed people to deal with this. Visibility is one thing, but we need the money.

No measure will prevent the use of replacement workers. Also, in connection with Bill C-23, we are talking about POWA, the program for older worker adjustment. It worked very well in the 1990s, but was eliminated by the current Liberal government. At present we face problems arising from globalization. Many jobs are being lost because of industry closures, for example in the textile sector. Furniture manufacturers are closing, such as Shermag in my riding. This is happening in Victoriaville too.

*Government Orders*

These employees have training in working with wood, but have never had any retraining. POWA would help these people aged 55 and older—we want the threshold dropped to age 50—to be retrained in another area and thus continue to work. At age 50, people still have a career. These people really need financial help to get retraining in another area, rather than stay home and wait for EI benefits, which never come. Indeed, the government had fun borrowing money from the EI fund without any intention of repaying it. That is \$46 billion gone.

Furthermore, the Bloc feels that Bill C-280 better responds to the demands of contributors to the EI fund. This is another matter, which considerably frustrates the people of Quebec, and, I have no doubt, the rest of Canada. Many workers contribute to EI, but are not entitled to receive it. They include women, young people and even students who have summer jobs and pay into EI. This is just a little strange. It is another hidden mini tax. We are proposing that EI be improved to help people who are really suffering.

Then there is the exodus of young people. Many of them go to work in the city, because there is nothing in their municipality. When young people leave the countryside to move to the city, they do not come back. They find work, meet people, start another life and do not come back. It is extremely hard on the farming sector, succession and replacement work. So this is why it is vital C-23 not be passed.

In terms of workforce development, the government must respect Quebec's authority. The current government must stop meddling in areas of jurisdiction not its own and must unconditionally transfer the money to Quebec.

In Quebec, our post-secondary program was developed based on our culture and needs. However, the federal government is constantly interfering. We are simply asking this government to mind its own business.

The federal government should also negotiate an agreement with Quebec to transfer four groups that were not included in the 1997 accord, namely young people, disabled persons, immigrants and older workers. Earlier, I talked about older workers when I mentioned POWA.

• (1345)

As regards young people, the summer career placement program ended up surprising everyone in that, in my opinion, it was a total failure.

There are many immigrants in downtown Sherbrooke who would love to work, but there is a language barrier preventing them from doing so. Because the government made cuts to French language courses, these people have to wait, often for long periods of time, for months and even years, before being given the opportunity to learn French and thus be integrated into Quebec society.

The Bloc Québécois supports the Quebec government, which feels that Ottawa should give these people the maximum amount provided by the Employment Insurance Act for training. There is an annual shortfall of some \$200 million. This amount would allow us to invest in education and literacy. Quebec is also deprived of \$100 million in the area of manpower, for those four groups. As I just mentioned, when it comes to development for young people and

disabled persons, Quebec is ending up with an annual shortfall of over \$400 million, which is a significant amount.

Many young people are discouraged because they are not finding any work in their field. So they are leaving for the cities. They would like to have access to courses in agriculture, another area that is really threatened with extinction. I wonder how we are going to feed our people in future.

The government does not acknowledge fiscal imbalance. This is another area that is costing Quebec \$50 million a week. A careful calculation will make that a total of \$2,500 million a year. That amount is not going to health, post-secondary education or young people. With \$50 million a week, we could do things in Quebec to help the coming generation and especially the seniors. Seniors are often neglected. They have a wealth of life experience. Unfortunately, they are shunted aside as unimportant, to the detriment of Quebec society.

Among examples of the federal government's mismanagement and incompetency I note that it also enjoys taking away programs that are working well, such as POWA. I would add that section 78 of the Employment Insurance Act allows the federal government to invest 0.8% of total insurable earnings in support measures. At the present time, its investment is 0.57%. That is why it is making a profit while the provinces are in the hole.

As I have said, the deficits primarily affect women, who earn 70¢ for every dollar that men earn. So there is a 30% shortfall. We must not forget that children living in poverty have poor parents. Then there are the single mothers who count on EI when they are between jobs. They are penalized or disqualified because they have returned to work and have to accumulate 910 hours rather than the 360 the Bloc Québécois is calling for.

So, the cycle continues. These women cannot receive EI benefits in order to make ends meet or feed their children. So, they have to apply for social assistance, a temporary free pass, which is not something Quebecers want to rely on.

So, it is extremely important for the Government of Canada to consider the provinces by transferring this money in order to help the four categories of applicants we are proposing.

*Government Orders*

●(1350)

Quebec will also be able to take care of itself, redistribution and its own areas of jurisdiction. We hope that, if the fiscal imbalance were resolved, the problems in hospitals would be fixed too. This would also correct the problem in post-secondary education, where young people are discouraged due to the lack of follow up. Furthermore, teachers lack support and the school boards need more teachers. As a result, burnout is a frequent problem. You have to work in the public sector to know what burnout is. In Quebec, many nurses have cancer, because they work non-stop and drive themselves into the ground. However, at a certain point, the human body needs to rest.

I repeat that, with regard to Bill C-280, the Bloc Québécois is proposing 17 commissioners instead of 14,000 public servants. These 17 commissioners could administer the EI fund, without anyone being tempted to take money that does not belong to them. We must weigh our words carefully here in the House of Commons, because some parties do not like to hear themselves described as they really are.

This \$46 billion was taken from funds belonging to employees and employers. This money, that does not belong to them, is like a small hidden tax to pay the mortgage when the house burned down. It is all well and good to pay down the debt, but never at the expense of individuals, families and children. As I was saying earlier, children are poor, but some people forget that the parents of those children are poor as well.

As for manpower development—I am going from one thing to the next because I have so much to say—there is interference there too. Does the government intend to create hidden education? Is it going to want to develop a department simply to manage other departments that manage departments? This is very costly for no gain.

The government also has to negotiate with Quebec on the 1997 agreement. We have four categories that do not belong to Quebec: young people, persons with disabilities, immigrants and seniors. We must protect, develop and help these four treasures. The youth of today will become the adults of tomorrow.

I already touched on the \$412 million shortfall. In October, Labour Canada said it was open to discussion. However, it did nothing. That is why we have to continue to drive home the fact that it is a provincial jurisdiction and that provincial jurisdictions absolutely must be respected.

[*English*]

**Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development, Lib.):** Mr. Speaker, I listened with great interest to my colleague and I know from her passion that she is interested in most of the areas with which this new department will be dealing.

Bill C-23 is about setting up the new Department of Human Resources and Skills Development. It essentially is a department of lifelong learning and lifelong training. It is my sincere hope that it will more effectively deliver what the federal government generally is delivering already.

My colleague mentioned students. This is the department that deals with the Canada student loans which students all across the

country benefit from. It is the department that provides annual grants to disabled students for every undergraduate year. It provides first year grants for low income students. It is the department that will deliver the Canada student bond, which is the way in which low income families can accumulate money toward the education of their children. I know my colleague knows this department, when it is reorganized and redesigned, will be dealing with students.

She also mentioned seniors and this is the department that will be dealing with seniors. For example, the National Literacy Secretariat, which is in HRSD, deals with literacy problems from childhood through to seniors. Although it is not a large federal organization, it is a remarkable organization that deals very effectively with the provinces, the territories, the not for profit organizations and aboriginal organizations on literacy all across the country. I know she is interested in these things. She also mentioned EI and training. My thought is that this new department will deliver those programs more effectively.

The bill does not come from the government. It is not a surprise to the House of Commons. It comes from a unanimous committee report, which the Bloc supported, recommending that the old department be divided in two. This is one-half. The House of Commons, with Bloc support, unanimously endorsed the division of the old department and the setting up of this new one. I really would like to ask her to explain how it is that the Bloc has changed its position on this improvement in the delivery of federal government services.

●(1355)

[*Translation*]

**Ms. France Bonsant:** Mr. Speaker, Bill C-23 was split in two. First, this did not give more money to the program; it gave more work to public servants.

Second, my colleague is talking about literacy and learning. The Bloc Québécois has always respected provincial jurisdictions in that sense. It is federal interference, pure and simple.

Third, if we want to get into millennium scholarships, just look at what happened in Quebec: students voted against these millennium scholarships that would not get them any further ahead. It is very clear. The federal government has a knack for interfering in Quebec's jurisdictions and the Bloc Québécois wants to defend these jurisdictions.

**Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ):** Mr. Speaker, since I am getting the sign that I should be quickly putting a question to my hon. colleague, I shall be brief. The Liberals are never to be trusted when they introduce legislation.



Our Liberal colleague asked why we had changed our position. We did not. It was expected that, by establishing the Department of Human Resources and Skills Development, the employment insurance issue would finally be resolved. The Employment Insurance Commission was established, which appoints representatives through the governor in council. This means that four representatives are appointed by the government. We wanted the actuarial deficit in the money paid by employers and employees to finally be dealt with through a representative commission. Our proposal is for seven employer representatives and seven employee representatives.

Bear in mind that the federal government stopped contributing to the EI fund in 1996. Only employers and employees are contributing. I would like my hon. colleague to expand on that.

**Ms. France Bonsant:** Mr. Speaker, the \$46 billion that has been diverted for other purposes, like a tax grab, is money that employers and employees paid into the EI fund as protection for hard times. It is tantamount to people buying insurance being given an umbrella when the sun was shining and having it taken away when the weather got bad.

The 17 members of the Employment Insurance Commission would be there to manage the fund, to prevent the misuse of the fund and unequal treatment where employers and employees are concerned. It is very important that this money go to those who have contributed to the fund and not be used as a tax grab.

**The Deputy Speaker:** We will have four minutes remaining for questions and comments following oral question period.

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## STATEMENTS BY MEMBERS

[English]

### UNIVERSITY OF PRINCE EDWARD ISLAND

**Hon. Shawn Murphy (Charlottetown, Lib.):** Mr. Speaker, the University of Prince Edward Island held its 36th annual convocation on May 14. A record setting 717 graduates participated, representing 17 different countries.

A number of honorary degrees were also awarded to outstanding members of the community. The recipients were the Hon. James Lee, former premier of the province, Colin MacDonald, the Congregation of the Sisters of St. Martha, John Joe Sark and Charles Stewart Scranton. Mr. Scranton also delivered the morning address while the afternoon address was delivered by Sister Laretta White on behalf of the Sisters of St. Martha.

I would like to take this opportunity to congratulate all the graduates in their considerable accomplishments. They can be proud of their UPEI education and of the success they will no doubt continue to achieve in the future.

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● (1400)

### FISHERIES

**Mr. Norman Doyle (St. John's East, CPC):** Mr. Speaker, during the last federal election the Minister of Natural Resources sent out an

election flyer that made a promise on foreign overfishing. On foreign overfishing, this is what the minister's election flyer said, "The Prime Minister came to this province and promised to do whatever it took to end foreign overfishing on the nose and tail of the Grand Banks, including custodial management".

The Prime Minister has yet to fulfill that election promise.

Last month the government held an international conference in St. John's to talk about foreign overfishing, but little came from that conference except talk. People in the fishing industry said that this conference was more about politics than progress.

The fisheries on the nose and tail of the Grand Banks continue to be pillaged on a daily basis. The time for talk is over. When will the Prime Minister take concrete action on custodial management and fulfill his election promise to the people of Newfoundland and Labrador?

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### CECILIONI AWARD

**Ms. Beth Phinney (Hamilton Mountain, Lib.):** Mr. Speaker, I congratulate Dr. Brian McCarry, the 2004 recipient of the Dr. Victor Cecilioni Award for Environmentalist of the Year.

Dr. McCarry is a McMaster University chemistry professor who helped to develop an innovative process of analyzing water sediments and air pollutants. Health Canada estimates that almost 6,000 deaths a year can be attributed to air pollution. Dr. McCarry is determined to find the answers to some of our most pressing environmental concerns, in particular the effects of the environment on our physical well-being.

Among his many involvements he is the chair of Clean Air Hamilton. This group, comprised of local stakeholders and representatives from all levels of government, is committed to improving the air we breathe in the city of Hamilton.

Congratulations and best of luck to Dr. McCarry who has now been nominated for the 2005 Canadian Environmental Award in recognition of his achievements in the category of climate change.

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[Translation]

### JOHANNE BÉCU

**Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ):** Mr. Speaker, I want to congratulate Johanne Bécu of Chandler, who this morning received the Meritorious Service Cross, Civil Division.

In 1989, Ms. Bécu founded the Maison L'Éclaircie, Aide à la santé mentale, a community-based agency helping people with mental health problems and their family. This resource centre provides a support group, information sessions, a help line for people feeling suicidal or distressed and resources to help them overcome their problems.

Through Ms. Bécu's commitment to her community and her many projects, people with a disability can not only recover their self-esteem but return to society.

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And so I would like to pay tribute to this woman, who has given of her time and energy so that people who are more vulnerable in our society can enjoy a better life.

Congratulations, Ms. Bécu. Our region needs people like you.

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[*English*]

#### BOREAL FOREST

**Mr. Mario Silva (Davenport, Lib.):** Mr. Speaker, I rise today to give my support to the boreal forest conservation initiative.

The boreal forest is an integral component of our national identity, and it contains one-quarter of the world's remaining original forests. It is the home to aboriginal communities across Canada, communities that depend on the forest for food, medicine and economic livelihood.

The boreal forest filters our water, cleans our air, helps regulate the climate and sustains a large variety of life, including human beings.

Canada's boreal forest faces the real threat of significant changes that would ultimately harm this picturesque and healthy ecosystem and threaten the many benefits the boreal forest provides all Canadians on a daily basis.

The boreal forest initiative seeks to conserve the cultural, sustainable economic and natural values of the entire Canadian boreal region. I commend these efforts and call on all members to lend their support to this essential piece of our national landscape. Canada has an amazing opportunity to be a global leader in nature protection. Let us start by supporting conservation efforts right here in our own backyard.

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#### MERITORIOUS SERVICE MEDAL

**Mr. Russ Hiebert (South Surrey—White Rock—Cloverdale, CPC):** Mr. Speaker, it is with great pleasure that I rise in the House today to honour three of my constituents who were awarded the Meritorious Service Medal for achievements that have brought honour to Canada. The medals were presented by the Governor General during a ceremony at Rideau Hall this morning.

Timothy Collings, professor at the Technical University of Vancouver, was decorated for his invention of the V-Chip, a ground breaking technology contained in newer televisions that allows parents to maintain better control over the content their children are able to access.

Al Etmanski and his wife Vickie Cammack were decorated for co-founding the charity, Planned Lifetime Advocacy Network, or PLAN. PLAN works with the families of persons with disabilities to help them prepare for their financial and social well-being after the death of their parents and relatives. PLAN now has affiliates across North America, Europe and Australia.

I want to offer my thanks and congratulations to these fine Canadians for their important contributions to our nation and the world.

● (1405)

#### POST-SECONDARY EDUCATION

**Ms. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, I would like to comment on the proposed amendment to the budget concerning post-secondary education.

It is my belief that we should undertake more direct financial assistance for students across the country. It is important that the moneys flow directly to students in order to facilitate access to both undergraduate and subsequent post-graduate programs.

While I acknowledge that post-secondary education is a provincial responsibility, two federal programs now exist that provide platforms to help students through grants and bursaries.

By investing the additional funding to be made available in the amended budget in an improved and more seamless Millennium Scholarship Foundation and the Canada study grants, we would assist both students and their families directly with the financial commitment to post-secondary education.

This measure would help ensure that Canadians are not graduating with the extreme debt loads that prevent further studies, put their families in debt and it would provide moneys when it is most needed.

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[*Translation*]

#### SUSTAINABLE DEVELOPMENT

**Mr. Guy André (Berthier—Maskinongé, BQ):** Mr. Speaker, I would like to draw attention to a specific example of cooperation between francophone nations, Quebec and Mali.

In fact, for 15 years, the people of the municipality of Sainte-Élisabeth, through the committee Des Mains Pour Demain, have been working passionately to improve the living conditions of the people living in the Sanankoroba commune in Mali.

I would also like to mention the participation of the RCM of D'Autray, which is helping with Mali's policy on decentralization by helping carry out the village of Sanankoroba allotment plan. Finally, I would mention that the municipality of Lavaltrie is twinned with the Malian commune of Dialakoroba.

I would like to thank all those involved in sustainable development and in ties through solidarity, especially with our partners in the Francophonie.

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[*English*]

#### WELLAND ROSE FESTIVAL

**Mr. John Maloney (Welland, Lib.):** Mr. Speaker, I am pleased to rise in the House today to announce that the 44th annual Welland Rose Festival can be enjoyed by residents of Welland, Niagara, southern Ontario and western New York State through most of June.

Since 1961 the Rose Festival has served as a premier annual event for the city of Welland, the rose city, and fosters civic pride through exciting cultural, sporting and general interest activities.

Events are featured throughout the entire city, but favourite festival activities include the always popular grand parade on June 12 and the impressive rose show on June 19.

I commend Tourism of Welland Niagara and its army of volunteers for their hard work and initiative. I would also like to thank the citizens of Welland for opening their community in a celebration of beauty.

The mission of the Rose Festival is to provide Canadians with a truly wonderful family event. Each year the festival welcomes over 80,000 visitors throughout the month of June.

I greatly encourage everyone to plan a visit to one of Ontario's premier communities. Come and enjoy the Welland Rose Festival.

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#### POST-SECONDARY EDUCATION

**Mrs. Nina Grewal (Fleetwood—Port Kells, CPC):** Mr. Speaker, for the third year in a row B.C. universities have posted the largest tuition fee hikes in Canada. Average undergraduate tuition in B.C. is now \$4,735, nearly \$600 over the national average. Add on soaring compulsory fees and it costs \$5,500 to attend school, and that is if students are lucky enough to get in.

Waiting lists for B.C. universities now rival those for elective surgery. The province needs 30,000 more university spaces. As a result, B.C. has the lowest university participation rate in Canada at 13.5%. B.C. students are victims of federal downloading.

As finance minister, the Prime Minister slashed funding for post-secondary education, cutting CHST payments by \$25 billion and leaving the province to pick up the slack. Under his watch student debt tripled.

The Conservative Party believes in cooperation with the provinces to improve accessibility and eliminate barriers to post-secondary education.

Meanwhile the Liberal government is slamming the door—

**The Speaker:** The hon. member for Ancaster—Dundas—Flamborough—Westdale.

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#### 2005 WORLD DRIVING CHAMPIONSHIPS

**Mr. Russ Powers (Ancaster—Dundas—Flamborough—Westdale, Lib.):** Mr. Speaker, it is with a great deal of pride that I rise in the House today to announce that my next door neighbour, harness racing driver Jody Jamieson of Dundas, Ontario will represent Canada at the 2005 World Driving Championships to be held in Italy next month.

Mr. Jamieson won the World Driving Championship in 2001 and was runner-up in 2003. In 2004 he won over 500 races and was recognized as the leading driver in the Ontario Sires Stakes.

The World Driving Championship, held every two years, is the pinnacle of harness racing. I urge my fellow members to join with

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me in congratulating Jody Jamieson on being chosen to represent Canada at the 2005 World Driving Championships and to wish him the best of luck in Italy.

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● (1410)

#### NATIONAL DEFENCE

**Hon. Bill Blaikie (Elmwood—Transcona, NDP):** Mr. Speaker, as the NDP defence critic I am rising today to call the attention of the Minister of National Defence and the House to the contract for making shell cases which DND has with IMT Partnership.

Formerly owned by IVACO and now owned by the former company president, this profitable company is demanding concessions, including a 12% rollback in wages, elimination of cost of living adjustments, reduction in vacation time and reduced benefits.

If the company does not change its attitude, DND should be looking to do its business with more socially responsible owners, instead of someone who is clearly out to bust the union.

In the interests of justice for the 136 workers of Steelworkers Local 2916 who are currently on strike, but who are facing the prospect of scabs, I urge the minister of defence to tell this company that this is not the kind of behaviour that DND will tolerate from its suppliers.

Decent wages and benefits are the backbone of a decent society. Governments that turn a blind eye to those who would constantly make people work harder for less are sanctioning a trend that is contrary to the common good.

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#### THE MEMORIAL CUP

**Mr. Joe Preston (Elgin—Middlesex—London, CPC):** Mr. Speaker, history was made yesterday. The London Knights hockey club's proud heritage was made complete with the winning of the Memorial Cup.

As host of a week of outstanding Memorial Cup events, the city of London and hundreds of volunteers and organizers must be congratulated for a great show on and off the ice.

The Memorial Cup, a trophy to honour our men and women of the armed forces, was highlighted this year with many veterans being involved.

The young men of the Kelowna Rockets, the Ottawa 67's and L'Océanic de Rimouski, all the best in their leagues, played well.

### Oral Questions

Knights owners Dale and Mark Hunter in just a few short years built a team that will long be remembered. The Knights season started with a record setting 31 game unbeaten streak and finished undefeated in the cup tournament.

After a year with this many highs, it is only a short wait until next year and more. Go Knights go.

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[Translation]

### SOFTWOOD LUMBER

**Mr. Pierre Paquette (Joliette, BQ):** Mr. Speaker, on May 23, a NAFTA panel reiterated that countervailing duties imposed by the United States on softwood lumber are illegal. As a result of the three earlier NAFTA panel decisions in this case, the U.S. Department of Commerce has reduced the original subsidy from 18.79% to 1.88%. However, the Americans continue to impose an unjustified 16.37% subsidy rate.

The Minister of International Trade announced aid for softwood lumber industry associations, but only for late 2005. This aid is insufficient and would only allow the industry to pay a small portion of its legal fees, which have exceeded \$350 million to date.

The industry in Quebec and Canada needs a real assistance plan, right now, to survive the harassment by the American industry. The situation is all the more urgent since the industry must not only assume astronomical legal fees and over \$4.5 billion in illegal duties, but deal with a slowdown in construction. The government must take its head out of the sand and act.

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[English]

### HEALTH

**Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC):** Mr. Speaker, today in court the Red Cross publicly apologized for its involvement in the tainted blood scandal.

The federal government, through the Red Cross, was ultimately responsible for Canada's blood supply. It therefore bears responsibility to those infected by tainted blood.

Over a month ago, the House of Commons voted to immediately compensate all victims of tainted blood. It was not six months from now, not in a year, but immediately. Yet despite bearing full responsibility for victims' suffering and despite the decision of this House, the government still has done nothing.

The government must help those harmed by its negligence, yet it places qualifications on its help. It essentially tells victims, "We caused you untold suffering, yet we may or may not help you".

I call upon the government to end the victims' cruel uncertainty. The Red Cross has done the right thing by apologizing. The government must do the same and compensate victims now.

[Translation]

### THE BUDGET

**Ms. Françoise Boivin (Gatineau, Lib.):** Mr. Speaker, the leader of the Bloc Québécois has stated repeatedly for some time now that there is nothing in the government's budget for Quebec. I suspect that the leader of the Bloc has not taken much of a look at the budget, and I encourage him to do his homework again.

In fact, the budget sets out a \$471 million increase, starting this year, in federal transfer payments to Quebec for health care. This is part of the 10 year health care plan, which will increase health care funding to Quebec by \$8.3 billion over 10 years.

It is also a fact that the equalization agreement in the budget will give Quebec an additional \$1.9 billion this year.

The leader of the Bloc is also forgetting over \$1 billion for municipalities in Quebec, the substantial increase of the guaranteed income supplement for seniors, and some \$300 million to stimulate the growth of SMEs throughout Quebec, to name just a few.

All this oversight makes us wonder how serious he is.

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● (1415)

### ASSOCIATION DES TRAUMATISÉS CRANIO-CÉRÉBRAUX

**Mr. Bernard Cleary (Louis-Saint-Laurent, BQ):** Mr. Speaker, I wish to emphasize the commitment of an organization in my riding that works with persons who have suffered cerebral trauma and with those close to them.

For more than 15 years, the Association des TCC des deux rives has enabled trauma victims to come out of isolation by offering them social activities and workshops, as well as information and education activities.

I have been moved by several testimonies read in the newsletter *L'en tête* and I want to pay tribute to all those who are working tirelessly not only for the association, but also for the cerebral trauma victims and their families.

I join in their everyday fight and I am proud to support them because they are models for us all.

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## ORAL QUESTION PERIOD

[English]

### SPONSORSHIP PROGRAM

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Mr. Speaker, we have learned that the Prime Minister has set up a \$1 million war room to deal with the fallout from the sponsorship inquiry. Now Canadians are on the hook for that money that is defending the Liberal Party.

This is a Liberal scandal, not a Canadian scandal. Canadian taxpayers have already paid enough. Will the Prime Minister direct the Liberal Party to repay this money to taxpayers?

*Oral Questions*

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the Leader of the Opposition knows that the inquiry is complex. It goes back over a 10 year period and involves thousands of transactions.

The mandate of the coordination in the PCO is to ensure that in fact the commission has the support it requires from the government. There are literally thousands upon thousands of documents that have to be prepared. It is the PCO that makes sure those documents are prepared and released to the commission. In fact, this is what is called cooperating with the commission to ensure that it has everything it needs from the government.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** In fact, Mr. Speaker, the existence of this war room came to light because it was undermining the work of Justice Gomery in attacking the cost of his inquiry. That is how it was discovered by access to information.

We got the sponsorship scandal because the Liberal Party used public funds for partisan purposes. It was wrong then. It is wrong now. Will the Prime Minister direct the Liberal Party to repay this money to taxpayers?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the work of the committee came to light because there was nothing secret about it. It came to light because the committee is doing the very job it was set up to do and that is to make sure that in fact the inquiry has all of the papers it requires and that the government is responsive to its needs.

Members of the opposition stand up daily and ask, will the government provide this and will the government cooperate. It requires a structure to do that. The answer is yes, we have cooperated, and we will continue to do so.

**Hon. Stephen Harper (Leader of the Opposition, CPC):** Let me ask a related question, Mr. Speaker. Before the break week, the government announced that it had set up a \$750,000 trust fund for the Liberal Party to repay money to. Can the Prime Minister tell us how much money the government has directed into that fund since it was set up?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the government has not directed anything into that trust fund, but the Liberal Party of Canada has in fact put \$750,000 into that trust fund, to answer the hon. member's question.

The fact is that the Liberal Party is cooperating fully. The establishment of this trust fund demonstrates good faith. Furthermore, the Liberal Party has been clear that any funds received inappropriately will be returned to the Canadian taxpayer once we have all the facts.

● (1420)

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, the spinning just goes on and on. Using tax dollars for the benefit of the Liberal Party is what the sponsorship scandal is all about.

Now we learn that there is a \$1 million war room operating out of the PMO right now to orchestrate Gomery damage control for the benefit, once again, of the Liberal Party. So my question is, once

again, why is the Liberal Party allowing this to happen? Why is the government allowing more tax dollars to go to the Liberal Party?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, there is no war room. This is an effort to cooperate fully with the Gomery commission.

The only people who are at war are the members of the Conservative Party. They are at war with Canadians who want this Parliament to work and who want to see the continuation of a functional Parliament addressing the concerns of Canadians: investments in health care, investments in child care, investments in housing, investments in the environment and investments in strengthening Canada's role in the world. The real war is between the Conservative Party and the interests of Canadians.

**Mr. Monte Solberg (Medicine Hat, CPC):** Mr. Speaker, that is coming from a party that just cut a backroom deal with the leader of the NDP, one of the most undemocratic moves I have ever seen in 12 years in Parliament.

The Liberals have not learned anything at all from the sponsorship scandal. Spending public money to benefit the Liberals is the problem. Now they are doing it all over again. Will the government close down the war room and force the Liberal Party to pay back that \$1 million?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, first of all, to address the hon. member's preamble, the fact is that we are cooperating with the NDP to respect the wishes of Canadians, to make this Parliament work, to invest in child care, to invest in health care, to invest in the environment, to invest in housing and to make a difference in the lives of Canadians. I am proud that we are doing this and not siding with the separatists who want to tear the country apart, as the hon. member's party is doing.

Furthermore, the fact is that our government has cooperated and will continue to cooperate fully with the Gomery commission and has in fact provided and coordinated over 20 million pages of documents to the Gomery commission because we want Justice Gomery to succeed.

\* \* \*

[Translation]

**MEMBER FOR NEWTON—NORTH DELTA**

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, Tim Murphy, the Prime Minister's chief of staff, apparently contacted the Conservative member for Newton—North Delta about a political appointment if the latter abstained from voting during the confidence vote. Part of the conversation was aired on CTV on May 18. Yet, the Prime Minister refused to say in this House if it was his chief of staff speaking.

Since the conversation has now been widely reported, can the Prime Minister now confirm that it was indeed his chief of staff on the recording?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I have not heard the recording. The hon. member knows full well that there were discussions. I can repeat that, one, it was the hon. member for Newton—North Delta who approached the government and, two, that no offer was made.

*Oral Questions*

**Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ):** Mr. Speaker, the transcript in *The Hill Times* speaks for itself. Tim Murphy appears to have said that before the Conservative member abstained there was not much point in specifically discussing Senate appointments, but afterward they would be free to talk about it. Tim Murphy appears to have tempted the hon. member for Newton—North Delta with a political appointment in exchange for his support for the government.

Does the Prime Minister realize that such behaviour is subject to prosecution under section 119 of the Criminal Code?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, I repeat: no offer was made and it was the hon. member for Newton—North Delta who approached us, period.

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, the recording of a conversation between a Conservative member and the Prime Minister's chief of staff reveals that the latter asked the MP to abstain in the government non-confidence vote in exchange for future considerations, and I quote, "We can make an arrangement that allows you to move".

Will the Prime Minister acknowledge that attempting to influence an MP's vote in exchange for future considerations contravenes section 119 of the Criminal Code? This is very serious and calls for immediate action.

• (1425)

[*English*]

**Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, it is my understanding with respect to this particular issue that a complaint has been laid and that the Ethics Commissioner himself is currently considering whether he has jurisdiction to entertain such a complaint, and secondly, that any allegation against a member of the House of Commons is to be considered under the conflict of interest code for members of the House of Commons.

The House code is administered by the Ethics Commissioner. I would suggest that the Ethics Commissioner alone will determine if in fact this particular matter falls under and within the jurisdiction of the House code.

[*Translation*]

**Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ):** Mr. Speaker, the chief of staff of the Canadian heritage minister resigned because he was under investigation in the sponsorship scandal. Employees of the premier of Quebec did likewise.

I put the question again to the Prime Minister. How could his chief of staff stay on, when he is under considerable suspicion following the release of this recording?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, once again, in an effort to be more civil, members should not use their immunity in this House to engage in a witch hunt. I repeat once again that no offer was made. That means no offer was made.

[*English*]

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, my question is for the Prime Minister. Our members have reported back to me that there is a real concern among Canadians, and it is

certainly what I witnessed myself over the past week, about this taped conversation that went on.

It has placed the entire House under a real cloud. I am calling upon the Prime Minister to explain why he would not, or better yet, announce that he would, initiate an RCMP investigation into these very, very disturbing tapes, the kinds of conversations which take it to the edge of illegality. Will he announce an RCMP investigation now?

**Right Hon. Paul Martin (Prime Minister, Lib.):** Mr. Speaker, the leader of the NDP knows full well that it is not up to the government to initiate an investigation by the RCMP. The fact is that those tapes are in the possession of a member of this House. One would hope that the member will make those tapes public.

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#### ACCESS TO INFORMATION

**Hon. Jack Layton (Toronto—Danforth, NDP):** Mr. Speaker, we certainly hope that will happen and that an RCMP investigation might accelerate that process.

My next question has to do with transparency in government. There seems to be a mixed record here and in fact quite a sad record. Whether it is the Maher Arar inquiry or whether it is Canadians trying to get information about what goes on in government, as revealed by an extensive study by journalists over this past weekend, there is an opaqueness, a secrecy, a shroud over the activities of the federal government which is unequalled by any other government in this country at any other level.

Will the Prime Minister bring forward legislation, as he has promised, to correct this?

**Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, quite to the contrary of the assertion made by the hon. member, this government has engaged in unprecedented openness, not just in the release of normally confidential information but in our practice of disclosure around contracting and appointments; in the information we provide to the House on the work we are doing to make evergreen; and in the paper that is before the committee looking at a new Access to Information Act. This government is moving very quickly and very aggressively on open access.

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#### SPONSORSHIP PROGRAM

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, the forensic auditors trying to follow ad scam cash for Gomery have hit serious roadblocks. They could not access key records necessary to follow the money trail, including personal bank accounts, and of course they could not track envelopes of cash. They were also barred from reviewing any records under criminal investigation.

The Prime Minister promised no stone would be left unturned so why these boulders in the pathway to the full truth?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the government is cooperating fully. I would draw the hon. member's attention to what Justice Gomery said relative to the Kroll Lindquist report:

*Oral Questions*

I think that the accountants have simply given us the raw data without expressing an opinion...Whether it was for the benefit of the Liberal Party or paid to the Liberal Party, or at the request for the Liberal Party or whatever, that is going to depend upon the other evidence that they have not tried to evaluate.

Justice Gomery realizes, as do Canadians realize, that we will not have all the facts until we have his report.

• (1430)

**Mrs. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Speaker, one of the auditors said that part of the problem in following ad scam money was that in most cases the shredders got to the bank records first.

The auditors also revealed that far more money went into the sponsorship program than the Liberals have ever admitted, almost 50% more money than the Auditor General had been able to identify.

How can Canadians get to the truth when so much of it has been covered up?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, furthermore, Justice Gomery had this to say. He said, "Let me give you comfort here. I have no basis for concluding that the full \$1,763,000 ever found its way into the Liberal Party of Canada". He went on to say that on quite a lot of evidence he was not able to come to any conclusion whatsoever.

Justice Gomery, a learned jurist, realizes he does not have all the facts and has not conducted all his analyses. I think Justice Gomery is probably demonstrating just a little better judgment on this than the member for Calgary—Nose Hill, who thinks she knows everything.

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**CANADA POST**

**Mr. Brian Pallister (Portage—Lisgar, CPC):** Mr. Speaker, the case of André Ouellet's missing receipts keeps getting murkier.

The revenue minister is also in charge of Canada Post. André Ouellet testified under oath that he turned his receipts over to Canada Post last December. Four months later, the revenue minister claimed he still did not have the receipts. This can only mean that Canada Post has not handed over the receipts to Revenue Canada. The minister is claiming that his right hand does not know what his left hand is doing.

Could the minister explain why one department he is responsible for is stonewalling the other department he is responsible for?

[*Translation*]

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, the audit process is continuing normally, and the two departments are working very well together. One issue has not advanced at all however. Ten days ago, the hon. member challenged the right of a witness to address a parliamentary committee in French. I have a question for the member. When is he going to apologize to the millions of French speaking Canadians?

[*English*]

**Mr. Brian Pallister (Portage—Lisgar, CPC):** Mr. Speaker, Canadian taxpayers are not allowed to audit themselves and neither should the minister be allowed to audit himself. The Minister of National Revenue is allowed to audit Canada Post because it is his

department, just as André Ouellet was allowed to self-approve over \$2 million in expenses without a single exception. The conflict of interest here is staggering and this nine month stonewalling audit is going absolutely nowhere.

The Prime Minister talks about accountability. He has to now step into this incestuous situation and commit today to replace the minister with an independent auditor.

[*Translation*]

**Hon. John McCallum (Minister of National Revenue, Lib.):** Mr. Speaker, I can assure the House that the process is continuing totally normally and without any political interference, either at Canada Post or at the Canada Revenue Agency.

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**SPONSORSHIP PROGRAM**

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, after creating the dirty money trust fund, the Liberal Party of Canada put \$750,000 into it for potential repayment of the money from the federal government's sponsorship program.

Will the government admit that this \$750,000 is far from sufficient, since it does not even cover the \$800,000 that went directly into the Liberal Party's coffers from the companies identified by the Auditor General? Will the government therefore demand that the Liberal Party of Canada put at least \$5.3 million into that trust fund?

[*English*]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, once again, the government does not have to tell the Liberal Party to cooperate. The Liberal Party on its own volition is cooperating fully with the Gomery commission and has clearly stated and committed to the repayment to the Canadian taxpayer of any funds received inappropriately. The trust fund demonstrates goodwill and we cannot complete that transaction to the Canadian taxpayer until we have all the facts.

Once again, Justice Gomery has expressed that he does not have all the facts and cannot determine which of these various numbers is correct. Let Justice Gomery do his work.

[*Translation*]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Mr. Speaker, the \$750,000 does not even include the jobs and services paid on behalf of the Liberal Party, nor the envelopes stuffed with cash handed over to bagmen.

Will the government admit that this is also part of the dirty sponsorship money and therefore has to be part of the trust? Will it therefore require the Liberal Party of Canada to put \$5.3 million in trust?

*Oral Questions*

●(1435)

**The Speaker:** Order. The hon. member for Repentigny knows that questions must refer to payments on behalf of the people of Canada or the Government of Canada. I therefore have some reservations about that question. If the hon. minister wishes to reply, he may. This question is, however, really about the Liberal Party.

The hon. member for Roberval—Lac-Saint-Jean.

**Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ):** Mr. Speaker, I would like to give the minister an opportunity to enlighten us. I will therefore ask him this. The House of Commons voted in favour of having a trust for the dirty money. It has been created, but the amounts deposited are far from sufficient.

Will the minister admit that the \$750,000 involved here, which belongs to taxpayers, is far from sufficient, in that it ought to include, in addition to the \$800,000 in corporate contributions to the Liberal Party, the salaries paid with public moneys—

**The Speaker:** The hon. Minister of Public Works and Government Services.

[English]

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, once again, Justice Gomery has stated clearly that:

I think that the accountants have simply given us the raw data without expressing an opinion...Whether it was for the benefit of the Liberal Party or paid to the Liberal Party, or at the request for the Liberal Party or whatever, that is going to depend upon the other evidence that they have not tried to evaluate.

Justice Gomery, a learned jurist, knows he does not have all the facts. If the hon. member opposite believes he has all the facts, perhaps he should resign his seat and volunteer his services to head up a judicial inquiry because he obviously believes that he is a lot smarter than Justice Gomery.

[Translation]

**Mr. Michel Gauthier (Roberval—Lac-Saint-Jean, BQ):** Mr. Speaker, begging the minister's pardon, but when we are talking about people being paid from public funds, from kickbacks by friends of the government, on this side of the House we call that dirty money.

Will the minister not admit that, in addition to the \$750,000, which does not even include the contributions to the Liberal Party, the government has an obligation to take into account the salaries paid to friends of the regime to work for the Liberal Party?

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, there are also allegations that the Parti Québécois received money inappropriately.

[English]

Perhaps the \$100,000 the Parti Québécois has established for their trust fund is a little small in comparison to some of the dirty money that has been involved in the separatist activities in that province, and it is not doing anything to clean up its house. It does not take seriously any allegations before Gomery against separatists in Quebec.

I am proud to be part of the Liberal Party and to stand with the Prime Minister who has had the guts and courage to do the right

thing to ensure that Canadians are treated fairly. We have changed governance for generations of Canadians.

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**INFRASTRUCTURE**

**Mrs. Joy Smith (Kildonan—St. Paul, CPC):** Mr. Speaker, the government has claimed millions of dollars in gas taxes will be redirected to the infrastructure needs of big cities like Winnipeg. However Winnipeg is not able to spend a single dime of this money on roads or bridges. The government has put massive restrictions on this money.

Why does the government believe it knows better than the cities and municipalities where this money should go?

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, over the weekend the mayor of Winnipeg said that he was pleased to report that we are engaged in intensive discussions to get the deal done and that he was optimistic that we would find a positive solution on the gas tax. There is no problem here.

**Mrs. Joy Smith (Kildonan—St. Paul, CPC):** Mr. Speaker, with all due respect, there is a big problem here because in February 2005 the government guaranteed that money could be put into roads and bridges.

Now the Liberal agenda seems to be more of a priority than the needs of the cities and municipalities. When will this change?

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, what the government guaranteed is that we would be using the gas tax money in large cities to obtain results that coincided with our national strategy, such as reducing greenhouse gases and having clean water.

We said that smaller places, places with 25,000 people or less, could use the money to rehabilitate roads and bridges because they do not have public transit.

●(1440)

**Mr. Jeff Watson (Essex, CPC):** Mr. Speaker, we heard the admission right there: It is about Liberal priorities, not city priorities.

The Prime Minister led big cities to believe that gas tax money would go to fix crumbling roads and bridges. Then his minister of infrastructure directed that gas tax dollars had to go to buying buses instead.

Canada's big cities want to fix the roads and highways neglected by the Liberal government over the past decade but the government will not let them.

Why is the minister of infrastructure forcing big cities to buy buses but is not allowing them to fix the roads they must travel on?



*Oral Questions***FISHERIES**

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, the answer is simple. It is because big cities, like Vancouver, Calgary, Edmonton, Ottawa, Toronto and Montreal, have all asked for money for public transit, as has the Federation of Canadian Municipalities.

**Mr. Jeff Watson (Essex, CPC):** Mr. Speaker, Ontario and Manitoba are negotiating gas tax transfers.

Deals with British Columbia and Alberta show just what hoops the provinces must go through before they can spend the money, ensuring big cities can only buy buses but not fix the roads on which they must travel.

Canada's provinces and cities can determine infrastructure priorities without the minister of infrastructure constantly looking over their shoulders.

Will the minister remove restrictions so Ontario's and Manitoba's big cities can rebuild their crumbling roads and bridges?

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, the purpose of the gas tax money is to find, with municipalities and provinces, shared national objectives. Some of those national objectives have to do with clean water, clean air and the reduction of greenhouse gases.

The cities themselves agree with that strategy. The Federation of Canadian Municipalities agrees with that strategy. British Columbia and Alberta signed agreements which agree with that strategy. What is not to like about that?

\* \* \*

[*Translation*]

**THE BUDGET**

**Mr. Pablo Rodriguez (Honoré-Mercier, Lib.):** Mr. Speaker, the Bloc Québécois says it wants to defend the interests of Quebec when, in fact, it is more interested in defending the interests of sovereignists only.

The leader of the Bloc loves to repeat that there is nothing in the government's budget for Quebec. It is easy to see, from reading the budget, that the leader of the Bloc is deliberately ignoring many measures benefiting Quebec.

Can the Minister of Finance tell us about the many benefits in this budget for Quebec?

**Hon. Ralph Goodale (Minister of Finance, Lib.):** Mr. Speaker, by opposing the budget, the Bloc Québécois hopes to prevent the government from relieving the financial pressure on Quebec.

[*English*]

This budget provides for parental leave, \$200 million for transition; child care, \$1 billion for Quebec; more than \$1 billion for Quebec cities and communities; more money for students and housing; money to fight climate change; money to increase foreign aid, all priorities of Quebecers.

[*Translation*]

It is obvious that the Bloc is not working in Quebec's interests.

**Mr. Yvon Godin (Acadie—Bathurst, NDP):** Mr. Speaker, in 2003, the Gullyfish processing plant in Shippagan was destroyed by arson. In 2004, the Oceanis plant in Shippagan closed. Now the Bluecove plant in Maissonnette has just closed. Since 2003, over 600 employees have been affected.

My question is for the Minister of Fisheries and Oceans. Will the minister implement a program to help the employees at least qualify for employment insurance, or set up an early retirement program, or will he wash his hands of this and leave these employees and their families penniless?

[*English*]

**Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development, Lib.):** Mr. Speaker, we are always very concerned when people become unemployed and when large numbers of people in a region become unemployed. The Department of HRSD provides assistance to employees and employers when something like this occurs. Our officials go to the premises concerned, or to a mutually agreed site, and they help employees apply for EI. The federal government is helping in this case.

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**MAHER ARAR INQUIRY**

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, Canadians welcomed today's reversal of the Prime Minister's earlier refusal to end government stonewalling of the Arar public inquiry. The unredacted memo released today proves that the government has been frustrating the public's right to know the truth by viciously redacting documents pertinent to the inquiry and doing so in a manner highly prejudicial to Maher Arar.

Will the government apologize for this despicable behaviour and give assurances today to Maher Arar and to Canadians that we can count on this cooperation to continue?

● (1445)

**Hon. Geoff Regan (Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, let us be very clear. The issue here is the public release of documents. It is important to note that all documents are available to Justice O'Connor. That is a very important point. I have made it clear that all information that can be released will be released provided it does not injure our national security interests, international relations or police work. That too is very important. The government asked that Justice O'Connor look at these documents in question. He has decided they should be released and we agreed.

*Oral Questions***TRADE**

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, before and after the government finally tabled its much overdue foreign policy statement, we had urged it to direct resources and personnel to pursuing our transatlantic opportunities and relationships. The government wrongly believed that it could just focus on the growing superparliament in Brussels. Yesterday, the people of France in a no vote rejected the European constitution.

Will the government now admit that areas important to Canada like trade, agriculture and security need to be pursued more on a nation by nation basis? Will it admit its analysis was flawed and do the follow-up?

**Hon. Jim Peterson (Minister of International Trade, Lib.):** Mr. Speaker, the vote in France yesterday had absolutely nothing to do with our trading relationship with Europe. We will continue to actively engage with the EU, the proper body. We are now negotiating a trade and investment enhancement agreement and we will continue to act in accordance with the rules established by the EU.

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, there still has to be contact with the EU. However, the minister does not seem to realize that yesterday France and tomorrow other countries are increasingly rejecting the notion of the EU dictating all their policies.

Will the government admit that it got wrong advice and redirect personnel and resources to pursuing, on a nation by nation bilateral basis in Europe, those important relationships to Canada? As it does that reallocation, which non-European countries are going to lose reallocation?

**Hon. Jim Peterson (Minister of International Trade, Lib.):** Mr. Speaker, we continue to have numerous bilateral contacts with the 25 members of the EU, but it is the EU that still speaks on issues such as trade.

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**CANADIAN WHEAT BOARD**

**Mr. David Anderson (Cypress Hills—Grasslands, CPC):** Mr. Speaker, the Canadian Wheat Board is rapidly becoming a Liberal patronage rest home. After the last election the campaign manager for the present Canadian Wheat Board minister was hired as the board's lobbyist. Now that same minister has appointed a director whose main qualifications are his Liberal connections and his donation of more than \$15,000 to the Prime Minister's leadership campaign.

Why is the government making prairie farmers pay the Prime Minister's political debts?

**Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, we are still waiting for that member to apologize for the allegations he last made about the Wheat Board.

Leaving that for the moment, he may be interested to know that the Wheat Board does considerable business internationally, has considerable interests in the WTO, and considerable interests in China. The member chosen has experience in all of those fields and is eminently well qualified to be a member of the board.

**Mr. David Anderson (Cypress Hills—Grasslands, CPC):** Mr. Speaker, when the Wheat Board legislation was rewritten, the government required that five directors be appointed by the government so that it could keep control of the board. These appointments have become more and more political. The latest is William Cheuk, who along with his business partners have donated more than \$100,000 to the Prime Minister and Liberal Party. He has little agricultural expertise.

Why are western Canadian farmers paying for Liberal patronage appointments?

**Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.):** Mr. Speaker, the member will know that the government does not appoint a majority of the members of the board. We only appoint five. We appoint one from Manitoba, one from Alberta, two from Saskatchewan, and then we alternate between Ontario and B.C. In this case, we chose an individual who has experience before the WTO, experience in marketing internationally and experience in marketing in China. He is an excellent appointment.

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[Translation]

**CHILD CARE**

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, on December 14, the Prime Minister said very clearly that the money for child care would be given to Quebec unconditionally. "Absolutely", said the Prime Minister at the time. And yet, last week, his Minister of Social Development said the opposite, intimating that he continues to attach certain conditions to federal funds.

In light of these contradictory statements, could the Prime Minister confirm that his commitment remains valid and that Quebec will get the money for child care without conditions?

• (1450)

[English]

**Hon. Ken Dryden (Minister of Social Development, Lib.):** Mr. Speaker, there were no contradictory statements. The questions that were asked last week were answered in the way they have always been answered. There are discussions and negotiations going on between the Government of Canada and the Government of Quebec. Officials are speaking and no other statements were made.

[Translation]

**Ms. Christiane Gagnon (Québec, BQ):** Mr. Speaker, do the conditions the Minister of Social Development wants to impose, despite the commitments by the Prime Minister, not explain the fact that over a year later there is still no agreement with the Government of Quebec on child care? It does not seem to me that transferring money unconditionally should be so complicated.

*Oral Questions**[English]*

**Hon. Ken Dryden (Minister of Social Development, Lib.):** Mr. Speaker, I can only repeat my answer. No conversations or statements were made in that way. Negotiations and discussions are ongoing.

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**AIRPORTS**

**Mr. Jim Gouk (British Columbia Southern Interior, CPC):** Mr. Speaker, last year the transport committee unanimously passed a resolution calling for a freeze on airport rents until the committee could complete a study on the subject and make recommendations. The government ignored it. Now the government has announced adjustments that do not begin to address the problem it created and ignored the tabled recommendations of the committee.

Why is the government ignoring the needs of the hard hit aviation industry and the position of its own committee members?

**Hon. Jean Lapierre (Minister of Transport, Lib.):** Mr. Speaker, if the member had read the reactions that we received from across the country, he would have seen that most airport authorities were very happy about the fact that we lowered the rent by 60%. Some \$8 billion is much better than a freeze. We lowered the rent by 60% across the board. Thanks for the congratulations.

**Mr. Jim Gouk (British Columbia Southern Interior, CPC):** Mr. Speaker, the government is destroying Canada's air industry by treating airports like cash cows. It has already collected far more than the value of the airports it turned over to airport authorities, and those authorities have invested billions in infrastructure long neglected by the government. The transport committee rejected the recent government announcement as inadequate, and called for deeper cuts and faster.

When is the government going to implement the needed rent reduction recommended by all committee members?

**Hon. Jean Lapierre (Minister of Transport, Lib.):** Mr. Speaker, it is kind of awkward to get that type of recommendation from the Tories because we had to correct the leases that they had signed. They started the process incorrectly and we corrected it.

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**THE ENVIRONMENT**

**Ms. Anita Neville (Winnipeg South Centre, Lib.):** Mr. Speaker, the Lake Winnipeg watershed provides drinking water for thousands and its health is key to Manitoba's future and prosperity. The environment minister already told the House that the government was increasing water quality monitoring on the Red River station. It is now being tested every 11 minutes.

Can the minister advise the House what the government is doing to further assist Manitobans in addressing the Lake Winnipeg water issue?

**Hon. Stéphane Dion (Minister of the Environment, Lib.):** Mr. Speaker, with the investment of over one million dollars per year we will significantly increase the water quality and biological monitoring capacity to increase our ecological understanding of the Red River and the Lake Winnipeg south basin. Lake Winnipeg is our

third largest lake completely within Canadian territory. We will take care of it. It is a priority.

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**CORRECTIONAL SERVICE OF CANADA**

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, according to the recent report "Behind the Bars II", compiled by the member for Abbotsford, we learn that federal prison inmates have access to subscriptions to pornographic magazines. Over 400 prisoners subscribe to pornographic magazines which are circulated throughout federal prisons, including into the hands of violent sex offenders.

Would the minister of public safety explain how pornography is appropriate material for violent sex offenders and how the government believes this is helping their rehabilitation?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, obviously the hon. member does raise a very difficult issue and one that requires a very fine balance. Whether the hon. member or others might like it or not, inmates have access to material which is legally available to all Canadians on the open market.

However, I want to assure the hon. member that strict controls are in place to restrict access to any material that could be considered demeaning, could jeopardize the safety of any individual or the institution, is sexually violent or involves children or could be detrimental to the offender's treatment.

● (1455)

**Mrs. Lynne Yelich (Blackstrap, CPC):** Mr. Speaker, I would like the Minister of Public Safety and Emergency Preparedness to tell that to over 23,000 women who in 2003 were sexually assaulted or raped, and whose lives will never be the same again. Even more, I would like the minister to explain to these women why our prison libraries include pornographic magazines.

Will the minister explain why our prison libraries feel it is necessary to provide pornographic material to violent sex offenders?

**Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, as I just said, and maybe the hon. member did not hear me, I want to assure her that strict controls are in place to restrict access to any material that could be considered demeaning, could jeopardize the safety of any individual or the institution, is sexually violent or involves children or could be detrimental to the offender's treatment. We take the safety of our correctional institutions very seriously.

*Routine Proceedings*

[Translation]

**JUSTICE**

**Mr. Richard Marceau (Charlesbourg—Haute-Saint-Charles, BQ):** Mr. Speaker, the disparaging remarks by Mr. Justice Michel Robert against the sovereignists go beyond politics and the borders of Quebec. With respect to the process of appointing federal judges, former Ontario Superior Court Chief Justice Patrick LeSage, spoke out in favour of a more transparent, less partisan procedure, and a recent report by the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness concurs.

We are prepared to give our support to moving this matter along. Does the government therefore intend to accept our offer made in good faith and table a proposal in the near future to improve the process of appointing federal judges?

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, I am going to call a meeting of the chairs of all the judicial advisory committees and of a panel of experts to see how we might improve this process, which, in principle, is an excellent one.

\* \* \*

[English]

**FISHERIES**

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.):** Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Regarding the recent incident this weekend involving a Portuguese fishing vessel, would the minister please update the House on that situation?

**Hon. Geoff Regan (Minister of Fisheries and Oceans, Lib.):** Mr. Speaker, a Portuguese vessel was arrested in Canadian waters on charges related to fishing inside Canadian waters in 2003. The vessel has been escorted to port in St. John's and the captain will be arraigned this afternoon.

\* \* \*

[Translation]

**HEALTH**

**Mr. Réal Ménard (Hochelaga, BQ):** Mr. Speaker, in December 2002, Sainte-Justine hospital presented its development plan entitled "Growing up healthy" and sought federal government help in funding a new research centre. Two and a half years later, the federal government has still not deigned to respond to the hospital's request.

Does the Prime Minister intend to put an end to concerns and commit to doing its part in funding the Sainte-Justine hospital project in the amount of \$120 million?

[English]

**Hon. Ujjal Dosanjh (Minister of Health, Lib.):** Mr. Speaker, we respect the provincial jurisdiction with respect to capital health infrastructure. We have provided over \$42 billion over the next 10 years for health services and delivery. The basic infrastructure must come from the province itself in terms of the bricks and mortar.

**THE ENVIRONMENT**

**Ms. Jean Crowder (Nanaimo—Cowichan, NDP):** Mr. Speaker, in Canada greenhouse gas emissions are growing faster than our economy. We have the top industrial polluters on the continent, but nearly \$1.5 billion to reduce air pollution sits idle.

Canadians deserve clean air. Health Canada says that 6,000 Canadians die each year from air pollution.

The funding announcements have been made, but where is the action? When will the Liberal government actually enforce pollution reduction?

**Hon. Stéphane Dion (Minister of the Environment, Lib.):** Mr. Speaker, it is true that we need to do more, but the fact is that pollution is decreasing in Canada. It is not increasing. If we compare with 1998 levels, Canada actually decreased its emissions of pollution by 13%. What is quite good is that metal recycling increased by 36%.

We are going in the right direction, but it is true that we need to do more.

\* \* \*

**SPONSORSHIP PROGRAM**

**Hon. Rob Nicholson (Niagara Falls, CPC):** Mr. Speaker, the Liberal government has claimed all along that it supports the Gomery commission and that it wants Mr. Justice Gomery to do his work. At the same time, the biggest Liberal of the last 20 years, Jean Chrétien, and Alfonso Gagliano are doing their very best to shut down the Gomery commission.

Why does the Prime Minister not get all his friends together, all the prominent Liberals, and let Mr. Justice Gomery do the work that he is commissioned to do? Why does he not get his friends together and give them that message?

● (1500)

**Hon. Scott Brison (Minister of Public Works and Government Services, Lib.):** Mr. Speaker, the fact is the Prime Minister has and will continue to support Justice Gomery's work. The government has been clear that it does not agree with the actions taken by Mr. Chrétien or Mr. Gagliano, but they do have rights as individuals to defend themselves and to take such actions.

If the hon. member is suggesting that the Prime Minister should engage in witness tampering and try to interfere in that regard, I can tell him that what he is suggesting is shameful. It either demonstrates a lack of understanding of the law or that the Prime Minister engage in inappropriate behaviour and this Prime Minister would not do that.

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**ROUTINE PROCEEDINGS**

[English]

**GOVERNMENT RESPONSE TO PETITIONS**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I have the honour to table, in both official languages, the government's response to 36 petitions.

*Routine Proceedings***CERTIFICATES OF NOMINATION**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am tabling three certificates of nomination which will be referred to the appropriate standing committees.

\* \* \*

**ORDER IN COUNCIL APPOINTMENTS**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, I am tabling a number of orders in council recently made by the government.

\* \* \*

**NATIONAL DEFENCE AND VETERANS AFFAIRS**

**Hon. Keith Martin (Parliamentary Secretary to the Minister of National Defence, Lib.):** Mr. Speaker, it is a pleasure today to table, pursuant to Standing Order 32(2), in both official languages, two copies of the document "Fiscal Year 2003-2004, the Annual Report to the Standing Committee on National Defence and Veterans Affairs on the quality of life in the Canadian Forces".

\* \* \*

**CRIMINAL CODE**

**Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.)** moved for leave to introduce Bill C-53, An Act to Amend the Criminal Code (proceeds of crime) and the Controlled Drugs and Substances Act and to make consequential amendments to another Act.

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

\* \* \*

**COMMITTEES OF THE HOUSE**

## FINANCE

**Mr. Charlie Penson (Peace River, CPC):** Mr. Speaker, I have the honour to present, in both official languages, the 11th report of the Standing Committee on Finance.

In accordance with the order of reference of Monday, January 31, 2005, your committee has considered Bill C-259, an act to amend the Excise Tax Act (elimination of excise tax on jewellery) and agreed on Thursday, May 19 to report it back with one amendment.

JUSTICE, HUMAN RIGHTS, PUBLIC SAFETY AND EMERGENCY  
PREPAREDNESS

**Mr. John Maloney (Welland, Lib.):** Mr. Speaker, I have the honour to present, in both official languages, the 11th report of the Standing Committee on Justice, Human Rights, Public Safety and Emergency Preparedness.

Your committee adopted a motion on Thursday, May 19 in response to the recent remarks made by the chief justice of the Appeal Court of Quebec, Michel Robert, and agreed to undertake a study of the process for appointing judges within the federal judgeship nomination.

● (1505)

**CORRECTIONS AND CONDITIONAL RELEASE ACT**

**Mr. Kevin Sorenson (Crowfoot, CPC)** moved for leave to introduce Bill C-399, An Act to amend the Corrections and Conditional Release Act and the Prisons and Reformatories Act (conditional release).

He said: Mr. Speaker, I have a number of private member's bills that I would like to introduce today.

First, I rise to reintroduce this private member's bill which, if enacted, would amend the Corrections and Conditional Release Act to provide that any person who received a sentence as a result of being convicted of an indictable offence while on conditional release would be obliged to serve the remainder of the original sentence and at least two-thirds of the new sentence.

In addition it provides that where a person was convicted on more than one occasion of an indictable offence committed while on conditional release, the person would not be eligible for conditional release with respect to any new sentence.

This private member's bill is introduced out of respect and honour for the hard work of the Canadian Police Association, representing 26,000 members. The CPA diligently endeavours to make this country a safer place.

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

\* \* \*

**CRIMINAL CODE**

**Mr. Kevin Sorenson (Crowfoot, CPC)** moved for leave to introduce Bill C-400, An Act to amend the Criminal Code (elimination of conditional sentencing).

He said: Mr. Speaker, I rise to reintroduce my private member's bill which, if enacted, would repeal sections 742 to 742.7 of the Criminal Code. These sections allow the courts to impose conditional sentences which are to be served in the community in respect of convictions for offences for which a minimum term of imprisonment is not prescribed.

Since the introduction of conditional sentences by the current government, numerous violent criminals, including rapists, have served no jail time for their crimes. If the guiding principle of our justice system is the protection of society, then all violent criminals should spend an appropriate period of time behind bars.

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

\* \* \*

**CRIMINAL CODE**

**Mr. Kevin Sorenson (Crowfoot, CPC)** moved for leave to introduce Bill C-401, an act to amend the Criminal Code and the Corrections and Conditional Release Act (sexual assault on child—dangerous offenders).

*Routine Proceedings*

He said: Mr. Speaker, this is another of my private members' bills from the previous Parliament which I would like to reintroduce in this Parliament. This bill, if enacted, would allow the courts to designate an offender who has been convicted of two or more sexual offences against a child as a dangerous offender.

Furthermore, it would ensure that an offender with such a designation would not be released on parole, unescorted temporary absence, or statutory release unless at least two psychiatrists determined that the offender was not likely to reoffend or pose a threat to persons under the age of 18. It is a pleasure to reintroduce this bill.

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

\* \* \*

**CORRECTIONS AND CONDITIONAL RELEASE ACT**

**Mr. Kevin Sorenson (Crowfoot, CPC)** moved for leave to introduce Bill C-402, an act to amend the Corrections and Conditional Release Act (indictable offence committed while on conditional release).

He said: Mr. Speaker, this is the fourth private member's bill which I would like to reintroduce in this Parliament. If enacted, it would make it an offence to breach a condition of any of the various forms of conditional release, namely, parole, statutory release, or temporary absence. If someone breached those conditions of his or her release, it would be an offence.

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

\* \* \*

• (1510)

**BUDGET IMPLEMENTATION ACT, 2005**

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC)** moved:

That it be an instruction to the Standing Committee on Finance that it divide Bill C-43, An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005, into two bills: Bill C-43A, An Act to implement the Canada — Newfoundland and Labrador Arrangement and the Canada — Nova Scotia Arrangement and Bill C-43B, An Act to implement certain provisions of the budget tabled in Parliament on February 23, 2005; that Bill C-43A be composed of Part 12 (the Canada — Newfoundland and Labrador Arrangement and the Canada — Nova Scotia Arrangement); that Bill C-43B be composed of all remaining Parts of Bill C-43; that the House order the printing of Bills C-43A and C-43B; that the Law Clerk and Parliamentary Counsel be authorized to make such technical changes or corrections as may be necessary to give effect to this motion; and that Bill C-43A be reported back to the House no later than two sitting days after the adoption of this motion.

He said: Mr. Speaker, I will be splitting my time with the member for Okanagan—Coquihalla.

This is an issue that has been before the House on several occasions recently. I will give members just a short bit of history. Three or four years ago, I, along with others, kept pushing government to offer the provinces of Newfoundland and Nova Scotia a better deal in relation to the revenues they get from offshore development. It culminated during the last election campaign, when our party made a solid commitment in writing to the province of Newfoundland and Labrador and to the province of Nova Scotia that should we form the government we would make sure that they

would get 100% of their share of revenues from the offshore development.

The government opposite matched that commitment, won the election and now is in the process of delivering. However, in the interim, it was like pulling teeth to get even to where we are today, and we still have a way to go. Once the election was won, the government backed off on its commitment to the people of the Atlantic provinces. Day after day in this honourable place, members of this side of the House constantly questioned and pushed the government to deliver on its promise.

Finally, after being embarrassed by the opposition and by the provinces of Newfoundland and Labrador and Nova Scotia, the government signed an agreement. For instance, the premier of Newfoundland and Labrador had to walk out of meetings and had to order flags be taken down from provincial buildings. It was not easy to do, but it had to be shown to the country how important this issue was and how little regard was being paid not only to the needs of the provinces but to promises actually made by the government opposite.

Finally, on Valentine's Day, and I am not sure if there is a significance to that, everyone sort of kissed and made up and signed an agreement. That was over three months ago and the government was still hedging on bringing forth legislation. The bill is contained in a two page document, so it is not anything substantive. This went on and on. Finally, when the bill was presented it was part of an omnibus bill and was included with 23 other pieces of legislation.

Any bill of that complexity, especially if some of these pieces of legislation are ones which will cause concern to members of the opposition or members generally in the House if they are concerned about how we spend our money in this country, which we know members opposite do not worry too much about, is a very lengthy process.

We immediately asked for single stand-alone legislation. The province of Newfoundland and Labrador asked for stand-alone legislation. The province of Nova Scotia asked for stand-alone legislation. The government said, "No, the bill is in Bill C-43 and we will deal with it in totality". Then we asked if the Liberals would split the bill; if they would take out the section pertaining to the Atlantic accord provisions and the funding arrangements for both provinces and deal with that separately so the money could flow.

The province of Newfoundland and Labrador is losing \$3 million for every week this drags on. We asked that the accord be taken out. We asked that the bill be split. The Prime Minister, in responding to one of my questions, said that he could only do it with unanimous consent from the House. We asked for unanimous consent, we being the leader of the Conservative Party, seconded by the leader of the NDP, actually, whose members have supported this solidly throughout.

• (1515)

The government refused, but instead of taking the blame, it blamed the Bloc for objecting. After a few days we asked again that the government split the bill, this time with unanimous consent from every opposition member in the House. The government refused again.

*Routine Proceedings*

Finally the budget came and the budget was passed, again with a huge majority thanks to the members of this party. That was because of how important one issue in particular is; it is not that we were in love with all 24 clauses in the budget, but certainly because that one issue is so important to the Atlantic provinces. Around this commitment hinges the future of Newfoundland and Labrador and, to some extent at least, that of the province of Nova Scotia.

The budget passed and now the bill has been referred to committee. The committee now has to deal with 24 clauses, along with a second piece of associated legislation, Bill C-48, the bill brought in to legitimize the buyout of the NDP.

Mr. Speaker, you and I have been around long enough to know that 25 pieces of legislation take time to go through any process, especially if the legislation is complex. We are within days of closing for the summer. If this bill is not passed through this facility, then it drags on into the fall. With other issues coming up heaven knows how long it would take and at \$3 million a week we just cannot afford it.

Now that the budget has passed and now that the bill is in committee there is no reason at all why the government cannot ask committee, which is why we presented the motion, to have part 12 sent back here to be dealt with as a stand-alone bill so that the provinces of Newfoundland and Labrador and Nova Scotia can have their money flowing before any other complexities set in that would further drag out the approval of this legislation.

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, the hon. member and I have gone over this quite a number of times. This is like déjà vu all over again. I would like to direct the hon. member to part 24 of the budget implementation bill.

By the way, the last implementation bill was passed in six weeks, from March 31 through to May 14, so that is how long it takes to get a budget implementation bill through. That is what the record is from last year.

This is what I would like the hon. member to tell this House. Why is it that payments for the Atlantic accords should be in preference to and put ahead of \$200 million to Quebec, in preference to and put ahead of substantial sums of money to Yukon, in preference to and put ahead of moneys to the Northwest Territories, in preference to and put ahead of moneys to Nunavut, and in preference to and put ahead of moneys to Saskatchewan?

What is it that is unique about the Atlantic accords which puts those moneys set aside in the budget for those two provinces in the Atlantic ahead of moneys payable to the people of Quebec, Nunavut, the Northwest Territories, Saskatchewan and Yukon? What is his basic rationale for doing this?

I appreciate that he likes to see the money flow, as do we all, particularly on this side of the House. As I say, a budget implementation bill can be passed within six weeks. We are already well past the period of time that we used up last year to pass the entire bill, so—

**An hon. member:** Let's just do it.

**Hon. John McKay:** That's right. Let's do it.

● (1520)

**Mr. Loyola Hearn:** Mr. Speaker, I could not wish for anybody better to ask me a question because, as we know, the parliamentary secretary who just spoke has been against this motion, against the issue, against giving Newfoundland and Labrador and Nova Scotia funding, from day one. He is solidly on the record at every turn. Every time we rose and dealt with the issue, the member was up spitting venom about the issue that these provinces should somehow get some of their own money.

Let me answer his question. Why do I think it is important to isolate one piece of legislation and not the rest? Every other piece of legislation involved, most of which provides funding as any budget does year after year, is a continuous set of programming. Funding constantly flows to the different provinces for different programs, some through special programs every year to follow up on promises made in elections or to deal with special issues. We have special funding for that. I have no problem with that.

What we are talking about here, though, is a special deal, an outside separate deal done with two provinces because of a promise made during an election. Because the government was forced into a corner, it had to come up with commitments to the provinces, entirely separate from anything else. It is entirely different. It is like the health care deal or whatever. It was done entirely differently. But the magnitude of the commitment means a chance for Newfoundland and Labrador together to start becoming a have province, because for once in their lifetime they would be allowed to hold on to some of their own resources.

Like the others, it is money coming out of the budget, the total pop, and all we are saying here is to let us keep some of our own money. We are not talking apples and apples at all. It is a distinct, special program for a distinct, special need that is so important in relation to the amount of money versus the needs in the province that there is no comparison.

Because of the effect of slowing down the process, the amount of money being lost is \$3 million a week. For a province like Newfoundland and Labrador, let us imagine what that could do for the health care system in our province, for the education system, for the increase for public service workers, who have not seen a cent in years and who had to be legislated back to work last year with no increase, and for the roads and for the infrastructure that is falling apart.

This is the turnaround for our province, but a member like that member can stand and ask why it is so important and say that it is no more important than anything else. That just shows how little he knows about the province of Newfoundland and Labrador and the province of Nova Scotia.

**Mr. Stockwell Day (Okanagan—Coquihalla, CPC):** Mr. Speaker, I appreciate the comments that have been brought forward by my hon. colleague from St. John's South—Mount Pearl. I would like to preface my remarks by saying that in this chamber nobody speaks up more for the issues related to Atlantic Canada, Newfoundland and Labrador, Nova Scotia and the other provinces, than the Conservative MPs who are here.

*Routine Proceedings*

It was those MPs who brought forward the idea and the initiative to have this particular accord in place so that the people of Atlantic Canada, the people of Newfoundland and Labrador, as the member of Parliament for St. John's South—Mount Pearl just said, could finally enjoy part of the promise of Confederation, which was that they would be able to share in their own prosperity and would not continually have it taped off and raked off by a federal government that is concerned only about its pursuit of power right here in this part of the country.

These MPs made the case. The government, for once, seemed to partially listen and has said it has provided a way for it to happen. Now all we are asking is that this particular part of the budget be carved out, and the member has well articulated the process to get here, so that the dollars can flow now and parliamentarians can be free to debate other parts of the budget which, the records show very clearly, the official opposition supported.

It is time that we had this done. We know that a member of Parliament from another part of the country, from Ontario, can stand up and ask what the big deal is, what the big deal about \$3 million is to people in Newfoundland and Labrador. I would venture to say that \$3 million is a big deal to any Canadian.

That is why we are demonstrating as members of Parliament from across the country that we support our colleagues and we support the people of Newfoundland and Labrador. They cannot afford to continue to see this money, at the rate of approximately \$3 million a week, held up by the Liberal MPs strictly for political reasons. It is time we showed commitment to the people of Newfoundland and Labrador. Because we cannot delay that, I move:

That this question be now put.

\* \* \*

● (1525)

**BUSINESS OF THE HOUSE**

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, discussions have taken place among all parties concerning the recorded division requested earlier today on the third reading stage of Bill C-9 and I believe you would find consent to further defer the said vote from Tuesday, May 31 to the end of government orders on Wednesday, June 1.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

\* \* \*

**BUDGET IMPLEMENTATION ACT, 2005**

The House resumed consideration of the motion, and of the motion that this question be now put.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I welcome the opportunity to raise a couple of questions with the member for Okanagan—Coquihalla.

I do not wish to get into a dispute over the point, but I do want to give fair credit where credit is due. The Premier of Nova Scotia and the leader of the official opposition in Nova Scotia worked together to advance what has ended up in the Atlantic accord long before the

member's party took up the challenge. It is only fair to give credit and there is certainly credit to be passed around.

This was a relentless, persistent campaign that went on for several years by Nova Scotia politicians across party lines. The Premier of Nova Scotia had the foresight to invite members from the federal Conservative caucus, the NDP caucus and the Liberal caucus to sit together to pledge commitment to support this campaign. The Newfoundland and Labrador premier, who is quite dramatic, did a good job of driving this issue home during the election, but it was all party collaboration that brought it to the point of finally being adopted and that fact has to be recognized.

We should let bygones be bygones. We should not dwell on those on the Liberal benches who tried to block this in the earlier stages because the Prime Minister did come on side. The question now is this. What is needed to ensure that we can deal with this expeditiously so we can then get on with the rest of the budget measures?

I have heard both members on the Conservative benches talk about how important these resources are to Nova Scotia and Newfoundland and Labrador, which is absolutely true. In exchange for the kind of fast tracking support for which my colleague is looking, which has already been given by my caucus when our leader seconded this original motion to split the two budget items, can the people of Atlantic Canada, especially those in Nova Scotia and Newfoundland and Labrador, count on expeditious support from the Conservative benches for the other desperately needed measures of affordable housing funds and funding for post-secondary education? There are no two provinces that more desperately need those funds than Newfoundland and Labrador and Nova Scotia. As well important funds for public transit and energy retrofitting of low income housing are desperately needed.

Can we count on Conservative members to give the same kind of expeditious support to ensuring that those measures are delivered and in the pipeline for Atlantic Canadians as well as all the other budgetary measures that we simply cannot and should not hold up beyond the end of this spring session of Parliament?

● (1530)

**Mr. Stockwell Day:** Mr. Speaker, the member for Halifax has raised some important questions. There is no question about the involvement and the commitment of Atlantic Canadian premiers in this process.

The record, and not that we want to get to a point of who said what first, is very clear that the Conservative MPs from Atlantic Canada were the ones who conceived of a way to get this done. They are the ones, hopefully along with others, who are suggesting a way to deal with the member for Halifax's second question about expediting this, and that is all members could simply agree with us. The motion which has just been tabled in the House which will come forward for a vote I believe on Tuesday or Wednesday. That is how to expedite this. Bring these specific items to the floor of these chamber so we can vote, support and get those necessary dollars to Atlantic Canadians.



*Routine Proceedings*

On the final portion of the question from the member for Halifax, in the area of what we would call the NDP-Liberal alliance and the overnight budget process that took place, a \$4.6 billion hole was blown in a budget to which we initially gave tacit support. I say let us take a look at that.

It is one step at a time. Let us deal with the elements of the Atlantic Canada accord. Then let us bring forward the new, and I do not think improved, gigantically expanded NDP-Liberal alliance budget. Let us take a look at those elements too in all fairness.

Let us get this one done now and quickly for the people of Atlantic Canada.

**Hon. Dominic LeBlanc:** Mr. Speaker, I rise on a point of order. There have been discussions with all the parties. I think you would find consent to allow the House to go to Questions on the Order Paper because the government has six questions that it wants to answer today, including from the opposition. Then we would immediately revert to the current debate on the motion.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

\* \* \*

**QUESTIONS ON THE ORDER PAPER**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, the following question will be answered today: Question No. 142.

[Text]

Question No. 142—**Mr. Loyola Hearn:**

With regard to requests for proposals, RFP issued by Marine Atlantic Inc.: (a) how many RFPs has Marine Atlantic Inc. issued in the last decade in the area of safety and training for the company; (b) broken down by the number of RFPs, how many responses were received; (c) how many different companies were awarded a contract after submitting an RFP; (d) how many different companies were awarded more than one contract after submitting RFPs; (e) what was the process for determining the requirements of an RFP; (f) what criteria was used in determining which company would be awarded a contract; (g) how many personnel were involved in the process of deciding which company would be awarded a contract; and (h) how many contracts were given to companies not owned by Canadians?

**Hon. Jim Karygiannis (Parliamentary Secretary to the Minister of Transport, Lib.):** In response to (a), five RFPs have been issued since 2001. Prior to 2001, all health and safety training delivered by Marine Atlantic Inc. was delivered in house.

In response to (b):

2001 – RFP = 1 – Number of Responses = An undetermined number of replies were received (the file had been removed to off-site storage);

2002 – RFP = 1 – Number of Responses = 6;

2003 – RFP = Nil – Number of Responses = Nil;

2004 – RFP = 2 – Number of Responses = NFP No. 1-16, RFP No. 2-7;

2005 – RFP = 1 – Number of Responses = 14.

In response to (c), four companies received contracts.

In response to (d), one company received two contracts.

In response to (e), the client department and/or the training department reviews the requirements for training. This may involve marine regulatory requirements, government regulations arising from legislation, requirements arising from the collective agreements, for the purposes of due diligence relative to employee awareness of various elements of their positions, or for the purpose of enabling employees to carry out their assigned functions in a safe and orderly manner so as to ensure the safety of both the employees and customers of Marine Atlantic Inc.

In response to (f), the individual or group reviewing the responses checks the response against the requirements as set out in the RFP. The responses are rated against the RFP requirements and each other to determine: which satisfy the basic criteria as set out in the RFP; which company has the better experience with similar projects, number of personnel with necessary qualifications to carry out the requirements of the project, good references, financial stability, reasonable cost, and so on. Other factors may be included in the review depending on the nature of the particular project under consideration.

In response to (g), the normal technical review panel consists of a minimum of two individuals. Specific projects may employ a larger number of individuals, depending on the nature and scope of the technical review. A department head or director then vets recommendations prior to final award.

In response to (h), of the five contracts awarded, none of the companies receiving the contracts are known to be owned outside Canada.

\* \* \*

[English]

**QUESTIONS PASSED AS ORDERS FOR RETURNS**

**Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.):** Mr. Speaker, if Question Nos. 132, 134, 135, 136 and 137 could be made orders for returns, these returns would be tabled immediately.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

[Text]

Question No. 132—**Mrs. Bev Desjarlais:**

With regard to Zonolite insulation contamination in Canadian homes: (a) have funds or logistical support been allocated to removing Zonolite contaminates from homes on First Nations reserves, and, if so, how much; (b) has the government notified all provincial governments of the health risks of Zonolite contamination; (c) what has been done to notify all Canadians about the health risks of Zonolite contamination; (d) are there plans for the government to establish a removal program similar to urea-formaldehyde foam insulation (UFFI) removal in the 1980s; and (e) is the government making a claim against the company which sold Zonolite insulation?

(Return tabled)

*Routine Proceedings***Question No. 134—Mrs. Bev Desjarlais:**

With regard to the budget proposals for First Nations people in Canada: (a) does the five billion dollars to be allocated over five years on a national childcare strategy include spending for First Nations communities, or is there a separate allocation for First Nations communities; (b) how many new homes will be built in aboriginal communities in the next five years, and what is the estimated percentage of people living on reserve who will be in inadequate housing or in housing requiring major repairs; (c) how does the rate of aboriginal youth enrolled in post-secondary education compare to non-aboriginals; (d) how does the government expect the rate of aboriginal post-secondary education to change over the next five years; (e) what is the total amount spent by the government on aboriginal issues; (f) what percentage of this amount is spent on administration; and (g) how much money directly flows to aboriginal communities?

(Return tabled)

**Question No. 135—Ms. Alexa McDonough:**

With regard to the death of Canadian citizen Zahra Kazemi in Iran: (a) what specific actions, if any, have the Department of Foreign Affairs and International Trade, the Department of Citizenship and Immigration, the Department of Justice and the Prime Minister's Office undertaken in Iran, at the United Nations and within other multilateral forums since the government was first notified of Ms. Kazemi's arrest in Iran; and (b) what specific recommendations, if any, have the Prime Minister and Ministers of Foreign Affairs and International Trade, Citizenship and Immigration, and Justice received from departmental experts, with regard to proposed actions the government may take in Iran, at the United Nations, and within other multilateral forums to ensure (i) that a full and accountable investigation into Ms. Kazemi's death took place, (ii) that the perpetrators were tried in a fair and transparent trial, and (iii) that her remains were returned to her family in Canada for a full forensic examination and burial?

(Return tabled)

**Question No. 136—Mr. Garry Breitkreuz:**

With regard to foreign visitors bringing firearms into Canada: (a) what is the public-safety purpose of the Non-Resident Firearm Declaration Forms and the Non-Resident Firearm Declaration Continuation Sheets; (b) for each year since 1999, (i) how many non-restricted, restricted and prohibited firearms have been declared as they were brought into Canada and (ii) how many of these firearms, if any, were removed from Canada when these non-resident firearm declarers left Canada; (c) what improvements in public safety have been achieved by the provisions of the Firearms Act and any regulations made under the Firearms Act related to the non-resident firearms declaration; (d) how long will it take and how much will it cost to fully implement these provisions and regulations; (e) how much has it cost to date to implement these provisions and regulations; and (f) how much will it cost each year to enforce these provisions and regulations once they are fully implemented?

(Return tabled)

**Question No. 137—Mr. Garry Breitkreuz:**

For each year since the government started keeping records: (a) how many firearms were imported into Canada; and (b) how many firearms were exported out of Canada?

(Return tabled)

[English]

**Hon. Dominic LeBlanc:** Mr. Speaker, I ask that all remaining questions be allowed to stand.

**The Speaker:** Is that agreed?

**Some hon. members:** Agreed.

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**BUDGET IMPLEMENTATION ACT, 2005**

The House resumed consideration of the motion, and of the motion that this question be now put.

**Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.):** Mr. Speaker, I appear not to be the most popular person in the House with the member opposite, but I appreciate that I have this opportunity to respond to his motion.

He has asked that the offshore agreements with Newfoundland and Labrador and Nova Scotia be severed from Bill C-43, the bill to implement the measures in budget 2005. Headlines over the weekend made it pretty clear just what is behind the motion. He wants to protect one element of the budget from his party's obstructionist tactics.

The hon. member is telling us that it is okay to derail moneys for cities and communities, that it is okay to derail money to create more day care spaces, both in his province and the province of Nova Scotia, and that it is okay to derail increases in the guaranteed income supplement for seniors in Newfoundland and Labrador. It is okay to derail things such as those which are in the budget implementation bill, but he only wants this aspect of the budget passed immediately.

It is referenced as the Atlantic accords, but I would note in passing that there are two provinces that do not benefit from the Atlantic accord, namely New Brunswick and Prince Edward Island. Therefore, it is pretty hard for the hon. member to say that this is a particular benefit for a generalized region when it is only a benefit to two particular provinces. Insofar as his proposal disadvantages half of the provinces in the region, that in and of itself is part of the reason why the budget should pass in its entirety, all 24 sections.

The motion is not possibly the strongest argument ever made by a member in the House. We on this side of the House disagree profoundly. We believe the people of Newfoundland and Labrador and Nova Scotia deserve fair treatment under the Atlantic accords. There is not a person in the House who disagrees with that point. We believe they deserve a new deal for cities and communities. I hope the hon. member agrees with that. We believe they deserve more and better child care and I hope the hon. member agrees with that. We believe they deserve an increase in the standard of living for their seniors. I think the hon. member would agree with that point as well.

All this can be done quickly if the members across the way would quit with their game-playing and put the interests of Canadians first. We have had a week off. I am not sure what it was like in other communities, but in my community there was great support for the budget and to get on with the business of Parliament. I am sure in your community, Mr. Speaker, there was a bit of a different view with respect to your dramatic role in that last vote.

Let us talk about timing because that was one of the significant points that the hon. member made, that somehow or another we could pretty well turn this whole thing around in two days. I would just make note that the budget implementation bill for budget 2004, which is the parallel budget and the exact same thing as what we are doing now, was introduced on March 31, 2004 and received royal assent on May 14, 2004. It took six weeks to pass the entire budget implementation bill. We still do not have the parallel bill for 2005 to committee stage, which will start tomorrow. I wonder what in fact is the difference. Bill C-43, the bill to implement this year's budget, was introduced on March 24. We are now only getting it before the committee, starting tomorrow.

*Routine Proceedings*

I want to make this important point. If the hon. member is concerned about timing, he really only needs to look in the mirror. If it were not for the tactics of his party, the budget could have received royal assent weeks ago and the money would be flowing already.

● (1535)

The last few weeks in national politics have been full of development and surprises of all kinds and here we go again. Canadians are getting tired of all this bickering and all the shenanigans from the official opposition, which knows that Canadians would like the government to get on with the business of governing. Mr. Speaker, I do not know what it was like for you but certainly for me over this past week that was a theme repeated by many constituents. Similarly, I would like nothing better than to get on with the business of this budget implementation bill.

Budget 2005 was shaped by the contributions of many people, including many members in the House on all sides who provided their advice and insights. I adopt the views of the hon. member for Halifax who said that everyone had a contribution to make with respect to not only the Atlantic accord but the budget itself. This included specific input from the opposition finance critic and the finance critics from the other parties, the hon. members for Medicine Hat, Saint-Hyacinthe—Bagot and Winnipeg North.

What resulted, I believe, was a budget that is highly credible, effective and promises real benefits to millions of Canadians. It is a very popular budget not only with the people in the Atlantic region but throughout Canada.

However what allowed us to have a budget like this did not come easily. The government, with the help of Canadians, worked hard to get to where we are today. As the song says, we have come a long way, baby. Let us reflect for a moment on how far we have come as a nation in recent years.

When my party first took office about 12 years ago, Canada was mired in very deep financial trouble and there was speculation in the *Wall Street Journal* about our impending third world status. We were, quite frankly, in a vicious cycle of growing deficits and rising debt with high interest rates, little or no economic growth and a very real danger that our social programs would be cut drastically.

Within a few short years, Canada's situation underwent a remarkable turnaround. We eliminated the deficit and began our current string of seven consecutive budget surpluses. As we know, this budget projects an eighth budget surplus and the anticipation is that over the next five years we will run a further five budget surpluses.

We have reduced our federal debt by more than \$68 billion and restored Canada's triple A credit rating which is not only of benefit to the government and the debt it has to pay, which is roughly twice the debt of all of the provinces combined, but it also assists the provinces themselves in terms of enhancing their credit ratings so that they pay less money for their indebtedness, let alone municipalities that have a modest debt burden, and then of course Canadians, both corporate and personal, are paying infinitely less interest for their money these days.

We implemented the largest tax cut in Canadian history and made significant investments in priorities such as health care, education,

research innovation and the protection of our environment. This turnaround was not by accident. Quite the contrary. It was a direct result of the fiscal and economic plans implemented by the government and the commitment of Canadians to seeing them through. To this day these efforts continue to bear fruit.

Indeed, Canada enjoys the benefits of an economy that is both strong and resilient. This resilience has manifested itself time and time again as Canada's economy has bounced back from several unexpected shocks, both foreign and domestic.

In 2003, for example, despite the shocks of SARS, the beef ban caused by a single case of BSE in Alberta and an increase in the value of the Canadian dollar, Canada recorded economic growth of 2% annually, exceeding half the members of the G-7.

In 2004, despite a sharp increase in oil prices and a further rise in the value of the Canadian dollar, our economic growth strengthened to 2.8%, a rate that once again surpassed that of other G-7 nations such as France, Germany and Japan.

That brings us to the year 2005. Today our recent economic indicators are looking quite positive. We have strong consumer spending, supporting a healthy growth in our GDP.

● (1540)

The most recent figures show that our unemployment rate has declined to 6.8%, the lowest level in five years. Inflation remains within a band of 1% to 3%, despite a sharp rise in global oil prices. Interest rates remain at historic lows, as they have the past several years.

There we have Canada's economic performance in a snapshot. Clearly, when we look back and estimate how far we have come, we have much to be proud of as a nation.

There are plenty of reasons to be optimistic about the future as well. Private sector economic forecasters surveyed by the Department of Finance before the last federal budget estimated that Canada's economy would grow by 2.9% this year and 3.1% next year, rates that would clearly put us at or near the top of the G-7.

It was against this backdrop that we introduced Budget 2005. Like all budgets, it was the product of consensus and an exercise in trade-offs among members of the governing party. Indeed, my hon. colleague, the Minister of Finance, has the unenviable task of saying no to many great and worthwhile proposals from members of the government, the opposition parties and Canadians whom he met as part of his prebudget consultation. We can imagine just how tough it is to weigh all these considerations against the government's finite fiscal resources.

*Routine Proceedings*

When all was said and done, we delivered a budget that delivered squarely on the commitments that we made in the 2004 election campaign and the Speech from the Throne, issues such as increased funding for environmental protection and more money to assist immigrants and new Canadians become a part of our workforce.

Once passed, the budget will implement our commitment to give Canada's communities a share of the federal gas tax revenue and establish the framework for a national early learning and child care initiative. All of these measures are aimed at protecting our national security, stimulating economic growth through research and innovation and promoting Canada's voice in international affairs.

Where would we be without our commitment to sound budgetary planning and the commitment written right into the budget that we will not, under any circumstances, return to deficit. That, in part, is thanks to a wide range in reallocation of resources where we identified \$11 billion in savings over the next five years.

Initially our parliamentary colleagues in the opposition seemed to be pleased with what we had set out. Only minutes after the budget was tabled, the hon. Leader of the Opposition stated that there was nothing in the budget that should cause a government to be defeated. That is a pretty extraordinary statement by any member of the House, but particularly a strong statement of endorsement from the Leader of Her Majesty's Official Opposition. So he, along with the hon. member for St. John's South—Mount Pearl and members of his caucus, voted to support the bill less than two weeks ago.

First we have a general endorsement on the delivery of the budget and then we have a vote from his caucus and his leader less than two weeks ago on this very budget that we are talking about.

I respectfully suggest to the hon. member that his position is somewhat disingenuous to speak in favour of the bill, to vote in favour of the bill and then say that no, we have to run this piece way ahead of any other pieces, many pieces of which would benefit his own constituency.

He has now presented this as a severance measure but it is hard for me to understand his motivation, other than a certain protectionist view of his own political livelihood. At one point one votes for the budget and at another point one speaks in favour of the budget. We have an example before us of six weeks before the previous budget implementation bill. We have, of course, already passed that six week period by virtue of some of the activities of members opposite. I take it that he does not have as much confidence as, say, I would have in the good faith of the members' opposite in their support of the budget implementation bill.

• (1545)

Let me just talk a bit about the commitments that are in the bill. We have a commitment to implement our national early learning and child care program. There is no question that the establishment of such an initiative would help thousands of working families across the country to find affordable and accessible child care services. This would encourage more people to join the labour force knowing that their children are being looked after in a stimulating environment.

At the same time, research around the world has shown that quality child care and early learning opportunities are critical to ensuring that children get the best possible start in life, putting them

on the road to achieving their dreams and boosting Canada's well-educated and technically skilled workforce.

I put it to the House in a rhetorical fashion. What is it about that initiative that the hon. member does not like?

How about the commitment to infrastructure? This would not only improve the quality of life for people who live in our communities but it would also make communities more attractive places in which to live, work and invest for both domestic and foreign investors. Canada needs to continue to attract this investment to keep our economic engines running.

These initiatives represent investments in our future as a nation. They would help ensure our children and our children's children will grow up in a better country than we did.

I know the hon. member for Don Valley West has been a champion of this initiative in the budget and rightly can recognize himself as being in this budget and I know he is very enthusiastic about the support. I appreciate that the hon. member for Don Valley West understands the importance of passing this budget. What I fail to understand is how the member for St. John's South—Mount Pearl can possibly disagree with that initiative.

However I want to reiterate that these investments will not be made at the expense of everything that we have achieved thus far. We will not allow this government to go back into deficit, which is why we have pursued and will continue to pursue a balanced approach to fiscal planning, including continued debt reduction, investments in social and economic priorities and tax relief.

Speaking of tax relief, Canadians have told us that they want more money in their pockets. Our position has remained clear for the past several years. As fiscal resources permit, we will continue to reduce the tax burden faced by individual Canadians. The tax cut we implemented in 2000 reduced taxes for individual Canadians by an average of 21% over the past five years and we have built on these reductions in every subsequent federal budget.

In budget 2005, we increased the amount of income that Canadians may earn without paying federal income tax to a threshold of \$10,000, which is roughly a move from \$8,000 to \$10,000. This move, which will be fully implemented by the year 2009, will remove more than 860,000 low income Canadians, which will include a quarter million seniors, from the tax rolls.

Let us make no mistake about it, tax relief will continue to remain a cornerstone of our balanced approach to the nation's finances.

In conclusion, it is time to stop the rhetoric and get on with the job that Canadians have elected us to do, and repeatedly told us to do, particularly in the last few weeks, that of managing the business of our nation for the benefit of all our citizens.

In the motion today from the hon. member, he is concerned about his constituents. Not to put too fine a point on it, he seems to be more concerned about his political neck. However this motion would only serve to delay the benefits of budget 2005. Let us put this wrangling aside and let Canadians reap the benefits of this bill.

My advice to the hon. member is simple: Hold tight, the money is on its way.

*Routine Proceedings*

•(1550)

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, I rise to speak on this issue and to ask a question about it. I have noticed in the week that I spent in my riding that Canadians are paying very close attention to what is happening in the House.

I came back to Ottawa with two very distinct understandings from the people in my riding. They are absolutely disgusted with the games being played in the House day after day with the kind of obstructionist tactics that are stopping the country from moving forward.

The second thing that I heard very clearly and very strongly wherever I went in my riding was that people believed in the budget that we, as the NDP, have helped work on because it is addressing serious deficit issues in our regions.

My region is a have not region. We are facing serious long term infrastructure problems from a lack of dollars. I have been contacted by municipal road board associations and municipalities who want the money to flow and they need it to flow now.

In the city of Timmins I met with seniors' advocates last week who told me that they need the money to flow from the budget, so they can build affordable seniors' housing. That is an important priority.

I flew to the community of Kashechewan on the James Bay coast two weeks ago. I saw housing conditions that were an absolute disgrace where 16 and 18 people were living in two bedroom houses that dogs should not be living in. The parents told me that it was like raising their children in a prisoner of war camp, a more apt description I could not think of myself. They told me that they needed the money for new housing starts. They were waiting for this. They were counting on this.

I came back to Ottawa thinking that once again we will start to move forward and finally implement a budget that Canadians support. Then I read the newspapers and see that members of the opposition party are absolutely gleeful in how they are going to obstruct, how they are going to drag this out, and how this can follow through to the fall.

I see a member of the opposition standing up and telling us how we all have to worry about Newfoundland. I worry about Newfoundland. I am from a have not region as well, but suddenly we have to make the money flow so his riding can be protected in the next election. Meanwhile the rest of the country can sit and wait until the Conservatives are good and ready to have it pass.

I ask the hon. member, what steps will the government take to ensure speedy passage of not just the Atlantic accord but all the elements of the budget that Canadians believe in and are counting on.

•(1555)

**Hon. John McKay:** Mr. Speaker, I think the hon. member was speaking to the same constituents I was speaking to. Canadians are quite disturbed by the obstructionist tactics and quite disgusted by the whole thing.

We are rather pleased that the budget vote passed by the narrowest of margins of course as the House knows. However, they were

pleased and assumed that we were going to get on with the business of the nation.

Then, along with the hon. member, we read that not only will we have obstruction tactics on the floor of the House, but we will have further obstruction tactics in committee starting tomorrow. What was a euphoria will be apparently a short lived euphoria.

On the second point that the member raised with respect to the budget, this is probably the third historical budget of the government. The 1995 budget was an extremely important budget and set the nation on a particular fiscal path. Budget 2000 was also very important. However, this budget is possibly the budget that has the most uptake by most of Canadians. Any politician or any party that imperils the passage of this budget does so at its own risk.

I agree with the member. I cannot see the basis in logic or fairness as to why a particular provincial concern should be preferenced above seniors, cities and communities, infrastructure or any other important items that are in the budget.

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Mr. Speaker, this is amazing. The more I listen to the member, the less I find he knows about Atlantic Canada in particular and the less he knows about the operations of the House.

First, he should remember that this is not a johnny-come-lately issue. It happens that I came here and was sworn in exactly five years ago today. One day later, which will be tomorrow, I asked my first question. It was on this issue, and 31 times between then and the election last year when this became an issue, I raised that issue. This is not trying to save anybody's skin because when it comes to elections, I could not care less. The people decide that. If they like me, they will vote for me; if they do not, they will not. That is why we live in the great democracy in which we live.

However, the member is talking about obstruction in committee. We have 25 pieces of legislation. Let me ask the member, does he think that we should do what Liberals do and give carte blanche to spending?

Why do we have the Gomery commission? It is simply because of the scandals that have occurred and money not being controlled. That is why we have the Gomery commission. He wants the House to collectively rubber-stamp a budget for billions and billions of dollars without due diligence in seeing where the money would go and if proper accountability was there. No wonder we are in the mess we are in, if that is the philosophy.

Is this the kind of way the member wants this House to operate?

•(1600)

**Hon. John McKay:** Mr. Speaker, I welcome the hon. member's anniversary in the House. It is great that he has been here for five years. This may not have been his best day, but still the previous four years were probably pretty good to him.

I would point out to him that over the last five budgets, this is exactly the way that we have done business. Every budget implementation bill has somewhere between 10, 15 or 25 sections in it, all of which call for spending initiatives of some kind or another, so there is nothing new or novel about this bill.

*Routine Proceedings*

Equally, the last budget implementation bill was passed in six weeks which also called for substantial financial investments by the Government of Canada. There is nothing unusual about this. I put it back to the hon. member that I cannot quite see the basis of his argument as to why a particular concern of a particular region would take preference over national concerns which would benefit not only the other regions of Canada but would also benefit his community and the province that he represents. It seems to me that at its root, the hon. member's motion and his argument is deeply flawed.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I welcome the opportunity to raise a question with the parliamentary secretary. I mean this quite sincerely because already the House has been back in session for about five hours and anybody watching the debate is saying, "There they go again, playing their games".

The parliamentary secretary knows that the Conservatives, the day before the House went down for the week's break, voted for the government's Liberal budget, including the Atlantic accord. They then turned around and voted to defeat the government in the very next vote to ensure that the Atlantic accord and everything else was killed.

Why does the Liberal government not call the bluff of the Conservatives and support the splitting of this bill as the NDP has suggested? We would fast-track the Atlantic accord, so we could get on immediately with dealing with the next step. At least we would be making some progress. If the government is prepared to do that, maybe the Conservatives would stop playing their obstructionist games when it suits them when they tried to defeat all of the budgets, including the Atlantic accord 10 days ago.

Why does the government not just take a stand here? We could do it. We did it with the veteran's bill. Everybody is in agreement on the Atlantic accord. Let us deal with it and get on with the next step.

**Hon. John McKay:** Mr. Speaker, there are 24 sections in this bill, all of which in my view are quite important sections, not equally important but quite important. Some of which would arguably be as important to other members of the House as is the Atlantic accord to certain members of the House. I do not quite understand the basis for her question.

The hon. member needs to be careful about cherry-picking particular sections of either Bill C-43 or Bill C-48, both of which I know she considers to be important bills. When we cherry-pick on budget bills, other difficulties are created.

She used as an example the veteran's bill. The veteran's bill was a single issue bill that created a bill of rights for veterans. It was an important thing but simply a single issue bill. This is a bill which covers a great number of items and proposes spending in the order of \$200 billion.

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• (1605)

**BUSINESS OF SUPPLY**

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, discussions have taken place between all parties and I believe you would find unanimous consent for the following motion. I move:

That during tomorrow's debate on the business of supply, pursuant to Standing Order 81(4), no quorum calls, dilatory motions or requests for unanimous consent shall be entertained by the Speaker.

**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.

**An hon. member:** On division.

(Motion agreed to)

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**COMMITTEES OF THE HOUSE**

## FINANCE

**Hon. Karen Redman (Kitchener Centre, Lib.):** Mr. Speaker, I have an additional motion. Discussions have taken place between all parties concerning the motion to concur in the third report of the Standing Committee on Finance moved by the member for Prince George—Peace River, as well as the amendment thereto moved by the hon. member for Calgary Southwest, and I believe that you would find unanimous consent for the following. I move:

That the amendment moved by the member for Calgary Southwest to the motion from the member for Prince George—Peace River concerning the third report of the Standing Committee on Finance be deemed defeated on division,

and that the motion from the member for Prince George—Peace River be deemed carried on division.

**Mr. James Bezan:** Mr. Speaker, for clarification, are we talking about the debate tomorrow on the supply motion or is this based on the committee of the whole tomorrow night?

**Hon. Karen Redman:** Mr. Speaker, the first motion deals with committee of the whole.

**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.

**An hon. member:** On division.

(Motion agreed to)

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**BUDGET IMPLEMENTATION ACT, 2005**

The House resumed consideration of the motion, and of the motion that this question be now put.

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, I welcome the opportunity to speak further to the motion before us.

I am grateful for members like the member for Timmins—James Bay who spoke in a very direct way about when he returned to his riding last week and how clear it was to him that his constituents want us to get on with dealing with the business that we were sent here to do. I know of no member who works harder and who more passionately represents his constituents than the member for Timmins—James Bay. I suspect that if every member of the House were asked under oath to tell the truth we would all have to say that we heard the same urgings and pleas from our constituents over the last 10 days.

*Routine Proceedings*

I want to take issue with what the parliamentary secretary said. He talked about how the motion before us to deal with the Atlantic accord in an expeditious way is somehow about preferencing or cherry-picking. I do not think that is the case. It is about trying to make some progress. It is about trying to take one important step forward and having the business of the Atlantic accord done. All members of the House presumably agree with that. I have not yet heard a rationale as to why somebody would not agree with the Atlantic accord. We could then get on and deal with the next item of business. This is not about preferencing. It is about recognizing that we have to make some progress.

The parliamentary secretary offered the argument that the reason it was easy to come to an agreement about fast tracking the veterans bill was because it was about a single issue. The reality is that the Atlantic accord in a sense is about a specific single issue. It is about moneys owing to Nova Scotia and Newfoundland because of historic measures that were put in place that actually prevented us from benefiting from those resources. The very same argument could be applied to the Atlantic accord.

We have to take seriously the sense of dismay, cynicism and skepticism that Canadians have that we have deteriorated into such a self-serving, self-interested partisan bunch that we cannot get any of the business of the House accomplished. That is a tragedy. It is a tragedy as it relates to the business before us at this particular time, but it is even more serious than that. If Canadians have reached that level of cynicism because of the paralysis, the stonewalling and the games that have been played, it is serious for the future health of our democratic process.

I hope the government will reconsider its position on this and recognize that in the interest of making some progress we should deal with the Atlantic accord and then go on to the next step.

I listened to the passionate pitches put forward by the member for St. John's South—Mount Pearl and the member for Okanagan—Coquihalla. They talked about how badly needed these resources were for Newfoundland and Nova Scotia. Even though these provinces are the specific beneficiaries, there is no question that these resources will be beneficial to all Atlantic Canadians.

However I heard nothing in the comments of the Conservative members, not in their speeches nor in their responses to the numerous questions put to them, about how on the one hand they can make such a strong plea for the money to flow through the Atlantic accord to where it is so desperately needed, in Newfoundland and Nova Scotia, but on the other hand make it clear that they intend to vote against other resources that are desperately needed by Atlantic Canadians.

• (1610)

Maybe one of the Conservative members will address my lack of knowledge on what decisions the Government of Newfoundland and Labrador has made and what announcement the premier of Newfoundland may have made about where the resources from the Atlantic accord will be directed and actually allocated in the Newfoundland economy. I am sure other members would also be interested in knowing this.

The premier of Nova Scotia has said that most of the money from the Atlantic accord, if not the total \$830 million, will go to paying down the debt, and I think there is quite a broad consensus of support for this decision. That of course is in the interest of freeing up moneys in the future so the money is not being used up in interest payments.

However we should make no mistake about it, at least in the case of Nova Scotia, that if that is how the money is spent, it is all the more imperative that the proportional share of Nova Scotia's fair share from the \$1.6 billion put in the better balanced NDP supplementary budget measures, flow through to be used for desperately needed affordable housing. It is not going to come from the Atlantic accord. Maybe it is in Newfoundland but it is not in Nova Scotia.

Similarly, there is a desperate need for those moneys in Nova Scotia, the money for post-secondary education, which the Conservatives voted against the second last day before we broke for a week, and money that is desperately in Newfoundland. We are talking about unprecedented levels of high tuition, crippling student debt and a serious erosion of quality post-secondary education that students are receiving today and will go on receiving if the re-commitment of dollars is not made to post-secondary education, to access, affordability and the quality of the educational experience.

I do not understand it. I do not get how the Conservative caucus, the official opposition, can take the position that the Atlantic accord is critically important but then vote to defeat the government so it could not go through. Let us say that the Conservatives have seen the light of day. They have had a week to reflect, realize the insanity of that position and they have come back saying that we should get the Atlantic accord through.

Surely to heaven they also recognize how critically important it is to ensure the money starts to flow for affordable housing, affordable education, improving the quality of education and certainly for the public transit measures and the energy retrofitting that is so desperately needed, particularly for low income housing.

Let us be clear. In job starved parts of this country, and heaven knows that includes Newfoundland and Nova Scotia, as well as New Brunswick and Prince Edward Island, the energy retrofitting program, the affordable housing program and, for that matter, the post-secondary education program all have to do with the creation of quality jobs and the investment in our human resources so that people can fill and carry out those very important jobs.

It seems to me there is a fundamental contradiction that just is not explained at all by the members in the Conservative caucus from Nova Scotia or Newfoundland.

However let me go beyond the interests of just Atlantic Canada. The parliamentary secretary was not wrong when he asked whether people would think that if we were to fast track the Atlantic accord that only Atlantic Canadians would be given fair consideration and that the only people really pushing for this were Atlantic Canadian members of Parliament. Let the record show that is not the case. My colleague from Timmins—James Bay made an eloquent plea that we get on with this because we need to get the other budgetary measures through.

*Routine Proceedings*

●(1615)

He and my colleagues have stood together and have agreed that we need to make some progress here. We need to deal with the Atlantic accord but let us do it because it is fair and because it will be some solid progress that Canadians can look to and we can take some satisfaction in.

I think we should do it. I think all members of the House should cooperate so we can put an end to the games playing, the stalling, the stonewalling, the strategizing and the tactics being used by the Conservative members. At least we will take away one of the obstructionistic actions that they have in mind and then we will try to deal with the next one.

Maybe the Conservative caucus, which pretends to be the party, aspires to be the party and brags about being the party that reflects the true feelings of grassroots Canadians, will actually be forced to start listening to their own constituents who are saying, "For the love of God let us get on with dealing with these budgetary measures that are needed".

I want to say something about the continual attacks by the Conservative members on the notion that somehow there is a grotesquely irresponsible \$4.6 billion that have been committed in the NDP additional budgetary measures that are contained in Bill C-48.

Unless the Conservative members have not done their homework, and it will be pretty funny if they actually plead ignorance on this point, every member of that official opposition caucus know the finance committee had four independent forecasters do work on the government's state of finances and bring in reports to indicate clearly that the \$4.6 billion could be afforded. We are talking about \$2.3 billion in each of two years.

The Conservatives are either pretending they do not know, in which case that is less than honest, or they actually do not know, in which case the very party that wraps itself up in all this talk about fiscal responsibility has not paid enough attention to the work of the finance committee to recognize that the four different independent forecasts done for the finance committee made it absolutely clear that the size of the government's surpluses that were solidly predictable will more than allow, not just the expenditure of \$2.3 billion in each of 2004, 2005-06, 2006-07, but actually made it clear that the surplus of \$8 billion, which is projected for each of those two years, would be sufficient to absorb the additional \$2.3 billion in spending contained in the NDP budget measures without incurring a deficit. In fact, having absorbed those additional expenditures, the budget would still permit that without affecting the reserves that the government typically sets aside for contingency and economic prudence. There would still be funds left over to increase spending even further.

Let us not start talking about new ideas and spending new money. Surely the Conservative caucus will not refuse to acknowledge that the Liberals in 1995 brought in a budget that eliminated the best affordable housing program in the world. This infusion of \$1.6 billion is just the beginning of rebuilding that affordable housing program. It is criminal when we look at how little has been done to create new affordable housing stocks in this country.

The Conservative caucus members also know that in the middle of the last election campaign the Prime Minister went to Newfoundland and participated in a debate with my leader, the member for Toronto—Danforth, where the Prime Minister pledged that \$8 billion would be recommitted to post-secondary education. It would not be fully accomplished in the budget but it would start in the budget.

●(1620)

When the Conservative caucus members took about two minutes to look at the Liberal budget, they did not even object to the fact that there was no new infusion of funds to restore core funding for post-secondary education. They could not wait to get out fast enough to those microphones and the scrum to say, "We like this budget and they can count on our support".

Now the Conservative caucus is talking about needing to drag out the process so that people will still be left waiting and wondering if we are going to have that budget approved by the end of this session in late June. They know these extra moneys can be afforded. They know they are desperately needed.

They know that part of what is plaguing the lives of ordinary working people in this country is the fact that the Liberals have gutted the commitment to affordable housing and the commitment to core funding, including student aid programs and tuition reduction, yet they are talking about not being able to afford these investments. These are critically important investments. We cannot afford not to get on with those investments.

Finally, I want to again plead with all members to recognize that we have the opportunity here to pull together around what I think it is increasingly clear Canadians want us to do. They want us to deal with these budget measures. They do not want us to drag it out.

I do not have the figures right at my fingertips, but unless I am mistaken, this kind of dragged out, protracted and detailed analysis, which the official opposition is now saying is absolutely necessary, of every line by line in the budget that goes to the finance committee, has never ever been pursued by the official opposition. Maybe if it had been pursued more vigorously over the years, we would not have some of the problems of government misspending, of the lack of accountability, which we know about.

I have not been on the finance committee as an ongoing member, but I think I am accurate in saying this. My recollection is that most often the detailed questioning and the heavy lifting that has been done in terms of demanding accountability before the budget implementation bill in front of the finance committee has been done by New Democrat members, so it is a little sickening and a little disingenuous, to say the least, to hear these members going on and on about some kind of reckless, wasteful, spendthrift measures that the NDP has put before the House and which will be put before the finance committee.

Let us stop playing the games. Let us stop the partisanship. Let us get on with listening to what Canadians want. Let us actually be able to leave this session with a sense of satisfaction that we pulled together, that we came together and did what we were sent here to do.



*Routine Proceedings*

•(1625)

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, I have a question for the hon. member for Halifax, which arises from the arrangement which we have made with the New Democratic Party to bring together a package of Bill C-43 and Bill C-48. All of us on this side of the House think that is pretty good business given some of the measures that are in there, including the \$800 million for public transit.

My concern is with the position of the member for Halifax on the pulling out of the Atlantic accord from Bill C-43. It seems to me that if on the one hand she and her party would argue, as I would, that we ought to see Bill C-43 and Bill C-48 as one but on the other hand we start pulling out different elements to vote on from Bill C-43, indirectly and I am sure without intention she will weaken the case for our presenting of Bill C-43 and Bill C-48 as a unified package. Perhaps she might want to comment on what seems to be a contradiction.

**Ms. Alexa McDonough:** Mr. Speaker, I want to say to the Minister of State for Infrastructure and Communities that his is a completely reasonable question. I think we have to really wrestle with this. I will tell him that my colleagues and I have wrestled with this.

I think the bigger question is about how we can make some progress here. The Minister of State for Infrastructure may not have been in the House when I said quite directly, and maybe I am being a bit too transparent here, that maybe one good reason for us all pulling together and saying “let’s get the Atlantic accord dealt with” is so we can take away the games playing that would go on around the Atlantic accord and the obstructionism by the official opposition if we do not do this.

Why do we not just say let us get it done? Then we will finally be making some progress with all of the measures together. We have already heard the minister’s own colleagues like the parliamentary secretary trying to say that it is some kind of preferential treatment to talk about just the Atlantic accord.

The Atlantic accord does have to do with Atlantic Canada. and in particular with Newfoundland and Labrador and Nova Scotia. Let us deal with that and get it out of the way, because the rest of the budgetary measures have to do with Canada as a whole. They have to do with Canadians in every part of this country who desperately need the investment and who will benefit from a huge commitment to child care all over this country, to post-secondary education all over this country and to infrastructure measures all over this country. We would then remove this argument that is going to go round and round about how it is somehow preferential treatment and the question about how an Atlantic accord is just preferential anyway.

Let us deal with it. We all agree on it. Then we can get on with dealing with as a whole the two budget measures, which are multi-faceted, with 28 different components, and maybe actually get the job done. However, we are being obstructed at the very first stage around a very particular thing that it seems we could deal with expeditiously.

I think the hon. member’s question was a fair question to put and I do not have any hesitation about acknowledging it.

**Mr. Randy Kamp (Pitt Meadows—Maple Ridge—Mission, CPC):** Frankly, Mr. Speaker, I am a little confused by what the hon. member for Halifax was saying. It sounded like she was critical of the official opposition for doing due diligence and looking at a bill in the way that it is supposed to be looked at. I find that astounding.

In light of the fact that this other half of the budget, Bill C-48, had no planning and has no accountability measures, we have no idea how that money is going to be spent. If I were to ask the hon. member if the average student, for example, is going to get any part of that money and what mechanism would be there for getting it, it is not in the bill so she would just be making it up.

This motion is about the Atlantic accord, so my question is about why she and her party voted against the Atlantic accord on March 9.

•(1630)

**Ms. Alexa McDonough:** Mr. Speaker, let me say first that the member is just dead wrong if he thinks we cannot address in considerable detail where the budget measures in Bill C-48 are needed and can and must be spent. All we have to know is that we have had a virtual gutting of post-secondary education funding as it relates both to both core funding and to student aid measures.

Second, he says that we just do not have a clue as to how it would be spent if we did make the money available. He was not listening earlier. That is fair enough; he may not have been. I reported to the House that in Nova Scotia, for example, there has already been a bill passed in the Nova Scotia legislature, and by all political parties, by the way. The Conservatives, the New Democratic Party official opposition and the third party, the Liberals, unanimously voted and fast tracked legislation to say that the post-secondary education funding flowing from Bill C-48 would be dedicated to post-secondary education tuition reduction and improved training.

I do not know what Newfoundland and Labrador has done. I do not know what any of the other governments have done. Maybe all of us in this House could take a page out of Nova Scotia’s book and actually engage in the kind of cooperation and collaboration that went on in the Nova Scotia legislature to pass that bill. The bill was introduced by the official opposition, so the government was not precious about saying, “Gee, we are not going to support something that has come from the official opposition”. It said, “Let us get the job done. Let us collaborate an all party agreement to fast track this and designate exactly where the money is going”. Maybe we could all learn a lesson from that experience.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, I would like to concur with the observations made by my colleague, the Minister of State for Infrastructure and Communities. I do sense a certain inconsistency in the point of view of the member for Halifax, because if we look at Bill C-43 and Bill C-48 we see that they are essentially a stand-alone package.

*Routine Proceedings*

I do have concerns. For example, what if the Conservative Party could uncouple the Atlantic accord? Let us say that it is fast tracked. We would still be left with the main or certainly an important part of Bill C-43 and Bill C-48. What would happen if the Conservative Party and the Bloc then said that on Bill C-48 they would like to fast track the part on overseas development assistance, for example? I cannot imagine the Conservatives supporting that, but one never knows. They could say they want to uncouple parts of Bill C-48 and fast track them.

I think my colleague is absolutely right. We have a package of two budget bills that are basically one, Bill C-43 and Bill C-48. Is the hon. member speaking on behalf of her Nova Scotian constituents or on behalf of the party? I share the minister's concern.

**Ms. Alexa McDonough:** Mr. Speaker, I have already said I acknowledge that this is a bit of a risk. I acknowledge that this is a fair question to raise, but I also think that in the interests of making progress we have to find some ways to get beyond some of these games, roadblocks and stonewalling.

I think that in this instance a case could be made. It is not the most critical thing one could come up with, but it seems at the moment to be the only thing we can come up with, and that is to say, "Look, let us at least get this dealt with and move on in good faith to dealing with Bill C-43 and Bill C-48 in their entirety". In other words, let us move on to the other 28 measures that we are dealing with. Let us get on with it. Let us take away the very club, the very basis on which the official opposition is stonewalling and saying that this is just not going to go anywhere until we deal with this.

I agree with the hon. member that the opposition could turn around and try to say "now let us split off something else and something else and something else". We do not have to agree to that kind of nonsense. We can say that there can be a reasonable case made with respect to the Atlantic accord because it is a fairly specific bill that deals with something quite different and quite unusual, pertaining only to the treasuries of two provinces, really, although the Atlantic economy in general will benefit, there is no question. My plea is to say that if someone has a better idea of how we can finally get on with doing what we are here to do, then let us hear that too. I think that—

• (1635)

**The Deputy Speaker:** I am sorry, but the hon. member is out of time. 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 Lanark—Frontenac—Lennox and Addington, Justice; the hon. member for Halifax, Education.

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Mr. Speaker, certainly I have a great deal of respect for the member for Halifax and her approach in looking at the budget in its entirety, looking at the accord and the amendments that have been made and really seeing the tremendous benefit not just for Newfoundland and Labrador and Nova Scotia but for all Atlantic Canada. In her presentation she viewed the budget through an Atlantic lens, which makes sense. Even outside the accord, I see so many benefits in the budget for the people in Atlantic Canada. In my province of Nova Scotia there is a tremendous amount of support for various initiatives.

As the finance minister pointed out in his 2005 budget speech, Canada stands out among the G-7 as having the best job creation record, the fastest growing standard of living, and low and stable inflation and interest rates. This did not happen by accident. Since eliminating the deficit in 1997 the Government of Canada has taken a balanced approach to reducing debt, reducing taxes and investing in social and economic priorities.

With the Government of Canada's seven consecutive surplus budgets, the federal debt has been reduced by more than \$61 billion. Budgets are projected to remain balanced or better in 2004-05 and in each of the next five fiscal years. As a result we remain on track to achieve our goal of reducing the federal debt to GDP ratio to 25% by the year 2014-15. Canada's much improved fiscal situation has allowed the government to make significant investments in our country's future.

Before I get into the social aspects which I think are important for the Government of Canada to invest in, I want to speak specifically about some of the initiatives that have come out of the Standing Committee on Fisheries and Oceans, one of the committees I sit on in the House of Commons. Many of the initiatives that were in the budget grew from recommendations and initiatives that came forward from the Standing Committee on Fisheries and Oceans. There is the investment in the Oceans Act. Moneys are allocated in the budget to curb overfishing. There is money in the budget as well to reinvest in our Coast Guard.

There will be fleet replenishment for the Coast Guard. New vessels will be acquired through moneys that have been allotted in the budget. Combined with initiatives that are being put forward by the Minister of Industry, that will yield the opportunity for Canadian companies to be competitive and to engage in bidding on and building some of the new ships here in our own Canadian shipyards. Certainly we will support that.

The Atlantic salmon endowment fund is another initiative that has been pushed by the fisheries committee for some time and a number of members who have active salmon communities. In Cape Breton along the Margaree Valley it is imperative that the stock in the Margaree River is in good shape and that there are fish in the river. That is what drives the tourism industry in that area of the island.

• (1640)

Through investments in habitat, stock replenishment, enforcement and conservation and in partnering with a variety of community groups, such as the Atlantic Salmon Association and the Margaree Salmon Association, we could get a great deal of mileage out of investments like that. The money that has been peeled out in the budget will go a long way. From the \$30 million identified in the budget, we will leverage three times that. We will be able to grow the moneys that are being put toward the salmon endowment fund.

The NDP amendment made additions in a variety of areas, one being affordable housing. Affordable housing is a concern in my riding as it is in most members' ridings in Atlantic Canada. We look at the allocation of funds for seniors housing and RRAP grants. That is key. People want to stay in their own homes and want an opportunity to reinvest in their homes. This will go a long way in aiding people in staying in their own homes.

*Routine Proceedings*

Access to education is very key. The cost of education in Nova Scotia is high. Tuition fees for a medical student at McGill University in Quebec are around \$1,400 annually. To attend the medical school at Dalhousie, that same medical student would be looking at tuition fees of \$14,000. There is a considerable difference. Outside of the accord, the money for post-secondary education in the budget will go a long way in helping post-secondary students within my province.

I will now focus my remarks on initiatives in the budget that build on our social foundations, part of what defines us as Canadians. I want to speak about persons with disabilities. One of the areas of the budget that I am most proud of is the recognition by the government that a fair tax system recognizes the special circumstances of certain taxpayers and helps remove barriers from participation in the economy and society as a whole. I am speaking of the tax system for our fellow Canadians with disabilities.

Over the last several years the Government of Canada has introduced a number of tax measures to help persons with disabilities and caregivers who often provide vital care for persons with disabilities and loved ones who are elderly or ill. Building on those measures, budget 2005 takes significant new steps. Specifically, it provides persons with disabilities and caregivers with ongoing additional tax relief representing \$120 million in 2005-06 and growing over time.

Hon. members will recall that in budget 2003 the government established the technical advisory committee on tax measures for persons with disabilities to advise the Minister of Finance and the Minister of National Revenue on how to address tax issues affecting persons with disabilities. The technical advisory committee on tax measures for persons with disabilities was given an 18 month mandate to provide advice to the federal ministers of finance and revenue. It was composed of members of organizations representing persons with disabilities, medical practitioners and private sector tax experts. The committee's final report, which was submitted in December 2004, contained 25 recommendations. The government is acting on the committee's report.

Budget 2005 also adds physiotherapists to the list of health professionals who can certify eligibility for the disability tax credit. It expands the list of expenses eligible for the disability support deduction to include costs such as job coaches, deaf and blind interveners and Braille note takers.

Budget 2005 also delivers much needed help to low and modest income families caring for children with disabilities. Based on the technical advisory committee report, the budget proposes to increase the child disability benefit to \$2,000, up from \$1,680, as of July 2005.

• (1645)

The government often cites huge numbers in the House, but the people back in the ridings want to know how they relate to their personal circumstances. I will be attending the upcoming annual general meeting of the Richmond County Disabled Association. It will be those people who will be able to speak to and give some terms of reference to this item.

In practical terms a family with one child with a severe disability and an income of \$30,000 in 1999 would have obtained tax relief of about \$720 under the disability tax credit. In 2005 that same family will receive more than \$3,500 in support and tax relief, a fivefold increase. This includes \$1,600 through the disability tax credit and supplement for children, plus \$2,000 through the child disability benefit which was introduced in budget 2003. These initiatives build on past measures and illustrate the government's commitment to provide real assistance to Canadians with disabilities.

There is often the perception that our seniors population is forgotten in the rush of modern life. I would like to speak just for a moment about seniors. I have a great number of seniors in my constituency. We deal with a great number of seniors issues. Canada's support for seniors is one of the major success stories of government policy in the postwar era. At the same time, it is an area facing new challenges because of the rapidly growing aged population.

This demographic shift is not unique to Canada. The United States and several other developed nations are faced with the social and economic challenges of rapidly aging societies. This shift has serious implications and poses a serious challenge for Canada's economy because the aging of a nation's population can directly reduce the economic and living standards. This reality is especially relevant in Canada where the population is expected to age faster than those in other comparable nations. Simply put, as the percentage of our population above the age of 65 continues to grow, our health care system and other social services will have to deal with increasing pressure to meet demands of older Canadians.

Budget 2005 confirms \$41.3 billion in new funding for health care over the next 10 years. It also makes significant investments across a wide range of policies that matter to seniors, from income security programs to retirement savings, assistance for people with disabilities and for caregivers, and support for voluntary sector activities by and in support of seniors.

There are a number of key measures in budget 2005 that are focused on our senior population. I would like to identify a few.

The budget proposes to increase the maximum monthly guaranteed income supplement benefit by \$36 a month for singles and \$58 a month for couples. It also proposes to expand funding for the new horizons for seniors program by an additional \$5 million in 2005-06, \$10 million in 2006-07, and raising to \$15 million in 2007-08 and subsequent years, bringing the annual budget to \$25 million. These increases will help meet a range of identified needs within the seniors community.

Finally, budget 2005 also proposes to set aside a further \$13 million over five years for a national seniors secretariat which would be established within Social Development Canada to serve as a focal point for collaborative efforts to address the new challenges facing seniors.

*Routine Proceedings*

● (1650)

I trust my remarks today have illustrated that the Government of Canada accords with the highest regard the social values embraced by the electorate. There is more to this budget than just numbers. Budget 2005 puts forward a number of social measures I am pleased to stand behind. I am proud to be a member of this government, a government that cares.

This is a good budget as it is, not only for the people of Newfoundland and Labrador and Nova Scotia but for all Canadians.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, I want to thank my colleague from Cape Breton—Canso for his illuminating remarks about the budget, Bill C-43 and Bill C-48, and why the Atlantic accord should remain part of Bill C-43.

I notice the member talked about the very significant benefits that are built into the budget for seniors. I could not agree with him more. That is why I would like to get on with passing it for a whole host of reasons. However, what it does for seniors is very important.

Our government is doubling the funding for a program called new horizons for seniors. I know it has been very well received in my riding. Seniors groups can do projects to help them feel more connected with the community. They can help to improve their health and general well-being and make them feel more a part of our culture in Canada. That is one aspect.

I know the budget also has an increase for the guaranteed income supplement. That is a important measure for seniors with fixed incomes and those who have low incomes. I would like to see these measures passed.

Would the member comment further on what benefits he sees with these programs and why we should get on with passing the budget bill?

**Mr. Rodger Cuzner:** Mr. Speaker, my colleague asks specifically about the programs for seniors. Our seniors are Canadian citizens as well. There are some great programs in the budge for seniors.

All Canadians understand the importance of a balanced approach to handling the fiscal business of our country. They understand the importance of paying down the debt and the benefit that this will show their children, their children's children and future generations.

Canadians understand that it is imperative we invest in the environment. The budget has been referred to as probably the most green budget that has come before the Commons.

Core values such as investment in health care and education are values shared by all Canadians. Seniors stand behind them and they see the merit in them.

People had mentioned about their week back in the constituency. This is something I heard time and time again. First, my constituents were happy they were not going to the polls. Second, they want us to get on with the budget. It is a good budget, not only for Atlantic Canada, not only for Newfoundland and Labrador and Nova Scotia, but for all Canadians.

● (1655)

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I want to congratulate the member on his balanced approach to the motion before us. The motion is to split an item out of the budget, which is very important to the member's region since it is the Atlantic accord.

The motion is rather fascinating in terms of strategic. I want to remind the House that there was a vote on Bill C-43 and all but the Bloc supported it. Now it is before committee.

I suspect that at committee it should receive full support of at least all the parties, except the Bloc, which will get it back to the House. Effectively the intent of the motion before us today is to split it out and get the Atlantic accord part in the House. We can get the entire budget bill back to the House just as quickly with the cooperation of the members. I am sure the member understands this.

The other part of this which is of great concern to me, and I am not sure if it is of concern to the member, is that the official opposition also voted against Bill C-48 which was a confidence motion which would have brought the House down and sent us to an election. To have this motion today to split out the Atlantic accord seems to be contradictory to their intent to defeat the government and to bring us back into an election. Could the member comment on that?

**Mr. Rodger Cuzner:** Mr. Speaker, as my respected colleague identified, this is important to the people in Atlantic Canada, in Newfoundland and Labrador and in Nova Scotia.

The accord would provide \$800 million to the province of Nova Scotia. I might add that this would be an upfront payment, once the budget is passed.

This was an example of how our Prime Minister went over and beyond. His intent was to honour the 100% offshore royalties in both provinces. In fact, he negotiated that there would be an upfront payment. It is wise and I recommend that the premier of the province of Nova Scotia takes that upfront payment and applies it to the debt. Nova Scotia carries one of the greatest per capita debts in the country. If he applies it to the debt, that will result in increased activity of about \$50 million in transportation, in roads and highways, in education, in all aspects of administration through the province of Nova Scotia. We see that as imperative.

I am still perplexed, as a member from Atlantic Canada, about why we do not have the members from Newfoundland and Labrador supporting the budget. Back in March the member for St. John's South—Mount Pearl said in the House to the members of the Liberal government that we could never turn our backs on our province on an important issue like this, even if it meant that our party said tough stuff and we would sit in the last row or the last seat. He encouraged us to make the tough decisions. They have the opportunity now to make that decision to support the budget. Let us make sure we get it through committee, back in the House and passed.

**Mr. Russ Powers (Ancaster—Dundas—Flamborough—Westdale, Lib.):** Mr. Speaker, my hon. colleague represents his area extremely well from the elements of our maritime climate. Obviously, the Atlantic accord is very important to him.

*Routine Proceedings*

Earlier he touched on elements of the budget that were in addition to this. Perhaps he would like to build on elements of the budget that would benefit his region. Could he comment on why there cannot be a stand alone and why we need to support the budget as a whole?

• (1700)

**Mr. Rodger Cuzner:** Mr. Speaker, I spoke about several investments in the budget such as the investment in the military and about the huge impact the military had in the province of Nova Scotia, more particular, in the Shearwater, Dartmouth, Halifax area. We have a disproportionate number of military people serving in Nova Scotia, but that activity is really an economic generator, an economic engine.

The new investment in budget 2005 will be significant for quality of life issues and for equipping our men and women in the armed forces. It also will generate additional economic activity through fisheries and oceans, things that we have fought for and have represented to the minister and to the department on behalf of the fisheries and oceans committee and as individual members.

The budget is riddled with these types of initiatives such as changes to the Employment Insurance Act. I come from an area that is very much coastal. It is not that our workers are seasonal, but our industries are seasonal. People who work in those industries often find themselves in a challenging position come the end of a particular season. There are \$350 million in changes to the Employment Insurance Act. Those are all important aspects of the budget for which we really hope to garner support. We want to get it through committee, get it back in the House and get it passed.

**Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.):** Mr. Speaker, I am pleased to enter the debate on severing the Atlantic accords from Bill C-43, which would not be very wise thing to do. That is why I am happy to contribute to the discussion today.

Members of the Conservative Party, who used to be members of the Alliance Party or the Reform Party before the merger, often stood up in this place when it came to votes and their whip would say that members would be voting this way or that way unless otherwise advised by their constituents.

The Conservative Party, or its predecessors the Alliance and the Reform, prides itself on being close to the people. Last week we were told that those members were going to listen to what their constituents had to say. I have to conclude that they are not very good listeners.

I have talked to many Canadians in eastern Canada, western Canada, Atlantic Canada, northern Canada and elsewhere. With the exception of a few, they all agreed that the vote last week was a momentous vote. A lot of people watched it. Hundreds of people were waiting for us to exit the chamber. They were interested in the results of that historic vote in which the Speaker broke the tie.

What I heard from my constituents and from people across Canada was that a lot of time was taken away from the business of the House to focus on that confidence vote. We have had the vote and most Canadians now want us to get down to the business of governing and to make this Parliament work.

Conservative members pride themselves on being close to the ground. That may be true in some parts of Alberta and some parts of western Canada. However, with all due respect, when the election happens, it will be decided essentially in Ontario and Quebec, and that will not go down very well with members on the other side of the House. Those members should call up their friends in Ontario, Quebec and Atlantic Canada to find out what they think. I think they would find that Canadians do not want an election right now. Those members are not listening. They do not have their ears to the ground. Some friends of mine who are more conservative in their way of thinking do not want an election now.

We are prepared to have an election. My colleagues and I are ready. We can go any time. I do not get obsessed with polling results and I am sure my colleagues on this side of the House do not get obsessed with polling results either, but if we look at the results we would find our party is doing quite well in the polls, especially in Ontario. The reason for that is obvious. People in Ontario are not attracted to the policies of the Conservative Party and they are not engaged with the leader of that party.

These are truisms. I am not saying something to incite people. Anyone who does not know that Canadians do not want an election, that they are not attracted to the policies of the Conservative Party and that they are not getting a lot of resonance from the leader of the Conservative Party must have their head buried in the ground.

Canadians know we had a confidence vote last week and what a shambles it was. They turned on their televisions and saw members running back and forth, not getting down to the business they were elected to do, to serve in the Parliament of Canada, to make Parliament work. Canadians want us to get down to work.

I naively thought that when I came back to Ottawa after the week break, we would actually deal with the budget. The budget has some amazing elements to it, and it is supported by Canadians. In fact, it was supported by the Conservative Party until those members started to read every morning in the *National Post* about the day to day testimony at the Gomery inquiry and then they would bring it to the floor of the House.

• (1705)

People watched that on television and said it was not very nice. Of course it was not nice and that is why the Prime Minister called for the Gomery inquiry, so that he could get to the bottom of it, hold people accountable, and make the policy changes required.

Suddenly, the Conservatives found that when all these issues were on the floor of the House of Commons and people were watching them on television, they were going up in the polls somewhat. Is that not interesting? They said, "Let's have an election now because we might be able to win", forgetting the fact that Canadians said that they wanted to make this minority Parliament work. It is tougher to get things done in minority parliaments, but they can work. In fact, I and many members have seen it happen.

*Routine Proceedings*

The justice committee dealt with a bill that focused on DNA. That is why this bill should not be split because the committee system is working very well. We passed a bill dealing with DNA. We all put a little water in our wine and got unanimous consent in the House to speed it through the Senate. This Parliament can work if we put our minds to it, but it is not working because of these reckless motions that focus on partisan interests in Atlantic Canada.

The Conservative Party is very nervous about losing the support of its Atlantic caucus members. Conservatives say it will be a great idea to split the bill because then they could fast track the Atlantic accord through the House of Commons and the Senate. I ask everyone, what would that accomplish? We would end up with part of a budget bill and the key elements of Bill C-43, of which the Atlantic accord is a very important part of course, but there are other very important parts to Bill C-43.

My colleague, the Parliamentary Secretary to the Minister of Finance, highlighted some of them, but I would like to come back to them because they are very important. There is one part of Bill C-43 that I would like to see fast tracked. Maybe we could bring a motion to fast track the excise tax moving to cities and communities.

I live in the city of Toronto. My colleague, the Minister of State for Infrastructure and Communities, has basically put this together. We can move what I believe to be \$200 million per year, once fully implemented, to the city of Toronto. It could use that money to fight crime, to build infrastructure and public transit, and to have cleaner water and air. We could use that money. In fact, that is step two of what has already been done. The government wisely eliminated the GST for municipalities. For the city of Toronto, that meant another \$55 million a year it could use to deal with the issues facing large cities.

I would like to hive off that part of the budget. I am sure members would like to carve out other parts of the budget and fast track them too. Pretty soon 90% of the bill would be fast tracked. Then it would not be fast tracked anymore, it would be slow tracked because there are too many parts of the bill being fast tracked. This is a slippery slope.

Any member of the House who has been here long enough knows that one does not start splitting bills for the convenience of some members of the Atlantic caucus of the Conservative Party. The Conservatives want to split it so they can speak to their constituents in Atlantic Canada. It has nothing to do with what is good for Canada. It has nothing to do with the benefits of the budget bill, which are so important for Canadians.

I would also like to see the budget pass because there is a large investment in national defence. As part of this budget, there is \$1 billion that will go into our national security agenda. We often hear members opposite talk about our borders, security and terrorists. Now is the time to put their money where their mouths are and pass this bill. Let us pass this bill today, never mind fast tracking.

In fact, by arguing that we should split this bill we have wasted maybe a week or two. We could have had this bill sent to the other place in a heartbeat if members opposite would support it. They know that. All we are doing is delaying and delaying when in fact we could meet the agenda of establishing the Atlantic accord by

including it in Bill C-43 and passing it, and passing Bill C-48 expeditiously.

• (1710)

Let me tell members something else that I like about Bill C-43. Bill C-43 implements the Kyoto accord. It builds in a lot of market measures and incentives, so that we can actually meet these very ambitious goals that we have set. There would be a \$1 billion fund, for example, for competing ideas on how to eliminate and reduce greenhouse gases. That is another part of this budget. Maybe there are some other colleagues who would like to take that part of Bill C-43 and separate it out, sever it and fast track it.

This is not the way business is done in the House of Commons. Instead of sitting here and debating severing the Atlantic accord from Bill C-43, we could actually be passing Bill C-43 and Bill C-48 and delivering all those measures.

Another issue that is very important in my riding is child care. I have a lot of, not to be sexist, female members in my riding who come to my office and say that they have a two-income family, but cannot get out and work properly because they do not have proper day care in Ontario.

We now have an agreement with Ontario which we could pass today if the members opposite had the political will, instead of trying to finesse little points here there and sever this and that. Just pass the bill. We could get on with it. We could deliver child care. We could deliver all the benefits that are embedded in this budget.

I think there is another point that is often forgotten in this House when we have these debates and that is, the underpinnings behind budget 2005. Allow me to take members through some of the context of this budget.

The first item that immediately pops out is that this is the eighth consecutive surplus that this government is delivering. Against all the industrialized economies in the world, we are considered an economic darling. The markets think we are an economic darling because of what we have done, what our finance minister did, and what this government continues to do. We have had consistent growth and we continue to have consistent growth of 3% per year, which is unsurpassed in the industrialized world.

We have unemployment down to levels of 6.8%, which is a five-year low. Could we do better? Of course we could. We could do better if we could pass this budget because there are measures in here to help Canadians get into the labour market. There are measures in this budget that would help us bring down the unemployment rate from the low level of 6.8% to even lower if these people on the other side would stop debating about severing this and that and just pass the budget.

*Routine Proceedings*

There are a few other contextual elements that I need to speak about in terms of our fiscal progress. We have low interest rates. We have low inflation. What does that mean? That means that there are many Canadians who otherwise would not be able to purchase a home who are able to purchase a home. We see people getting out of their rental accommodation and buying homes. The construction sector is booming. That is contributing to our economic growth.

We are paying down the debt. Members opposite talk about the surpluses, how the surpluses are a bad thing, and how we have not estimated within a few hundred dollars here and there. The reality is, and we know that in this House, if the revenues are understated by, let us say, 1% a year and the expenditures are understated by 1% per year, that would create a flux of about \$3 billion to \$4 billion in the annual surplus. So this is not an exact science.

However, I would rather have, and I am sure that all of us would rather have, a surplus than a deficit. Is that not so? I think so. We want to have a surplus. We are consistently having surpluses. We are paying down the debt with those surpluses. The surpluses are not an end in themselves.

• (1715)

We are below less than 40% debt to GDP ratio which is well within the range of what is considered acceptable. In fact, we are going to go further. We are going to go to 25% debt to GDP. What does that mean? That means, for example, that today as we speak, as we take up time talking about splitting budget bills, and if members opposite are going to waste the time of the House, I am going to have my say as well, there is in excess of \$3 billion a year that taxpayers in Canada are saving each and every year because of the \$56 billion that we have paid down against the debt. It is in excess of \$3 billion annually.

By the way, that is a permanent annuity. That is \$3 billion each and every year into the future. As we pay down more debt that \$3 billion will grow. What can we do with that \$3 billion? We can invest in the environment, national defence, national security, health care, post-secondary education and seniors. These are the kinds of investments we are making. That is the kind of flexibility that we have when we have budgetary surpluses.

The mantra of the Conservative Party is to cut taxes. It is like a broken record. We went through this in the province of Ontario. We had Mike Harris and Ernie Eves. What did they do? They cut taxes to a point where they could not sustain the social and economic programs of the province of Ontario. Guess what. We then had a new premier and a new finance minister who came in and tried to say it was a fiscal imbalance. I think they have been listening to the Bloc Québécois on this fiscal imbalance terminology.

The current party at Queen's Park has inherited a structural deficit caused by excessive tax cuts that went beyond the fiscal capacity of the province of Ontario. What does it do? It says that it will lay that problem at the feet of the federal government.

When our government came into power in 1993, we faced a \$42 billion deficit. Did we stand around and blame everyone, point fingers and say that we cannot do this, we cannot do that, it is not our fault, and it was their fault? We did not do that, although we could

have laid it at the feet of Brian Mulroney. That is what we should have done. I am sure it has come up in debate from time to time.

The point is we got on with the business of eliminating our deficit, of cutting expenditures, of dealing with the fiscal challenges that we had to face. There were no excuses and no scapegoats. We got on with the business of dealing with it head on like mature adults. That is what we are going to continue to do.

That is why when I stand up in this place to talk about severing the Atlantic accord I find myself in a childish discourse because we should be passing Bill C-43 and Bill C-48 so that Canadians can reap the benefits of the budget package which has so many benefits, some of which I have described.

I could go on and on, but I only have one minute. Therefore, I will wrap up. I would like to suggest to the House that instead of us debating these moot points, why do we not get on with the business of government, with the business of Parliament, and pass these budget bills which Canadians want.

If members opposite want an election, the Prime Minister has said they will have an election. They will have an election this year, 30 days after the Gomery inquiry reports. We will have an election.

Canadians do not want an election now. They want us to get down to the business of government and manage the affairs of the nation. For that reason and for many others I will not be supporting the motion.

• (1720)

[*Translation*]

**Mr. Marc Lemay (Abitibi—Témiscamingue, BQ):** Mr. Speaker, I have listened very carefully to my colleague's lengthy rhetoric. I could ask him close to a dozen questions but there is no time. What is rather surprising is that we are being asked to support a budget, to adopt it immediately and then, all of a sudden, are told that there is still money to be spent from the 2003-04 budget. The 2004-05 budget was accepted by the Governor General on May 11.

Everyone, every Canadian and every Quebecker, has questions. I have a good example of that for my hon. colleague. Two weeks ago, the Minister of the Environment came to my riding to announce that broadband would finally be coming to the riding of Abitibi—Témiscamingue and our entire region. Great, except that—

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

**Mr. Marc Lemay:** Mr. Speaker, there go the Liberals. Applauding, but for money that was already announced three years ago. They have been asked to add more to it, but they have refused. This is last year's money.

This is my question for my hon. colleague. Perhaps my colleague from Pontiac could ask the same thing, since he is from the same side. They have to be asked to spend everything they have committed to for 2003-2004, before starting to spend for the next six years. That is important.

What I would like to ask the hon. member is whether he can tell us when they are going to spend the \$2.3 billion left in last year's budget, that is, the one for 2003-04? When are we going to see that money spent, before we adopt this budget?

*Routine Proceedings*

**Hon. Roy Cullen:** Mr. Speaker, the Bloc member is incorrect. For example, the 2004 budget was adopted by the House of Commons in four or six weeks. It can be done quite quickly, if members are willing.

[*English*]

One of the problems is that some of the members opposite do not understand the idea of a budgetary surplus. Once there is a budgetary surplus at the end of a fiscal year, which we have had now for seven years and going into our eighth, it is not a question of then spending the surplus. It is like a balance sheet.

● (1725)

[*Translation*]

I am a chartered accountant, myself, and I have trouble understanding these concepts.

[*English*]

However if there is a surplus at the end of the year it is not as if we can go and spend it. We start a new fiscal year. As I said earlier, having a budgetary surplus is a good thing because it means we can pay down some debt and help with Canada's debt to GDP ratio which is improving considerably. We are going to get down to about a 25% debt to GDP ratio very soon.

**Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.):** Mr. Speaker, I congratulate my colleague for this absolutely fantastic speech. I know many members and, no doubt, Canadians generally would want me to say this because it truly was.

Does my colleague see, as I do, that there is something a little confusing about the opposition's position on Bill C-43? On the one hand, last week opposition members voted in favour of having the budget passed. This week they have asked to sever parts from that which they were in favour of only a little bit more than a week ago.

Now that is a little hard for Canadians to understand. If one is in favour of the whole bill, then presumably one is in favour of whatever is contained in the whole bill. If one is in favour of the whole budget implementation bill, then what possible benefit would there be to segregate anything from it and to pass it apart rather than to pass the whole bill at the same time so that Canadians generally could enjoy the benefits that are in the Atlantic accord but in the other components of that excellent piece of legislation as well?

[*Translation*]

Second, perhaps he could add to the comments made earlier by the Bloc Québécois member, as to whether the government will spend the money allocated in last year's budget.

The member on the opposite side of the House has forgotten—and I ask my colleague to speak more about this—that many budgets include multi-year programs. This does not mean that all the money set out in the budget will be spent this year. Some budgets have been spread over one, two, three or four years. Some funding is even spread over a five-year period.

I invite my colleague to talk more about this.

[*English*]

**Hon. Roy Cullen:** Mr. Speaker, with respect to the last point, we will miss that kind of lucid understanding of the budgetary cycle and how the House of Commons works. Maybe we should try to encourage the member for Glengarry—Prescott—Russell to go for another term.

He is absolutely right in what he says. With respect to the first point, it highlights the hypocrisy or the inconsistency of the party opposite. When our finance minister tabled the budget, I sat here and was moved because it was such an excellent budget. Therefore, when I heard in the scums that the leader of the Conservative Party actually said that there was nothing much his party could argue with in the budget, I was pleased but not surprised because it was and is an excellent budget, which is why it is so important to deal with the budget as a whole.

There is no need to hive off a portion. We know what the politics are. To please some of the Atlantic Canadian members of the Conservative caucus they want to hive it off and fast track it. However the problem is that we have an excellent budget, not just with the Atlantic accord but we have so many measures in the main part of Bill C-43 and Bill C-48 that are absolutely stupendous and which Canadians want.

I actually engaged and listened to what people were saying over the last week, and not just Liberal supporters, and they unanimously said that they wanted the budget passed but not in little bits here and there. Canadians want the budget passed but the members opposite are not listening or they are listening but are not acting upon that information.

I absolutely agree with my colleague. It has to be seen as one whole piece and we need to deal with Bill C-43 and Bill C-48 expeditiously so Canadians can get the benefits of those measures.

● (1730)

**Hon. Shawn Murphy (Charlottetown, Lib.):** Mr. Speaker, I watched with amusement as this thing played out over the last month. This Atlantic accord goes back a couple of years. An arrangement was worked out not that long ago and, as everyone in the House is aware, it was a very difficult and complex negotiation.

During the negotiation, the Minister of Natural Resources came under extreme pressure and criticism by the member for St. John's South—Mount Pearl and the member for St. John's East. According to published statements, he was called a Benedict Arnold and a weasel. They seemed to be enjoying this.

Like a lot of things in life, what goes around comes around. The deal was worked out. It was included in the budget and the only thing left for this House to do is to pass the budget and move on.

The member has been here for 10 years now and is a longstanding parliamentarian with an excellent reputation. Does he have any advice for the member for St. John's South—Mount Pearl and the member for St. John's East?

I do not even know if a weasel is a species indigenous to Newfoundland but perhaps he could tell me that also.



*Routine Proceedings*

**Hon. Roy Cullen:** Mr. Speaker, I have not been a student of biology and I could not say if those particular breeds are indigenous to certain parts of Canada. I am sure they are not actually based on my own sense of things.

My colleague from Charlottetown hits on a very important point. We should try to represent all Canadians in this House. We should stop thinking only about narrow political and parochial views. We were elected to represent the people of Canada.

The Atlantic accord is very important because of the levels of income and unemployment in Newfoundland and Labrador and in Nova Scotia, but we can deal with that now if we pass the whole bill, Bill C-43 and Bill C-48. Let us not be so parochial. Let us get on with the job of representing Canadians.

**Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.):** Mr. Speaker, I appreciate the opportunity to speak to the motion today.

Much has been said about the recent federal budget and about what it does and does not do for Canadians. In my remarks today I would like to set the record straight on at least one important area and that is the question of a strong and productive national economy. There can be no question that one of the biggest challenges facing our country in the early years of the 21st century is the issue of improving the productivity of the Canadian economy.

At the present time, Canada faces a demographic time bomb when it comes to our national workforce. Currently, there are more than five people of working age in Canada for every person of retirement age. Within the next 15 years, as the baby boom generation begins to retire in large numbers, this ratio will fall to four working people compared to those 65 years of age and older. The ratio will keep falling until it is ultimately cut in half.

This situation presents two unique challenges for Canadian society. First, it will place a significant burden on our system of social services, particularly the health care system, which will face a major increase in the number of people needing both sustained medical attention and longer term care facilities when they are no longer able to look after themselves.

Second, and more germane to the matter at hand, is the issue of maintaining our current standard of living. As our working population ages, a smaller and smaller percentage of Canadians in the workforce will be required to support a larger and larger group of retirees. If Canadians are to maintain their current standard of living and see further improvements in their quality of life, we must address the challenges facing the smaller workforce that will be available to us in years ahead.

Given this situation, it is imperative that Canada's economy must see a significant improvement in productivity levels if we are to meet this demographic challenge, as well as the increasingly competitive global marketplace, which includes the fast growing economies of India and China.

Before going any further I would like to make the point that when it comes to increasing our productivity, Canada is not starting from scratch. As recent statistics show, the rate of Canadian productivity growth has increased 60% since the mid-1990s. That is a good start but there is still a long way for us to go if we hope to close the gap

on productivity with our most important trading partner, the United States. Let me be clear on this point. Our government is committed to taking the necessary action to help boost Canada's productivity. The actions we have taken in budget 2005 and in our previous budgets provide clear evidence of this.

There are three ways Canada can grow its productivity rate: by investing in physical capital, which includes technology and infrastructure; by investing in human capital, which includes education and training; and by investing in innovation, which includes research and development.

Let me begin by outlining the measures we have taken to invest in our nation's physical capital.

Since our government first brought the country out of deficit in 1997, we have invested more than \$12 billion in infrastructure projects in communities, both large and small, right across the country.

Programs, such as the Canada strategic infrastructure program, the border infrastructure program and the municipal rural infrastructure program, have committed to the rebuilding and maintenance of roads and highways, the construction of new community centres and parks, and the building of new facilities to handle both solid waste and waste water.

● (1735)

These programs work in consultation with the territories, the provinces, the municipalities and the private sector. They are the major drivers of our effort to rebuild and reinvigorate Canada's urban infrastructure. They are improving the quality of life for Canadians from coast to coast to coast and are making our cities, towns and villages better places in which to live, work and invest. Make no mistake that healthy and prosperous communities are key components in our efforts to boost our national economic productivity.

Recognizing the importance of these programs, our government has committed \$4 billion over five years in budget 2004 and an additional \$5 billion over five years in budget 2005 to help our cities and towns rebuild their vital infrastructure elements. The \$5 billion announced in our most recent budget is part of the new deal for Canadian cities which, among other things, pledges that the government will contribute a portion of the federal gas tax revenues to our cities and towns to help them meet their infrastructure needs. By 2009-10 the funding flowing to municipalities will amount to \$2 billion annually, equivalent to 5¢ per litre, representing strategic investments in cities and communities.

These tangible commitments will result in the revitalization of infrastructure and the construction of new facilities that will benefit Canadians for years to come. Long after the debates and the discussions on this issue have ended, these projects will stand as reminders of our government's foresight and commitment to a better quality of life for all our citizens.

*Routine Proceedings*

I want to digress for a moment and explain how cogent and effective this has been in the north. The government has had a special sensitivity in recent years and in recent budgets to the people in the north and how important these infrastructure programs are to the nation and ultimately to the relationship of various orders of government in Canada. Obviously the members of the opposition need to hear this. Unfortunately this is one of the things that is at great threat. Many people have told me they are very worried about an election and the fact that they could lose these major infrastructure initiatives. They are important to my riding and justify my taking a few moments of my time here to speak to them.

First, the strategic infrastructure program, which is the one infrastructure program the opposition has gone on the record of supporting, is very important. We have two borders in my riding. There are unique problems in the north. Borders across the country are very instrumental to our economy, and this is a very important investment. More important, when our government came out with the first municipal infrastructure program, every municipality in my riding benefited. Across the nation thousands of communities benefited in some way from the first infrastructure program.

It was so popular that the program was extended. Once again virtually every community benefited. Communities built their roads, their bridges, their water and sewer works. To give an example of how much this was needed, one community, which I will not name, is replacing wood sewer staves through the municipal infrastructure program.

When the government saw how popular and important these programs were, it reinvested in them. It also saw that with small projects going out to all the little communities there was not a good way to fund very large projects that would help a number of cities, or a region of a province or a territory, or a province or a territory as a whole. If the money were put into one large infrastructure project, the smaller players would think that was money that had otherwise been accessible to them. The government came up with the strategic infrastructure program, which is another tremendously successful and popular program.

• (1740)

I can talk about it in my riding because of a great sea change which showed a tremendous recognition of the north by the government. It realized that in the north the same per capita formula for infrastructure would just not work. There are very few constituents and they are miles apart in a very rugged and changing climate. Permafrost can heave and break sewer pipes. It wreaks havoc with the roads and highways. The local tiny northern villages cannot afford that type of infrastructure. The per capita amount would not go very far. It could provide maybe a mile of infrastructure in one community of the entire territory, one of the 13 regions of the country. The government was very sensitive to that and put in a base amount of allocation in the first round of strategic infrastructure programs.

In my area in particular where we would have received less than \$1 million on a per capita basis on the strategic infrastructure, we were allocated \$20 million as a base amount. That makes it fundamentally possible. With those funds, for instance, we have reinvigorated the Alaska Highway, the remaining part of the

Canadian portion from Haines Junction, Yukon to Whitehorse. The bridges from Whitehorse to Watson Lake can be repaired. This is one of Canada's most famous highways and this program with this extra base amount for the north makes the repairs possible. It is a remarkable achievement. We can understand why people would want to keep this government in place.

This program was so popular in the north that the government renewed it again and extended it for another round. In the second round it understood that in the north the per capita amount would not be sufficient. The three territories each again got a base amount of \$20 million, of course to be cost shared with the territorial governments.

This has been a remarkable, exciting initiative for the economy and the infrastructure of the north. In one particular region, I think it was in the Northwest Territories, there was some access to very productive economic areas. In Yukon we are using it for the revitalization of major waterfronts in Whitehorse and Carcross. For decades it has been the dream of Yukoners to build vibrant waterfronts in these locations, similar to those built in Winnipeg and other major cities in Canada, as focal points for people to celebrate, for street festivals, and for tourism in general. The second round of strategic infrastructure and the extra money, the base amount, has been tremendously successful for the north.

We now come to the third round, that of municipal infrastructure. I was very excited about this particular amount because there is a third dimension. Not only is the infrastructure program itself one of the most popular programs in Canada, but there was also a base amount for the north, this time in the municipal infrastructure. It was allocated to the municipal rural infrastructure fund where a majority of the funds go to rural Canada, to rural municipalities, cities, towns and villages.

The government's commitment to rural Canada is particularly exciting. Not only is there the rural secretariat and the rural projects that have been going on under the agriculture department, but this is an initiative across government. It shows the commitment of the government not only to large cities and to urban Canada, but to the smallest villages as well.

In the third round of municipal infrastructure, rural infrastructure, my constituency would have got roughly \$600,000. Once again, understanding the harsh conditions in the north, each territory got a base amount of \$15 million plus the \$600,000 we would have got on a per capita basis. There are all sorts of projects in the smallest towns, villages and cities in Yukon.

*Routine Proceedings*

●(1745)

We add to that the other elements of the new deal for cities. That includes the GST rebate. As members opposite were saying in question period today, municipalities would like to have stable revenues for certain projects. People in my riding were very excited, as I am sure they were across the country, about the GST rebate for municipalities to use to build better communities across the nation. It is secure funding they can depend on.

What has sent me off on this tangent is my excitement about the part of the new deal related to the gas tax. The deal was signed about four days ago when I was in my riding for constituency week. It was a very exciting event. I would like to expound on it, so it looks like I am not going to get through the rest of my speech and I will have to save it for another time.

It is an exciting new way of working. It is a bit different in my constituency. The infrastructure minister should be commended for being very flexible and for developing models that are effective in different parts of the country. I am sure everyone in the House of Commons would agree that this is leading in governance.

In my area there is a breakdown of the funds. A portion goes to traditional municipalities, which are governments on their own. A portion goes to the first nations governments. A portion of the funds goes to unincorporated communities. This is particularly creative because some of these communities may have otherwise fallen through the cracks.

I give great credit to the Yukon government, the Association of Yukon Communities and the grand chief of the Council of Yukon First Nations for working together to come up with this formula so that all communities in the Yukon can partake in this program. It is particularly exciting that these communities will be developing sustainability plans into the future before they apply for the funds. They will have outlined a plan. Some of the very small communities may not have had the capacity and there will be some funding for that. They will create a sustainability plan for the future. It is a modern, vibrant innovation which I hope other regions of the country will look to.

In some of our areas the sustainability plan includes the coordination of a first nation community and a municipality which are in the same community adjacent to one another. They have to work together if they are building sewers, water works and roads. It would not make sense to have uncoordinated efforts taking place.

There will be a sustainable community plan that includes both portions of a community. This is a very exciting innovation. The grand chief and the president of the Association of Yukon Communities spoke very eloquently about the first nations governments and the municipalities working together in a shared common vision of future sustainable communities.

This is permanent, stable funding for communities to become sustainable in the future so they can look at things like bike lanes, clean water and sewers, things that are so expensive in the northern communities. Creating sustainability plans in the north is very exciting for my riding. It will continue into the future. After the five years expires, there will be \$15 million a year that our communities, with their very small tax base and very large demands, will be able to

count on to have sustainable, attractive and economically productive communities in the future.

I am very excited about all the items I have talked about today related to this budget. I could make 20 more speeches on various other themes in the budget but time does not permit it, so I will conclude.

●(1750)

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Mr. Speaker, I would like to be able to say that I was absolutely bowled over with enthusiasm by that last speech, but I have to say that I was not.

In fact, I would like to tell the hon. member about a little phone-in contest held by CBC North. I know that he represents the north. I represent a certain section of the north. It was based on the fact that the town of Iroquois Falls had to sell its municipal office to pay to pave its roads. The call-in show on CBC in Sudbury asked what other things we could sell off so that small northern municipalities could actually have paved roads.

I have to tell members that my wife almost had to tie me to the chair because I had so many choice suggestions about what we could sell off to benefit people in northern Ontario. Now that I am a diplomatic member of Parliament I will not give members some of the suggestions, but if anybody wants to go out for a beer afterwards I would be more than willing to share some of my suggestions.

So here we have the town of Iroquois Falls, which is suffering from years and years of neglect, but it is not suffering on its own. In fact, our whole corridor up Highway 11 is suffering from years of neglect and a lack of infrastructure dollars. There is no excitement up there about any promises on infrastructure, because we were told that the great COMRIF program was going to revitalize the north and all our little communities were going to get a fair chance. Everybody did their best and tried to make sure they would get a share of the funding.

Lo and behold, when the first round came back we found that Moosonee was turned down. Hearst was turned down. Kapuskasing was turned down. Timmins was turned down. Iroquois Falls was turned down. Smooth Rock Falls was turned down. Kirkland Lake was turned down. In fact, we could actually take a road map of Highway 11 north and see where this Liberal government said, "Sorry, none of these communities qualify".

I am talking about municipal rural infrastructure. Who are we losing out to? We are losing out to the big municipalities in southern Ontario, the urban municipalities. Our small communities of 500 and 1,000 people are losing to them. Let us be honest and frank here. If governments are going to be putting in money, they are going to be putting it into where the votes are, so our northern municipalities got zero, zippo, nothing.

I would like the hon. member to explain this. Will this government commit in this new budget to actually delivering on some of the promises for our region of the north?

*Routine Proceedings*

• (1755)

**Hon. Larry Bagnell:** Mr. Speaker, I am hoping the minister responsible for infrastructure will ask me a question in order to allay the hon. member's fears. It sounds like I have to give my speech again and outline all the various infrastructure programs that are available to his communities, but I will make—

**Mr. Charlie Angus:** They get zippo.

**An hon. member:** We need highways.

**Hon. Larry Bagnell:** First of all, as members know, infrastructure is originally provided by the municipal tax base. After that it is provided by subsidies through provincial governments. I think the members should have concentrated on all those years before this and the relationship between the Association of Municipalities of Ontario and the Ontario provincial government, when cuts were being made to municipal infrastructure.

There is no lack of spending in these programs. Municipalities, municipal associations, provincial governments and the federal government work together on criteria and they work together on the allocation of funds to the areas they would go to.

I cannot speak on the specifics about the hon. member's particular region, but I know that every single municipality in my region benefited extremely well from these programs. There have been very few programs in the history of Canada with such a pervasive success story for infrastructure.

To recap, municipal infrastructure funding is very important. It was reinstated a second time. Then came the strategic infrastructure fund for large projects in provinces and territories, which was very popular and exciting in that once again it was a second round of strategic infrastructure projects. Then the gas tax was allowed. Iroquois Falls and all the municipalities in the hon. member's riding can use that money and put it toward their infrastructure. They have their municipal GST rebate. The gas tax rebate will be coming. These communities can also use the third round of rural municipal infrastructure funding. There are all sorts of funds available for the hon. member's communities.

**Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.):** Mr. Speaker, this is by way of a somewhat rhetorical question to the member for Yukon. Is the member for Yukon aware that the municipal and rural infrastructure funds are available to every province and territory upon the signature being arrived at with that province or territory and the federal government, and that this is for the smaller communities, including smaller communities in the region the previous member alluded to?

I just want to make sure that the hon. member for Yukon was aware that there was total fairness in the municipal and rural infrastructure funds.

**Hon. Larry Bagnell:** Mr. Speaker, that was a very good rhetorical question. I wish it had been longer.

While we are talking about these large amounts of money, seeing as it was a rhetorical question I would like to take the opportunity to finish what I was going to say about the new deal. The new deal is not simply all these various programs and funds that I talked about, which are available to communities across the country for the first

time in history to build exciting, sustainable communities. It is also about a whole new relationship among governments in Canada. The new relationship is I think a monumental step forward by the government.

It first started out with the relationship with one order of government in Canada, which are the first nations governments and the great national day of aboriginal leaders, which is now broken into round tables. They will very soon be meeting with cabinet and coming up with recommendations in specific areas.

With the four orders of government in Canada, there is a whole new working relationship being developed. Now there is a new deal and there is a whole new relationship being developed with municipalities, but not just municipalities and the federal government, because of course the federal government is respecting provincial and territorial jurisdiction over municipalities, so that it is a tripartite agreement, a partnership, a working together to make this country great.

As I just outlined, in our particular gas tax deal signed four days ago, it is a four way partnership of first nations government, municipal government, federal government and territorial government to make Canada a better place to live.

• (1800)

**Mr. Rodger Cuzner (Cape Breton—Canso, Lib.):** Mr. Speaker, through his speech, I would think that my hon. colleague would probably agree with me that through the whole budget process here, the actions of the official opposition could at best be termed bizarre.

First there was the rare show of wisdom on the part of the leader of the official opposition. Upon the budget being delivered, with the ink barely dry on the budget, he stood and offered his support for the budget. He saw nothing in the budget that would bring this country to an election. I thought it was a rare show of wisdom.

Then, of course, there was first reading of the budget when the entire official opposition decided to phone in sick. When it was the turn of those members to stand and vote in the House of Commons, where were they? They were sitting on their hands. They did not want to engage in this. They decided to opt out of the job that Canadians have sent us to do here in the House of Commons.

Then, of course, came the bump in the polls. The official opposition experienced a little bit of a spike. I know it is a young party, but in those members' post-pubescent glee they thought that Canadians were overwhelmingly driven and wanting an election. I think that has been replaced by the "what the hell were we thinking" phase. I nearly forgot about the "I am going to hold my breath until I turn blue" phase, when they did not show up in committee. They would not do their parliamentary duties. They tied this place up for a week. We were sent to Ottawa to do this duty, but they opted out on that one.

Here is my question for my colleague. Looking at the situation that the members from Newfoundland and Labrador find themselves in and the call from Danny Williams to stand to support this budget, does he think this is yet another ploy to mask the true intentions of the official opposition?

*Routine Proceedings*

**Hon. Larry Bagnell:** Mr. Speaker, one thing I forgot to say in my speech was that the three northern territories are also getting \$6.7 million extra in the equalization type of funding.

I would also like to say how well the member behind me represents not only his area; he is always supportive of initiatives in other parts of Canada. I think that is a great hallmark of this party.

I do not want to beat up on the opposition with a partisan answer to this very partisan question, but I would like to say that I think Conservative voters must be very disappointed with that party. We were elected to govern with another party on various initiatives. Conservative members withdrew their support from the budget and Conservative voters must be very disappointed that they forced us into a coalition with another party and a lot of extra expenditures, which, by the way, I think are good expenditures.

**Hon. Rob Nicholson (Niagara Falls, CPC):** Mr. Speaker, I am very pleased to participate in this debate. Some interesting and different aspects of the budgetary process have been brought out. There are a couple of things which for sure will encompass some of the comments that we have made. One of them is on this infrastructure program.

I was talking to the chairman of the Regional Municipality of Niagara. I offered him a dollar because, I said to him, it was one more dollar than he has seen from any Liberal infrastructure program. That would come from a Conservative and that would be one dollar more than he or any of those municipalities have seen.

It is a little like the child care commitment. All the members are preparing for an election. The Liberals want one in the wintertime. We thought it more reasonable for it to come at this time of year or perhaps in the fall, but they are already gearing up their child care or day care package. It is a beautiful sight to behold except for the fact that we now have seen it about five times in a row. This would be, by my calculation, the fifth election in a row in which the Liberals have proposed a day care program, and when we add it all up, five bucks has not come. Five elections and we have not seen \$5 of this, but the Liberals are prepared to trot it out one more time.

I say to those members that they will eventually support the motion by the member for St. John's South—Mount Pearl. My two colleagues from Newfoundland have been pushing, along with our Nova Scotia members, to have the Atlantic accord split out so that they do not get bogged down with Liberal budgetary promises that no one will ever see. They want this now because they know it is good for Atlantic Canada, it is good for Newfoundland and Labrador and it is good for Nova Scotia.

I am going to make a prediction. Those members over there will eventually come to that conclusion. They will back these two members and split this off from the budgetary process. I ask those members of the Liberal Party why they are still worried about the budgetary process. It is not their budget anymore. They turned over the budgetary process to the NDP—

**Mr. Charlie Angus:** Nineteen members did what 99 of you guys couldn't do.

**Mr. Rob Nicholson:** The hon. member says those 19 members are responsible for the budgetary process. I agree. He is right. It is the NDP. The leader of the NDP says it is a NDP budget. Of course it is:

it is one that is short on specifics and long on spending commitments, lots of them. That is an NDP budget right there.

When I saw the deal the Liberals and the NDP cut, a two page budget of \$4.6 billion, it reminded me of the one comment the Prime Minister made in the last election that I agreed with. He said that whenever the NDP looks at a problem, the solution to every problem starts with a dollar sign and ends with a whole lot of zeros. There is no doubt about that.

I say to the Liberal members that the Prime Minister was right. That one time, he was right about the NDP members. Why are those Liberal members worried about the budgetary process? I say to them, do the right thing with the Atlantic accord and split it off. How much do they owe to the NDP? In my opinion, those members owe more to Atlantic Canadians, the people from Nova Scotia and Newfoundland and Labrador. The Liberals owe more to them than they owe to the people in the NDP.

I say to them that they should support this. If the Liberals do not want to do this, I think there is something that is important before they cave in on this. They have a terrific record about which I would love to go on at length on all the things they have caved in on, but before they cave in on this one and split it off from the budgetary process I think every single Liberal should have the opportunity to make a speech and get on the record why they oppose this so they will have something to talk about to explain why they will change their minds a little later.

At this point I want to give them that opportunity, so I am prepared to move the following motion. I move:

That pursuant to Standing Order 26(1), the House continue to sit beyond the ordinary hour of daily adjournment for the purpose of considering Motion No. 51 in the name of the member for St. John's South—Mount Pearl.

Let us go all night long on this.

• (1805)

**The Deputy Speaker:** The motion is in order. Will those members who object to the motion please rise in their places?

*And more than 15 members having risen:*

**The Deputy Speaker:** More than 15 members having risen, the motion is deemed to have been withdrawn.

(Motion withdrawn)

• (1810)

**Mr. Paul Szabo (Mississauga South, Lib.):** Mr. Speaker, I am pleased to speak to Motion No. 51 which is on the notice paper and is in the name of the member for St. John's South—Mount Pearl. In the motion at the beginning and at the end it states:

That it be an instruction to the Standing Committee on Finance that it divide Bill C-43...be reported back to the House no later than two sitting days after the adoption of this motion.

Bill C-43 is the budget bill. Tomorrow at 11 a.m. the finance committee will be meeting. If the Conservative Party wants to have the Atlantic accord passed, tomorrow at finance committee members should appear, pass Bill C-43 and get it back to the House tomorrow, two days early.

*Routine Proceedings*

This is not a simple matter. What has been asked is that an element in the budget, a budget which has 24 different segments in it, be carved out and be dealt with separately. It is certainly not a matter of parliamentary tradition. More important, we are talking about a budget in a minority scenario. It was 25 years ago that Joe Clark was prime minister of Canada. He told the country he would govern as if he had a majority. We know exactly what happens when a party governs as the majority when there is only a minority. A minority government is an important concept in democracy. Minority governments can work. Minority governments have worked and it takes cooperation among the parties.

However, what we have here is an example of duplicity in terms of what the official opposition would care to do. First, if the Atlantic accord is so important, then why did the Conservatives support the budget, Bill C-43, on May 29, which includes the Atlantic accord, and then on the immediate subsequent vote, vote against Bill C-48 which would have dissolved Parliament and sent us to an election, thereby killing the Atlantic accord?

If they were really honestly and truly behind the Atlantic accord, which I know our party is because it is an important part, how could they somehow vote for part of the budget implementation bill and then turn around and vote to dissolve Parliament? That is not the way this place works. It is certainly not the way a minority government works.

Why would the official opposition decide to have an unholy alliance with the Bloc Québécois, which sole purpose to be here is to promote the separation of Quebec from the rest of Canada? The Bloc leader said just yesterday on a news program that his members were going to vote against the budget. They are against the Atlantic accord and yet the Conservative Party has an alliance with them to defeat the government. The leader said, "let's defeat this government at the earliest opportunity".

How many different alliances do they have to have? If it were really important, they would have come together with the rest of the House, ignoring the Bloc's narrow view of Canada, and worked with the Liberal Party and the New Democratic Party to find a way to work toward a solution. What happened? There was no goodwill, no good faith shown by members of the Conservative Party to make minority government work. All they wanted to do was defeat the government and send us into an expensive election that was not necessary. They know very well that it would have resulted in another minority government after spending another \$250 million.

I understand the thrust of the motion. I support the Atlantic accord. I support it as part of the budget. It is part of this government's budget. It is part of the budget bills combined, Bill C-43 and Bill C-48, which are reflective of the collaboration and the cooperation that is necessary for a minority government to work. Official opposition members are opposed to Bill C-48. They want to defeat it. They want the government to fall and they will continue to play games. How can we understand the sincerity of their support for the Atlantic accord?

•(1815)

The Atlantic accord will die if Bill C-48 dies. The best way to get the Atlantic accord in force is to get the budget passed. Get both bills, Bill C-43 and Bill C-48, to committee. Get them back to the

House quickly without amendments at report stage, have a quick debate at third reading and get it to the Senate. Let us get royal assent and let us get things moving.

The way a minority government has to operate is in collaboration. I wish everybody could have everything that they want for their constituents and for their parties, but we are a Parliament of Canadians. We are here on behalf of all Canadians. We have to balance those interests. We have to ensure that the interests of all Canadians are considered, not just one segment of a budget.

That budget went through an exhaustive process of consultation with all Canadians across the country. The finance committee visited every region of the country to ask Canadians what was important to them. They came before the finance committee here. All the economists and financial experts came before committee. The committee had representations of every region of the country, all the major groups and organizations, came and advised the government on their priorities.

What were they? I have a list here. I do not think I have to go through and read them. The priorities included such things as lowering taxes for Canadians, increasing the limits that could be contributed to RRSPs, eliminating foreign property limitations, increasing disability benefits for children, increasing the period for registered education savings plans, increasing the maximum medical expense supplement and extending the date for charitable giving with regard to the tsunami relief effort. Do members remember that? Also included were an increase in the GIS for our seniors, the changes to the air travellers security charge and the excise tax cut. If the members would like to look at the summary of the bill, part 12 enacts the Nova Scotia, Newfoundland and Labrador additional fiscal equalization offset payments act.

I could go through each of the elements of the budget and I could tie it in to the advice that Canadians gave to parliamentarians, to the finance committee and to their members of Parliament with regard to important elements. Some of those elements are directly related to certain regions of the country, but on balance it is a budget for all Canadians and that is how it has been presented to Canadians.

When I looked at this motion, I asked myself very honestly whether I felt it was coming in good faith and good will. We had a vote on May 19 on Bill C-43 and Bill C-48. I remember what happened. I think Canadians remember what happened. The Conservatives, the Liberals and the NDP supported the budget. The Bloc Québécois members, those who want to separate from Canada, voted against the budget. Unless it has something to benefit Quebec, they do not care about the rest of the country. That is who they are representing. Then on Bill C-43 the Conservatives no longer supported the budget, including the Atlantic accord.

**An hon. member:** What were they supporting?

**Mr. Paul Szabo:** What were they supporting? They were supporting the Bloc Québécois to defeat Bill C-48 which would have defeated the government and put us into an election.

*Routine Proceedings*

Why would they support the budget and then turn around and dissolve Parliament? This motion is precisely the same thing. When was it tabled in the House? It was tabled on May 26, last week when we were off. It takes 48 hours notice. This is yet another point of evidence about the bad faith that the Conservatives have shown with regard to making a minority Parliament work. That is the issue.

Let us consider what happened with the 2004 budget. It was introduced in mid-March and it received royal assent on May 14 of the same year. When Parliament works, the budget implementation bill gets passed.

● (1820)

This year's budget was introduced a week later in the calendar cycle, on March 25. It is already May 30. This budget could have passed already.

If it had not been for the bad faith of the Conservative Party and the unholy alliance between the right and the wrong, then this budget would have been addressed. It would have been referred to the finance committee. We would have had the budget dealt with at the finance committee, back in the House and given royal assent.

Now we have this motion. I note that throughout this day, other than the mover of the motion, members from the Conservatives and the Bloc have not been participating in the debate. They do not care about the motion. This is yet another example of failure to cooperate in a minority environment.

The Conservatives know quite well that the finance committee starts its hearings on Bill C-43 and Bill C-48 tomorrow at 11 a.m. The opposition has the majority of the members on that committee. I urge Canadians to watch what will happen at that committee to see how true they are to their word that they want the Atlantic accord to pass.

If the Conservatives believe that the Atlantic accord should move forward swiftly, then they have to pass out of committee both Bill C-43 and Bill C-48 without amendment. I do not think that will happen. I think we will see some games start tomorrow. I think we will see a lot of obstructionism. I think we will see that those bill will take a long time. I do not think they will give the budget a chance to come back to this place before we rise for the summer break.

I think the whole issue here is whether there ever will be a good faith gesture on behalf of all parties, which are at least in favour of a united Canada, to work together to ensure that the important issues of the day, which affect Canadians from region to region, are dealt with by this place.

We must understand fully that we will never get everything that we want. However, if there is a good faith gesture to be given, now is the time to give it. Now is the time for the parties to work together, to work with the priorities to ensure that they are properly represented.

If it had not been for the Prime Minister to sit down with Premier Williams, the Atlantic accord would not have existed. There was a serious problem there. I do not believe there is a member in the Conservatives, Liberals or NDP who has a problem at all with the Atlantic accord. We want to see it implemented.

For the Atlantic accord to be implemented, we have to get the bill out of committee unamended. We have to get it back into the House without report stage motions and with restricted debate at third reading so we can get to the vote at third reading. Then we can show our collective will to support the budget implementation bill in all its elements to which I have related.

When I came to this place in 1993, I wanted to work as a member of Parliament, to be a part of the House and maybe leave a fingerprint somewhere. I wanted to have some influence and to work hard for my constituents. It did not matter whether I was an important person in cabinet or something like that. That was never an issue. I think if most people in this place were asked, they did not even know how much a member of Parliament made when they ran for public office. It was not a consideration. They wanted to come here.

This last session has probably been one of the least comfortable sessions we have had. I understand we are in a minority situation. However, I have never seen such a deterioration of the collaboration and the communications between members. I have seen friendships broken. I have seen people start to become meanspirited.

● (1825)

Parliament and committees cannot work when that is going on. As far as I am concerned, we must begin on a member by member basis to renew our trust in each other and to do the right thing on behalf of Canadians. We must do our job at committee and we must come here to participate in debate, not lay out ideas on how to trip up the government in order to cause an election. If that is the idea, why all the games? Why not just keep putting forward confidence motions?

All I know right now is that as a member of Parliament I am prepared to work within a minority situation to try to do the best that we can.

I talked earlier about Joe Clark's government and the fact that it was a matter of numbers. I do not think members want to have to go through that again.

When I ran in the February 1980 election as a Liberal candidate for the first time, I was proud to represent a political party and its views. I suspect every member in this place were dedicated to their party and to its platform. We all wanted to come here to make those things work, to make a difference, to fight on behalf of the interests of our regions, to work hard to resolve the issues our constituents had relating to federal jurisdiction and to represent the interests to other jurisdictions.

As we can see in this budget, it touches upon many areas that are principally provincial jurisdiction: post-secondary education, day care, infrastructure, a deal for cities and the health care system. Delivery of health care is at the provincial level but it is done through collaboration and cooperation. The Canada Health Act provides the framework under which it operates but each of the provincial governments has those responsibilities.

We are collaborating with our provincial counterparts to make sure that policy, even at the provincial, regional and municipal levels, is acting on behalf of the best interest of all Canadians.

*Adjournment Proceedings*

We should take the lead role in terms of providing the example to all elected officials at all levels of government that we have to work together.

I think the motion comes from the heart of the member. I have talked to him many times about this and I know he honestly believes this. However he also knows that if Bill C-43 passes through committee tomorrow, and it could if there is a will, the Atlantic accord, along with that, would come back to this place and we could deal with it. It would be faster than even this motion.

Why the motion? The motion basically makes me wonder whether there is this element of goodwill that still exists. It is a very important for Parliament to demonstrate that goodwill.

We heard the members from Cape Breton, Charlottetown, Yukon, Toronto and Scarborough, the parliamentary secretary, talk about the importance of this budget to their regions, but we also heard them clearly say that they understood the importance of the Atlantic accord. It is just as important as any other aspect of the budget because together it forms a framework where Canada becomes a better place in which to live and work.

We are here to do the best we can to ensure Canada is a better place in which to live and work.

**Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC):** Mr. Speaker, it is very interesting to see what transpired here this afternoon. Those members have completely and utterly ignored this issue since we first brought it to the House. They procrastinated and refused to deliver benefits to Atlantic Canada but then were embarrassed and forced into it during the last election and made a promise. When they won the election, we then had to do everything to force them into an agreement. Once they got an agreement, they tried to drag it out as long as they could through comprehensive legislation. This afternoon, when they had a chance to speed up the passage of the single piece of legislation, they talked it out so there would not even be a vote.

How can the member, in good faith, in light of what is going on at the Gomery commission, where, because people did not scrutinize legislation in the past, millions of dollars have been wasted, ask this House, through committee, to pass everything in the wink of an eye? How can he be responsible and ask a question like that? Why are you trying to hold Atlantic—

• (1830)

**The Deputy Speaker:** I would remind the member to address his questions through the Chair. The hon. member for Mississauga South has a minute to respond.

**Mr. Paul Szabo:** Mr. Speaker, it seems to me that the member is asking us with the wink of an eye to pass one element of the budget. I do not know why he would discriminate against seniors, child care, moneys for the environment and health care.

The budget has been scrutinized and a number of elements will require technical amendments. All I have to say is that we support the Atlantic accord, we support the budget and we support Bill C-48. We ask all hon. members to do the honourable thing, which is to pass both bills and let us get royal assent.

**ADJOURNMENT PROCEEDINGS**

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[English]

JUSTICE

**Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC):** Mr. Speaker, my question today for the Minister of Justice relates to an item of business that arose in question period on February 18. I asked a question at that time. I will read it and then ask for his response to it. At the time, I asked:

Mr. Speaker, earlier this week the government reversed half a century of Liberal policy by declaring that the Minister of Justice favours retaining the power of disallowance—

That is Parliament's power to disallow or strike down provincial laws.

—under which his cabinet can unilaterally strike down provincial laws.

It was explained that his position is that the federal Liberals are prepared to use this power under what were described to the House as extraordinary circumstances. I invite the minister to explain to the House which provincial laws, actual or hypothetical, he would categorize as being sufficiently extraordinary to be disallowed by his cabinet.

I should mention that a cabinet power is a power that is not exercised by the House. It is exercised by the federal government. This is a power which has fallen to disuse and I will speak about that in a second. His response was simply to say:

—I am not speculating on when such a power would be used or if, even, such a power would be used. The power is there. I do not speculate on hypotheticals.

Surely that is one of the most inadequate answers ever recorded in the House.

The power of disallowance is an antiquated, colonial vestige, a holdover of the period during which Canada was a British colony, the immediate post-Confederation period. The imperial government in London had the power to strike down federal laws and the government in Ottawa was seen in a sense as a colonial power that wanted to move over the provinces. This was at a time before there were any form of a charter of rights and this was seen as a means of protecting rights through essentially colonizing lower orders of government.

This is an antiquated power. It has not been used in Canada since 1937 and has not been contemplated since the 1940s. It is really 60 years of Liberal policy that has been reversed.

I thought I would take a moment to talk a bit about the last time this power was considered to be used. That is the only guide we have to the suggestion by the Minister of Justice that he would be willing to revisit and reuse this power.

In 1944 the CCF government in Saskatchewan was elected, the first social democratic government in North America. It proposed a series of pieces of progressive legislation, which would now be regarded as essentially middle of the road pieces of legislation, and Mackenzie King's government considered striking down those laws. This prompted Tommy Douglas to go on the radio in Saskatchewan to make certain points.



*Adjournment Proceedings*

He said, "If the federal government has any doubts about the constitutionality of our legislation, this is a matter for the courts to decide. Certainly it is not a matter which comes from the duties of the federal government.

He also pointed out that in 1937 when the Quebec government passed the padlock law, which was an infringement of the rights of a free people, the federal government refused to take any action on the grounds that it could not interfere. However, when Alberta endeavoured to pass certain pieces of legislation affecting large corporations, the federal government acted with a swiftness and a ruthlessness that was amazing.

Eugene Forsey commented that one could always count on the federal government using its power to intervene on the side of the big guns, as he put it. It seems to me this power remains a great danger for this reason and it seems to me it is appropriate and indeed incumbent upon the Minister of Justice to say that he would never under any circumstances use this power.

• (1835)

**Hon. Paul Harold Macklin (Parliamentary Secretary to the Minister of Justice and Attorney General of Canada, Lib.):** Mr. Speaker, the hon. member's private member's bill to repeal the disallowance power has been debated in the House. Members of the Liberal Party, the NDP and the Bloc all rejected his proposal.

The hon. member's procedure, timing and sense of priorities all attracted wide-based criticism. The hon. member attempted to spark a debate about the same subject, but on hypothetical terms, by his subsequent question to the Minister of Justice and Attorney General.

The hon. member would like the House to debate the status of the power and hypothetical scenarios that might give rise to the consideration of its invocation perhaps by some governments in some distant future.

The Minister of Justice, quite appropriately in my view and I suspect in the view of many on all sides of the House, replied that he would not speculate on such a hypothetical question. It was not necessary for the minister to say more, but since the hon. member has asked for a further explanation, let me say that the subject he is raising has no relevance to current realities. In addition, anything said in the abstract on a controversial subject on a hypothetical basis when nothing requires that anything be said really serves no useful purpose. The minister quite rightly refused to be drawn into this hypothetical debate.

The hon. member favours the repeal of the disallowance power and is intent on furthering his one member crusade to raise the issue as worthy of priority consideration by the House and all provincial assemblies for constitutional amendment. The fact is it is simply not on anyone's radar screen and the government, like members of the other parties who have spoken to the hon. member's private member's bill, has no intention of changing that.

When the hon. member's motion for the repeal of the constitutional disallowance and reservation powers came forward for discussion in February, there were many reasons provided by members of three parties in the House why this was neither an appropriate process nor an appropriate time for this discussion.

Let me begin by very briefly repeating that there is no reason for these constitutional provisions to be a pressing concern or priority for anyone in the federal or provincial governments and in fact, they are not.

The concern expressed by the hon. member is more academic and hypothetical than real. Certainly, to my knowledge at least, it is not a concern seen by anyone as pressing in any way. There is no apparent merit in selecting these provisions in isolation as a new unilateral federal constitutional reform initiative seeking to engage, as it must and after the fact, all the provinces.

The Liberals, the Bloc and the NDP all expressed agreement that this is not the way to go about making constitutional amendments. That shared view was independently arrived at and expressed. It is founded on the wisdom of experience and practicality and the need to focus on real issues and priorities.

In addition, in my view the hon. member's concerns behind this motion and his question to the Minister of Justice regarding the disallowance power focused far too much on the formal text rather than the constitutional practice thereunder.

The hypothetical concerns raised by the hon. member can be raised in theory regarding many written provisions of our Constitution, or any constitution for that matter. Constitutions by their nature consist of written laws and constitutional conventions supplemented by unwritten practices and understandings of a political nature.

If I may use a perhaps overused cliché, the hon. member's concerns reflected in this question lose sight of the forest for the trees. Like the Minister of Justice, I do not propose entering that forest when there is only a hypothetical interest in its exploration.

**Mr. Scott Reid:** Mr. Speaker, it is ironic to be lectured on constitutional conventions by a member of a government that has just broken one of our most fundamental constitutional conventions by governing unconstitutionally after it had lost several confidence motions in the House until it could find a way of buying or bribing its way back into power.

I will simply point out that this is far from being a matter that is irrelevant, unlike for example, Bill C-9, which we were discussing today which will change the name of a department, or the debate many engaged in this morning over whether or not the House of Commons should have a symbol. Those are truly irrelevant debates.

We will just use Liberal Party policy as opposed to the others who have spoken in favour of getting rid of the power of disallowance. Pierre Trudeau advocated this in the 1960s. In 1972 in the Victoria charter he actually brought forward a constitutional amendment to get rid of the disallowance power. He brought it back again in 1978 in the constitutional amendment bill. It was once again brought forward in the Charlottetown accord, which members from many parties, including the Liberals and the NDP voted in favour of. The Bloc did not exist then.

This is a matter of national consensus, but for some reason the minister has decided to reverse, as I say, half a century of consensus in this country.

*Adjournment Proceedings*

• (1840)

**Hon. Paul Harold Macklin:** Mr. Speaker, the disallowance issues raised by the hon. member continue to be of neither practical nor widespread concern. It is my understanding that following Confederation, statutes of the provinces were originally considered for disallowance if they were either unwise or unjust, although the laws were rarely disallowed on that basis.

If they were unconstitutional, and this was the most common ground for disallowance, it was often combined with other grounds such as clashing with current federal legislation or affecting the interests of the Dominion generally.

Historically, laws might also be disallowed if they conflicted with imperial treaties or policy. Despite this broad overview, scholars have suggested that it is not possible to define clearly the principles that were applied in disallowing legislation after Confederation.

Despite the arguments of the hon. member, there would be no purpose served in debating such principles hypothetically for modern times, considering that the power has not been exercised at all for more than 60 years.

## EDUCATION

**Ms. Alexa McDonough (Halifax, NDP):** Mr. Speaker, on February 25 I rose in this House to express my dissatisfaction, and not only mine but of many people, with the paltry funds allocated to post-secondary education in the Liberal's original budget introduced for 2005-06. This represented an astonishing betrayal of a promise made by the Prime Minister during the last federal election.

Specifically, Canadians will remember that during the great Canadian job interview held with the Liberal leader and the NDP leader in St. John's, Newfoundland, the Prime Minister, before a national audience, promised to restore \$8 billion to core funding for post-secondary education in Canada.

The failure to make even a modest down payment, even a small installment, toward that promised \$8 billion was one of the major reasons why the New Democratic Party was not able to support the Liberal's original budget. The failure to deliver on even a portion of that promised \$8 billion, and no one expected it would be delivered in full but at least a significant portion, left education core funding in this country below the level it was at in 1995.

It was not surprising, therefore, that students all across this country were infuriated. This occurred nowhere more so than in Nova Scotia, where 37,000 students face almost \$1,800 above the national average for tuition fees. This is the highest by far in Canada.

A few weeks in politics can make quite a difference. That brings me to the better balanced NDP education budget measures negotiated on behalf of many, not just education stakeholders in the narrow sense but Canadians who care about the future of this country and understand the importance of post-secondary education.

We have here amendments to the Liberal's budget as set out in Bill C-48 that would provide for an investment of \$1.5 billion for post-secondary education and training. It is true that \$1.5 billion does not exactly come close to the \$8 billion promised, but at least it is a start and can begin to repair the damage from those massive unilateral cuts.

Let me say what it means for Nova Scotia alone. It means a minimum of \$22.5 million in two successive budget years. The Nova Scotia legislature, led by the NDP official opposition leader Darrell Dexter, deserves a great deal of credit. All the parties deserve credit for having come together and passing a bill that specifically dedicated the money that will flow from Bill C-48 to improve training opportunities, provide needs based grants and reduce tuition fees for Nova Scotia students.

Over the last 11 months since I have had the privilege of being the post-secondary education critic for the NDP, I have met with countless numbers of students, faculty, support staff and administrators. They have all furnished examples of the serious crises they face in regard to the education system. Their examples differ, but the source of their problems is the same, namely the chronic underfunding since 1993 by the federal government in post-secondary education.

I hope we will hear from the government's spokesperson today that this government will commit to a pan-Canadian post-secondary education act, where we can establish objectives—

• (1845)

**The Deputy Speaker:** The Parliamentary Secretary to the Minister of Human Resources and Skills Development.

**Hon. Peter Adams (Parliamentary Secretary to the Minister of Human Resources and Skills Development, Lib.):** Mr. Speaker, I appreciate my colleague's enormous interest in post-secondary education. She is a great supporter of post-secondary education, but so is the Government of Canada. It provides over \$5 billion each year for research support to institutions, student grants, and loans and tax measures. I could easily increase that by several billion dollars if I extended the range of the expression "post-secondary education".

The federal government supports post-secondary education by many means. For instance, the Canada social transfer is a federal block transfer to provinces and territories in support of post-secondary education, social assistance and social services, including early childhood development, and early learning and child care. The Canada social transfer is made up of both cash transfer and a tax transfer component, and is allocated on a per capita basis to ensure equal support for all Canadians regardless of their province or territory.

Further, the government, as the member mentioned and I greatly appreciate her support, has introduced Bill C-48 aimed at improving the standard of living for Canadians by promoting a highly skilled workforce in an efficient and effective labour market. The new bill would augment the budget bill to better reflect the priorities of Canadians.

Nothing better exemplifies these priorities than this bill's emphasis on post-secondary education. Bill C-48 would maintain the excellence of our post-secondary education system and would build on it to maximize learning opportunities for all Canadians. The emphasis on learning contained in this legislation would create the conditions for continued economic expansion and increased prosperity. It would also demonstrate our collective determination to ensure all Canadians could participate in building our future.

Bill C-48 commits the government to invest, as the member said, \$1.5 billion over the next two years, if surplus funds become available. These additional funds would be used for initiatives which will assist students and strengthen our colleges and universities. Canada's social transfer cash levels are currently set in legislation up to 2007-08 and planned levels were established in budgets 2003 and 2004, all the way up to the year 2010-11, providing a predictable, sustainable and growing funding framework for the provinces and territories.

Canada's social cash transfer will rise from \$8.2 billion in 2005-06 to \$9.35 billion in 2009-10. This translates into transfer increases of more than 3% annually over that period. In addition, further support is provided through the underlying tax transfer which grows in line with the economy.

The Government of Canada will work with all the partners, including the provinces and stakeholders, to promote post-secondary education in Canada. The Government of Canada respects provincial and territorial jurisdiction. We welcome the opportunity to work effectively with our provincial partners; however, and I know my colleague mentioned the high tuition rates, that is an area under provincial jurisdiction. I personally wish we could influence the provinces more than we can. I know that she feels it more than many of us here because her province of Nova Scotia has the highest tuition rates in the country.

**Ms. Alexa McDonough:** Mr. Speaker, I thank the government member for his comments. I am aware that he is very concerned and committed in trying to repair the damage and to do better with respect to the level of education and core funding.

#### *Adjournment Proceedings*

I know in particular that the member has had a good deal to do with pressing the government to deliver on increased research funds. That has been a very good beginning and in fact one that is seen by education stakeholders as something of a model. I think there are some challenges in it, particularly for smaller regions and smaller institutions but, nevertheless, if the government could begin to do for post-secondary education generally what it has done for research, we would actually begin to get back on the rails.

I am disappointed that the member has not spoken about what a disaster it is for us to continue with a block transfer. We know that education was trumped again and again by urgent acute health care needs when we had a combined health and social transfer. We need to break it down to a single—

• (1850)

**The Deputy Speaker:** The hon. parliamentary secretary.

**Hon. Peter Adams:** Mr. Speaker, I am glad that in the health transfer now we have criteria on which the provinces must report. We do not just transfer the funds to them. I would like to see similar criteria in the post-secondary areas, as I believe my colleague knows.

The Canada student loans program though, with all its problems, supports 350,000 students across the country with \$1.6 billion every single year. The Canada millennium scholarships total \$289 million a year. The Canada study grants totalled \$75 million for 55,000 students. The Canada learning bond for very low income children born after January 1, 2004 is reaching out to low income families, so that their kids can stay in higher education. The Canada education savings grant program has paid out \$2 billion since 1998 and was made stronger this year for middle income families.

[*Translation*]

**The Deputy Speaker:** The motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6:52 p.m.)



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