



CANADA

House of Commons Debates

VOLUME 140 • NUMBER 119 • 1st SESSION • 38th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

Monday, June 20, 2005
(Part A)

—

Speaker: The Honourable Peter Milliken

CONTENTS

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

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

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

HOUSE OF COMMONS

Monday, June 20, 2005

The House met at 11 a.m.

Prayers

• (1100)

[*English*]

HERITAGE LIGHTHOUSE PROTECTION ACT

BILL S-14—SPEAKER'S RULING

The Speaker: Before we resume debate on second reading of Bill S-14, an act to protect heritage lighthouses, I would like to deliver a ruling on the point of order raised by the Chief Government Whip on May 10 with regard to the requirement for a royal recommendation for this bill.

• (1100)

I want to take this opportunity to thank the hon. Chief Government Whip for having raised this matter at the commencement of debate at second reading. This is the most appropriate time to raise such concerns as it permits the Chair to return to the House with a decision before detailed consideration of the bill is taken up in committee.

The Chair also wishes to thank the hon. members for South Shore—St. Margaret's, Wellington—Halton Hills, and Halifax for their submissions on this matter.

• (1105)

[*Translation*]

Bill S-14 proposes a mechanism to designate and protect heritage lighthouses as well as to require that they be reasonably maintained. In making her presentation, the chief government whip argued that clause 17 of the bill appeared to involve the expenditure of significant funds by Parks Canada and the Department of Fisheries and Oceans. The clause reads as follows:

The owner of a heritage lighthouse shall maintain it in a reasonable state of repair and in a manner that is in keeping with its heritage character.

[*English*]

She also referred to a ruling on this bill's predecessor, Bill S-7, delivered on October 29, 2003, and argued:

This ruling seemed to focus on the fact that the bill did not immediately impose an obligation to expend public funds...To my knowledge, the timing of an expenditure has not been a factor in previous rulings. If a bill involves a new and distinct cost to

the Crown, it surely does not matter if the cost is incurred immediately upon assent of the bill or at some future point.

In 2003, the Chair was responding to a similar point of order raised by the hon. member for Kootenay—Columbia and the then government House leader, the hon. member for Glengarry—Prescott—Russell. They also asked the Chair to look at clause 17, asking whether it involved spending. In my reply, I stated:

Both the hon. member for Kootenay—Columbia and the government House leader are in agreement that the bill does not immediately require the expenditure of public funds. Any funds that may be required to comply with clause 17 of the bill will be required of the owners of lighthouses only once those lighthouses have been designated as heritage lighthouses...As there is no obligation for public expenditure created by the passage of Bill S-7, there is no need for a royal recommendation.

The Chair was referring to the fact that this bill, of and by itself, does not create an authorization for new spending for a distinct purpose. For example, the bill does not create a new agency to protect heritage lighthouses nor does it set up a program for funding the maintenance of lighthouses. This bill simply provides a mechanism for designating heritage lighthouses and requiring that they be reasonably maintained. These provisions do not authorize new spending for a distinct purpose.

The Chair acknowledges that at some point in the future when heritage lighthouses are designated, there may be an expenditure of public funds. However, I would characterize those expenditures as falling within departmental operational costs, for which an appropriation would have been obtained in the usual manner. From year to year, such expenditures would vary depending on the condition and number of heritage lighthouse structures and on the effects of weather. Such operational expenditures are covered through the annual appropriation act that Parliament considers and approves.

Therefore, after listening to the submissions of hon. members and after reviewing my previous ruling and the provisions of this bill, I would conclude that Bill S-14 does not require a royal recommendation.

It being 11:08 a.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

*Private Members' Business***PRIVATE MEMBERS' BUSINESS**

[Translation]

HERITAGE LIGHTHOUSE PROTECTION ACT

The House resumed from May 10 . consideration of the motion that Bill S-14, an act to protect heritage lighthouses, be read the second time and referred to a committee.

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, I rise to day to speak to Bill S-14. What I have just heard clearly illustrates and underscores the bulk of what I want to say.

I would have loved to have been able to indicate that we are in favour of Bill S-14 and that we could move ahead on it, since the principle seems a good, worthwhile one, designating heritage lighthouses and so forth.

However, when we look at things more closely, there is a different take on this. The bill summary brings this out, and the Speaker's ruling adds still more weight to my position. The summary reads as follows:

This enactment protects heritage lighthouses within the legislative authority of Parliament by providing a means for their designation as heritage lighthouses; by providing an opportunity for public consultation before authorization is given for the removal, alteration, destruction, sale, assignment, transfer or other disposition of a designated heritage lighthouse; and by requiring that designated heritage lighthouses be reasonably maintained.

So we can see that there is actually there is a means for designation in the bill. But as for new money for the lighthouses that have been abandoned for several decades, well just forget it. This shows clearly why we cannot support Bill S-14. Even if the principle is valid, there are horror stories, to some extent, about heritage lighthouses, which I will discuss over the next few minutes. Consider, for example, what happened to the lighthouses in Madeleine-Centre in the riding of Haute-Gaspésie—La Mitis—Matane—Matapédia and in Gaspésie—Îles-de-la-Madeleine.

Clearly, then, the best way to describe Bill S-14 would be as a red herring, which is a way to divert attention from what is happening right in front of us. I am convinced, entirely convinced, that Bill S-14 is a perfect example of federal downloading, this time in the issue of lighthouses.

We could also talk about the port infrastructures of small craft harbours and about other facilities. Ultimately, we realize the approach the government has adopted in recent years, in other words, it is abandoning infrastructure such as ports and small craft harbours. Lighthouses have met the same fate. After several decades, the ready-made solution is to build fences. That is the solution they have found for small craft harbours in a state of disrepair. That is also the solution they have found for lighthouses, which, really, could very well be a source of economic diversification.

We know full well that lighthouses no longer serve their original purpose and have not for some time now. Not, in fact, since 1970. The federal government decided to abandon lighthouses as they stood then. However, we see that, since 1970, abandoning them has been the only thing that happened with regard to lighthouses. This abandonment has led to stories such as the one from Madeleine-Centre in the riding of Haute-Gaspésie—La Mitis—Matane—Matapédia.

I was the assistant to the member for Haute-Gaspésie—La Mitis—Matane—Matapédia for several years, starting in 2000. One of the files we worked on was the Madeleine-Centre lighthouse.

The government, the Department of Fisheries and Oceans and the Department of Transport came up with only one solution for the lighthouses, which were very useful at one time, which were used for vessel safety and also could have been used to diversify regional economies in regions like mine, Gaspésie—Îles-de-la-Madeleine.

●(1110)

The only solution they found was to let things slide and that has had some terrible consequences.

I have letters showing that this heritage infrastructure was very dear to the people of Madeleine-Centre. It was also felt that this was an opportunity to create jobs for the people of this community and help them take charge of their lives. I do not think that having this goal or vision is a problem. To take charge, they need support in the form of financial assistance. There was no support in this case.

I have letters that date back to 1998, 1999, 2000, 2002 and 2003 stating the only response given by the Department of Fisheries and Oceans in this matter. The people want to take charge of their lives and have some control over their future. Unfortunately, the only response they get from the government is along the lines of wait and see because there is not enough money. We are left empty-handed like we were before.

The Madeleine-Centre site also needs to be decontaminated. It is all well and good to maintain a lighthouse in the hope of being able to use it one day as a tourist attraction. However, the use of lighthouses did cause some contamination. The sites therefore need to be decontaminated.

It could take tens of thousands of dollars to fix up the Madeleine-Centre lighthouse. Does the government know what it would cost to decontaminate the site? Some \$2 million. That is the real situation. This is where we get to see how the minority Liberal government operates or, rather, does not operate, quite simply, because it is not assuming its responsibilities. It knows very well that these lighthouses involve costs. Fixing them up will cost one amount, decontaminating them will cost another. I think the Madeleine-Centre lighthouse is a fairly good example of the cost involved.

Why are we skeptical when a new bill like S-14 is introduced? Another argument may be used. The member for Haute-Gaspésie—La Mitis—Matane—Matapédia mentioned it, and other MPs may mention it as well. We wonder: does the government really want to set up a board simply to limit the possible designation of heritage lighthouses? In Quebec, some 40 lighthouses could be designated heritage lighthouses. Does the government really want to establish a board, which, after public consultation, after deliberating, receiving petitions and so on, in other words, having bought some time by creating a diversion, will decide in the end that only some lighthouses qualify for the designation or for the purposes the government has for them? There is no indication what a heritage site or a heritage lighthouse is.

To my way of thinking, the right thing for the current Liberal minority government to do would be to fix up the lighthouses we have in Quebec. I think doing so would send a message that some responsibility is being taken for these facilities, which they abandoned in the 1970s, nearly 30 years ago. At least, that is what happened in regions such as Gaspé and the Magdalen Islands.

• (1115)

Today, for this reason as well, the message of Quebec's sovereignty is being heard loud and clear, and it will get louder and clearer tomorrow.

• (1120)

[English]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, it gives me great pleasure to speak to Bill S-14 dealing with lighthouses.

Coming from Nova Scotia, historically, and even today, lighthouses play an important role in the fabric of our society.

I first want to thank my hon. colleague from South Shore—St. Margaret's for bringing this issue from the Senate to this place. I also wish to congratulate Senator Pat Carney and Senator Mike Forrestall for their work on this issue.

The preservation of historical lighthouses is not just an issue that affects Nova Scotia. It affects the whole country. As we know, only two provinces, Alberta and Saskatchewan, are without a lighthouse but I am sure if they work hard and get a grant from some sort of fund they could get one.

As my hon. colleagues know, lighthouses have an historical and important nature both on the east coast and west coast. For years and years, long before technology ever came around, the lighthouses were the beacon of hope for mariners, seafarers and people who plied their trades in the fisheries and on the oceans.

As everyone knows, the weather on the east coast can get very rough. It gets foggy a lot of the time and the lighthouses are the beacons of hope or rays of light in terms of what happens on the coastline. It was very important to mariners back then and I believe it is just as important to mariners now. We now have GPS systems and new technology where people can go literally anywhere in the world right now under GPS but the reality is that it is not 100% reliable.

The fact is that we need working lighthouses in rural parts of Canada but there is also the historical nature to them. Much of the

Private Members' Business

fabric of life that we used to have is now gone. Everywhere we go, a building or a property somewhere, which has an historical aspect in our society, is being torn down in view of progress. I think this is quite sad.

Lighthouses represent a very historical aspect to our way of our life since European contact. When the Europeans first came to Canada they realized that the shores of the east coast, for example, were quite dangerous and that they needed lighthouses and people on the coastline to safely guide mariners to their destinations.

I am looking at my colleague from Malpeque. He knows all too well the importance of lighthouses in his beautiful area of Prince Edward Island. From a tourist point of view, if I may jump forward in the argument, literally thousands and thousands of visitors every year tour the lighthouses of Atlantic Canada, which I am sure is the same on the west coast. No one is more proud of the fact that in Nova Scotia we have Peggy's Cove. I could stand here for hours talking about the history of Peggy's Cove.

Peggy's Cove has the only lighthouse in Canada that has a working mailbox. There is a postal person on the premises during the summer months so people from the world over can get their post cards stamped "Peggy's Cove". Peggy's Cove has a population year round of anywhere from 60 to 100 people but thousands and thousands of people come to those rocky shores just to see the lighthouse and the magnificent view that Peggy's Cove has to offer.

While I am on the subject of Peggy's Cove, we wish to pass on our condolences to the family and friends of the people who lost their lives a few years ago in the Swiss Air tragedy not very far off the shores of Peggy's Cove.

The importance of Peggy's Cove to our tourism and psyche on the east coast is extremely important but it is not just Peggy's Cove. There are many lighthouses throughout Nova Scotia and, for that matter, the rest of Atlantic Canada, which are an important and integral part of our history and heritage. To lose our lighthouses would mean losing one more part of our history.

Many groups in Atlantic Canada, such as the Lighthouse Preservation Society of Nova Scotia, do a great job in raising awareness of this important infrastructure of our historical society. What is really critical is that if we tear them down we will lose a bit of ourselves. We simply cannot allow that to happen.

I know the hon. Senator Pat Carney has raised the issue many times on the west coast. In British Columbia many lighthouses are not accessible by road and the only way to get to them is by sea or helicopter. Many of them are still in fine working order. Many good men and women still work those lighthouses today and are an integral part of the security of mariners, yachters and people who are working or recreationing on the west coast. They know they are not that far from the human voice behind the radio if they are in trouble.

• (1125)

I could not help but notice that years ago the hon. member for Victoria was once rescued by people on the coastline because of an incident he had in a slight mishap. If people were not there at that time, that member may not be here today. I am sure he is fully aware of the importance of manned lighthouses throughout our country.

Private Members' Business

A decision was made years ago to lower the number of staff at lighthouses throughout Atlantic Canada and parts of western Canada. I think that was a mistake. Although we have the technology which could probably do that job, there is nothing wrong with having a backup.

When we talk about security, it is important to have people on the coastline to be the eyes and the ears of our nation, so they see and hear what is going on out there. Right now if somebody has a boat that is overturned and cannot get help immediately, those eyes and ears could save precious minutes and precious hours by getting people to the rescue scene. That is the importance of having people in those lighthouses.

For those lighthouses that have no staff and cannot be re-manned, we think it is important to have the resources in place to maintain these infrastructures, so that people from around the world, and our children's children, can understand the significance and the historical aspect that these lighthouses play in our psyche and, again, in our heritage as we move along in this country.

It is important to know where we came from as a society because that way we know exactly where we are going. It is unacceptable for any government or anyone to make the decision to get rid of these lighthouses and mothball them, and more or less get rid of them completely.

Coming from the east coast and being raised on the west coast, I have had the opportunity of seeing many lighthouses and talking to many people who either work in them or used to work in them. The stories they tell are simply nothing short of incredible. It is absolutely fantastic the love they have for working that close to the sea, and working with mariners, fishermen and the people who are boating as well as those who come and visit our shores. Everyone who comes from Atlantic Canada, and I am sure I speak for my hon. members from Cape Breton and my hon. colleague from Halifax as well, knows the importance that they play in our society.

The federal NDP will be supporting Bill S-14 when it comes up for the final vote. I want to thank the hon. member for South Shore—St. Margaret's for bringing this bill to the House of Commons.

Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.): Mr. Speaker, the hon. member for Sackville—Eastern Shore talked about the history of lighthouses and how important they were as a beacon of hope. There is no question that is absolutely correct.

The bill before us is Bill S-14, an act to protect heritage lighthouses. We must ask ourselves, can we, or do we even want to, save every single lighthouse, or is there a way to save heritage sites that could be more fiscally responsible than Bill S-14 sets out?

The intention of Bill S-14 is to protect heritage lighthouses within the legislative authority of Parliament by, first, providing a means for their designation as heritage lighthouses; second, providing an opportunity for public consultation before authorization is given for the removal, alteration, destruction, sale, assignment, transfer or other disposition of a designated heritage lighthouse; third, requiring that the designated heritage lighthouses be reasonably maintained.

More specifically, Bill S-14 calls for the designation of heritage lighthouses by the governor-in-council on the recommendation of

the Minister of the Environment and provides for public petitions to trigger the designation process.

At the minister's request, the Historic Sites and Monuments Board of Canada would be responsible for considering such lighthouses for recommendation to the minister. With the board involved, it would be obligated to give all interested persons a reasonable opportunity to make representations concerning the designation.

Bill S-14 also provides for a system in which any person can object to proposed alterations or to disposal of a designated lighthouse. If this were to occur, the Minister of the Environment, with the advice of the Historic Sites and Monuments Board of Canada, would have to decide whether or not to authorize this action.

The principles on which the bill is based, that is to protect significant examples of Canada's built heritage and to encourage a culture of conservation in this country, are important. I salute the hon. member for South Shore—St. Margaret's for engaging the House in debate on this matter and for bringing it forward from the Senate.

However, the bill requires amendments in order to make it more fiscally responsible and to bring the processes and the policy foundation more closely into line with existing designation programs. There are currently three heritage designation programs which, like Bill S-14, relate to built heritage. These are the national historic sites program, the federal heritage buildings program and the heritage railway stations program.

The national program of historic commemoration identifies places, persons and events of national historical significance. This is done through the Historic Sites and Monuments Board of Canada, which advises the Minister of the Environment on the designation of these subjects.

The Historic Sites and Monuments Board of Canada was established in 1919 to evaluate and provide advice regarding subjects of national historic significance. It continues its important work to this day, receiving more than 2,200 inquiries each year from Canadians about possible designations. Over 80% of the subjects considered by the board are brought forward through submissions from the public.

I can vouch for that because a number of sites from my home province of Prince Edward Island have been considered by the Historic Sites and Monuments Board of Canada and been designated as historic sites. They are definitely an important part of our heritage.

The Parks Canada agency supplies the research support for the program and also the board's secretariat. It installs commemorate plaques and monuments, and Parks Canada administers about one in six of the more than 900 national historic sites.

● (1130)

Some 13 lighthouses have been designated as national historic sites. Of these, eight are administered by the Department of Fisheries and Oceans and five by the Parks Canada agency. Those which are administered by Parks Canada are protected for all time in accordance with the Historic Sites and Monuments Act and the Parks Canada Act, and are among Canada's most important and treasured lighthouses.

Private Members' Business

Examples of these crown jewels include the Cape Spear National Historic Site of Canada, which is located along Newfoundland's coastline at the most easterly point of land in North America. A second example would be British Columbia's Fisgard Lighthouse National Historic Site of Canada, the first lighthouse on Canada's west coast. These are true national treasures and deserve the highest level of protection and care.

If the national historic sites program and that which is proposed for heritage lighthouses are compared, several important differences emerge. National historic sites represent the very best of what Canada has to offer. They are national treasures. The designation process is selective and sets a high standard for inclusion. By contrast, Bill S-14 does not specify designation criteria. The intention is clearly to include more lighthouses than the 13 which have been designated as national historic sites thus far.

Bill S-14 would provide statutory protection for designated lighthouses. For national historic sites, currently only those which are administered by Parks Canada enjoy that level of protection. There is a strong legislative basis for that level of protection, not only for the lighthouses that are there now but for all historic sites. This was identified by the Auditor General in her 2004 report on the protection of cultural heritage in the federal government.

Parks Canada is working toward legislation that would address this problem. If Bill S-14 were passed in the absence of this historic places legislation, then Canada would be in the peculiar position of protecting many lighthouses while not protecting its most precious built heritage sites, the national historic sites.

The Historic Sites and Monuments Act sets the legislative framework under which sites are designated and establishes the Historic Sites and Monuments Board of Canada. Bill S-14 proposes that this body, composed of experts on Canadian history, would be pressed into service in administering the heritage lighthouse system. This would distract their efforts from their primary task which is to make recommendations to the minister on matters of national historic significance. I do not disagree that the lighthouse issue is extremely important, but is each and every one of national historic significance?

The second existing built heritage program addresses the protection of federal heritage buildings. It comprises a two level designation process carried out under the Treasury Board's heritage buildings policy. Under the policy, buildings owned by the federal government which are more than 40 years old are evaluated and can be designated at the highest level as classified or recognized, which is the next level.

The Parks Canada agency is responsible for providing the research and for administering the policy through a secretariat known as the federal heritage buildings review office. Its purpose and mandate is to protect the heritage character of buildings while a property is within federal jurisdiction and to ensure appropriate measures are taken to protect heritage when such buildings are sold outside the federal inventory. There are currently 266 classified and 1,048 recognized federal heritage buildings. When the federal heritage buildings program is compared with Bill S-14, several important differences are evident.

● (1135)

The federal heritage buildings program is based on the premise that the department which administers a building is responsible for decisions about its care. For many lighthouses, for example, Fisheries and Oceans Canada makes judgments about how to best use and maintain them. When they have come to the end of their useful lives, it then sells or transfers the buildings in its care.

Bill S-14, by contrast, endows the minister responsible for the bill with the power to make decisions about work to be done on a heritage lighthouse and when it can be sold.

The bottom line is we need to do this in a fiscally responsible way. Yes, keep our most important treasures, but it has to be done without abusing the taxpayers of the nation as well.

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Mr. Speaker, it is too bad that we have no time for questions because I am sure many of us would like to ask the parliamentary secretary a number of questions.

I want to thank my colleague from South Shore—St. Margaret's for bringing Bill S-14 to the House. The legislation has been on the go for quite some time and has been driven by two senators, the hon. Pat Carney from the west coast and the hon. Mike Forrestall from the east coast. Senator Carney has been a champion for protecting our lighthouses over the years, trying to keep them active and ensuring they are not forgotten by the people who have been served by them for so long. Senator Forrestall has done a similarly good job.

Maybe we should bring a bill in the House outlawing parliamentary secretaries because these are dangerous positions. Until members become parliamentary secretaries, they are ordinary people and they do what they are supposed to do on behalf of their constituents. Once they become one, they have to do what government tells them to do, and one of those things is to read a prepared government speech.

I just listened to the parliamentary secretary. He has been a champion for people involved in the fishery and marine life over the years. I was sure if there were anyone we could count on from the governing party to support Bill S-14, it would have been the hon. member. I think in his heart he does support the legislation, but I also think he is being pressured by government to come up with some excuses for not supporting the bill.

I believe the Speaker's ruling earlier today clarified the fact that Bill S-14 would not hamstring the government in relation to expenditure. It depends on what happens afterwards, and of course expenditure could be spread around.

Lighthouses have played a significant part in the lives of people in our country, particularly on the east and west coasts. On the east coast, where we have extremely heavy ocean traffic and abundant fog and storms, lighthouses have saved the lives of numerous people on many occasions.

Private Members' Business

The area in which I live and represented before the boundary change and to some degree part of which I still represent was known as the graveyard of the Atlantic. Hundreds of shipwrecks occurred in that very region because it was the turning point for ocean going traffic. It has a very rough and rugged coastline. For many years that area did not have the type of aids available today to those who ply the Atlantic or the Pacific or the Arctic.

The people who operated these lighthouses were on constant guard. It was only because of the fact that these facilities were located in strategic positions that many mariners were warned of the impending danger of the rocks and cliffs and consequently had the opportunity to veer clear. On many occasions, the people who lived in the lighthouses or associated dwellings saw from their vantage point ships in danger, took early action and saved numerous lives.

There are about 500 extremely important lighthouses throughout the country. The parliamentary secretary has made it clear that only 13 of those 500 are national historic sites. Many others deserve recognition. All of them deserve protection because of the role they have played. All of them deserve protection not because of history alone but because of their future potential.

• (1140)

In many marine areas the big draw is the lighthouse. Peggy's Cove was mentioned by our colleague from Sackville—Eastern Shore. One of the draws at Peggy's Cove is not just a painted up building and cute little fishing area. It is the lighthouse.

I represent the most easterly point in North America and that is Cape Spear. The lighthouse there has been designated as a national historic site. It is a tremendous draw all year but particularly during the tourist season which would be from perhaps May to November.

These are unique facilities. They bring money into the area because of their draw and history. I do not think we have dug into this at all. Having known many of the people who have manned these lighthouses over the years, at least rough notes have been kept and people remember the stories. There are many anecdotes about what went on during the existence of the lighthouses and the part they and the people around them played in the culture and history of our provinces. I am sure what is true for Newfoundland and Labrador is true for British Columbia, Nova Scotia, P.E.I. and the rest. I believe only two provinces do not have lighthouses and those are in the prairie section of the country.

Properly researched and documented, stories of these experiences would add tremendously to our history, our culture and our folklore. They become a draw and tie in with the little museums we now see in many of the lighthouses.

I mentioned Cape Spear which is an extremely important one. It is in the most easterly point off North America. However, there is another one in the area that is well known. There are several lighthouses throughout my riding, but one in particular is the lighthouse at Cape Race. For years Cape Race has been on the turning point of ocean going traffic. It is around that area where the so-called graveyard of the Atlantic is located, with over 600 documented wrecks in that immediate area alone over the years.

When the *Titanic* hit the iceberg, the only message received in North America was at the radio room associated with the lighthouse

at Cape Race. It then was relayed to ships that headed off to try to do what they could to rescue the people who were thrown from the great ship. That is just one example of how important it was to have the facility there at that time. What would have happened if the message had not been picked up at Cape Race? It was a disaster, as we know. How bad would it have been had the message not been relayed as quickly as it was?

That particular lighthouse and the radio room associated with it has been refurbished to some degree. The room has been rebuilt. It has become a tremendous attraction. Right next door to it, on the way out to the lighthouse, which is about 12 miles off the main road, there is a cliff where one can walk out and look at fossils which are spread out as if we spread pennies on a carpet. The fossils are 620 million years old. Not only the lighthouses themselves but everything surrounding them add so much and they should not be forgotten.

One of the reasons people are concerned with money is that the government has done such a poor job over the years to keep these in half decent shape. At times now it takes a lot to bring them up to par, but it has to be done. It is worth doing it. Therefore, we support the bill.

• (1145)

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, I appreciate the opportunity to rise in the House today to say a few words about Bill S-14.

I fully recognize the role that lighthouses have played in shaping Canada's history. Over the centuries they have come to symbolize coastal life to such an extent that they are now one of the most popular, if not the most popular, symbols of Canada's coast.

While these proud symbols still stand, their function has evolved over the years. Lighthouses are no longer a primary aid to navigation for mariners. New marine technology has usurped the role that lighthouses used to play. Technological innovations like digital global positioning services and automatic identification services offer today's mariners kinds of modern efficiencies that lighthouses never could.

This technology is also extremely cost effective, an important consideration in the highly competitive marine transportation sector.

For cost efficiency and overall effectiveness, lighthouses simply cannot compete, but this does not mean that lighthouses do not have a role to play in modern Canadian life. These structures continue to occupy a special place in the hearts of everyone from coastal communities.

Take their tourism potential for instance. Tourism is a burgeoning industry in Canada's coastal region. Lighthouses continue to be a popular attraction for visitors looking to experience coastal life first hand. In a similar vein, their educational value cannot be overestimated. For young Canadians they stand as an important symbol of our history and a tangible link to origins of modern Canada. To lose this link to our past would be an immeasurable loss to our society.

Private Members' Business

The question remains: how do we maintain these lighthouses? Given their function in modern Canada, what is the best way to preserve this key part of our shared heritage for future generations? This is a serious issue for DFO, because the reality is these lighthouses are playing a smaller and smaller role in DFO's operational work.

The department currently owns more than 750 structures that are considered by the public to be light stations. About 250 of these are known as major lighthouses which used to be staffed and were built complete with accommodation buildings.

In cases where the lighthouses remain staffed, DFO has tried to maintain the integrity of these lighthouses and outbuildings. For the remainder, the department has limited its maintenance to keeping aids to navigation service.

Over the years DFO has worked to transfer lighthouses that are surplus to program needs to other levels of government and local not for profit organizations which are finding new alternate uses for light stations, including promotions for tourism.

As it stands, Bill S-14 would place new responsibility on DFO to maintain and preserve light stations. Moreover, these responsibilities would detract from the department's ability to provide its ongoing operational services through the Canadian Coast Guard services that are essential in keeping mariners safe in Canada's waters.

Mr. Speaker, I know you are well aware of the key role that the Coast Guard plays in Canadian life. Like lighthouses, the Coast Guard is a visible symbol of life in coastal Canada but it is also far more than that. This is a proud Canadian institution that provides a full range of valuable life saving programs and services to Canadian mariners and indeed to anyone plying Canadian waters.

Investing departmental resources to maintain lighthouses would take much needed resources from these programs and services, programs and services like search and rescue, which play a direct and immediate role in keeping Canada's marine transportation system and the thousands of men and women who use it each year safe and secure.

Quite simply, the department does not have the financial flexibility to invest in light station maintenance beyond what is strictly required for operational reasons. It has no ability to take heritage considerations into account.

Without significant additional funding, DFO would not be able to maintain Canada's lighthouses as described by Bill S-14 without jeopardizing the valuable life saving services it provides mariners in Canadian waters.

The application of Bill S-14 must not compromise DFO's ability to fulfill its mandate and to make operational decisions about light stations as they relate to mariners' safety and security in Canadian waters. Having said that, I do believe that government has an essential role to play in protecting Canada's heritage, including its light stations. During the first reading of Bill S-14 it was indicated that we would like to see a better way to preserve the bill's intent.

● (1150)

While ensuring that DFO can carry out these responsibilities for safety and security in Canada's waters, it is essential that they continue to provide some heritage protection. A more comprehensive approach to the protection of built heritage including light stations would be through the proposed federal historic places initiative. This would give Canada's historically important light stations the level of protection they need. At the same time this approach would ensure that DFO could continue its high quality of service for mariners. It would provide that protection that mariners have come to expect while travelling our waters.

That is why while I offer my support for Bill S-14, I would prefer to see it amended to deal with the associated financial impacts on DFO and the services it provides in support of Canada's marine transportation system.

● (1155)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am pleased to have this opportunity in the final few minutes of debate on the bill to add my strong support for the idea of special recognition for the historical significance that lighthouses played in the development of Canada and the history of our maritime development. Although I know many of the speakers today were referring to the importance of light stations to the east coast of Canada, Nova Scotia and Cape Spear and the many tourist attractions that exist there, I want to point that I have travelled in western Canada and it is worthy to note the role that our lighthouse system has played in the maritime navigation history in that part of the world too.

I come from downtown Winnipeg where the issue of lighthouses would not be expected to be of significance. I do point out the role of navigation on the fifth largest lake in North America, Lake Winnipeg, which does in fact have federally regulated lighthouses. The largest freshwater fishery in North America is on Lake Winnipeg. Many people do not realize that Lake Winnipeg has had a productive, healthy, multi-million dollar fishery and a lighthouse system throughout history, since the 1880s when the Icelandic people first settled in Gimli, Manitoba. They found this great inland sea that mirrored much of the topography where they came from, which gave them the opportunity to engage in fishing. The existence of the lighthouse system in the province of Manitoba is invaluable.

People may think it odd that in the middle of a budget debate members of Parliament would pause to deal with an issue on the preservation of our historic lighthouses. I do not see this as a contradiction at all. This is time well spent for members of Parliament to take note of the historic role that lighthouses play not just in Atlantic Canada, although it is obviously paramount in the minds of the people there, not just on the west coast from Gabriola Island up to Port Hardy, where the network of lighthouses is critical to the safe navigation in that part of the world, but also in Manitoba. Manitoba may not be known for the maritime influence on the lives and well-being of people especially in the interlake region and in northern Manitoba where that great inland sea is a key economic engine for the province of Manitoba.

Government Orders

My compliments to the senator for initiating this bill. My compliments to the member of Parliament who was the conduit to bring a bill that originated in the Senate into the House of Commons. There is strong support for the bill on behalf of myself and my NDP colleagues in the province of Manitoba.

The Acting Speaker (Mr. Marcel Proulx): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Marcel Proulx): The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Marcel Proulx): All those in favour of the motion will please say ye.

Some hon. members: Yea.

The Acting Speaker (Mr. Marcel Proulx): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Marcel Proulx): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Marcel Proulx): Pursuant to Standing Order 93, the division stands deferred until Wednesday, June 22, immediately before the time provided for private members' business. [Translation]

GOVERNMENT ORDERS

• (1200)

[English]

AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed from June 17 consideration of Bill C-48, An Act to authorize the Minister of Finance to make certain payments, as reported (with amendments) from the committee, and of the motions in Group No. 1.

The Acting Speaker (Mr. Marcel Proulx): The member for Winnipeg Centre has three minutes remaining in his debate and then five minutes in the questions and comments period.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am pleased to pick up where I left off the last time Bill C-48 was before this House. I will try and limit my remarks to wrap up the comments I put on the record last week.

Let me simply restate how very proud I am to be a New Democrat member of Parliament today in that in Bill C-48 we are doing something constructive for the people of Canada. We are, as a good opposition party should, taking advantage of a minority Parliament

situation, all according to the rules, all within the parameters of a balanced budget. We are moving our legislative agenda forward.

That is a virtual civics lesson for the members opposite. I find that all we see with the official opposition is those members standing on the sidelines shaking their fists, gnashing their teeth, rending their garments and trying to tear down what we are trying to build up today.

I had to watch the late night debate on Thursday that went until midnight where speaker after speaker not only were loaded with misinformation about the reality of this balanced better budget, as we are calling it with the NDP's influence, but they were trying to state that they have an alternative.

All that is being offered by the 98 members of the Conservative Party, and it used to have 99 members but it now has 98 members, is negativity and a negative influence. Canadians are sick of that. Maybe that is why the Conservatives are plummeting in the polls because all that people hear from the official opposition is "Tear it down". "Burn baby burn" seems to be their motto these days.

On this side of the House, I am proud to say the New Democrats are putting forward realistic, reasonable arguments that the social spending should be increased, so that the surplus in taxpayers' dollars actually gets directed toward taxpayers. There is a very grassroots sensibility to this. I am surprised that the people who used to call themselves the grassroots party do not see the contradiction. They are objecting because we interrupted yet another tax break for corporate Bay Street.

We left in the tax cuts for small and medium size business. That is another piece of misinformation the Conservatives are guilty of. In actual fact, the balanced budget that is before the House today has tax relief for small and medium size business. It has debt repayment. It has spending on affordable housing, post-secondary education, the environment. This is good news for ordinary Canadians.

The Conservatives have missed the boat. They are misreading the mood of the public out there. After eight surplus budgets in a row, we want some spending to go to taxpayers again. There is no rule that every bit of surplus has to be shovelled dutifully to Bay Street. That is where those guys as corporate shills do not get it.

On behalf of ordinary working Canadians, I am proud that we managed to use our political leverage and political influence to make some gains for ordinary Canadians. Let us spend our money on our needs at this point in time in Canadian history.

I am very proud to be here to speak in favour of Bill C-48. I hope it achieves speedy passage. Then we can all go back to our ridings and tell people that we used this opportunity to do something for them for a change.

Government Orders

Mr. Myron Thompson (Wild Rose, CPC): Evidently, Mr. Speaker, when this individual travels his riding he is not paying a lot of attention to what is happening to normal families and the taxes they pay, or to the overcharges happening to businesses when two people have to run their own business because they cannot even afford to hire people anymore. The taxes are outrageous in this land. Corporate tax cuts spread throughout the economy would help a great deal, but I do not want to go there because arguing about taxes and spending with a New Democrat is like beating my head against the wall.

According to the NDP, Bill C-48 proposes wonderful solutions for education and for housing, particularly the problems on the Indian reserves with housing, et cetera. Over 12 years I have seen the same thing in the budgets: money for housing, for education and for corrections to problems on the reserves. Things are going to be better, say the Liberals every year.

In my opinion, the Liberals have failed every year to meet the commitments they always make to improve things. These things still exist and they are not any better. In fact, on the reserves it is probably worse now than it was in 1993 in many cases. In regard to poverty, children's poverty was at the level of one million in 1993. Now it is at 1.5 million. Taxing and spending does not seem to cut it at all.

What makes the member so confident that the Liberal government will end up supporting the proposals put forward by the NDP when in the past we have not been able to trust it to keep any promise?

• (1205)

Mr. Pat Martin: Mr. Speaker, I firmly believe that minority governments are good for ordinary Canadians. Minority governments are good for progress on social issues, depending on who is using the political leverage to motivate the ruling party of the day. The NDP, with our 19 seats, down in this dark corner of the House of Commons over here, has used its political leverage very well to move the ruling party on the issues that we care about.

The last thing Canadians would want to do is take advice from the Conservative Party, because many of us remember that the Mulroney government was the most wasteful government in Canadian history. It almost bankrupted this country.

The Grant Devine government holds its cabinet meetings in prison because the members were all so corrupt that they not only bankrupted the province of Saskatchewan but 18 of them were convicted of criminal offences.

An hon. member: Tell us about British Columbia.

Mr. Pat Martin: Nobody should ever listen to the Conservative Party of Canada, in any incarnation, for guidance on accountability and spending.

I point to the NDP, with balanced budgets—

An hon. member: There are none in the House to point to.

The Acting Speaker (Mr. Marcel Proulx): Order, please. I have difficulty hearing the hon. member.

Mr. Pat Martin: Thank you, Mr. Speaker. I do not want to have to shout to be heard over the caterwauling and the gnashing of teeth and the rending of garments by my colleagues with the Conservative

Party, but I will point out that the Conservatives have the worst track record in history: the deficit went from \$100 billion to \$500 billion. It is a good thing that Mulroney was booted out when he was or this country would have been irreversibly bankrupt.

It is a huge contradiction and it is a tragic irony for us to have these guys suggesting fiscal management policy to those of us who actually know what balanced budgets are all about. It is part of our policy, for heaven's sake.

All the spending in Bill C-48 is within the context of a balanced budget that includes \$2 billion to debt repayment as well and tax breaks to small and medium sized businesses. There is very little to criticize here, which is why the Conservatives find themselves with very little to say. They are sitting on the sidelines. They are irrelevant, more irrelevant than they have ever been in Canadian history, because in actual fact the issues that they stand for are out of vogue. Neo-conservatism has had its heyday and now it is yesterday's news.

In actual fact, the very things that the NDP was created to fight for are the top of mind issues of most Canadians: security, pensions and poverty reduction. All of them are issues about which Canadians now are asking. What about our quality of life and what about our environment, they are saying. Frankly, those are the things that we stand for and that our party was created to fight for.

The Conservatives are irrelevant because the things they were created to do in their most recent incarnations are no longer in vogue and they have abandoned their grassroots policy. They now have embraced 35 senators and Bay Street to the point where they are really just corporate shills. I cannot tell the difference between a Conservative corporate shill and a Liberal corporate shill. There is no difference: Liberal, Tory, same old story, right? It rhymes.

The Acting Speaker (Mr. Marcel Proulx): Resuming debate, the hon. member for Mississauga South.

Mr. Paul Szabo: If I am correct, Mr. Speaker, this is on the amendment to Motion No. 1.

The Acting Speaker (Mr. Marcel Proulx): We are on the entire Group No. 1.

• (1210)

Mr. Paul Szabo: Mr. Speaker, is it the amendment to Motion No. 1, moved by the member for Medicine Hat? I want to check if I have spoken.

The Acting Speaker (Mr. Marcel Proulx): You can speak to Motion No. 1 within the group. The motions have been regrouped and we are now debating Group No. 1.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I want to briefly note the amendment to Motion No. 1 moved by the member for Medicine Hat, increasing the \$2 billion threshold to \$3.5 billion. The reason I want to address this matter is that it has become an issue in debate with regard to the word "may": that the government "may" make the investments in foreign aid, environment, post-secondary and housing, and there has been some question about why "may" is used.

Government Orders

First, as has been indicated, the word “may” always appears in budget documents.

The Acting Speaker (Mr. Marcel Proulx): Excuse me. The hon. member for Mississauga South has surely been so interested in the debate that he forgot he has already spoken on this part. It is an interesting debate and there have been various subjects within the debate.

Mr. Paul Szabo: That is why I asked the question, Mr. Speaker, on the amendment of the hon. member for Medicine Hat, which was moved after I spoke, but we are debating all the groups and that is fair enough. Thank you.

Mr. Gordon O'Connor (Carleton—Mississippi Mills, CPC): Mr. Speaker, as Conservatives we believe in a balance among fiscal responsibility, progressive social policy and individual rights and responsibilities. We also believe in the rule of law and the Constitution, especially the division of powers between the federal level of government and the provincial level of government.

In particular, we believe that the federal government should attend to federal responsibilities like trade, defence, immigration, the economic levers of the economy, et cetera. The provincial government should look after the delivery of health care, education, welfare, the issues of cities, et cetera. This conditions our approach to budgeting.

For too long, the Liberals, supported by the NDP, have interfered in the responsibilities of the provinces. They seem more interested in provincial matters than in federal responsibilities. That is why the management of immigration is such a mess, the armed forces have been allowed to decay, trade issues never get resolved, the fish have disappeared, air pollution never gets better, taxes remain high and our place in the world continues to diminish.

If the federal government attended to its own responsibilities rather than those of the provinces, perhaps it would deliver the efficient government the people of Canada need and want. If it continues on the current track of provincial and municipal interference, we will soon see the Liberal government delivering pizza to our doors.

The Liberals want to endlessly interfere in our lives and tell us what to say and what to do. Every problem is solved by a big, central, government-managed program. Their most recent idea is a national day care system that will cost between \$10 billion and \$13 billion annually.

I do not know how we will be able to pay for this, especially with the massive unsolved challenges of medicare. Why does the government not ensure that medicare is on a stable footing before committing us to another mismanaged government program? Why does the government not strive to improve the standard of living, which has not fundamentally changed for 10 years?

The Conservative Party of Canada believes in focusing on the federal challenges. Our vision of Canada is a country with the highest standard of living in the world, where every Canadian who wants a job should be able to get a job and where every region of the country enjoys economic growth and there are new opportunities for the people of those regions.

Our goal is to make Canada the economic envy of the world. The Conservative Party has consistently opposed the Liberal approach to spending without an adequate plan, which is reflected in Bill C-48. The Liberal approach is cruel not only to taxpayers, but more important, to those who depend upon the promised services. The Liberals are willing to spend billions of taxpayers' dollars to fund their addiction to power. This is a direct result of the loss of their moral authority to govern.

If we look at Bill C-48, a document of a mere two pages, we will see that it essentially seeks authority for the government to spend \$4.5 billion without identifying any particular program that will justify the spending. This is reminiscent of the \$9 billion in trust funds set up by the Prime Minister when he was finance minister. Members may recall that these funds are beyond the review of the Auditor General. We have no independent knowledge of how these funds are being spent.

Given the problems that arose because of the sponsorship program, we can only imagine what potential disasters await Canadians when some day in the future we are provided with all the details. That is why we as Conservatives are worried about authorizing the government to spend \$4.5 billion without any identified program. Who knows where the money will be actually spent and how much of it will be wasted?

As well as worrying about waste, we also wonder why the government dramatically amended its budget, Bill C-43, which had been developed over many months. In fact, when it was briefed in Parliament we were told that it could not be changed. It was described as something like the rock of Gibraltar. The government considered any suggestion of change unacceptable and a matter of parliamentary confidence. However, when the NDP offered a lifeline to the government, the budget was dramatically changed, without the blink of an eye. It is obvious that for the Liberals power trumps principle any day.

• (1215)

As part of the hotel room deal, the government promised the NDP its \$4.5 billion wish list and agreed to remove corporate tax cuts from the previously unchangeable Bill C-43 budget. Both of these actions are unfortunate because it reflects that the government did not have any real commitment to its own budget and, therefore, the credibility of the finance minister has certainly been diminished.

As well, the deletion of corporate tax cuts, while maintaining a pitiful \$16 personal tax cut, shows a government that is not interested in improving productivity. It is only interested in maintaining power regardless of the consequences to the economy.

However the government's commitment to the NDP wish list is less than complete. Members will notice that rather than amending Bill C-43 further, the government chose to create a new budget called Bill C-48. I assume this was done because the government did not have complete confidence that the NDP wish list would ever be implemented and that the government did not want to impair its budget, Bill C-43, with these add-ons.

Government Orders

Bill C-48 looks like it was written on the back of a cigarette package. The lack of details regarding specific programs, combined with the Liberals' poor record on delivering value for money, provides little guarantee that the objectives of the bill would be met, that taxpayer money would be spent properly or that Canadians would be better off.

It would be irresponsible and cruel to Canadians in need to throw more money at programs that are not meeting their objectives. The responsible approach would be for the government to first ensure that the money is spent effectively to improve existing programs and services to ensure that nobody is left behind.

The government has reverted to its type, tax and spend. For years it has taken in far more revenue than it needed. Year after year it overtaxed Canadians claiming that having large surpluses was somehow something wonderful. It is not wonderful. It means that every Canadian is paying more in taxes than is required to provide government services.

Since the Prime Minister assumed power he has been looking for ways to spend surpluses rather than transferring tax points to the provinces or reducing corporate and personal taxes. It is as if he and the finance minister believe that overtaxing citizens is one of our national values.

The change in approach of the Prime Minister toward the budget is quite dramatic. He and his government keep touting their efforts during the Chrétien years. Since he has moved from finance minister to Prime Minister, I believe we are seeing his real attitude toward governing. He believes in big government and big bureaucracies. He believes that government should spend the maximum amount of Canadians' hard-earned money. Canadians are overtaxed and that overtaxation is sucking jobs and initiative out of our economy.

The federal government is growing at about 6% to 7% per year while the economy is only growing at about 3%. The five year budget projection of the Liberal government, including the NDP add-on, continues this excessive expansion into the future. Anyone with a basic knowledge of economics knows that it will either drive the federal government into deficit or will require ever increasing income and corporate taxes from Canadians.

While the government is spending at obscene rates, the provinces and the cities are starving for revenues. If the government needs to find additional ways to spend its excessive revenues, like the current NDP \$4.5 billion add-on, perhaps it could transfer tax points to the provinces so they can do the job more effectively.

If this country is to have a bright future, the government has to stop wasting money. It has to tighten the tax burden on all Canadians, especially those at the bottom of the economic ladder. It has to let Canadians spend their own money on things they need rather than the government spending it to buy power.

I believe that Bill C-48 is unfocused and potentially wasteful spending. For that reason, I will vote against it when it is presented for approval.

● (1220)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I now have a chance to make my point on the amendment by the member for Medicine Hat. It ties in directly with the member's statements.

As members know, Bill C-48 prescribes spending of up to \$4.5 billion but it is subject to achieving a \$2 billion surplus. The amendment by the member for Medicine Hat increases that to \$3.5 billion. Ultimately, what it means is that the intent and the areas of interest of Bill C-48, being foreign aid, the environment, post-secondary education and housing, continue to be issues which the Conservative Party chooses not to support.

Could the member explain to the House why he is opposed to, for example, increased investment in affordable housing so that more Canadians can have the dignity of a roof over their heads?

Mr. Gordon O'Connor: Mr. Speaker, the four initiatives identified in the NDP add-on are good initiatives. However when the Liberal government formed its budget, which we now know as Bill C-43, it chose not to include these initiatives. After consulting Canadians, businesses, labour, think tanks, et cetera on what the appropriate balance should be in the budget, the government chose not to put these \$4.5 billion of add-ons into its budget.

The member asked me if we appreciate the investments in these areas. My answer is yes we do. However it is like asking me if I love my mother or if I love apple pie. Of course I do. However I also love my father and I love blueberry pie. It is a matter of choice. The government's choices are in Bill C-43. Bill C-48 is merely an add on to maintain power. The government needed to get the 19 votes of the NDP so it could stay in power. It was never the government's intention to spend moneys in those areas.

In addition, the \$4.5 billion is essentially a pot of money. There are no programs. The government's record has shown that even when it had programs in place, the money was still wasted. Authorizing the government to spend another \$4.5 billion at the whim of the governor in council gives it too much money.

Hon. Ed Broadbent (Ottawa Centre, NDP): Mr. Speaker, I listened with care to my hon. friend and I liked his pie metaphor. If I recall correctly, he said that he did not want to choose between apple pie or blueberry pie. I want to say to him that I like apple pie and blueberry pie. The wonderful thing about this budget is that we can have both the apple pie and the blueberry pie. This budget means more money for post-secondary education, for affordable housing, for the environment and for paying down the debt, while still ending up with a \$2 billion surplus.

Having listened to some Progressive Conservatives in the past, when I first came to this place several hundred years ago, I would have thought there would be a number of Conservatives here now who would like that kind of balanced approach, doing some social good and being fiscally responsible. My hon. friend has a few grey hairs like I have myself and I am sure he can remember back to that good period.

Government Orders

When we have a budget that balances the books, pays down the debt and has, at the same time, all this good social spending, how can one seriously vote against it?

• (1225)

Mr. Gordon O'Connor: Mr. Speaker, I also like peach pie, which I will say, in this case, is my representation of tax cuts. I like pie.

Last year the government had a surplus of \$12 billion. I do not care which way we cut it, that is taking in too much tax. Right now the government, combined with the member's party, are finding ways to spend money. If they carry on, they will find ways to consume all of next year's surplus.

When a government has surpluses that are beyond the contingency money and beyond a share of debt repayment, then it is bringing in way too much money. It means that people are being taxed too much. I would prefer to give people money in their hands, either through tax reductions or tax credits, so they can spend it on things they want.

Mr. Myron Thompson (Wild Rose, CPC): Mr. Speaker, I am pleased to speak to this two to three page document, although three pages may be stretching it a little, which would authorize the spending of 4.5 billion taxpayer dollars. I understand that it took up the back of a napkin under the leadership of the leader of the New Democratic Party and his finance minister, Buzz Hargrove, along with the Prime Minister who managed to put this little document together with no plan.

I have been listening to the speeches and I do not want to repeat a lot of things. I just want to say how pleased and proud I am of the member for Medicine Hat, the member from Peace River and our finance crew who worked on the finance committee and who talked about changing and raising the standard of living.

I have visited with several families in my riding. Some families have four kids and the mom and dad are struggling like one would not believe just to make ends meet. These families are trying to keep up a standard of living that is steadily going down and down. It is a real problem. Surely at this time of the year, following the income tax payments, members must realize how many constituents they have in their riding who are in serious trouble with Revenue Canada because they cannot come up with the extra money required to pay the taxes.

Taxes are killing us in this country. It is killing small business. It is hurting like crazy. It is slowing down that standard of living. I am proud of our boys who work in the finance committee. I am also very proud of our member from Red Deer who works on the environment committee and who has solid plans to present as to how to deal with these situations.

The government wants to spend up to \$10 billion but I do not think it has a solid plan in place on where it is going to spend that. That is amazing. The Liberals talk about Kyoto and other things but it has no definite plan laid out as to how the money will be spent. They talk about throwing money toward the military. I am extremely proud of our critic on the military who just spoke.

I have been here 12 years and I look at the justice issues. For 12 years we have talked about a shortage of RCMP officers. I have 16 RCMP detachments in my rural riding and all of them are short of

people. The penitentiaries in my area and in other places outside of my area are always short of personnel to take care of the penitentiaries. It is getting completely out of hand. Drugs and prisoners are in control of penitentiaries. Guards and personnel are slowly losing the battle. We do not seem to be interested in improving the situation with more personnel, better equipment and so on.

We have had very testy situations at border crossings since 9/11. How do we deal with this? The border closures made absolutely no sense at the ports. We know containers are coming in without being inspected. When I was at the Port Erie border crossing I watched trucks coming through and no one could tell me at the crossing what was on the trucks. They were coming into Ontario and being unloaded. A tracer was put on the truck but when the truck was found it was empty. They would issue a fine of \$400 and send the truck back to the states.

We really have a shortage of people at our border and yet we are talking about protecting Canadians and the safety and security of our nation. One of the most elementary duties of our job in this place is to ensure we provide the country with laws that protect those very things.

I have been here for 12 years and we continue to talk about our children. Every year it comes up at budget time on how we are going to improve the situation. Child porn has been talked about since I came here in 1994. It has been a topic of conversation for nearly 12 years. It is improving somewhat but it is not because of what happens in this place. It is improving because of our dedicated police officers who are fighting it tooth and nail and doing an excellent job of it. I am very pleased with those people who are working in that category but we are not helping. We do not even have a national strategy with another international program to deal with child pornography. It is not getting better.

• (1230)

Age of consent is something that has been brought up in the House a number of times over the last 12 years. We want to raise the age of consent. They know that these are the things Canadians are looking for to happen. Why does it not happen? We are still debating this whole issue year after year.

Without a doubt, I do not think there is any member who would not believe it for a moment that drug abuse across the country is completely out of touch with reality. We have a number of people who are engaged in crystal meth. Very dangerous drugs are spreading like mad. Yet we still have no national drug strategy of any kind to battle this thing.

Our answer is to set up stations where persons can get their drugs, clean needles and everything so we can help them with their habit. Instead of helping them get out of the habit, we help them through bleach programs in penitentiaries.

I find it amazing when we look at the policies of Correctional Service Canada. It is zero tolerance for drugs. Yet every penitentiary in this country has more drugs in it than any street in any city in our country. We have talked about it for 12 years, but we do not accomplish anything.

Government Orders

We have come up with Bill C-48, the budget bill from the wonderful NDP which also has no plan. It is going to do something about education, housing, and correcting the situation on the reserves. These are good ideas and good things to do. I certainly support them and they are the top priority on our list. However, the members in my party, who work on these committees, have a concrete plan that they are trying to push forward. I see no plan coming out Bill C-48. I see \$4.6 billion be spent.

Every year in the budget, we hear about money going toward education, housing, correcting the situation on the reserves, and the environment, but it is not any better today. It is still just as bad as ever. Where does all that money go? Where is the planning? Where are the procedures? Lay it out for me. Do I want people to live with a roof over their heads? Absolutely. Who would not want that?

I look at the waste. My goodness, there was a committee going around the world, and I think that has been stopped, spending lots of taxpayers' dollars trying to figure out what to do about prostitution.

Look at the gun registry. It has nearly a \$2 billion expenditure and we do not have an accounting of exactly where that money went. Wait until that audit comes out. Do we think ad scam was bad? Wait until we get the audit of the gun registry. All of this has been going on for 12 years. Budget after budget have said the same things over and over, but it is no different. Out we come with another budget saying the same things and the NDP is trying to enhance it by saying the same things that have been said for 12 years.

Where is the concrete plan? When are we going to buckle down and use the money to get the job done instead of spending it on more bureaucracy? When are we going to get to the mean and potatoes, and start getting the job done? We cannot do it the way we are operating.

I just came back from my riding. I was even evacuated from my own house because of the floods. The flooding in Alberta is horrendous. Farms and ranches are under water. They are facing a real tragedy. What did I hear on the news this morning? The government is considering help. Considering, my eye. It should be an automatic thing. These are Canadians who are hurting. There is nothing to consider. It is time to sit down and determine what we are going to do for these people, but the government does not do that.

I went through four years of drought with the farmers in my riding. Not one penny ever reached them. They have gone through all kinds of BSE problems. The government comes up with program after program, but too many are not benefiting from anything.

Promises are going out and the bureaucracy is working to instigate these promises, but there is nothing happening. The agriculture industry is really in trouble, now that it is all under water, not just in Alberta but in Manitoba. The member from the NDP who spoke ought to be talking about the flooding and the tragedies that are happening.

• (1235)

I am so proud that the leader of my party has a vision for this country. That vision is loud and clear. That message will get out. One of these days every Canadian will see that planned vision. When they vote for Stephen Harper, it will be the best vote they ever cast in Canadian history.

Mr. Richard Harris (Cariboo—Prince George, CPC): Madam Speaker, my colleague from Wild Rose tells it like it is in this House. He talked about the inaction of the Liberal government over the last 12 years. It appears to me that the member for Wild Rose has described the stark reality of the Liberal government over the last 12 years.

The Liberals are not in government because they have a concern for the country and a desire to make it better. They are in government, as is evidenced by their lack of attention to the many concerns that were brought up, simply to be in government.

The Liberals have not fixed the justice system in the 12 years they have been in government. The quality of life for the first nations in our country, despite the billions of dollars in programs that they have spent in that area, is no better now than it was 12 years ago. As a matter of fact, it could be argued that the quality of life among first nations in our country is worse now than it was 12 years ago, despite the billions of dollars that were spent, and the NDP has supported the Liberals these last 12 years.

I want to ask the member for Wild Rose if he would comment on the deal that was made on the back of a napkin between the Liberals and the NDP. What possible reasoning could the NDP members have to now support a government that only weeks ago they accused of being corrupt and undermining the well-being of our country? What possible reason could they have to support the Liberals?

Mr. Myron Thompson: Madam Speaker, I find it amazing when we look at the record. Some members of the NDP have been here long enough to know that the very items that the member talked about, and I mentioned in my speech, have been in the budget year after year.

The hon. member talked about reserves. In 1996 and 1997, a final report came out from a group of natives from the grassroots level. There was some hard work done across the country by a number of grassroots people who were begging for some relief in terms of poverty, unemployment, suicide and addiction problems. Every year the budget comes out with big announcements from the finance minister about the dollars going toward these programs, but every year it does not happen and the following year it is in the budget again.

I do not know how the NDP members thought for a moment that they could trust a government that has been in power for 12 years, when it has not done anything to deal with education, housing, Indian reserves and the environment. Now, all of a sudden, the NDP members are in full support of a government they felt was so corrupt and so bad that it should be thrown out not too long ago when they cast their ballots. I do not understand how the NDP members can think for a moment that the Liberal government will accomplish anything.

The only thing I can say to the NDP members is that I am glad they have that big guy from Winnipeg in their caucus because they will need a big guy to pull the knife out when the Liberals double-cross their party.

Government Orders

• (1240)

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, the member referred to last year's surplus of \$12 billion. I suggest to the member that if there was a surplus of \$12 billion last year and if we gave a \$12 billion tax cut next year as the member suggested, and the following year the surplus was only \$2 billion, that would put us back into deficit.

I am not sure if the member is prepared to go back into deficit. I want to remind him that since the government took over from the Conservatives, about \$60 billion worth of debt has been paid down at a savings to Canadian taxpayers of about \$3 billion each and every year. That \$3 billion has been available to reinvest in important programs such as health care and all the other initiatives, including the \$100 billion tax cut that has been delivered by the government. Is his party prepared to go back into deficit?

Mr. Myron Thompson: Madam Speaker, I believe that the member who just asked the question is talking about another speaker because that was not in my speech; however, I will answer the question.

This party is not prepared to go back into deficit. We are prepared to start doing something about the accountability, integrity and honesty of government. That is a real good place to start. It is so lacking over there that it is pathetic. Day after day there are more reports of unaccountable expenses. We need to get the priorities straight, set our priorities, and stop the wasteful spending. Just get rid of it and be more responsible to the taxpayers.

One farmer said it was very clear to him. He did not care what the policies are, but would the Conservatives give me some honesty if they get elected? I am prepared to say yes, the Conservative Party will give him some honesty.

Mr. Richard Harris: Madam Speaker, I rise on a point of order. The member for Mississauga South, probably inadvertently, misled the House in his statement. He said the government had paid down \$60 billion of debt. That is not true and the member knows that.

The Acting Speaker (Hon. Jean Augustine): The member for Cariboo—Prince George knows that this is not a point of order. This is a point of debate. Resuming debate, the hon. member for Calgary Centre.

Mr. Lee Richardson (Calgary Centre, CPC): Madam Speaker, I was reading early this morning in the newspaper that Prime Minister Martin said Friday that it was time for Conservative leader Stephen Harper and his party to stop playing politics and help pass amendments to the federal budget, and to ensure municipalities get millions of badly needed funding.

Hon. Don Boudria: Madam Speaker, I rise on a point of order. Three times in the last five minutes, including twice in the last 30 seconds, a member has referred to other hon. members by their names in the House of Commons. It is clearly out of order, whether to denigrate another member or to compliment his own leader, which he was attempting unsuccessfully to do. Either way, that is not in order. Our rules are very clear.

• (1245)

The Acting Speaker (Hon. Jean Augustine): I thank the member for Glengarry—Prescott—Russell. He is correct. We refer to

members by their titles and by their ridings. Resuming debate, the member for Calgary Centre.

Mr. Lee Richardson: Madam Speaker, if the hon. member had been paying attention, he would have realized that I was simply quoting from a newspaper article from this morning.

Many people here know in fact who the Prime Minister is as well as the leader of the opposition. We will not have to repeat that for the hon. member.

In any event, the Prime Minister said that it was time for the Conservative Party to stop playing politics and help pass amendments to the federal budget to ensure municipalities would get millions of badly needed funding. The coverage pointed out, however, that in fact the budget, which includes a phased in 5% share of gasoline tax for municipalities over five years, passed last Thursday.

Without naming the Prime Minister, I would point out that he was a little confused, as well as many people might be with having two budgets, an original budget and a new non-budget. For clarity, I wanted to point that out. I appreciate the hon. member's note that it is not just members such as himself, but even the Prime Minister who is a little confused about the budget to which we now are speaking. It is the amendments negotiated with the NDP for an additional \$4.6 billion in spending which have yet to pass.

We are talking today about Bill C-48, the NDP budget, which is the non-budget, or the absence of a budget. It is in addition to the original budget which was passed last Thursday and which our party supported. This addition of \$4.6 billion is simply an NDP promissory note to buy votes. It is more socialist spending to prop up a failing Liberal government clinging to power.

The so-called budget, Bill C-48, is heavy on the public purse but light on details. It commits hundreds of millions of dollars under broad areas without any concrete plans of how that money will be spent, as the member for Wild Rose mentioned moments ago. We have seen the damage that can be done by spending without a plan.

Bill C-48 would authorize the cabinet to design and implement programs under the vague policy framework of the bill and to make payments in any manner it would see fit. It is \$4.6 billion in less than two pages. It is very vague and general and it has no plan.

The government has reserved the right to use the first \$2 billion in the 2005-06 and 2006-07 from the federal surplus presumably for federal debt reduction. Any surplus that exceeds \$2 billion could be used to fund programs related to the NDP sponsored bill.

Government Orders

The government would need to post \$8.5 billion in surpluses over the next two fiscal years to fully implement the budget. The point is there is no money. It is all talk. The reason it is vague is these promises to the NDP for this additional budget, Bill C-48, to Bill C-43 will never see the light of day. The money simply is not there.

In order to have sufficient funds and the surpluses, the Minister of Finance would have to have another phoney budget, as he has had before, declaring a surplus every year. There is only one reason to declare a surplus and that is because the people have been taxed too much. It is just bad accounting and bad budgeting. It is not budgeting. It is an absence of budgeting. It is bad management. It is a lack of a plan.

The government has a lack of planning in everything it does. We are still waiting for Kyoto. I see the member for Red Deer is here. He is the Conservative environment critic. He has explained to the House time and again that we have been eight years without a plan on Kyoto. We are eight years without a fiscal plan from the government.

The government has a broad plan. It asks people what they want today do buy votes? Today we are spending \$4.6 billion buying the votes of the NDP.

I mentioned the news comments this morning and the Prime Minister's confusion over legislation in the House; that is what bills have or have not been passed. I see the Department of Finance has done a poll on behalf of the government to determine what people think of the budget. Is that not a great expenditure of taxpayer money? "Let's go out and poll and see how we're doing so far".

• (1250)

This is a government that spends tax dollars polling and running ads with taxpayer money. It is a constant election campaign funded by taxpayers, whether it is through ad scam, the sponsorship scandals, or running polls through various government departments, the Privy Council Office or the Prime Minister's Office and now the Department of Finance to find out what the people think. It wants to find out the current consensus of Canadians. The government then runs around to the front of the parade and says to the people to follow it. That is how to govern our country? I do not think so. Again, it is done without a plan, it is expensive and it is taxpayer money.

Canada could have and should have more better paying jobs and a much higher standard of living. However, Ottawa taxes and spends too much. Since 1999-2000, program spending has gone up from \$109.6 billion to \$158.1 billion, an increase of 44%. In the last five years, spending has gone up 44% in our country, a compound annual growth of 7.6%, when the economy itself managed to grow by only 31%, a compound annual growth of 5.6%.

Once the Liberals had our money, they could not resist spending it even faster than the economy was growing. It is not surprising there is so much waste in this government.

Often the government responds to problems in a knee-jerk way by throwing money at problems. The Liberals confuse spending money with getting results. Let me list some examples. They have thrown money at the firearms registry as way of dealing with the criminal misuse of firearms, with no explanation of how this would prevent

criminals from getting and using guns. The registry was to cost \$2 million. Media reports say that the actual cost is around \$2 billion. How could they possibly spend \$2 billion on a simple gun registry?

An hon. member: The Liberals could find a way. They would probably need an inquiry.

Mr. Lee Richardson: They probably had to have an inquiry. They probably had to run some polls and say, "How are we doing so far?". They had advertising to suggest to Canadians what a great benefit this program would be. It simply has not achieved its end. The costs continue to rise. Two billion dollars on a worthless gun registry and the costs continue to climb. It is taxpayer dollars, our money.

The Quebec referendum shocked the nation. The Liberals responded by throwing money at it, again, without a real plan. The result was the sponsorship scandal, a \$250 million waste of money, \$100 million illegally funnelled to Liberal friends and the Liberal Party. Even worse, it has reinvigorated Quebec separatism. Again, they have thrown out money without a plan. They are throwing out tax dollars, taxing too much, running surpluses and spending our money.

Imagine if some of that money was left in pockets of Canadians in the form of lower taxes? While the Canadian government spending goes up, according to Statistics Canada, families saw their aftertax income stall in 2002 and fall in 2003. As the Liberal government spends more, we have less.

This arrogance of Liberal conviction, that the Liberals can spend the money of Canadians more wisely than they, has to stop. We have to hold them accountable. We have to say, "Where is this money going?" This is a classic example of making up legislation, governing on the run, staying ahead of it, clinging to power and trying to get in.

We now have an additional budget of \$4.6 billion proposed to the House of Commons simply to buy Liberal votes, to cling to power and to remain in office.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, this theme has come out a few times and I would like to hear the member's answer to it. It has to do with the issue about bringing in Bill C-48 simply as a matter for keeping power. That is what the Conservatives have said. However, Canadians also said that they did not want an election.

We have not had a minority situation since the Joe Clark government of 1979. It is going to take collaboration and cooperation among all parties in the House to show that Parliament can work.

The member is speaking against Bill C-48. Would he say he speaking against Parliament working and that he really wants to go to an election right now?

Government Orders

•(1255)

Mr. Lee Richardson: Madam Speaker, not at all. It was demonstrated clearly by our side of the House. The Conservative Party acted responsibly and tried to make Parliament work. It agreed to support the budget presented by the Minister of Finance. That was Bill C-43.

I began my remarks by suggesting that members opposite were confused, including the Prime Minister, as to what we were debating today. It is not the budget. The budget that would prevent an election, which we responsibly supported so we would not have an election, was passed last Thursday.

Maybe I could repeat that for the hon. member and others who do not seem to get it, including the Prime Minister. The budget that prevented an election was responsibly supported by Conservative Party members. We did not like it at all but wanted to have Parliament work. Therefore, we supported it, voted on it and it passed last Thursday.

What we are talking about today is an additional budget by the NDP for the Liberals to cling to power. It has bought the votes of the NDP at a cost to the taxpayers of \$4.6 billion. That is the point and it is irresponsible.

You brought that bill in. This is not to save us from having an election.

An hon. member: Who is you?

The Acting Speaker (Hon. Jean Augustine): Order, please. It is important that we recognize that there are some protocols in the House and ways in which we address each other. We speak through the Chair.

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I am thankful for the opportunity to ask my friend a couple of questions of clarification. We want to be historically accurate when we tell stories in the House of Commons because there is a permanent record of everything my colleagues say.

First he said, "We supported the original budget". History will show the Conservative Party members sat on their hands during the vote and had no opinion. The Queen's official opposition had no opinion on the budget. That would be the historically accurate way to portray what really happened in the evolution of the budget as we know it today.

A second inaccuracy I would ask my colleague to correct, when he gets a chance, is this. He has said that the NDP proposals would cost the taxpayers an extra \$4.6 billion. The \$4.6 billion was already spent, squandered in even more corporate tax cuts. All we did is redirect some spending that was already scheduled. The dutiful ties to Bay Street were withdrawn somewhat and redirected to the interests of taxpayers.

If there is a champion of the taxpayer here, it is the New Democratic Party that has redirected taxpayer dollars to serve the needs and interests of taxpayers instead of shoveling it all to Bay Street with reckless abandon and with no real strategy or plan.

Where is the empirical evidence that giving the fourth tax cut to corporate Canada in a row will create jobs and that the money will

not simply be invested offshore or taken as dividends or profits to shareholders? Where is this orthodoxy, this near religious fervour of the Conservatives clinging to this concept that tax cuts for corporate Canada will yield to job creation?

The final point I have to add, in the interest of accuracy, is there are still tax cuts in the budget that the Conservatives are being asked to support now for small and medium businesses. The only tax cuts that were postponed is the fourth tax cut in a row for Bay Street and corporate Canada.

I hope the member can correct these inaccuracies he has—

•(1300)

The Acting Speaker (Hon. Jean Augustine): The hon. member for Calgary Centre.

Mr. Lee Richardson: Madam Speaker, I thank the hon. member for reminding Canadians that the Conservative Party is in favour of tax cuts for all Canadians. We do not want to continue to saddle Canadians with these spending programs proposed by the NDP.

Yes, we favour tax cuts for all Canadians and corporations so middle and low income families pay less tax, which can be squandered to form surpluses for the Liberal Party to waste in additional programs for the NDP.

Mr. Jim Abbott (Kootenay—Columbia, CPC): Madam Speaker, it gives me great pleasure to rise today to speak to Bill C-48, the Liberal-NDP budget bill.

I want to make it clear at the outset to all Canadians that we are debating a bill that is two pages long and contains 400 words, yet the spending proposed as a result of this legislation is \$4.5 billion. The bill was brought here at the expense of the Canadian taxpayer in order for the Liberal government to buy the 19 NDP votes. This has been the pattern of desperation as the Prime Minister has begged, pleaded, cajoled, bought votes, and sold positions, while hanging on with his fingertips, doing anything he needs to do to cling to power.

Canadians need to ask themselves how the Liberals and NDP could support a bill which would spend \$4.5 billion of their money while nobody seems to know where or when it would be spent.

The Conservative Party has fought to bring attention to this fiscally reckless piece of legislation. The Conservative Party will continue with its principled, fiscally responsible position on the reckless economic policy of the Liberal-NDP government. The Liberal-NDP coalition wants the House to hand it a blank cheque. These are the finances of the nation we are dealing with, and the government is treating them as though they were its own personal bank account.

This legislation represents the kind of free for all spending which led to previous and ongoing Liberal spending fiascos, such as the gun registry and the sponsorship scandal.

In response to other amendments the Conservatives put forward at committee, how the NDP voted clearly showed that the Liberals are not the only party compromising its core values to keep this unholy socialist alliance alive.

Government Orders

At report stage we have tried once again to move amendments to make the spending in Bill C-48 more accountable to Canadians. We want a prudent fiscal approach to managing Canadian taxpayers' money.

For example, our amendment to Motion No. 1 would raise the amount of surplus set aside to pay down the debt. The unholy Liberal-NDP alliance refuse to open its eyes and see the impending demographic crunch. There is a giant train entering the station at full speed. The locomotive is 40, 50 and 60 year old Canadians who will require medical and social services, and pension assistance over the next 20 to 30 years. Where will the money come from if we continue to be saddled with a national debt? We cannot pay interest without cutting into the future dollars required to fund social programs for an aging population. Canada's NDP finance minister refuses to consider the concept of prudent forecasting.

The Conservative amendment to Motion No. 2 would force the government to table a plan by the end of each year outlining how it intends to spend the money in the bill. Spending it without a plan is a recipe for waste and mismanagement. We need to ensure there are accountability and transparency mechanisms in place.

More telling than anything is the Liberal-NDP refusal to protect matrimonial property rights of aboriginal women. I know that is hard to believe, especially of the NDP when it professes to be the party of conscience in the House. So I ask, how far will the NDP go to prop up this corrupt establishment? As the Leader of the Opposition has said, leaving the Liberals in charge is like keeping the executives of Enron in charge while their court case proceeds.

The Conservative Party is not alone in our damning criticism of this unholy NDP-Liberal union and the creation of this budget bill. The Canadian Chamber of Commerce, representing 170,000 members including local chambers of commerce, boards of trade, business associations and businesses of all sizes and from all sectors and all regions of Canada, in a letter to the finance minister said, "To say that program spending is out of control would be an understatement. It is time for the government to take the steps necessary to put Canada's fiscal reputation back on track".

In the latest issue of *The Economist* is this headline regarding the Prime Minister's fiscal recklessness, "From deficit slayer...to drunken spender?" The article goes on to say, "He ended a quarter-century of federal overspending, turning the public finances from red to black. But as the Prime Minister of a tottering Liberal minority government since last year, he appears to have thrown fiscal restraint to the wind".

As noted, the NDP members themselves have a strange rationale for their support of this legislation. On May 19, 2005 in the House of Commons, I challenged the member for Winnipeg Centre by stating:

It is an absolutely amazing, outstanding event that the NDP would actually come to the House and exert its influence to prop up the establishment.

● (1305)

The MP for Winnipeg Centre said:

It is my personal belief that the Liberal Party of Canada is institutionally psychopathic. Its members do not know the difference between right and wrong and I condemn them from the highest rooftops.

But before the last Liberal is led away in handcuffs, we want to extract some benefit from this Parliament and that means getting some of the money delivered to our ridings before this government collapses.

Does this make any sense? By their own admission the NDP members are prepared to prop up a tired old discredited establishment for a crack at some dollars that may or may not flow at some time in the future. The Liberal MP for Victoria questioned the Prime Minister's judgment for agreeing to \$4.5 billion in new social spending concessions to ink a deal with the NDP. He said, "The agreement between the Prime Minister and the NDP leader concerns me as it appears we have taken...away money for debt reduction. It is debt our children will have to deal with".

A Toronto Liberal MP, the former finance committee chair, had some words of caution for his boss. He said that the Liberals should not be taking advice from the NDP and cautioned against agreeing to the NDP's demands. He said: "I would be very careful to take advice from the NDP when it comes to growing the Canadian economy".

The Conservative Party and some Liberal MPs are not alone in their criticism of this flawed legislation.

Jayson Myers, chief economist with Manufacturers and Exporters Canada added, "It is a little difficult to boost productivity with one arm tied behind your back with some of the highest tax rates on investment in new equipment and technology".

Nancy Hughes Anthony, president of the Canadian Chamber of Commerce said, "Without a fiscal update, we are flying blind when it comes to Canada's finances with only vague assurances from the government that it will be able to balance budgets in the future. Until Canadians are given all the facts and figures, we have every right to fear we are flirting with future budget deficits given the government's excessive spending".

On June 16 the Bank of Nova Scotia said in a report, "The \$4.5 billion New Democrat budget deal, new provincial health care and side deals, changes to equalization payments and a surge in program spending under the Liberals have led to a crazy-quilt of programs and blurred the lines between federal and provincial responsibilities".

"The billions in extra spending on top of the finance minister's budget will so stimulate the economy that it will push the central bank to raise its interest rates more quickly", said Marc Levesque, the chief fixed income strategist at Toronto Dominion Securities.

"Inflation is up and major investment firm Nesbitt Burns is warning that interest rates could follow as a result of the passage of the free-spending Liberal-NDP budget. The combination of rising prices and an inflation rate that is above the Bank of Canada's two per cent target, plus a hefty dose of additional federal spending, will prompt the Bank of Canada to resume raising interest rates by July", Nesbitt Burns predicted in an analysis of the impact of the budget spending increases and an inflation report by Statistics Canada.

Government Orders

The OECD took note of the Prime Minister's spending spree in its latest forecast and concluded that the Bank of Canada would have to hike interest rates by 1.5% before the end of 2006 to forestall any inflationary build up.

What does that mean for the average Canadian? If mortgage rates were to rise 1.5%, Canadians taking out or renewing a \$100,000 mortgage with a 20 year amortization would pay an extra \$85 per month. Over the course of a five year term they would pay an extra \$6,929 in interest. If the increase was permanent, then over the course of the 20 year loan, they would pay an extra \$20,525 which is enough for a brand new car in their driveway. A Canadian taking out a \$20,000 five year car loan, by the way, with the same increase in rates, would pay an extra \$859 in interest over five years on that new car.

According to the government's rule of thumb for its own borrowing costs, 1% translates into \$1 billion in added debt service costs after one year. That adds up to \$84 per man, woman and child, or \$336 a year for a family of four with this grossly irresponsible budget.

Already on the hook for the \$4.5 billion in taxpayers' money that the Prime Minister has used to secure the support of the NDP, Canadians now have to worry about the fallout from this deal and the extra costs it will mean for them in their daily lives.

This budget is a disaster.

• (1310)

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Madam Speaker, I just hope that Canadians across the country watch this debate for the rest of the week. They will see how the Conservatives are wasting thousands and thousands of taxpayers' dollars and they are not saying anything about the topic being debated.

We are debating a budget bill with four items: transit, foreign aid, housing and post-secondary education. The member opposite mentioned that it is a 400 word bill. It is past one o'clock and the Conservatives have spent the entire day without saying one word about the items that we are debating. I hope they are not going to go the whole week. I hope they will find new researchers to write their speeches so they address the four items in the budget.

Let me remind those members and their researchers that the topics are transit, foreign aid, housing and post-secondary education. We will be sitting until midnight tonight and tomorrow night. I hope they will come up with at least one member who will debate the topic.

What have those members been talking about? They are saying we should have more tax cuts. We have the biggest tax cut in history of \$100 million. The member just talked about families. That reduces the rates by 27% for families with children. It takes a million taxpayers off the tax rolls. For businesses and entrepreneurs the result is that it puts our corporate taxes 2.3 percentage points below those in the United States. Members cannot complain about the tax rates.

Let us go on to Kyoto. It was embarrassing that a member opposite suggested that there was not a Kyoto plan when we have one of the most modern plans in the world. It has been praised by

environmental organizations in Canada. We had a debate on it. It is a thick document and the loyal opposition does not even know there is a plan.

Conservatives should be most embarrassed for raising the topic of aboriginal Canadians. We have increased more than other items in the budget, year after year, the money for aboriginal Canadians for land claims. We have made slow progress, but how could the Conservatives bring it up when they voted against every increase for aboriginal Canadians, for land claims and self-government that have helped aboriginal Canadians take control and responsibility for their destiny? The Conservatives voted against it. It is an embarrassment that they would bring that topic up.

One of the member's colleagues suggested putting tax points over to the provinces. Why would he want us to have more debt and more taxes at the federal level, not spend money on the military, agriculture, aboriginal people, health and pension for the aging, and just transfer the taxes to the provinces?

Mr. Jim Abbott: Madam Speaker, that was certainly a very interesting rant but the reality is that what we are debating today is a blank page of paper. There is nothing that we are debating at this particular point, except that the Prime Minister has managed to buy the support of the NDP. The NDP fundamentally has put itself in a position of propping up an old, completely discredited establishment. That is what we are debating here today. All of the bluster, all of the words of the Liberal member do not change that.

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, the member for Kootenay—Columbia is too good an MP to honestly believe the speech that he was sent in here to read. He knows and I know, and I think most are aware, that it is so packed full of misinformation that it really constitutes their gnashing of teeth and shaking their fists from the sidelines because they have been left out of what is really going on in Parliament today.

I would only ask my hon. colleague if he would not agree that it is the role of a good opposition party to use whatever political leverage and political capital it may have to advance its legislative agenda. Would he not agree that that is what the NDP has done, whereas his own party, with even more seats, has failed to do so?

• (1315)

Mr. Jim Abbott: Madam Speaker, in fact what the NDP has done is sold itself. The member for Skeena—Bulkley Valley said:

During the campaign I promised to vote against budget increases to the federal gun registry. I kept my word then, voting against a motion last fall - against the wishes of some in my party - to increase this budget.

That was in the *Cariboo Press* in February. He also said, "Sadly, the gun registry has not been a positive solution to Canadians". He went into all of the reasons that the gun registry is an abject disaster. He ended up voting, along with the member for Winnipeg Centre, along with the other 18 members in the NDP caucus, to continue the wasteful spending on the useless gun registry: \$64 million. They have basically sold themselves.

Mr. James Lunney (Nanaimo—Alberni, CPC): Madam Speaker, it is a pleasure to rise to enter this rather interesting debate in the House today on the subject of Bill C-48.

Government Orders

It surprises me that the member for Winnipeg Centre, who was speaking a moment ago, was again attacking the Conservative Party and trying to defend the NDP record on the bill. A few moments ago in his intervention, he seemed to equate business tax cuts with spending, suggesting that somehow the NDP took money that was going to be spent anyway on business tax cuts and instead spent it on social programs, as if it is the same money.

I do not know what it is about that party that does not understand a very basic principle: tax cuts stimulate the economy. That is well understood all over the world. Let us look at a country like Ireland, which took some decisive work in that direction and made the country very competitive. Unemployment is down, the Irish economy is up and Ireland is booming worldwide.

What is it that the NDP does not understand about this? When we spend, spend, spend, and especially when we tax, tax, tax, it affects our productivity. "Productivity" is a simple word. We are in a very competitive world and Canada is falling behind.

Then we heard the Liberal member from Yukon say a moment ago that we are not debating the substance of the bill, but the whole point is that there is no substance in the bill except a very big price tag attached to something that is basically an empty promise. It is a two page bill, and with the cover pages we could add a little more to that, but there is no substance here. The substance of the bill is only two pages and there are approximately 400 words to describe spending that would amount to \$4.6 billion.

Others have said before me that the procedure done with the bill is unprecedented. It is basically a blank cheque for cabinet to decide how, if and when the money will be spent. Of course in order to come across as being fiscally responsible somehow, it is labelled as contingency spending. I wonder if Canadians expect that as soon as this bill passes, if it should pass the vote that will be coming up shortly, the money is going to flow immediately.

However, of course, this is contingent upon maintaining a budget surplus of about \$2 billion. That is before any of the money will be spent. I wonder if the NDP has not bought a bill of goods and is trying, along with the Liberals, to sell it to Canadians in a desperate move to prop up the government and keep it afloat. It is not likely that even a penny of that money will be spent before an ensuing election, when Canadians will be offered the same promise again, the recycled promise that if Canadians vote for the Liberals then they will get the money.

Spending without a plan is a formula for waste and mismanagement. We have seen a bit of that around here lately. In fact, that is very much an understatement. We have seen a lot of problems due to spending without a plan. For the record, since 1999 program spending has gone from \$109.6 billion to \$158.1 billion, for an increase of 44.3%. That is annual growth of 7.6% while the economy managed to grow in the same period by 31.6% or a compounded annual growth rate of 5.6%. Spending has been exceeding our economic growth.

What happens when we spend without a plan? The government seems to think the answer to every problem is spending. A few years ago, for example, we saw a very tragic event happen involving guns in Montreal in the massacre that took place at the university there. It

was a tragedy, but suddenly the government responded by saying it would fix that by spending a pile of money, taxing the duck hunters and the farmers in the country, to somehow deal with a problem created either by criminals with illegal firearms or a man who was clearly mentally unstable.

How can we have a program budgeted to cost \$2 million that ends up costing us \$2 billion, with the price tag still increasing? We probably need another inquiry to try to figure out where that \$2 billion went. I know that many people are concerned about how all that money can be spent on a rather useless firearms registry.

● (1320)

It has cost \$2 billion and it is estimated that 80% of the registrations have errors, which in itself probably needs an inquiry. How could there be so many errors? For example, people in my own riding were told to send in their registrations for four firearms and they got back five licences. That is interesting: they got an extra registration. When they called the firearms centre to say that there had been a mistake, that they had an extra licence and did not own a fifth firearm, they were told to just tear it up.

My constituent said he could not do that. Let us just imagine that. We tear it up, the registry says it has an extra firearm and someday a police officer will be at the door looking for that firearm; if we cannot produce it, we are in big trouble.

I cannot tell members how many people have come to me about the errors in this program. That itself probably could be the subject of an inquiry.

As intelligent people we should be able to come up with programs that actually address what they are purporting to accomplish. On this side of the House we are concerned about spending without a plan or spending that creates an illusion of action when it is actually misdirected.

We saw another example of this prior to the election in 2000 with the HRDC boondoggle. Money was spent without any accountability mechanisms being put in place. It was very wasteful spending that went into programs in the hands of government friends, Liberal friends or patronage friends. They got money for programs to produce something, programs that in essence did not accomplish what they purported to. Those people declared bankruptcy a few years later and came back to the purse with another proposed idea to get more money. There was no accountability and there were no objectives and no measurements of whether they were actually accomplishing what they headed out to do.

A short time ago we had a very big concern about a problem in Davis Inlet with the Inuit situation there. It was a tragic situation for many young people because they had very little vision for life and were involved in substance abuse. It was a tragedy. The government had the bright idea to move the settlement a few miles away at a cost of some \$400,000 a person. We might wonder how it could possibly cost that much. We know that housing costs are high in remote areas and building and construction costs are high, but how could it possibly cost \$400,000 per person to relocate this small number of people in a program that has apparently not solved the problem? It

Government Orders

Then, of course, just a short time ago we saw the government's approach to the threat to federalism and the very close vote we had on the Quebec sovereignty issue. The government decided to solve that with money. The government decided to spend \$250 million to solve the problem. We all know through the Gomery inquiry what a tragedy that turned out to be, with nearly \$100 million misdirected and a lot of the money going back not only into the hands of Liberal friendly firms but into the hands of big donors to the party, with money itself going back into the Liberal Party coffers to run an election. Thus, spending without a plan creates problems.

We have had record surpluses and that is a very good thing in the country. It is a good thing when a government runs a surplus, but we also have a very large debt. We are still carrying about \$510 billion of accumulated debt. It costs the country about \$29 billion a year to service that debt.

At a time when the government has surpluses, that is a time when prudent financial management would say we have to pay down the debt so that we are not continuing to pay those very high costs into the future. Those costs are a mortgage on our own future and on our children's future.

We do not know if our economic prosperity is going to continue at the same unprecedented levels that we have had in these last few years. In fact, the evidence is that we are falling behind. If we do not increase our productivity, our economic future is going to be threatened. That is clear.

I have with me a recent article from the June 13 edition of *The Economist*, a very prestigious magazine. The economic elite likes to read *The Economist*. Some members of Parliament might occasionally read it. Perhaps there are some regular readers in the House, particularly those who are economists, such as the Leader of the Opposition. This magazine has a global readership. The article is about the indecisiveness of Mr. Dithers last winter. As well, in last week's edition, our Prime Minister was derided as Canada's drunken sailor thanks to his recent spending spree.

I am concerned for Canada's international reputation. This is a magazine that only 18 months ago in a cover story called Canada "cool" for the way we were managing our economy. On the edge of an election, suddenly things have become uncool. This magazine, read by leaders and politicians around the world, takes a jaundiced look at the Prime Minister's administration, which has devoted billions of unbudgeted dollars to staying alive as a besieged minority Liberal government.

• (1325)

We also have the Canadian chambers of commerce talking about this deal, saying that:

—the Liberal government's spending promises made in anticipation of a spring election, coupled with a \$4.6 billion NDP budget deal, leave it with little or no financial room to focus on productivity enhancing initiatives.

Canada is now 18th out of 24 industrialized countries in terms of average productivity and growth.

There are many priorities that need to be addressed in the budget, but creating an illusion by offering to spend money that likely will not be spent before an election is not sound fiscal management.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I want to congratulate the member on his speech. He is the first member of the Conservatives to acknowledge that paying down debt is a good thing, that it does improve productivity, and that when we pay \$29 billion in debt servicing that is money, and if we could pay down more of the debt obviously that would be something good.

The member for Calgary Centre, the member for Wild Rose and the member for Cariboo—Chilcotin have said that the existence of a surplus, which is used to pay down debt, means that people are being taxed too much and therefore what we really should do is—

An hon. member: That is not what they said.

Mr. Paul Szabo: They said the existence of a surplus means that a government is overtaxing.

We cannot have it both ways. The member has got it right: there has to be a balance. Sometimes there must be tax cuts. There also has to be orderly debt repayment so that we can continue to reduce debt servicing costs. There would be a savings annually each and every year for matters like investing in Darfur, foreign aid or energy retrofits for low income housing.

I want to congratulate the member, but would he like to explain to his own colleagues a little further as to why it is important to have a balanced approach toward spending, debt repayment and tax reduction?

Mr. James Lunney: Madam Speaker, I think that is a little bit of a mischaracterization of the Conservatives. Yes, our members who spoke to this did mention that people were being taxed too much and certainly that is true. Too much money is being taken from them. A balance is necessary.

Paying down the debt is part of the Conservative policy, by the way. In a Conservative budget we would mandate a portion that had to be paid down. In every budget, a portion of that budget would be mandated to go to debt repayment because we feel that is important for the future.

In terms of productivity, it is the high taxes that take investment elsewhere. We are living now, whether we like it or not, with the global economy. We have to be competitive. We are falling behind. Some members fail to understand that when business taxes are too high, and they are too high in Canada, investment begins to go to other countries. The tax cuts that those members across are trying to slay here were slated for the future, but they were a signal to investors that tax cuts were coming, tax cuts that would make their investments more competitive in a global economy.

As Nancy Hughes Anthony, president of the Chamber of Commerce, said:

We wished he had converted prior to agreeing to spend \$4.6-billion as part of the NDP deal...and placed the country in a straightjacket.

Government Orders

The most recent data indicated that Canadian productivity edged upward only .2% in the first three months of this year, compared with .6% for the United States of America. Frankly, we are falling behind. This means that investment dollars will go elsewhere. Jobs ultimately will be lost. As for the union members who like to support the other party over there, many of them will be crying because they will be losing their jobs if we do not maintain a competitive edge.

• (1330)

Mr. Jay Hill (Prince George—Peace River, CPC): Madam Speaker, I have a very quick question for my colleague from Vancouver Island.

The fact of the matter is that I, like all of us, return to my riding during weekends and breaks from Parliament and I continually hear from my constituents in Prince George—Peace River that they are concerned about the fact that the mountain pine beetle crisis in central British Columbia is ravaging our province's forests. They are getting insufficient help on that front.

As well, they are concerned about the ongoing debacle of the softwood lumber agreement. They are concerned about the agricultural program known as CAIS, which is completely inadequate to help our beef farmers in their time of crisis. Crisis after crisis is affecting our families and their bottom line; they cannot make ends meet.

Instead, we see a \$4.6 billion deal drawn up on a napkin to spend more money on these issues with no plan in sight while these very important crises are going unaddressed. I wonder if the hon. member is hearing the same thing from his constituents that I am from mine in Prince George—Peace River.

Mr. James Lunney: Madam Speaker, we certainly do have the same issues in my riding and softwood lumber is a major concern. The pine beetle is a big concern to anyone in British Columbia, certainly in the forestry sector with the lodgepole pine. It is more of an interior problem right now but it is spreading into Alberta. These are things that need strategic investments to move ahead. We need to harvest the lumber while it is still harvestable or we will lose it.

With regard to BSE, our farmers have been left out to dry. They are still in big trouble there. We have not increased the production to allow them to cull their herds.

There is also a big problem on funding for coastal surveillance. We are worried about Chinese spies in our country with migrant ships coming in. We have no radar, no interception and no money for the Auroras to patrol our coast. When we do see ghost ships going by, as we have seen recently, there is no response, no jet scramble and no intercept out there to check it out. They just go by without any response from the government. It is not acceptable.

Mr. Kevin Sorenson (Crowfoot, CPC): Madam Speaker, again it is a pleasure to speak in the House to Bill C-48, the NDP supplementary budget to the government.

I think all Canadians have certain days they want to commemorate, such as birthdays, anniversaries and special occasions. In politics, we remember days of elections and times when budgets or policy documents are brought forward. Those are the days we remember.

This past spring the government brought down a long anticipated budget, Bill C-43. After the budget came down I had the opportunity to host five or six town hall meetings in different areas of my constituency, such as Oyen, Drumheller, Strathmore, Camrose, Stettler and Hanna. I hosted these town hall meetings to explain what the 2005 budget contained. I can say that coming from a rural riding in Alberta, an area that has been devastated by droughts, BSE and other various elements, the budget was a tough sell. Then again I am certainly not much of a salesman when it comes to trying to sell Liberal budgets in Conservative ridings.

However in the town hall meetings I commented on a fairly recent speech that the Alberta minister of health had given. In that speech she noted in the public forum that mental health issues were on the rise as Albertans attempted to balance their work and family commitments and struggle with ensuing financial hardships. In her speech she made reference to the turbulent times, such as drought and BSE, mainly in rural settings. No one knows more about those financial hardships and the stress of dealing with those burdens than our farmers.

At the time I conducted these town hall meetings throughout the constituency, the NDP had not made its deal with the Liberal government, the deal to prop up the corrupt government. That April 26 deal resulted in the legislation that we are discussing today, Bill C-48. Bill C-48 provides the legal framework for the outlandish NDP spending measures that we in this party adamantly oppose, measures that total up to \$4.6 billion over two years.

I do not have a copy of Bill C-43 but it was a thick document. Bill C-48, amounting to \$4.6 billion, is one double-sided page, half English and half French. Someone has already made reference to the fact that it contains 400 words but just like that spends \$4.6 billion. Bill C-43, the first budget, spent \$193 billion. Bill C-48 spends an additional \$4.6 billion. That is big government. The deal that the NDP made with the Liberals made the spending even bigger.

That goes against what Conservatives believe. Conservatives believe that the people who earn the money, who go out and work for their paycheques, who are putting the crop in and taking the crop out, are the ones who are best able to spend the money. The Liberals say no. They believe they need more money to spend, and the NDP is right there with them. They say they want to build a larger bureaucracy so they can spend the money.

Where does the extra \$4.6 billion come from? It comes from all hardworking Canadians who basically trade their time for the paycheque. They go out every week and give up the 40 hours or 50 hours of work and at the end of it they get a paycheque. The government now says that it wants to take that time and the money they received and control how it is spent and where it goes.

Government Orders

●(1335)

We in the Conservative Party believe in smaller government, in lower taxes and we believe the private sector is the main engine of economic productivity, growth and prosperity.

What did we not see in the 2005 budget? What we did not see in that budget and in the companion budget we are discussing today was any type of financial commitment to farmers who are undergoing terrible conditions.

The budget speech delivered on February 23 by the finance minister was very long and detailed but lost in those details was the fact that farm incomes in this country have been in a negative position for a number of years. We all know why. Those living in Crowfoot and throughout Canada, specifically in some parts of rural Canada, understand that there have been successive years of drought and BSE. Now, in much of my constituency and in constituencies in southern Alberta, we see unrelenting rain and flooding.

As I speak here today, in part of my constituency in the area of Drumheller, 2,700 people were told to get out of their houses because the river was swelling and there would be certain flood damage. I could go on and talk about Drumheller because it is a great community. It is a great tourist centre and a great place to visit. I hope everyone here will take the opportunity to go there.

Drumheller, which is a good area for farming and agriculture, if we were to go south of Calgary we would see that many fields are now under water. The member for Macleod told me that 80 acres out of 160 acres, or a quarter section of land, are now under water. A lot of these farmers are looking at flood damage and another year of negative growth.

In 2003, farmers had negative farm incomes for the first time since the great depression. Today grain and oilseeds prices are even worse. They have fallen through the floor. We are still suffering from the mad cow crisis.

To be frank, I was disappointed at the continued lack of respect and attention that agriculture producers and hardworking families received in this 2005 budget. Farmers will get no more cash in their pockets because of this budget. Despite Agriculture Canada's forecast of another year of negative farm income, there was little mention of agriculture. When the NDP decided to prop up this corrupt government and talked about the four areas, there was not one mention of agriculture. It is no wonder that the NDP in Saskatchewan have been basically shut out. It has forgotten about agriculture and about rural Canada.

In a question earlier, the member for Prince George talked about the CAIS program. One day the Liberal government was telling us it could not take away the cash deposit requirement. It said that it was not able to set that aside because farmers could not afford to put it into the CAIS program. A few days later, after it was voted on, it came out in the budget. I will give the government credit because what it said it could not do, it did. We applaud it for that even though it is what the Conservative Party of Canada had stood up for as we were defending farmers. The government accepted that and we applaud it for that.

However, with regard to the total new funding for agriculture, the first budget only had \$130 million in it. It is important for Canadians to know that money did not get to the kitchen table of farm producers. It was not for the producers. It was there to build a bigger bureaucracy and to add consultants. It did not put dollars on the kitchen table. It was not designed for producers.

Programs that were brought out by the government in the spring in some cases forgot about a whole sector of agriculture. They forgot about some of the new farmers who have come on, some of the new farmers who have allowed their farms to grow.

●(1340)

Don Drummond, a former deputy minister of finance and now an economist for the TD Bank, said it is time that Canadians have a pay increase. He said Canadians need lower taxes and in effect that will give them a pay increase. We could not agree with him more. Bill C-48 would make people pay more because we are going to spend more, make government bigger, and have larger bureaucracies. Bill C-48 is a bad piece of legislation and we will be voting against it.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, I wanted to address the last comment that the member made. I believe he may have misled the House and Canadians by suggesting that the passage of Bill C-48 would mean that Canadians would have to pay more.

I would be happy to show him in the bill where any amounts payable under Bill C-48 are only payable to the extent that there would be a surplus in excess of \$2 billion. Indeed his own member has put forward an amendment to make it \$3.5 billion.

I wonder if the member would answer just a short question about the existence of surpluses. Many of his colleagues have said that the existence of a surplus means that there is overtaxing. Does that mean that the member and his party are opposed to any surpluses and are therefore opposed to any repayment of the national debt?

Mr. Kevin Sorenson: Madam Speaker, as most Canadians watch these types of debates take place in the House of Commons, they are certainly attracted to the word surplus. A surplus sounds like a good thing and he is right, a surplus is a very good thing.

When we deal with business, and I have a small business, and we see a surplus at the end of the year, that is good. When we build a budget in our family and we live within that budget, and we have a surplus at the end of the year, that is good. I think every Canadian family wishes that they could have a much greater surplus on the kitchen table at the end of the year, but when governments have a surplus, that is not necessarily good. When governments have a surplus and it has done it because it has been able to reduce the size of government or streamline and make things more effective, that is positive, but the government does not do it that way. The government does it on the backs of taxpayers.

The Liberals are saying that they are going to make it more difficult for Canadians and businesses to have surpluses because they are going to make government bigger. Higher taxes equals more government. More government equals more regulations. More regulations equal more red tape. More red tape equals more bureaucracy. More bureaucracy equals more taxes. It is a continuous cycle.

Government Orders

We are encouraging the government to take the fiscally prudent way and recognize that there are certain needs. We need to ensure that we can help those who are poor, those who are sick and disabled, but it is wrong to continually be taking money from one middle class family and giving it to another middle class family and telling them that if they accept these values, they will get extra cash dollars from the government. Picking winners and losers is wrong. Smaller government and allowing the private sector a role in prosperity is the direction that the Conservative Party would take.

• (1345)

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Madam Speaker, I want to thank my colleague for an excellent summation of the vicious circle that is represented by the Liberal government. An excessively high tax burden creates social problems, which are then addressed by big Liberal programs, which always have cost overruns and never actually get to where they are needed. Therefore, the government needs to raise taxes to fund more programs to fix these problems.

I want to comment on what the member said because it was quite indicative of the Liberal government's attitude. When we were questioning the Minister of Social Development, he was talking about his big, huge babysitting scheme. He mentioned that the money he had given to Saskatchewan this year was double what it was the year before. He did not know where the money was going, but he knew he doubled it and therefore it must have been a good thing. He did not have any results of how the money was spent last year, no evaluations of whether or not the money was going to address any problems or that the programs were going well. All he knew was that this year he doubled it, and therefore it must have been doing a lot more good, that it must be half the problem since they doubled the money. He still could not provide us with any details about where this year's money was going to go and how it was going to address any of the problems this year.

Does the member see a pattern here with Liberal attitudes? When there is a problem, they double the money. They just throw more money at a problem without any sort of program or planning. We see that problem across the board. Could he highlight a few of those for us?

Mr. Kevin Sorenson: Madam Speaker, the government believes that the only way it can solve a problem is to throw money at it. A former President of the United States said, "Government is like a baby. An alimentary canal with a big appetite at one end and no sense of responsibility at the other". The government has a huge appetite for taxpayers' dollars and is not responsible at the other end.

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Madam Speaker, I am speaking on behalf of my constituents today on Bill C-48, an agreement to increase spending in a way that I think is unhealthy. This agreement is bad for Canada's economy, for my constituents, and represents a missed opportunity for the House and the government to improve the lives of Canadians.

Bill C-48 enacts \$4.5 billion of the \$4.6 billion deal struck by the Liberals with the NDP to make payments in fiscal years 2005-06 and 2006-07, and takes away the tax relief that was promised by the Prime Minister in the original budget that was presented to Canadians in the House on February 23. The bill is heavy on the public purse but light on details. It commits hundreds of millions of

dollars under broad areas without any concrete plans as to how that money would be spent.

The bill authorizes cabinet to design and implement programs under the vague policy framework of the bill and to make payments in any manner. The bill contains an open-ended statement:

The Governor in Council may specify the particular purposes for which payments referred to in subsection (1) may be made and the amounts of those payments for the relevant fiscal year.

Put another way, the legislation creates an undefined multibillion dollar slush fund for the Liberal cabinet members to spend in the way that they see fit as we head into an election campaign. This is economically and democratically unacceptable.

Condemnation of the NDP-Liberal budget is not just mine. In a letter to the finance minister and the Prime Minister, the Canadian Chamber of Commerce wrote:

Bill C-48, the budget amendment that fulfills the terms of the Liberal-NDP agreement at the expense of corporate tax rate cuts, was concluded quickly and with little effort to determine whether the new spending initiatives are effective in boosting productivity and fostering long-term economic growth. This politically motivated action showed a clear lack of planning and long-term strategic thinking on the part of the federal government.

Nancy Hughes Anthony, president and CEO of the Canadian Chamber of Commerce, added:

The government has shown a total lack of respect for the budget process by renegeing on its commitment to provide future tax reductions for all businesses.

Garth Whyte of the Canadian Federation of Independent Business has also slammed the legislation and the way the Liberals are managing our finances. In his open letter to the Prime Minister, Mr. Whyte wrote:

Elimination of the corporate tax cuts would be a slap in the face to all small- and medium-sized enterprise (SME) owners who create most of the new jobs in every community across Canada. Prior to last year's federal election, both the Liberal and NDP parties expressed support for creating a fair taxation system for small businesses in recognition of the important role it plays in economic growth and job creation.

We believe that these tax measures are far too important to be used as political bargaining chips for political purposes. That is precisely what the Liberal-NDP bill does.

As a young Canadian representing one of the youngest ridings in the country, and one of the fastest growing areas of Canada, the budget is of great concern to me, in particular the growth of program spending over the past few years. Federal program spending is estimated to reach \$163.7 billion this year. Just two years ago program spending was \$141 billion. That is an increase of 15.8% in just two years, which far outpaces the growth of our economy and our population, according to economists.

Government Orders

What makes the growth in spending really problematic for me as a British Columbian is that it is being steered by the NDP. As a British Columbian, I have seen and experienced first hand the realities of NDP fiscal and economic policies and I can report to the House, and to all Canadians, that NDP economic policies are something we should always shy away from. Actually, we should run away from.

In British Columbia on the NDP watch, the uncontrolled tax and spend approach was disastrous for my province. In the decade from 1991 to its defeat in 2001, the NDP imposed \$2 billion worth of new taxes on everything from personal to corporate income. Fees and taxes grew 50% faster than the pre-tax incomes of British Columbians. If we think that a \$2 billion tax increase is hefty, it was eclipsed by a \$5 billion spending increase in just five years between 1992 and 1997 and as a consequence the B.C. NDP ran eight consecutive budget deficits and in the process doubled B.C.'s debt.

As a result of that uncontrolled tax and spend philosophy, taxes were raised, spending was dramatically increased, deficits were run, and new debt was incurred. Worse, the bonding rating agencies that rate the credit of companies and governments were shocked by the reckless management style and reacted by downgrading B.C.'s credit rating which in turn raised the amount of interest B.C. had to pay on its rapidly growing debt.

● (1350)

The ongoing result of a disastrous NDP decade is that B.C. today has to spend roughly \$2.6 billion a year on interest on the provincial debt. This is a problem because if we have to spend \$2.6 billion a year on interest, it is \$2.6 billion that can not go toward other priorities and programs for Canadians and for British Columbians.

In the case of B.C., that \$2.6 billion a year works out to \$672 for every man, woman and child in my province or nearly \$1,700 a year for every B.C. family. In other words, the ongoing cost of just 10 years of NDP economics is a \$1,700 annual tax for every B.C. family. I am raising this provincial example of the impact of NDP economics in British Columbia to this federal House because I am hoping that there are some Liberal members who do care about fiscal responsibility, as they bragged about in the last election campaign. Consider the facts of the NDP economics and consider the facts of the NDP partnership with which they are getting in bed.

In British Columbia the NDP introduced five separate fiscal management plans. Not one targeted outline was ever met. In nearly every category, deficits, debt management and spending, the NDP missed its promises every year in terms of targets. It introduced eight consecutive budget deficits, including two fudge-it budgets where it misled the public. The NDP took British Columbia from a have to a have not province during the nineties, a decade of robust economic growth across North America. The NDP doubled taxpayer supported debt in less than a decade. B.C.'s debt to GDP ratio increased dramatically by 20% in less than a decade. The NDP left B.C. with the highest personal income taxes in Canada. Fees, royalties and taxes had increased one and a half times faster than British Columbia's pre-tax incomes.

In the 1992 to 1999 period, the government increased spending from \$17 billion to \$22.2 billion, over a 30% increase. Spending increased faster than the ability to pay for programs. Under the NDP,

B.C. had two credit rating downgrades, the worst fiscal record in Canada during the 1990s.

My constituents do not want to face the same disastrous NDP economics here in Ottawa. The budget is a missed opportunity and at every step of the way, the Conservative Party, the official opposition, has stood up and said "no" to the tax and spending priorities of the Liberals, "no" to the tax and spend priorities of the NDP. We will continue to fight this fight in the House, at committee and through the coming election campaign in the spring, which the Prime Minister has called.

We believe in lower taxes, less government and more freedom. We believe in personal responsibility and democratic reform. We believe in ensuring that Canadians have more money in their pockets so they can choose how they want to live their lives rather than having more money in the hands of Liberals and a \$4.6 billion slush fund that it can throw money around, prior to an election campaign being started, for their own political purposes.

We believe in empowering families and putting money back into the hands of individuals so people have choice in how they live their lives and taking away the power of cabinet to politically manipulate a budget so it can buy votes in the House and then buy votes in the next election campaign, having no regard for the future economic health of our country.

We will be voting against this budget proudly. When the new Conservative government is formed, we will bring this country back to some sane fiscal management.

● (1355)

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Madam Speaker, I found it quite interesting that the member opposite brought up the track records of past governments. I am glad he did. In fact, the track record in B.C. was kind of scary.

If we take a look at the federal track record of the last Mulroney Conservative government, never mind scary. It was a complete nightmare for Canada. We should look at what it did to small business. One of the other members talked about his small business background. My background prior to entering the House was also in small business.

There is an anniversary that I mark. It is 1993, the anniversary of the Mulroney Conservative government leaving office. What that government led to, with its fiscal mismanagement, was the devastation of the small business sector in Canada. I lived through that. For a decade that sort of fiscal mismanagement led to record numbers of small businesses going bankrupt.

I found it quite interesting that the members would mention small business. What this bill does not do is talk about removing tax cuts for small or medium size businesses. It addresses corporate Canada. When the members say there is no substance to this bill, they are narrowly focusing strictly on tax cuts for corporate Canada, large corporate Canada Bay Street.

If we take a look at small business, it disproportionately pays a larger amount of taxes than corporate Canada. Corporate Canada does not pay its fair share. I can understand why they would not want to see the substance of \$900 million for the environment, for public transit. We know the Alberta gas and energy lobby has contributed substantially to that party.

I understand that the \$1.6 billion for housing is not a grave concern for that party. From Bay Street boardrooms, they do not see the homelessness on the streets. The amount of \$500 million in foreign aid is not a concern because there are not a lot of Conservative voters in the Sudan or in other parts of the world.

Would the member opposite please compare the track record of the B.C. NDP government to the nightmare track record of the Conservative Brian Mulroney government?

• (1400)

The Acting Speaker (Hon. Jean Augustine): The hon. member will have a couple of minutes to respond at the next discussion of the bill.

STATEMENTS BY MEMBERS

[English]

HAMILTON POLICE SERVICES AWARDS

Ms. Beth Phinney (Hamilton Mountain, Lib.): Madam Speaker, the Hamilton Police Services recently recognized the outstanding performance, courage and service of both its staff and the citizens of the Hamilton community.

Detective Troy Ashbaugh and Constable Don Sauvé were the recipients of the 2004 Members of the Year Award in recognition of the brave actions while off duty.

Citizen Sabrina Pelone was given the Award of Courage for risking her life to help someone else in danger.

Safety Patroller of the Year winner, grade 8 student Navneet Randhawa was recognized for her dedication in promoting the safety of all her classmates at Memorial Public School.

Division 10 received the James Elliott Safe Driving Award for the best police vehicle accident record.

Detectives David Doel and Hank Thorne were honoured with the Thomas J. Fitzgerald Memorial Award for excellence in forensic services.

Congratulations and thanks to these and to all other winners for making Hamilton a safer place to live.

S. O. 31

LIBERAL PARTY OF CANADA

Mr. Brian Pallister (Portage—Lisgar, CPC): Madam Speaker:

Quebec Referendum, Liberals were sighing,
Chrétien to the rescue: let's get the flags flying.
We gave a few million to friends no denying,
But damn the taxpayer, the Liberals are buying.

The ad scam debacle, the Libs claim it's petty.
The Auditor General and Gomery prying,
Grits throwing money just like it's confetti,
A billion a day and the Liberals are buying.

Now comes the budget vote; could be a tight one.
Buying the NDPs so satisfying,
Five billion dollars of pure desperation,
Screw fiscal prudence, the Liberals are buying

Lure a defector, it's winning conditions.
Ambition's alive, but integrity's dying
Principle's traded for cabinet positions,
Put on your price tags, the Liberals are buying

* * *

PRINCE EDWARD ISLAND

Hon. Shawn Murphy (Charlottetown, Lib.): Madam Speaker, I would like to take a moment of the House's time to extend an invitation for all to visit Prince Edward Island this summer.

Prince Edward Island has long been recognized as one of the world's top island destinations. There is something for everyone, from scenic touring to cultural experiences to outdoor activities.

Please come and spend some time on our famous beaches, enjoy our first class golf courses, take in one of the many seafood festivals or explore the timeless world of Anne of Green Gables.

Why not spend Canada Day in Charlottetown, the birthplace of Confederation. Enjoy the festival of lights, then spend an extra week for the jazz and blues festival. Harness racing fans like myself are already looking forward to the Gold Cup and Saucer Race during August.

Visit Prince Edward Island this summer. It is sure to be an unforgettable vacation.

* * *

[Translation]

CHRYBOTILE ASBESTOS

Mr. Marc Boulianne (Mégantic—L'Érable, BQ): On May 31, thanks to the efforts of the Bloc Québécois, the Subcommittee on International Trade, Trade Disputes and Investments heard witnesses from the Thetford and Asbestos Mouvement ProChrysotile.

A number of developments have been supportive of the use of chrysotile: International Labour Organization Convention 162, the Quebec policy on the use of chrysotile, the Rotterdam convention, and recent studies on biopersistence.

S. O. 31

The second report of the Subcommittee on International Trade, Trade Disputes and Investments, which was tabled in this House on June 17, and unanimously accepted, recommended that the Government of Canada: develop a national chrysotile policy based on the research, promotion and safe use of this product; conduct a comparative study on the “hazardous nature” of replacement fibres and chrysotile; and organize a public education campaign on chrysotile and, in so doing, promote the safe use of this product domestically and internationally and encourage its own use of chrysotile asbestos.

* * *

• (1405)

[*English*]

BREAST CANCER

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Mr. Speaker, cancer is a word that strikes fear in the hearts of all Canadians and breast cancer is one of the most prevalent forms of this terrible disease. Fortunately, there are many caring Canadians who in their determination to help find a cure for cancer have created new and original ways to raise funds for research.

I rise today to praise the accomplishments of four such creative individuals from my riding of Lac-Saint-Louis, Louise Barré, Michele Sanderson, Marilyn Moffat and Bibi Pelletier.

While the official Weekend to End Breast Cancer Walk was held a few weeks ago, these four resourceful individuals modified the “walk” to a “meal”. Those wishing to sponsor them were treated to a variety of delicious meals that ranged from Asian delicacies to Italian submarines to an old-fashioned family barbecue.

I join my constituents in congratulating Louise Barré, Michele Sanderson, Marilyn Moffat and Bibi Pelletier on their selfless concern for others.

* * *

MITCHELL CREEK BRIDGE

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, the Township of South Frontenac recently announced a plan to replace the 75-year-old bridge over tiny Mitchell Creek. Originally the plan was for the new bridge to be the same height as the old one. The low clearance of the existing span allows canoes and small boats to pass under the bridge, but keeps out jet skis and other more powerful watercraft.

By good fortune this has preserved the creek's pristine environment. Local nesting sites, for loons at the water's edge and for bass just under the surface, have been destroyed elsewhere by boat wakes and turbulence but not in Mitchell Creek. This is about to end.

Transport Canada wants to force the township to raise the height of the bridge because it has decreed that Mitchell Creek is a navigable waterway that must be opened to boat traffic. Leaving aside the additional \$60,000 cost, Transport Canada's rationale is preposterous. Mitchell Creek connects two small lakes that are completely cut off by dams from external waterways, besides which the creek is so shallow that a non-swimmer can wade across it.

I therefore call upon the ministry to revoke this decision and allow the municipality to build a bridge like the one that has served the community and the environment so well for 75 years.

* * *

REGION OF FESTIVALS

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Mr. Speaker, the riding of Thunder Bay—Rainy River is indeed a region of festivals. Throughout the year and especially during the beautiful summer months, communities across the riding host a variety of themed events. Of note are the upcoming Thundering Women Festival, the Atikokan Outers 40th anniversary reunion, the Thunder Bay Blues Festival, the Fort Frances Canadian Bass Championship, Pinewood Sports Days, Chapple Days, the home of Chapple pie, the Morson Bass Classic, and the Rainy River Giant Pumpkin Festival. In addition, the Seine River, Lac La Croix, Fort William and Stanjikoming first nations will each host a powwow.

I am pleased to take this opportunity to congratulate the thousands of volunteers across the riding who organize these events in an effort to enhance our communities and increase tourism. I would also like to invite my fellow parliamentarians and indeed all Canadians to visit our region of festivals and enjoy the northern hospitality of Thunder Bay—Rainy River.

* * *

[*Translation*]

WORLD REFUGEE DAY

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): Mr. Speaker, today is World Refugee Day, and this year's theme is “To Feel at Home”.

The Bloc Québécois acknowledges the courage of the refugees of this world, salutes those who so generously provide them with assistance, and affirms our determination to defend their rights.

Some federal government policy changes are in order, particularly with respect to deportation practices and detention conditions, in keeping with recommendations from the UN committee against torture and the working group on arbitrary detention.

As for implementing the refugee appeal division, the government is not even respecting its own legislation enacted back in 2001.

The delays in unifying families have become a major problem, making refugees suffer needlessly and hampering their integration into their host communities.

The federal government must act promptly in order to remedy this situation. What better occasion to do so than this, World Refugee Day?

[English]

MULTICULTURALISM

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, this past weekend I attended the 21st annual Multicultural Festival held in my riding of Dartmouth—Cole Harbour. This festival brings together thousands of people of all races and cultures, people who share their heritage, music and food. Multiculturalism is fundamental to our belief that all citizens are equal. We must continue to ensure that all citizens can keep their identities, take pride in their ancestry and have a sense of belonging here in our shared country.

It was in 1971 that Canada adopted the first multiculturalism policy in the world. In doing so, we affirmed the value and dignity of all Canadians regardless of racial or ethnic origin, language or religious affiliation.

I congratulate Dr. Brig Pachai and everyone at MAN for their success. I especially acknowledge my dear friend Mukhtyar Tomar for years of dedication as chair of the festival committee.

When we celebrate our first nations people and all who have come to Canada from different lands, we celebrate the very best of our country, a nation of diversity, peace and strength.

* * *

• (1410)

EASTERN ONTARIO

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, the Liberal Party must really have it in for us folks here in eastern Ontario.

First, the Prime Minister shortchanged Ottawa and other Ontario municipalities to pay for an enhanced deal for Toronto. Ottawa, including its suburban and rural communities, should get the same number of infrastructure dollars per capita as Toronto.

Second, the Liberal cabinet refused to give our community hospital control over its own land. The Queensway-Carleton Hospital says that Liberal rent on the land will thwart plans for improved patient care and more family doctors. In fact, it could cost as many as 40 nurses at that hospital. Maybe the government needs the money from the hospital to pay the rent on that empty building owned by a Liberal friend over in Gatineau.

Or maybe we in eastern Ontario have had enough of Liberals taking us for granted. Maybe it is time for a Conservative government.

* * *

WORLD REFUGEE DAY

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, the United Nations High Commissioner for Refugees has declared June 20 World Refugee Day. I would like to take this opportunity to remark upon the tremendous work the UNHCR has done internationally over the last 50 years.

World Refugee Day is also an opportunity to celebrate the invaluable contribution refugees have made within our borders,

S. O. 31

choosing Canada as more than a safe haven, choosing Canada as a home.

The UNHCR, since its inception in 1950, has won two Nobel Peace Prizes for its provision of protection and assistance to more than 17 million refugees around the world. World Refugee Day gives all of us a chance to reflect upon all that has been accomplished, the lives that have been saved, the new beginnings, and the open arms that have greeted those with nowhere left to turn in their own lands.

Last year the Government of Canada welcomed more than 15,000 refugees because we know how much they bring to this country. Let me just say how proud we are that they have chosen to call Canada their home.

* * *

FINANCIAL SERVICES

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, payday lenders and cheque cashers continue to reap profits from Canada's poorest and most vulnerable citizens because of the government's inaction.

In neighbourhoods like Winnipeg's north end, lax rules on banking services have allowed all major banks to simply pull up stakes and leave for more profitable pastures, paving the way for high interest payday lenders to enter.

My constituents are fighters, not victims, however, and are organizing through the Alternative Financial Services Coalition to provide access to non-profit financial services for their community.

The North End Community Renewal Corporation, SEED Winnipeg and Assiniboine Credit Union are all playing a part, as are many volunteers adding their energy and time.

Regrettably, one important contributor to this effort, Nancy Barbour, suddenly passed away last week. In remembering Nancy's contributions, we take time to thank all those who work tirelessly to improve our communities.

I call on the federal government to quit dithering and put its full resources into ensuring equal access to low cost financial services for all Canadians.

* * *

AGE OF CONSENT

Mr. Myron Thompson (Wild Rose, CPC): Mr. Speaker, the other day I had the honour to be interviewed by Roy Green. He was interested in my private member's bill that would raise the age of consent from 14 to 16 years.

Oral Questions

During our interview he mentioned that he had asked the Prime Minister why his government would not support legislation to raise the age of consent. This is how the Prime Minister responded, “Well, this is an...this is an issue that...that, you know, that...that Parliament is in the process of debating. These are...these are very important social issues, and I think that what we've got to do is allow the debate to allow it to unfold. One of the...one of the ways in which the changes I wanted to bring to Parliament is to give the parliamentary committees the ability to go out, to reach out and to discuss all of these issues. And again, the whole question of the parliamentary...you know, the democratic deficit, is something that the House leader is working so hard on”.

That answer is appalling. The Prime Minister was asked a direct question that is of great concern to every Canadian. How dare he ignore it. Sooner or later Canadians will realize that—

* * *

• (1415)

[Translation]

RIDING OF DRUMMOND

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, I am pleased to recognize the involvement and success of my riding's 20 most influential Quebecers.

They are: Bernard, Laurent and Alain Lemaire of Cascades; Francine Ruest-Jutras, the mayor of Drummondville; José Boisjoli, the head of Bombardier Recreational Products; actress Karine Vanasse; owner of Pétro-T, Léo-Paul Therrien; Martin Dupont, director general of the Société de développement économique de Drummondville; the owners of the giant firm Canimex, Roger Dubois, and of Soucy Holding, Gilles Soucy; the artistic and general director of Mondial des cultures, René Fréchette; veteran comedian, Daniel Lemire; the director general of the Corporation du Centre culturel de Drummondville, Roland Janelle; the humorous quintet Les Trois Accords; and Patrick Sénécal, a novelist known for his bestseller *Sur le seuil*.

No two ways about it, these people make a huge difference to our community, our culture and our industry.

* * *

[English]

BURMA

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Mr. Speaker, hundreds of Burmese democracy activists yesterday marked the 60th birthday of their leader Aung San Suu Kyi, Burma's pro-democracy leader and a Nobel Peace Prize winner, who has been under house arrest for more than two years. She is one of thousands who have been arrested by Burma's ruling junta and now languish in jail.

The generals prevent citizens from exercising their basic political rights. The constitution has been suspended since 1988 and there has not been an election since 1990. Human rights abuses include forced labour, torture, the use of rape as a weapon of war, and child soldiers. Millions live without the most basic health care or education. Yet the Liberal government does nothing, waiting for a multilateral solution that will never materialize.

It is time to abandon our sheepish line and take tough action so that the people of Burma may have the chance to freely express their views and be represented by the leaders of their choosing.

* * *

[Translation]

EDMUNDSTON JAZZ AND BLUES FESTIVAL

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, two days from now, the Edmundston jazz and blues festival will swing into its 11th year. The event, which has become a must over the years, draws thousands of spectators each year, who return to move to the rhythms of jazz and blues by local, Canadian and international artists.

The festival has become very popular since it started 11 years ago. It has given people an opportunity to discover jazz and blues and to appreciate their musical complexities.

As the member for Madawaska—Restigouche, I am really happy that such an event can take place in my riding. I want therefore to thank the organizing committee of Edmundston's 11th jazz and blues festival and the volunteers who will be helping out at the event, which takes place from June 22 to 25.

I invite everyone to come and take part and discover the magnificent region of Madawaska—Restigouche.

ORAL QUESTION PERIOD

[English]

CHILD CARE

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, as with so many Liberal promises, the details and results of the government's child care scheme remain a mystery.

The Minister of Social Development has admitted that \$5 billion over five years will not create a system. He further admitted that he does not know how much money it would cost to create a system.

Now that the government has given him several hundred million dollars, could he at least tell us how many more child care spaces parents will see this fall?

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, the question is whether the budget bill passes. If the budget bill passes, then there will be \$700 million that will pass to the provinces and to the territories. That \$700 million will represent an increase of about 30% on all money that is now being spent by the different provinces and territories by all levels of government.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, we should have known that not passing the budget would not stop announcements but passing it will not guarantee any results.

At best, the minister's plan to give all the money to bureaucrats and advocates will benefit a tiny group of children. It will leave most parents behind, including, obviously, those who work shift work, and those who use non-institutional options.

Why not give at least some of the \$5 billion to parents and children themselves, as New Brunswick proposes to do?

Oral Questions

• (1420)

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, I need to remind the hon. member that a year ago, at this particular stage, early learning and child care in this country was fairly static. During the election campaign, the government decided to make a campaign promise of \$5 billion over five years.

The party on the other side of the House made a campaign commitment that would result in an increase of about \$320 per child per low income family. That is the difference between these two parties.

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, the difference is that parents so far have not seen anything from the government and from this party they would have seen something by now.

[Translation]

Parents and the provinces want to be able to decide which child care system suits them best. With regard to the child care model that the minister wants to impose, Bernard Lord, the Premier of New Brunswick, said that he did not appreciate the federal government dictating what the province had to do.

Why is the minister continuing to ignore the provinces' demands for greater flexibility?

[English]

Hon. Ken Dryden (Minister of Social Development, Lib.): I am sorry, Mr. Speaker, I did not hear the question.

[Translation]

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, there are over 30,000 children waiting for child care in Quebec. It is clear that Canadian parents simply need more money in order to have choices.

A Conservative government would provide significant cash subsidies, directly, for each Canadian child, no matter how much their parents make. That way, the parents could have the child care services they choose.

When will the Prime Minister recognize that all parents want choice?

[English]

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, those of us on this side of the House very much welcome the comments that are being made from that side of the House.

The difference, however, is that we have not heard anything more than a suggestion that something will be forthcoming. However, nothing has been forthcoming and therefore it is not possible to comment on what is being suggested.

What we know is that this government has committed \$5 billion over five years, a 48% commitment, which is an increase on what is currently being spent.

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, last week the *Montreal Gazette* said that a Liberal one size fits all day care plan was unfair and discriminated against shift workers, people who live in rural areas and stay at home parents.

A Margaret Wenté article in *Reader's Digest* said that the Liberal day care program would not help poor children. We have been arguing this for months. Instead of putting the money into a program that only benefits some, we would give money to every Canadian child.

When will the Prime Minister stop supporting a program that discriminates against so many families?

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, I might remind the hon. member, in terms of the comments she made about rural and remote child care, that the province of Saskatchewan by the third year will have an increase of 95% on what it is that is currently available for child care within the province from governments; the province of Manitoba, 48%; Ontario a 69% increase; the province of New Brunswick, 132%; Nova Scotia, 90%, the province of Newfoundland, 130%

* * *

[Translation]

BROADCASTING

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, radio in the 21st century is satellite radio. On June 16, the CRTC granted three subscription radio licences without requiring sufficient French content. The Quebec culture minister as well as the record industry have denounced this decision, describing it as a threat to Quebec culture.

Does this government intend to respond to the minister and ADISQ, who are calling for it to consult with stakeholders in order to get their opinion on how much French content would be appropriate on subscription radio?

• (1425)

Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.): Mr. Speaker, these decisions will have a significant impact on the broadcasting system. These decisions can also be appealed. We know that some groups intend to do so. Accordingly, I reserve comment until later on.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, while the Broadcasting Act requires Canadian and French content proportionate to demographics, the CRTC has made a decision that disregards the very intent of the law. Not only is 10% Canadian content far from enough, but 2.5% French content is totally unacceptable.

My question is for the minister. Since she is an advocate for cultural diversity, could she not take leadership and express her opinion in order to help the groups feel more confident about their appeal?

Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.): Mr. Speaker, we cannot be both judge and jury. We know that some groups are going to appeal the decision. Accordingly, we are reserving judgment. In the meantime, we will consider the consequences of the ruling and hear the appeal if there is one.

Oral Questions

Mr. Maka Kotto (Saint-Lambert, BQ): Mr. Speaker, enough sophistry. The decisions made today will define the way subscription radio is regulated for decades to come. So it is fundamental and vital that the government take the time needed to make the right decision.

Will the Minister of Canadian Heritage, in all transparency, grant the request of Quebec's culture minister, Lyne Beauchamp? She wants the federal government to do whatever it takes to better protect French content on subscription radio.

Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.): Mr. Speaker, here is how it works. Various groups have said they intend to appeal the decision. They have 45 days in which to do so, and we have 45 days in which to respond. As usual, we will act in accordance with our responsibilities in this matter.

Mr. Maka Kotto (Saint-Lambert, BQ): Mr. Speaker, this is a golden opportunity in broadcasting, an outstanding opportunity to protect cultural diversity.

Will the minister admit that the 2.5% share for French language satellite radio is clearly insufficient? Will she do everything in her power to correct this situation?

Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.): Mr. Speaker, since I have been given an opportunity to say something about cultural diversity, I am pleased to point out that 128 countries have approved the preliminary text on cultural diversity and that, last week, 60 countries maintained their support for this convention, which should be signed in October 2005.

With regard to the CRTC decision, I will accept my responsibilities. The parties have 45 days to appeal, and we have 45 days in which to respond.

* * *

[English]

CIVIL MARRIAGE ACT

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, my question is for the Prime Minister.

We now have a majority of MPs, a majority of citizens and most courts in Canada that support equality and yet it is still not here. In fact, there does not even appear to be an end in sight to this debate.

This morning the Prime Minister indicated that he felt that ensuring that the charter of human rights was put in place, enforced and strengthened was his responsibility.

After so many years of waiting for equality, how can we know that the Prime Minister takes it seriously? What are his specific steps to bring this new law into place?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, we are strong and unwavering in our commitment to see Bill C-38 pass but we want to ensure that all members have the opportunity to debate it. I must say that if the opposition would stop its filibustering and obstructionism, the fact is that we could see it passed.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, what does it take for the Prime Minister to finally lead on the issue? He waited for the courts. He has the courts. We have two opposition

parties willing to help bring this bill through. A majority of his own caucus supports the bill. What we need is the Prime Minister to show some leadership.

Will he propose the steps necessary in this House so that this law can become law this spring and we will wait no longer?

● (1430)

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, it was the Prime Minister and this government that brought this law to the House. It is this government that continues to fight to ensure equality of rights and protection of religious freedoms. It was this government and the justice minister that provided amendments in committee to provide greater certainty with respect to religious freedoms.

Finally, I would say to the hon. member that every necessary step to ensure passage of this legislation is taking place.

* * *

NATIONAL SECURITY

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, in the mid-1990s, CSIS agents estimated that Canada was losing \$1 billion a month due to espionage. In the United States, with an economy 10 times our size, it was losing \$2 billion a month. The Americans brought in the economic espionage act in 1996. In Canada we can only use theft over \$5,000 charges and have done nothing to modernize our laws to protect Canadian corporate interests.

With an estimated 1,000 Chinese spies operating in Canada, our companies are being targeted and our economies are being hurt. What has the Prime Minister done to protect Canada's interests since this shocking information was brought to his attention?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, the hon. member is not quite correct. In our anti-terrorism legislation, passed in December 2001, we contained amendments to the Security of Information Act which did indeed create offences and penalties for economic espionage, another example of how we are working to protect all Canadians and their interests.

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, it has had no impact.

Michael Juneau-Katsuya, a former head of CSIS Asia-Pacific desk, says that other than terrorism the greatest national security threat is economic and industrial espionage.

As far back as 1999, Senator Kelly argued that a special Senate report on security and intelligence said that CSIS did not have a mandate to investigate corporate espionage; spying done against Canadian companies. He warned that our advanced industrial and technological sectors made us attractive and vulnerable to spying.

Oral Questions

When will concrete action be taken to protect Canadians from corporate espionage?

Hon. Anne McLellan (Deputy Prime Minister and Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, as I just indicated, concrete action has been taken, which is why we have new offences and new penalties in the Security of Information Act.

Today my colleague, the Minister of Industry, will be announcing changes to the Investment Canada Act which make national security a paramount concern in decision making around foreign investment in this country.

We continue and will continue to review our laws to determine that which is needed to ensure that we are protecting all interests, including economic, of Canadians.

* * *

TECHNOLOGY PARTNERSHIPS CANADA

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, Technology Partnerships Canada is again under scrutiny for its misuse of taxpayer dollars.

According to The Canadian Press, Industry Canada has ordered a massive audit into \$490 million in handouts to dozens of technology firms. The department has already uncovered four cases where a lobbyist received more than \$2 million in forbidden commissions.

Is it not true that this audit is so damning that the industry minister has had to establish a full team of audit control specialists, a damage control team, to try to assuage this audit?

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, as a matter of fact, the payments that were made were part of a routine audit conducted by Industry Canada. It is part of the due diligence that our department does in reviewing Technology Partnerships' contributions. It was uncovered. We did identify \$3.7 million in payments to intermediaries that are prohibited under the terms and conditions of Technology Partnerships. We have recovered every cent and we are broadening the audit as a pre-emptive measure to ensure that there are no further instances of improper payments.

Mr. James Rajotte (Edmonton—Leduc, CPC): Mr. Speaker, we expect that audit will be made public then. In fact, Technology Partnerships Canada has spent over \$2 billion since 1996. Now we learn through the media that \$2 million in forbidden commissions has been received by at least one lobbyist. This revelation has finally prompted an audit of this program, which this party has been calling for for years, yet the investigation remains incomplete and there is no word on when the audit will be completed.

It is starting to look like another sponsorship scandal or firearms registry fiasco. When will Canadians finally get the truth on this program? When will the industry minister finally come clean on this program, that over \$2 billion—

• (1435)

The Speaker: The hon. Minister of Industry.

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, since I have been in the House I have heard a lot moaning and groaning and criticism of Technology Partnerships in spite of the fact

that it has helped an awful lot of Canadian companies to become success stories, like Research in Motion.

We will complete the audit. I will produce a summary report by late September of this year.

* * *

[*Translation*]

EMPLOYMENT INSURANCE

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, last weekend, a group of people from the coalition des Sans-chemise demonstrated in the Saguenay—Lac-Saint-Jean region for justice in EI.

How can the Prime Minister, who has on many occasions made formal promises to the Sans-chemise, now continue to reject the proposals by the Standing Committee on Human Resources, Skills Development, Social Development and the Status of Persons with Disabilities that the unemployed be treated fairly and equitably?

[*English*]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, we conduct an annual monitoring and assessment of the EI program in order to ensure that it better meets the needs of Canadian workers.

I would happy to work with my colleague across the floor to look into this situation.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, the Sans-chemise ask the new minister to honour her previous stand and vote for Bill C-280, which was introduced by the Bloc Québécois to create an independent fund.

Is the minister going to persist in taking the direction she has chosen since becoming a Liberal and will she too betray these people who need her to defend them instead?

[*English*]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, in fact I think great steps have been taken in the last budget to strengthen the independence of the EI commission, the way it sets its rates, the independent actuary in the process, and the way it reports that information. I think great steps have been taken in the last budget to address those items.

Oral Questions

[Translation]

CANADIAN FORCES

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, once again, with respect to the choice of the Canadian Forces ombudsman, the Prime Minister, having promised greater transparency and more power for MPs, has said one thing and done another.

Will the Prime Minister agree that the screening process involving only representatives of the Privy Council, the PMO and the Department of National Defence is a perfect example of non-transparency and a continuation of the culture of secrecy?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, the ombudsman position was advertised and applications were submitted. The selection process was open, transparent, correct and standard. All candidates were considered according to the usual procedures in our system. There was nothing different in our process.

I am confident that Mr. Côté, whom we chose, is an upstanding individual who will work conscientiously for the good of the Canadian Forces. I am certain that the committee will, after reflection, be convinced that this is a good appointment.

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, the committee has, in fact, reflected on this. How, despite the dissenting opinion of the Standing Committee on National Defence and Veterans Affairs, can the Minister of National Defence defend his decision to hire Yves Côté, who spent part of his career specifically representing DND interests and, what is more, was involved in narrowing the ombudsman's mandate when the position was created?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, obviously, the members and I differ on this. I believe I have selected someone with great familiarity with the position, having been the one to define it, as well as with the workings of Canadian government. This is exactly the kind of person most suited to represent the Canadian Forces within the system.

Mr. Côté possesses the talent, integrity and professionalism required for this position. I will discuss this further with my committee colleagues, but rejecting this choice solely for political reasons is, in my opinion, really not acceptable.

* * *

● (1440)

TRANSFER PAYMENTS

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, Jean Charest said, "There must be a moment of reckoning on the issue of equalization payments". We have been waiting for that moment for a long time. The only thing this Prime Minister has done with respect to the fiscal imbalance is unite the provinces against Ottawa.

When will the Prime Minister implement a national plan to resolve the fiscal imbalance issue for all the provinces?

[English]

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, with respect to the allegation of fiscal imbalance, it should be noted that because of the decisions taken by this government over the course of the last 12 to 15 months, there will be a new revenue

stream flowing to the provinces for health care and a variety of other programs totalling well over \$100 billion over the next 10 years, which is a major improvement.

In terms of the details of the equalization, we have established an expert independent panel of eminent Canadians to offer us advice on the distribution formula before the end of this year.

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, what the Prime Minister has done, for a man who is terrified of piecemeal solutions to Senate reform, is he has adopted absolute piecemeal approaches and has refused to take a systematic approach to the disequilibrium problem.

The gap between what Ontarians give to the federal government and what they get back has grown by several multiples since the Prime Minister took over the finance ministry in 1993. Ontario's fiscal imbalance now amounts to thousands of dollars per family per year.

Could the Prime Minister explain how cutting side deals with individual provinces is better value to taxpayers than having a comprehensive national agreement to end the fiscal imbalance?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, Ontario's contribution to national programs is naturally quite large because Ontario is the largest and wealthiest province within Confederation. It is a province that has the largest number of the highest income taxpayers.

At the same time, over the last period of time we have increased transfer payments to benefit Ontario both in terms of health care and a variety of other transfers. Most recently was last Friday with major announcements having to do with the transfer of money to support cities and communities in Ontario of \$1.8 billion.

* * *

NATURAL RESOURCES

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, the sun is shining in Manitoba and North Dakota and it is starting to dry up. We are only a matter of days away from the opening of the Devils Lake diversion. This weekend North Dakota Governor Hoeven challenged Canada and said that if we want a sand filter as recommended by the U.S. Army Corps of Engineers, we should put out the \$20 million to buy it.

Since the government has been unable to convince the U.S. to make a joint referral to the IJC, will it take up Governor Hoeven's challenge, work with North Dakota and protect Manitoba's waterways?

Hon. Stéphane Dion (Minister of the Environment, Lib.): Mr. Speaker, obviously we are working with North Dakota. We have many allies in North Dakota who think that the outlet should not be opened as long as there has not been a proper environmental assessment. We are building on this in order to make sure that the best thing will be done. We will not go ahead without having all the assurance that the biotic quality of the water will be protected.

Oral Questions

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, with all due respect, that is a little hard to believe because the fact of the matter is the government has been in power for over a decade and nothing has happened. Lake Winnipeg is the 10th largest freshwater lake in the world. When this diversion is opened, Lake Winnipeg will be impacted on in a very major way.

Will the government stop neglecting Manitoba's waterways and do something concrete to ensure that this diversion will not open until a proper environmental impact assessment is done and not just talked about?

Hon. Pierre Pettigrew (Minister of Foreign Affairs, Lib.): Mr. Speaker, this is precisely why the Minister of the Environment and I have been working very hard. I am grateful to the Prime Minister who has discussed this issue with President Bush. We have been a team. The file is being reviewed by the Council on Environment Quality. Our officials have met twice to obtain exactly what it is that we want to have for the IJC. Should we not get it that way, we will get it through these negotiations. We will have been meeting exactly the objectives we had in mind when we started.

* * *

INFRASTRUCTURE

Mr. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, last Friday was a great day for all Ontario communities. The government delivered again on a new deal for cities with the signing of a gas tax deal with \$1.8 billion for Ontario and a public transit agreement worth \$310 million. The mayor of Mississauga called this deal monumental and I completely agree with her assessment.

Could the Minister of State for Infrastructure and Communities tell us whether all parties in the House are listening to their communities and supporting this deal?

•(1445)

Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.): Mr. Speaker, the new deal agreements we signed for Ontario on Friday are fantastic news for communities large and small. The deal delivers new funding and new respect to the province's communities. That is why the mayor of Toronto called it "a huge, huge victory".

Unfortunately the official opposition has consistently worked to undermine that success by opposing funding for transit which cities need badly, and by treating municipalities as stakeholders instead of partners. That is not good enough and Ontario's communities know it.

* * *

INTERNATIONAL COOPERATION

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, whether it is fighting poverty at home or abroad, the government leaves a lot to be desired.

My question is for the finance minister, who after years of Liberal back loading budgets is now attacking Europe for back loading its budgets on foreign aid.

I know it is a lot to ask a Liberal to be consistent or take responsibility for their actions instead of attacking others, but here goes. If the finance minister does not support Canada keeping our promise on foreign aid, why did he run for a party that pretends to?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, indeed the Government of Canada must keep its promises on foreign aid. That is the very reason we are careful about making those promises and make sure the performance lives up to the commitment.

Bob Geldoff has said that we should focus on debt relief, doubling aid, improving the terms of trade and reducing corruption. The Government of Canada is hard at work on every one of those things. We are completely consistent with the international objective.

* * *

CHILD POVERTY

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, the government is not honouring its international covenants on social and human rights at home.

UNICEF has rated us 19 out of 26 on child poverty. Last month Statistics Canada under-reported the level of poverty by 750,000. That is a number as big as the population of Winnipeg. Last week in its scathing report the National Council of Welfare said that our social safety net is in tatters.

Will the Minister of Social Development commit today, at the very least, and finally to end the clawback of the national child tax benefit supplement for our most at risk—

The Speaker: The hon. Minister of Social Development.

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, as the hon. member knows, there are a few provinces that are clawing back. The great majority now are not. It is certainly something that bears close watching.

As the hon. member knows, there is that much more money that is going into the national child benefit. It will be up to over \$10 billion in 2007. There has been an evaluation recently that shows it is having an impact. At the end of June we will be having federal, provincial and territorial meetings. We are going to see what has happened with the NCB since 1998—

The Speaker: The hon. member for Lethbridge.

* * *

AGRICULTURE

Mr. Rick Casson (Lethbridge, CPC): Mr. Speaker, in an unprecedented decision, Conservative members of Parliament and senators have been given the right to represent Canadians in a foreign court.

Oral Questions

Conservative Party members are being granted the right to present a brief supporting the Canadian cattle industry in the U.S. district court in Billings, Montana on July 27. The official opposition will be in the courtroom fighting for Canadians but the government will not.

Why is the government so incompetent that it has been left to the official opposition to stand up and fight for our ranchers and farmers?

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, it is sad to have to disappoint the hon. member, but whereas he may be waiting for July 27 to go into court, Canada will be represented on July 13 at the appeals court which is being heard first.

We want the temporary injunction overturned. We filed an amicus brief and that was accepted. While those members may have been here cackling with one another and throwing insults across the aisle, I was in Washington on Friday working with the USDA to in fact get the border open.

• (1450)

Ms. Diane Finley (Haldimand—Norfolk, CPC): Mr. Speaker, I think the minister needs to figure out which hearing is for which because on July 27 the security of Canada's beef safety system will be on trial in a Montana court. Thankfully, Conservative Party parliamentarians will have a voice at that hearing. Shamefully the Liberal government will not.

Could the Minister of Agriculture please explain to Canadian cattle and livestock producers why he has left it to the official opposition to do the government's job of defending Canada's farmers in international courts?

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, I will repeat again that we have standing at the appeals court and the issue at hand is to have the temporary injunction quashed. We have been working with the U.S. Department of Agriculture to have that take place.

We have also engaged with the U.S. Department of Agriculture on an ongoing basis to bring into force its particular rule that would see the re-establishment of trade in live animals between our two countries. We have been committed to doing that for the last two years. We have seen more than \$2 billion invested to support our industry and we will continue to do that in the weeks ahead.

* * *

VETERANS AFFAIRS

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, in typical Liberal fashion, the government speaks out of both sides of its mouth on agent orange. On the one hand it blames other jurisdictions, other governments and agencies. On top of this, it suggests more study and more consultation, in the meantime quietly compensating at least two victims.

Is the government now indicating that due diligence was not followed in these cases? Where does this leave the 300 or more outstanding claims presently on the minister's desk, in addition to the civilian cases?

Hon. Albina Guarnieri (Minister of Veterans Affairs, Lib.): Mr. Speaker, it is never easy to correct the errors of history, but this

is a government that has always put the interests of veterans first. There was nothing quiet about delivering pensions for three veterans who were affected by agent orange. We will deliver for Canadians who are suffering from decisions of the past, and that is a record we will maintain.

Mr. Greg Thompson (New Brunswick Southwest, CPC): Mr. Speaker, the government has known about this file since 1981 and has done nothing. It has been in power, I want to remind members, for 12 years. We want action, not platitudes.

This minister is the master of platitudes. We want action on this file. Never once has she ever mentioned the word civilian either, in addition to the military files out there. When is she going to do something?

Hon. Albina Guarnieri (Minister of Veterans Affairs, Lib.): Mr. Speaker, Canadians can expect that this government will treat our veterans fairly and with proper due diligence. We will take the time necessary to review the cases so that we can be accurate and fair and not a minute longer.

* * *

[*Translation*]

INDUSTRY

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, Technology Partnerships Canada has unfortunately been a victim of such embezzlement that the government has had to launch an investigation into payments to lobbyists of companies that benefited from this program.

Does the Minister of Industry promise to make public the arrangements made with the four companies originally investigated?

[*English*]

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, for any company that is a recipient of a Technology Partnerships contribution, where there is an error that has been made, it has to be released publicly. On the balance of the audit, we will make a summary report public as soon as we have it available.

[*Translation*]

Mr. Paul Crête (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, these four cases raised so many questions that the minister had to launch a much broader investigation into the 47 companies that received \$490 million from the Technology Partnerships Canada program.

Does the minister promise to make the results of this broader investigation public as soon as possible?

[*English*]

Hon. David Emerson (Minister of Industry, Lib.): Mr. Speaker, as I said, we will be making a summary report public. This was part of a routine audit, which we are undertaking all the time. I would think the hon. member should be congratulating Industry Canada people for the diligence they apply in managing these programs and protecting taxpayers' money.

Oral Questions

•(1455)

INFORMATION COMMISSIONER

Mr. David Tilson (Dufferin—Caledon, CPC): Mr. Speaker, last week a motion from the Standing Committee on Access to Information, Privacy and Ethics was overwhelmingly supported by a vote held in this House, 277 to 2 in favour of extending Information Commissioner John Reid's term by one year.

Can the government advise this House if Commissioner Reid's term has been extended on the order of this House, and if not, why not?

Hon. Reg Alcock (President of the Treasury Board and Minister responsible for the Canadian Wheat Board, Lib.): Mr. Speaker, I can assure the hon. member that we pay attention to the House orders. I am looking carefully at it and we will come forward with an OIC when necessary.

* * *

NATIONAL DEFENCE

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, both the rank and file soldiers and now a parliamentary committee have rejected the government's hand-picked military ombudsman. The minister could have known that someone who acted as legal counsel to the defence officials who sought to limit the powers of the ombudsman would be rejected by the soldiers. They fear retaliation and reprisals for speaking out.

Why is the Prime Minister so afraid of having an independent watchdog for the military?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, at the moment as the position stands, a highly skilled person who had extensive experience in the government and was capable of representing our men and women with a great deal of integrity was put before the committee and was rejected by a vote of two of the opposition parties. I do not think the hon. member can lift that up into being a rejection by our armed forces.

What our armed forces want is somebody who is capable, competent and professional and who will act in their interests. I believe that Mr. Côté has those capacities and I am willing to continue discussing that with the committee, but let us not say that our armed forces have rejected it. This was a political decision that two parties—

* * *

[Translation]

HAITI

Mr. Pablo Rodriguez (Honoré-Mercier, Lib.): Mr. Speaker, there is much concern about the political, social and economic situation in Haiti. The future of our Haitian friends is in their own hands, of course, but it also depends on the efforts of the international community.

Canada hosted the Montreal International Conference on Haiti on June 16 and 17. Could the Minister of Foreign Affairs tell us the outcome of this conference?

Hon. Pierre Pettigrew (Minister of Foreign Affairs, Lib.): Mr. Speaker, first and foremost, people should know that Canada is determined to promote democracy in Haiti, and nothing will stop us.

This conference in Montreal was an opportunity to review the progress and the problems one year after the mobilization of the international community. The Haitian government has identified its priorities in terms of security, energy, social gains and rapid job creation. We have mobilized \$40 million for these immediate priorities of the Haitian government in these areas.

A proposal was made to the government to give Elections Canada an international mission to monitor Haitian elections—

The Speaker: The hon. member for Cumberland—Colchester—Musquodoboit Valley.

* * *

[English]

AGRICULTURE

Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC): Mr. Speaker, the agriculture science strategy received under access to information last week says at eight different places that when Nappan and Kentville experimental farms close, research will be moved to other provinces.

Why did the President of the Treasury Board tell the House on Friday that there would be no diminishing of research in Nova Scotia when the plan says that both farms in Nova Scotia are going to close?

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, there is no plan to close the Kentville station. As minister, I receive recommendations all the time from various sources on actions that I may want to take. We decided not to take that action.

Mr. Bill Casey (Cumberland—Colchester—Musquodoboit Valley, CPC): Mr. Speaker, it is not a memo, it is not a notice and it is not a recommendation, because recommendation number one for Nova Scotia is to close Nappan and step two is to close Kentville.

The Liberals have already announced they are closing Nappan. They cannot say it is a memo and they are not paying any attention to it.

Another answer we always get is that they say they want to put money into research and not into facilities, but this document says they are putting \$232 million into new buildings across the country. In Nova Scotia, they are just closing both farms.

•(1500)

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, let me make it clear about the approach we are taking in science. We want to ensure that we put the maximum amount actually on the science and the least amount on overhead. Over the next while we will engage in a very public, open and transparent process by which we can determine how we can take maximum advantage of the investments we are making in science from this government.

Privilege

[Translation]

INTERNATIONAL AID

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Mr. Speaker, instead of drawing up plans for achieving the 0.7% objective for international aid, the Minister of Finance is questioning how serious the European Union's efforts toward that objective are.

Instead of hemming and hawing, when will the Minister of Finance announce his plan to enable Canada to achieve its international aid objective of 0.7% of GDP by 2015, rather than the present target year of 2035?

[English]

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, we have obviously indicated that we wish to reach the objective and we are prepared to make a timeline commitment when we are confident that Canada can in fact keep that promise.

I would note that we have in the meantime invested \$3.4 billion in new foreign aid. We have invested \$342 million in the fight against deadly diseases in Africa. We have been leading the world in debt relief, and in Bill C-48 there is an incremental \$500 million which that party is proposing to vote against.

* * *

NATURAL RESOURCES

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, the boreal forest is an integral part of our country's ecosystem. It is incumbent upon us to undertake every possible action to protect this magnificent forest. What are the minister and the ministry doing to ensure the sustainability of the boreal forest?

Hon. R. John Efford (Minister of Natural Resources, Lib.): Mr. Speaker, in response to the hon. member's excellent question, in fact, not only is the boreal forest important to Canada, but it is very important to the world. My department is actively engaged with the industry, the provinces, the territories, academia and conservation organizations. We are going to continue these discussions to find ways to help the communities maintain the environmental sustainability of the boreal forest with good economy.

* * *

[Translation]

NATIONAL DEFENCE

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, in 1997, the federal government transferred ownership of the Tracadie firing range to the Province of New Brunswick for conversion to ecological and tourism development. The people of Tracadie are now concerned because of the recent information on the use of toxic herbicides at Gagetown, New Brunswick.

My question is for the Minister of National Defence. Can he confirm, yes or no, that shells containing highly carcinogenic substances were used on the Tracadie-Sheila firing range, as well as toxic herbicides?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, as is the case with the use of agent orange and other practices by the department in the distant past, we are prepared to examine each case where products were used which caused

problems and had harmful effects. We are, of course, concerned with the case of agent orange which, as I have said, was sprayed seven days a week for two years over Gagetown's lands. We will continue all our investigations on all our bases to determine whether other agents have been used.

* * *

JUSTICE

Ms. Paule Brunelle (Trois-Rivières, BQ): Mr. Speaker, according to the Montreal *Gazette* of June 13, the RCMP estimated in February 2004 that 800 people enter Canada annually to be sold, most of them in the sex trade. Traffic in human beings means their recruitment by some kind of intimidation or offer of payment by someone with authority over them, for purposes of exploitation.

What measures is the government taking to prevent this abomination of trafficking in people, trafficking in foreigners?

Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we have introduced a bill on this type of trafficking. We will fight both nationally and internationally in this regard.

I hope that all parties in the House will support this bill so that we can pass it in the near future.

● (1505)

[English]

The Speaker: The hon. member for Ahuntsic has given the Chair notice of a question of privilege. I will now hear from the hon. member for Ahuntsic.

* * *

PRIVILEGE

COMMENTS BY THE MEMBERS FOR MONTMORENCY—CHARLEVOIX—HAUTE-CÔTE-NORD AND CALGARY WEST

Hon. Eleni Bakopanos (Ahuntsic, Lib.): Mr. Speaker, during debate on private members' business on Monday, May 9, the member for Montmorency—Charlevoix—Haute-Côte-Nord, while presenting examples during debate on his bill, Bill C-312, an act to amend the Canada Elections Act, appointment of returning officers, which we will be voting on tomorrow, made reference to my riding of Ahuntsic and stated that:

[Translation]

In another riding, it was discovered that the returning officer was the president of the Liberal association for the riding. It is time somebody woke up. This is Earth calling.

[English]

That is inappropriate language.

[Translation]

The returning officer is the president of the Liberal riding association in Ahuntsic.

[English]

This matter was only brought to my attention last Monday when the member for Calgary West, while referring to the May 9 presentation by the member for Montmorency—Charlevoix—Haute-Côte-Nord, stated:

In the member's last presentation he spoke about how even current presidents of Liberal riding associations have actually been appointed to be the returning officers in their ridings. He listed specifically my riding, the riding of Ahuntsic.

[Translation]

While I support the aim of the member opposite's motion, I have to repeat the remarks of my colleague from Gatineau in the same debate, "We must not get too carried away on this point. People's reputations are at stake". This is something the opposition is continually forgetting.

Second, she said that even Mr. Kingsley, the Chief Electoral Officer of Canada, had said, in his testimony before the Standing Committee on Procedure and House Affairs, that he would, in the end, keep almost all of the incumbent returning officers if he had the authority to hire or dismiss them.

Mr. Speaker, I call on you to ask the member for Montmorency—Charlevoix—Haute-Côte-Nord and the member for Calgary West to withdraw their comments, since they are totally erroneous.

[English]

Let me be clear. The facts are the Ahuntsic returning officer did not hold the position of riding president at the time of his nomination and therefore, by consequence, definitely did not hold the position at the time of his appointment.

Again we continue to malign reputations in the House without any consideration for the truth and only for political expediency. In fact, it has become the sport of choice of both the Bloc and the Conservatives.

As such, I respectfully request that the members for Montmorency—Charlevoix—Haute-Côte-Nord and Calgary West be asked to withdraw their specific comments which are untrue.

● (1510)

[Translation]

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, I wish to inform my colleague—also for your benefit—that I withdraw those comments.

The Speaker: I thank the hon. member. I hope that will be the end of this matter. I believe the hon. member for Calgary West was merely citing the hon. member. Once he has read this he may want to add a few words later.

ROUTINE PROCEEDINGS

[English]

FEDERAL FISCAL FORECASTING, PROCESSES AND SYSTEMS REPORT

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, I have the pleasure today to table, in both official languages, copies of a report entitled "Review of Canadian Federal Fiscal Forecasting—Processes and Systems" presented to the government as promised by Dr. Tim O'Neill.

Routine Proceedings

[Translation]

ABORIGINAL HEALING FOUNDATION

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I have the honour to table, in both official languages, a copy of the 2004 annual report of the Aboriginal Healing Foundation.

* * *

[English]

CERTIFICATES OF NOMINATION

Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 110.(2) I have the honour to table a certificate of nomination with respect to the Canadian Polar Commission. This certificate stands referred to the Standing Committee on Aboriginal Affairs and Northern Development.

* * *

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 the government's response to six petitions.

* * *

INVESTMENT CANADA ACT

Hon. Ralph Goodale (for Minister of Industry) moved for leave to introduce Bill C-59, An Act to amend the Investment Canada Act.

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

* * *

[Translation]

COPYRIGHT ACT

Hon. Liza Frulla (Minister of Canadian Heritage and Minister responsible for Status of Women, Lib.) moved for leave to introduce Bill C-60, an act to amend the Copyright Act.

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

* * *

[English]

INTERPARLIAMENTARY DELEGATIONS

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, pursuant to Standing Order 34(1) I have the honour to present, in both official languages, two reports of the Canadian delegation of the Interparliamentary Forum of the Americas or FIPA.

The first one is on the meeting of the group of women parliamentarians at the Americas of FIPA held in Bridgetown, Barbados from March 20 to 22.

The second is on the fourth plenary session held in Brasilia, Brazil from May 19 to 21.

*Routine Proceedings***FUGITIVES FROM JUSTICE IN OTHER COUNTRIES ACT**

Mr. Peter MacKay (Central Nova, CPC) moved for leave to introduce Bill C-409, An Act respecting fugitives from justice in other countries who are in Canada.

He said: Mr. Speaker, this bill respects fugitives from justice who are currently residing in Canada. This enactment would require annual reports to be submitted by the Minister of Justice to Parliament on the extent, volume and progress of extradition cases and requests received by Canada each year. These reports would be referred to the appropriate standing committee in each House for consideration and report. The committee could then make a recommendation that a point of extradition law be referred to the Supreme Court of Canada for an opinion.

This is very much focused on accountability and ensuring that fugitives from justice residing inside our country's boundaries are treated in an expeditious and timely way as Minister likes to say.

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

* * *

• (1515)

CRIMINAL CODE

Mr. Peter MacKay (Central Nova, CPC) moved for leave to introduce Bill C-410, An Act to amend the Criminal Code (sex crimes and violent crimes).

He said: Mr. Speaker, again this is a bill very much in the public good aimed at amending the Criminal Code to preclude persons who have committed offences involving violence or sexual offences, which always include violence, from receiving conditional sentences under the Act. It is in keeping with the movement toward having a schedule list of offences for which conditional sentences would not apply.

I believe this is more than appropriate in the circumstances given the long lasting life sentence of victims in these circumstances.

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

* * *

CORRECTIONS AND CONDITIONAL RELEASE ACT

Mr. Peter MacKay (Central Nova, CPC) moved for leave to introduce Bill C-411 an Act to amend the Corrections and Conditional Release Act and the Criminal Code (minimum security level of incarceration for first third of sentence).

He said: Mr. Speaker, Bill C-411 would amend the Criminal Code to require a court, in passing a sentence of two years or more of imprisonment, to make an order specifying the minimum security level of the incarceration for the first third sentence.

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

* * *

CRIMINAL CODE

Mr. Peter MacKay (Central Nova, CPC) moved for leave to introduce Bill C-412, An Act to amend the Criminal Code (keeping child pornography in a manner that is not reasonably secure from access by others).

He said: Mr. Speaker, this is again aimed very much at the protection of children and keeping pornography secure from all access.

The bill would amend the Criminal Code to make it an offence for a person in possession of child pornography, whether created by that person or obtained from another source, to allow or ensure that access by any other person or failing to take reasonable steps to prevent access by another person would be covered under the code.

It applies at all times, including a person who is accessing the materials. It is a strict liability type offence in keeping with the direction of the Criminal Code.

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

* * *

• (1520)

SURVIVOR EDUCATION BENEFITS ACT

Mr. Peter MacKay (Central Nova, CPC) moved for leave to introduce Bill C-413, An Act respecting education benefits for spouses and children of certain deceased public safety officers.

He said: Mr. Speaker, this is a bill I believe that would be considered a very compassionate one and one that I believe most Canadians and all members of Parliament should be quick to embrace.

It is an act respecting education benefits for spouses and children of certain deceased public safety officers. It would permit the minister, in most cases the Minister of Public Security and Emergency Preparedness, to grant an education benefit of a financial nature to a surviving spouse or children of public safety officers who die from injuries received or illnesses contracted in the discharge of their duties.

The bill is very much aimed at helping grieving widows, spouses and children of those killed in the line of duty. I would hope that all members would very much support this bill.

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

* * *

CANADA HEALTH ACT

Mr. Pierre Poilievre (Nepean—Carleton, CPC) moved for leave to introduce Bill C-414, An Act to prevent the Government of Canada from charging rent to non-profit hospitals.

He said: Mr. Speaker, this private member's bill would institute the principle in law that the federal government should not charge rent to our community hospitals.

Routine Proceedings

It would also have a practical benefit. There is a community hospital near my riding serving a catchment area of 400,000 people, many of them seniors, who need access to quality care but may be denied because of the government's attempt to raise rent on the land on which that hospital sits.

I join with my colleague from Carleton—Mississippi Mills, whose riding is also served by this important hospital, to forbid the federal government from doing that.

I might note that it is unfortunate the Liberal cabinet does not take this matter into its own hands and move through order in council to give that hospital its land.

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

● (1525)

The Speaker: The hon. member for Dufferin—Caledon is proposing to move a motion. Could he indicate which number it is on the order paper.

Mr. Tilson: Motion No. 50, Mr. Speaker.

The Speaker: The hon. member for Oakville is also proposing to move a motion. Could she tell the Chair which motion number she is proposing?

I think it is Motion No. 54. If that is the case, we will go with the hon. member for Dufferin—Caledon.

* * *

COMMITTEES OF THE HOUSE

ACCESS TO INFORMATION, PRIVACY AND ETHICS

Mr. David Tilson (Dufferin—Caledon, CPC) moved:

That the fourth report of the Standing Committee on Access to Information, Privacy and Ethics, presented on Tuesday, May 10, be concurred in.

He said: Mr. Speaker, it is my pleasure today to move the fourth report of the Standing Committee on Access to Information, Privacy and Ethics.

The committee's mandate gives it responsibility for matters concerning Canada's Information, Privacy and Ethics Commissioners, with respect to their responsibilities under the Parliament of Canada Act relating to public office holders.

During the course of meetings with the commissioners to discuss their main estimates, the committee was made aware of longstanding concerns about how officers of Parliament were funded. The Information Commissioner, John Reid, advised the committee that because of inadequate funding, the Information Commission faced a continuing and growing backlog of cases requiring investigation. Mr. Reid said:

We are in a financial crisis. The cause of that has been that resources have not kept pace with the workload that is imposed on the office...Despite repeated attempts to convince Treasury Board to properly fund the full range of the commissioner's mandate, including several exhaustive reviews by independent, outside consultants, taken jointly with the Treasury Board Secretariat, emergency and partial funding has only been forthcoming.

The Privacy Commissioner, Jennifer Stoddart's office, has two funding streams. Funding is provided under the Privacy Act and under the Personal Information Protection of Electronic Documents Act, which is referred to as PIPEDA. Her concerns about funding

have less to do with the adequacy of her office's funding and more to do with how the office is funded. She told the committee:

In addition to the fact that we are an Officer of Parliament, we must consider the very nature of our ombudsman role on privacy issues for the public and private sectors. As an ombudsman and oversight agency of government for Parliament, we investigate and audit other federal departments and agencies. The necessary independence of our role as an ombudsman has been recognized by the Supreme Court of Canada in the 2002 Lavigne decision which states that we are "independent of the government's administrative institutions—".

The committee recognized this concern by those commissioners and the committee therefore commenced a study to investigate the concerns raised by these officers of Parliament, and for the purposes of the study, the committee included the Auditor General of Canada, the Commissioner of Official languages and the Chief Electoral Officer.

Officers of Parliament are responsible directly to Parliament, rather than to the federal government or an individual minister. This emphasizes their independence from the government of the day. Therefore, as a result of this principle, concerns have been raised that the current budget determination process may not be the best method of ensuring the independence and functional integrity of these officers.

With the exception of the Ethics Commissioner and the Chief Electoral Officer, the officers of Parliament felt that the current funding mechanism raises the possibility of a conflict of interest between them and the government, or at least the appearance of one.

Over the course of study, the committee met with all of the officers of Parliament, with academics in the field and with the officials of the Treasury Board Secretariat in order to gather information to deal with this issue. Issues about the current funding mechanism for officers of Parliament included the adequacy of funding levels, the timeliness of the process, transparency, and the capacity to respond to changes in funding needs due to technological change, mandate expression and increasing demands for an officer's services.

● (1530)

Officers raised the difficulty that they have in seeking budget approval from the very government which they investigate. As Commissioner Reid put it:

With all due respect, it's very difficult for the government to play both roles as the funder and as the people who are being investigated. I think there's a certain friction that must take place under those circumstances. On balance, therefore, I prefer to have members of Parliament take on the responsibility of funding, rather than have it in the hands of the government.

The possibility of a conflict of interest for the government as both source of funding and subject of investigation arises with all the officers of Parliament that we examined, with the possible exception of two. The Ethics Commissioner, as described in chapter one, is already funded under a mechanism managed by Parliament. The Chief Electoral Officer receives most of his funding by statutory authority, under parameters set out in strict detail by the Canada Elections Act.

Routine Proceedings

It should also be noted that the Chief Electoral Officer is not an ombudsman. He is responsible for the delivery of the right to vote and the right to be a candidate in an election. In accordance with this role, the independence of his office from political influence is safeguarded in a number of ways, including the funding mechanism.

Professor Craig Forcese of the University of Ottawa appeared as a witness and contended that there was a legal basis for the need of independence for the officers of Parliament. He told the committee:

—at least five officers of Parliament are obliged to meet court-like standards of independence. These five officers—the access, privacy, official languages, and ethics commissioners, and the Auditor General—have the powers of a court of record to compel the attendance of witnesses and the giving of evidence. They therefore have the power to punish for contempt in response to acts committed in their presence. Because they possess this power, the Constitution requires that these officers be sufficiently independent of the government.

The committee examined a number of funding models. The first was the model currently employed by the Office of the Ethics Commissioner. This model would have the budgets of officers of Parliament considered by the Speakers of the House of Commons and/or the Senate, who would transmit them to the President of the Treasury Board for tabling along with the government estimates for that year. The budgets would not be vetted by the Treasury Board Secretariat.

There was a U.K. model that the committee reviewed and it also had its supporters. In the United Kingdom, an all party commission of parliament, created by statute, examines the proposed estimates of the national audit office and tables a report to parliament with any modifications it sees fit. Known as the public accounts commission, it is composed of the chair of the public accounts committee, the leader of the house of commons and seven other members of parliament appointed by the house, none of whom may be a minister of the crown.

Another model proposed was a panel of experts otherwise known as a blue ribbon panel. The Auditor General proposed that the panel could be composed of three persons, one appointed by each of the Speakers of the House of Commons and the Senate, and the third appointed by the Treasury Board. Another model involved long term funding as proposed by Professor Forcese in his appearance before the committee. He stated:

The thought I had was that a multi-year formula that establishes a baseline for funding for officers, so officers aren't in the present position of being obliged to go to Treasury Board each year, distances officers from at least the perception that their activities in a given year might influence the receptivity of government to funding them fully. It grapples with the independence issue and it also grapples with the cost associated with setting up this blue-ribbon panel.

● (1535)

After a number of meetings, the committee concluded that the status quo for funding officers of Parliament was totally unacceptable because, at the very least, it raised the perception that the critical functions of these officers could be impeded by budgetary restrictions. There was a general consensus that the budget must be removed from the exclusive domain of the executive, Parliament must play a greater and more critical role in budget determination and resource allocation must be based on objective expert analysis.

The committee felt that a parliamentary body similar to the United Kingdom model should be established to examine estimate submissions of officers of Parliament.

Finally, it was suggested that a pilot project be launched for the fiscal year 2006-07 and 2007-08 with the existing House of Commons Board of Internal Economy acting as the parliamentary budget determining body and the Information, Privacy and Ethics Commissioners as the initial participants. The committee also recommended that the Auditor General be considered for inclusion in this trial.

That was the decision of the committee in its recommendations to the House. I would like to elaborate somewhat on two of the recommendations.

First, the committee recommended that a new parliamentary body be created as the budget determination mechanism for the funding of all officers of Parliament. The new parliamentary body and the new funding process established for it should have the following features: First, the membership of this body should be representative of both the House of Commons and the Senate, and equally comprised of the government and opposition representatives; second, the officers' annual budget submissions would be made directly to this body along with an accompanying submission by the Treasury Board Secretariat setting out budget parameters and providing analysis, challenges and advice on the feasibility of the officers' submissions; third, the parliamentary funding body may obtain advice from experts, as well as from appropriate parliamentary committees to assist its deliberations; and finally, the recommendations of the new parliamentary body should be submitted to each House of Parliament, as appropriate, which would provide the recommendations to the Treasury Board for tabling as part of the government-wide estimate process.

The second and final recommendation of the committee was that the Board of Internal Economy serve as the parliamentary budget determination body for the offices of the Information, Privacy and Ethics Commissioners on a trial basis in the same manner proposed in the first recommendation. As I indicated, this project would be instituted for two years, 2006-07 and 2007-08, and shall be subject to parliamentary review immediately thereafter.

Those were the two recommendations put forward by the committee. The committee did spend a substantial amount of time reviewing the different positions of the officers of this place. The following people appeared before the committee: Ethics Commissioner Shapiro, along with Micheline Rondeau-Parent, Director, Communications and Parliamentary Relations and the Director of Corporate Services; and Commissioner John M. Reid, office of the Information Commissioner of Canada.

On another day, the following people appeared before the committee: Commissioner Jennifer Stoddart, office of the Privacy Commissioner of Canada; Jean-Pierre Kingsley, office of the Chief Electoral Officer, along with Diane R. Davidson, Deputy Chief Electoral Officer and chief legal counsel.

Routine Proceedings

We also had Commissioner Dyane Adam from the office of the Commissioner of Official Languages appear before the committee. Steven Wallace, acting Assistant Deputy Secretary of Government Operations with the Treasury Board of Canada Secretariat appeared twice, with a number of people from his office. Auditor General Sheila Fraser, appeared, along with Jean Ste-Marie, the Assistant Auditor General, legal services. I also indicated that Craig Forcese, law professor from the University of Ottawa, appeared.

● (1540)

As members can see, we spent a great deal of time deliberating and coming to the conclusions that we made. I would recommend to those in the House to read the report if they have not already.

I would like to summarize some of the items from the conclusion of the report. It states:

There is no doubt that the current budget determination process for the funding of Officers of Parliament raises serious concerns.

I think the immediate concern was raised by Commissioner John Reid who would make his presentation to the Treasury Board for funding and acknowledged that there might be an investigation going on at Treasury Board. The question is whether the whole process can be independent, that someone seeking money from someone that he is investigating be independent. The committee concluded that was not the case, which is why the committee concluded that the status quo was unacceptable.

At the very least, it raises the perception that the critical functions of these officers would be impeded by budgetary restrictions imposed by the very body whose actions they are charged in scrutinizing.

We thought that justice must appear to be done. We did not make any specific allegations against anyone but in that situation, particularly when Commissioner Reid said that he was receiving totally inadequate funding, it gave us grave concern.

The report goes on to state:

All of our witnesses, including officials from the Treasury Board Secretariat, had concerns about the present funding mechanism; however, there was a divergence of views over how to best address this issue.

We felt that the recommendations we made was a fair compromise of the various positions that were given to us.

The report continues to state:

Although not everyone could agree on the particular funding model that should be applied to Officers of Parliament, it appeared to us that there was a general consensus on what should guide the development of an alternative mechanism. Primarily, the budget determination process must be removed from the exclusive domain of the executive; while at the same time, an appropriate performance review, budgetary challenge, and accountability mechanism must be maintained.

The committee finally concluded that:

Parliament must play a greater and more critical role in the budget determination process, and resource-allocation decision-making must be based on objective and expert analysis.

This would allow members of this new committee to receive advice from different experts on different areas that were being raised.

The report goes on to state:

The process should be practical, transparent, simple, and expeditious. Finally, the system should take into consideration the differing mandates in reporting mechanisms of the various Officers.

The positions are different. We believe that the proposal that the committee is putting forward deals with that issue.

The report continues to state:

The Committee feels strongly that some form of parliamentary body must examine the Estimate submissions of Officers of Parliament. This body could be similar to the Public Accounts Commission in the U.K. in that it should be representative of all parties, and it could incorporate the Senate, perhaps by having both Speakers as *ex officio* members of the commission, thereby addressing the fact, for example, that some Officers report to both the House of Commons and the Senate. Like the U.K. Commission, and indeed the House of Commons Board of Internal Economy, this parliamentary body should have a permanent existence, and like the board, its membership would be equally comprised of government and opposition representatives.

● (1545)

Given the expertise already developed by the Treasury Board Secretariat in the areas of challenging, analyzing and advising on the budgets of Officers of Parliament, we feel that it is imperative that the Secretariat continue this function by assisting the parliamentary body. The Secretariat could provide a separate submission that would accompany the Estimates proposals of the Officers.

Those are my submissions for the House to consider on behalf of the committee. I think this is a good proposal to develop some independence in determining how the officers of the House of Commons, and indeed the Senate, should be dealt with. I would ask the House concur in the motion.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I congratulate the member and his committee for bringing forward the motion with regard to the funding situation of the officers of Parliament.

I have a couple of points I want to make.

First, before this committee existed, the Privacy Commissioner and the Access to Information Commissioner reported in the last Parliament to the Standing Committee on Government Operations and Estimates. In our annual review of their budgets, as the member is probably aware, no case was made nor were any concerns expressed at that time with regard to the funding. This, therefore, is actually kind of unfolding.

However there was an all party ad hoc committee on the access to information. Interestingly enough, at that time, the Privacy Commissioner, Mr. Reid, actually recommended that there be a combining of the two roles of Privacy Commissioner and Access to Information Commissioner. It appears that there is even more to be discussed than simply the funding of each officer.

Routine Proceedings

The other aspect is, as the member will know, that the issue of privacy is a little unclear at this time because we are coming out of a period in which there has been a change in that office. The member will know that the then privacy commissioner, Mr. George Radwanski, resigned from office as a consequence of some problems and Ms. Stoddart was put in as a replacement. However during that period the key funding in that area with regard to the Personal Information Protection and Electronic Documents Act, PIPED, was a separate level of funding. That matter is now fully implemented. I imagine now, with the change from Mr. Radwanski and the implementation of the PIPED Act, there probably is a reconsideration of the budgetary requirements.

I think this is certainly an important area for us to consider. I doubt that there is any disagreement within this place with ensuring that officers of Parliament do have the funding they require to discharge their statutory obligations.

I have a question for the member with regard to the two recommendations in the report. Maybe I missed it somewhere, but I did not see a request for a government response within the normal time period. I am wondering whether the committee considered whether it was seeking a prompt response from the government or whether it was just hopeful that something might happen here.

Mr. David Tilson: Mr. Speaker, the committee did not really get into the issue of combining the role of the different officers. That may come at another time.

It is tempting to talk about the Radwanski affair but I do not really want to do that. It may have been in the back of some of our minds as we were dealing with this. However when we were going through the estimates it became quite apparent to us that everyone felt there was a problem with the independence of a commissioner.

With the one exception of the Ethics Commissioner, who deals through the Speaker, all other officers of Parliament have to go to Treasury Board. They all raised the possibility that they could be investigating someone in the very government that would be approving their expenditures. Some of the officers said that they did not have sufficient funding to do their work and that they had backlogs. The suggestion was that maybe they were trying to hold them back. It really was not said but there was the perception of the need for independence, which is why the committee got into what it did.

With respect to the member's final question as to whether we consulted with the government, we had Mr. Wallace from the Treasury Board appear before committee. He made a presentation and indicated that he was prepared to work with the committee. I remind the member that what is being suggested is a two year period where we could review how this would work but everybody agreed that the status quo would not work.

• (1550)

Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC): Mr. Speaker, I would first like to congratulate the hon. member for Dufferin—Caledon who has done an exemplary job as acting chair of the Standing Committee on Access to Information, Privacy and Ethics. As members may know, the permanent chair has been unable to perform his duties for the last several months due to a very serious illness. We have asked the member for Dufferin—Caledon to step in

as acting chair. I must say that he has done a fantastic job in keeping the committee together, on point and on track.

My question for the member deals with independence. He mentioned several times during his presentation that there is quite a need for all of the officers of Parliament to be completely independent from the government in order to perform their duties in a manner in which all Canadians would expect them to perform their duties.

With the recommendation that the committee has brought forward to ask an independent body, in this case the Board of Internal Economy, to be the body that would ultimately recommend budgets for the officers of Parliament, does the member believe that this body would have the impartiality necessary to ensure that the independence of the officers of Parliament would be paramount?

In other words, is he confident that by setting up the system which the committee has recommended, the independence of the officers of Parliament would remain sacrosanct and would allow the officers of Parliament to do their jobs as most Canadians wish them to perform their duties?

Mr. David Tilson: Mr. Speaker, the current position is that the executive of the government of the day approves the budgets of officers of Parliament who could and would be investigating that very executive, ministers of the Crown and others. That is why this committee essentially would be an all-party committee, with representatives from all the parties in this House who would review the presentations. The budgets would not be prepared by the committee. The budgets would be prepared by the various commissioners. They would make presentations. At the same time they would work with the Treasury Board.

It is an effort to create independence and the perception that independence is there. In fact I would submit that because the approval is being made by Parliament and not one party, the governing party, we believe that independence would be created.

• (1555)

Ms. Bonnie Brown: Mr. Speaker, I rise on a point of order. I understood I had the agreement of the House to present a motion at this point, in spite of the ongoing debate, because it is a procedural motion: Discussions have been held among all parties, and I believe you would find unanimous consent for the following motion:

That the 13th report of the Standing Committee on Health presented in the House on Wednesday, June 1, requesting an extension of 30 sitting days to consider Bill C-420 be concurred in without debate.

The Acting Speaker (Mr. Marcel Proulx): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Marcel Proulx): It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Selkirk—Interlake, the Sponsorship program.

Routine Proceedings

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, with regard to that motion, I am pretty sure that if the member for Oakville took the opportunity to speak with the opposition, it would give its consent if the motion were made a second time.

I want to make some brief comments with regard to this matter. As I indicated during my questions, I doubt anyone in this place disagrees that the officers of Parliament, being the Auditor General, the Official Languages Commissioner, the Chief Electoral Officer, the Privacy Commissioner and the Access to Information Commissioner, all should have the appropriate funding to discharge their statutory obligations.

I note in the foreword of the fourth report of the Standing Committee on Access to Information, Privacy and Ethics a statement by the chair that all members knew that this was a step forward in restoring public confidence in Parliament and its officers. I would take some exception with regard to the reference to officers in this statement.

If members want to denigrate this place, they can do that, but with regard to officers, I hope the member and all members would agree that there is no evidence that officers of Parliament and their incumbents today have never, to my knowledge at least, been brought into question with regard to their competence and abilities. I wanted to make that point.

I also wanted to point out that the member indicated that the problem raised by the committee was with regard to the discharge of statutory obligations. I am not sure, maybe it was off the cuff but there was a reference that there could be a problem with independence because funding for an officer's statutory obligations would be withheld if he or she were getting close on an investigation.

That is awfully close to imputing motive or some wrongdoing on behalf of those responsible, including parliamentarians at committee and reviewing the estimates at Treasury Board. To suggest that somebody would withhold funding of an officer of Parliament because that officer was maybe getting close to something or doing an investigation is absurd and should never be said in this place.

We have some work to do here. Again I think all members would agree that this is a subject matter that should be dealt with. I am going to encourage the government to look at this report very carefully.

I know that the Standing Committee on Government Operations and Estimates already has been seized with the issue because the committee of which I am currently the vice-chair is also very interested to ensure that the estimates process throughout the broad range of departments, agencies and offices are indeed discharged by parliamentarians and reviewed carefully on a regular basis.

Having said that, I think the member can be encouraged to see some support and I hope we are going to move forward.

I think it is time to move on with business. Therefore, I move:

That the debate do now adjourn.

● (1600)

The Acting Speaker (Mr. Marcel Proulx): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Marcel Proulx): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Marcel Proulx): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Marcel Proulx): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Marcel Proulx): Call in the members.

● (1645)

[*Translation*]

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

(*Division No. 126*)

YEAS

Members

Adams	Alcock
Anderson (Victoria)	André
Angus	Asselin
Augustine	Bachand
Bagnell	Bains
Bakopanos	Barnes
Beaumier	Bélangier
Bell	Bellavance
Bennett	Bergeron
Bevilacqua	Bigras
Blaikie	Blais
Blondin-Andrew	Boire
Boivin	Bonin
Bonsant	Bouchard
Boudria	Boulianne
Bourgeois	Bradshaw
Brisson	Broadbent
Brown (Oakville)	Brunelle
Bulte	Byrne
Cannis	Cardin
Carr	Carrier
Carroll	Catterall
Chan	Christopherson
Clavet	Cleary
Coderre	Comartin
Comuzzi	Côté
Cotler	Crête
Crowder	Cullen (Skeena—Bulkley Valley)
Cullen (Etobicoke North)	Cuzner
D'Amours	Demers
Deschamps	Desjarlais
Desrochers	DeVillers
Dhalla	Dion
Dosanjh	Drouin
Dryden	Duceppe
Easter	Efford
Emerson	Eyking
Faillie	Folco
Fontana	Frulla
Fry	Gagnon (Québec)

Routine Proceedings

Gagnon (Jonquière—Alma)	Galloway	MacKay (Central Nova)	MacKenzie
Gaudet	Gauthier	Mark	Menzies
Godbout	Godfrey	Merrifield	Miller
Godin	Goodale	Mills	Moore (Port Moody—Westwood—Port Coquitlam)
Graham	Guarnieri	Moore (Fundy Royal)	Nicholson
Guay	Guimond	O'Connor	Obhrai
Holland	Ianno	Oda	Pallister
Jennings	Julian	Penson	Poilievre
Kadis	Karetak-Lindell	Prentice	Preston
Karygiannis	Khan	Rajotte	Reid
Kotto	Laframboise	Richardson	Ritz
Lalonde	Lapierre (Outremont)	Scheer	Schellenberger
Lapierre (Lévis—Bellechasse)	Lastewka	Schmidt (Kelowna—Lake Country)	Skelton
Lavallée	Layton	Smith (Kildonan—St. Paul)	Solberg
LeBlanc	Lemay	Sorenson	Thompson (New Brunswick Southwest)
Lessard	Lévesque	Thompson (Wild Rose)	Tilson
Longfield	Loubier	Toews	Trost
MacAulay	Macklin	Tweed	Van Loan
Malhi	Maloney	Watson	Williams
Marceau	Marleau	Yelich — 83	
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)		
Martin (Sault Ste. Marie)	Masse		
McCallum	McDonough		
McGuinty	McGuire		
McKay (Scarborough—Guildwood)	McLellan		
McTeague	Ménard (Hochelaga)		
Ménard (Marc-Aurèle-Fortin)	Minna		
Mitchell	Murphy		
Myers	Neville		
Owen	Pacetti		
Paquette	Paradis		
Patry	Perron		
Peterson	Pettigrew		
Picard (Drummond)	Pickard (Chatham-Kent—Essex)		
Plamondon	Poirier-Rivard		
Powers	Ratansi		
Redman	Regan		
Robillard	Rodriguez		
Rota	Roy		
Russell	Saada		
Sauvageau	Savage		
Savoy	Scarpaleggia		
Sgro	Siksay		
Silva	Simard (Beauport—Limoilou)		
Simard (Saint Boniface)	Simms		
Smith (Pontiac)	St-Hilaire		
St. Amand	St. Denis		
Steckle	Stronach		
Szabo	Telegdi		
Temelkovski	Thibault (Rimouski-Neigette—Témiscouata—Les		
Basques)			
Thibault (West Nova)	Tonks		
Torsney	Ur		
Valeri	Valley		
Vincent	Wappel		
Wasylcia-Leis	Wilfert		
Wrzesnewskyj	Zed- — 192		

PAIRED

Nil

The Acting Speaker (Mr. Marcel Proulx): I declare the motion carried.

I wish to inform the House that we have two hours and 24 minutes remaining for debate on the motion for concurrence in the fourth report of the Standing Committee on Access to Information, Privacy and Ethics. Accordingly, debate on the motion will be rescheduled for another sitting.

[*English*]

The House will now resume with the remaining business under routine proceedings. We are under the rubric “Motions”.

Ms. Marlene Catterall: Mr. Speaker, I rise on a point of order. I have had discussions with the whips of all parties and wonder if the House would agree to return to presentation of reports from committees so that I may table a report from the heritage committee.

The Acting Speaker (Mr. Marcel Proulx): Is that agreed?

Some hon. members: Agreed.

* * *

COMMITTEES OF THE HOUSE

CANADIAN HERITAGE

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the tenth report of the Standing Committee on Canadian Heritage with respect to a study on the Canadian feature film industry.

This is an interim report, a progress report on what the committee has heard to date. The committee has heard from more than 180 witnesses. In closing, let me note that the committee reaffirms its commitment to complete its study when the House reconvenes in the fall.

I would like to thank all those who participated in this work. It has been a heavy workload.

NAYS

Members

Abbott	Ablonczy
Allison	Ambrose
Anders	Batters
Benoit	Bezan
Breitkreuz	Brown (Leeds—Grenville)
Casey	Casson
Chong	Cummins
Devolin	Doyle
Duncan	Epp
Finley	Fitzpatrick
Fletcher	Gallant
Goldring	Goodyear
Gouk	Grewal (Fleetwood—Port Kells)
Guergis	Hanger
Harper	Harris
Harrison	Hill
Hinton	Jean
Johnston	Kamp (Pitt Meadows—Maple Ridge—Mission)
Keddy (South Shore—St. Margaret's)	Kenney (Calgary Southeast)
Komarnicki	Kramp (Prince Edward—Hastings)
Lauzon	Lukiwski
Lunn	Lunney

Routine Proceedings

PETITIONS

MARRIAGE

MARRIAGE

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am pleased to present another petition which was submitted to me by Reverend Francis Humphrey of the Peoples Church of Montreal. The subject matter is the issue of marriage. The petitioners would like to make two points: first, that marriage is the best foundation for families and the raising of children, and second, that the definition of marriage as between a man and a woman is being challenged.

They therefore call upon Parliament to pass legislation to recognize the institution of marriage in federal law as being the lifelong union of one man and one woman to the exclusion of all others.

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Mr. Speaker, I have another petition to present, one of 118 pages with 1,704 names on the issue of preserving marriage. This is a very good petition. It is different in wording from some of the others. It mentions the necessity of our government upholding the historical, biological, cultural and religious definition of marriage and states that marriage is between one man and one woman to the exclusion of all others.

The petitioners are asking Parliament to guarantee the freedom of speech for grandparents, parents, teachers, counsellors, ethnic minorities and religious people when they promote the benefits of traditional marriage, and therefore, they are asking the government to protect the children so that they will have the right to be raised by their biological fathers and mothers. I want to say that the names on the petition clearly indicate that it comes from a wide variety of ethnic backgrounds. I recommend that Parliament start listening to these petitions instead of having them tabled and made to disappear into the backroom.

• (1650)

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, it is my pleasure on behalf of a group of constituents from the northern part of my riding, particularly around the Birch Hills, Hagen and Domremy districts, to present to the House of Commons a petition on the subject of marriage which states that these citizens of Canada draw the attention of the House to the following: that marriage is defined as a lifelong union between one man and one woman and is the best foundation for families and the raising of children, and that this definition has been changed by the courts, and that it is the exclusive jurisdiction of Parliament to define marriage. Therefore, the petitioners pray that Parliament define marriage in federal law as being a lifelong union of one man and one woman to the exclusion of all others.

CANADA POST

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, I have a number of petitions dealing with the closure of rural post offices. The petitioners are calling upon this Parliament to keep the Halbrite post office open and retain the moratorium on rural post office closures. There are 170 signatures and a similar petition from the constituents of Manor, Saskatchewan, with 190 signatures also from the constituents of the community of Colgate, Saskatchewan, asking that their post office remain open and that the moratorium be retained.

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Mr. Speaker, I have two petitions to present from people in the Ottawa region, who are calling upon Parliament to enact legislation to redefine marriage as being a lifelong union of one man and one woman to the exclusion of all others.

FOREIGN AFFAIRS

Hon. Sarmite Bulte (Parkdale—High Park, Lib.): Mr. Speaker, as the member of Parliament for Parkdale—High Park, which is home to the country's largest population of Canadian Tibetans, I am very proud to table a petition on behalf of hundreds of petitioners, many of whom live in my riding.

The petitioners call upon the Government of Canada to make Tibet a central part of our country's policy toward the People's Republic of China and to take all measures to promote a negotiated settlement over the future of Tibet between Beijing and the Dalai Lama or his representative.

JUSTICE

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, on behalf of many residents of Winnipeg Centre who have put forward this issue, I would like to present a petition which recognizes that juvenile gang activity in Winnipeg has reached epic, crisis proportions.

The petitioners call upon Parliament to enforce the current provisions of the Youth Criminal Justice Act and to amend the act so that youths of 13 years of age and over may be charged as adults and that parents be held accountable for the criminal activities of their children aged 12 and under. The petitioners draw the attention of Parliament to this issue.

CHILD PORNOGRAPHY

Mr. Jay Hill (Prince George—Peace River, CPC): Mr. Speaker, it is an honour for me to present yet another petition, this time from residents of my riding of Prince George—Peace River from the communities of Tumbler Ridge, Rose Prairie, Hudson's Hope, Charlie Lake, and from the city of Fort St. John.

The petitioners wish to draw to the attention of the House of Commons the fact that the creation and use of child pornography is condemned by a clear majority of Canadians. They believe that Liberal Bill C-2 does not adequately protect our nation's children, and that the Liberal government has not prevented artistic merit from being used as a defence for the production and possession of child pornography. Therefore, the petitioners call upon Parliament to protect our children by taking all necessary steps to ensure that all materials that promote or glorify child pornography are outlawed in our country.

Government Orders

•(1655)

AUTISM

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, I am pleased to table a petition from a large number of parents and people concerned about vulnerable children who are suffering from autism. The petitioners call upon the government to amend the Canada Health Act and corresponding regulations to include therapies for children with autism as a medically necessary treatment and require governments to provide or fund this essential treatment.

The petitioners encourage the creation of academic undertakings to address the causal factors and come up with improved capacity to provide every Canadian with autism the best treatment available.

* * *

[Translation]

QUESTIONS ON THE ORDER PAPER

Hon. Dominic LeBlanc (Parliamentary Secretary to the Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 145 will be answered today.

[Text]

Question No. 145—**Mr. Rob Merrifield:**

With regard to the Canada Health Act: (a) does it permit the delivery of publicly funded, medically necessary health care services by privately owned health care clinics; and (b) has a province ever been penalized by the federal government under the act simply for contracting with privately owned clinics for the delivery of publicly funded health care services?

Hon. Ujjal Dosanjh (Minister of Health, Lib.): Health Canada's response is as follows:

In response to (a), the Canada Health Act requires that all medically necessary insured health services be covered by provincial and territorial health insurance plans. Provincial governments are primarily responsible for the delivery of publicly funded health care services in accordance with the Canada Health Act and some of these services, such as physician services, are being delivered by private providers. However, the Canada Health Act applies to insured health services whether they are provided in public or private facilities. Insured persons may not be charged to jump the queue to obtain these services.

In response to (b), provinces and territories are responsible for the administration and delivery of health care services. Some provinces have contracted out medically necessary services to private providers, particularly in the area of elective surgical and diagnostic procedures. The Canada Health Act does not preclude provinces from contracting out insured services provided that insured residents are not charged for such services.

Private, for profit delivery of insured services raises concerns under the act when providers accept or require private payment for insured services and permit queue jumping by those able to pay for preferential access to these services. The federal government's preference is that the publicly funded health care system be strengthened. No province has been penalized by the federal government under the Canada Health Act for contracting with privately owned clinics for the delivery of publicly funded health care services.

Since the enactment of the Canada Health Act, covering the period of April 1984 to March 2004, deductions totalling \$8,753,151 have been applied against provincial cash contributions in respect of the extra billing and user charges provisions. This includes deductions applied with respect to facility fees for medically necessary services in clinics and with respect to patient charges for insured health services in private surgical clinics.

[Translation]

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

The Acting Speaker (Mr. Marcel Proulx): Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

AN ACT TO AUTHORIZE THE MINISTER OF FINANCE TO MAKE CERTAIN PAYMENTS

The House resumed consideration of Bill C-48, An Act to authorize the Minister of Finance to make certain payments, as reported (with amendments) from the committee, and of the motions in Group No. 1.

The Acting Speaker (Mr. Marcel Proulx): The hon. member for Port Moody—Westwood—Port Coquitlam had two minutes and 30 seconds left on questions and comments.

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Mr. Speaker, one of my Liberal colleagues asked a question and took up the first two and a half minutes of my five minutes for questions and comments. He is so enamoured with his question and so anxious for the response that I notice he has not shown up.

The Acting Speaker (Mr. Marcel Proulx): The hon. member knows very well that he is not to mention who is here or who is not here. He has made his point, of course, so he may proceed.

Mr. James Moore: Mr. Speaker, we have a grand total of 120 seconds left and if any members who were here during my speech have a question, they can feel free to ask me one.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, one of the points that has been made by some of the Conservative members so far is that the existence of a surplus means that Canadians are overtaxed. Does the member believe that there should be no surplus and does his party believe that there should be no repayment of the national debt?

Mr. James Moore: Mr. Speaker, we believe in having balanced budgets. However, when we have balanced budgets to the degree where the Prime Minister can go into a cloakroom with the leader of the NDP and on a napkin give away \$4.6 billion in exchange for votes in the House, that is hardly a narrowly focused federal budget.

Government Orders

We believe in balanced budgets, but we also believe in giving more power into the hands of families. The Conservative Party has the youngest parliamentary caucus in Canadian history. We have 20 members of Parliament under the age of 40. We have 4 members of Parliament under the age of 30. This party more than any other party in the House is concerned about the massive debt that the government has put on my generation.

Mr. Richard Harris (Cariboo—Prince George, CPC): Mr. Speaker, earlier, the member for Mississauga South told the House that the Liberal government had paid the debt down by \$66 billion. While the debt may have been reduced by \$66 billion, it has not been paid. In fact, it has been the result of the lowering of interest rates and the fact that we do not have as big an obligation of debt service that we had prior to the interest rate adjustment.

I would like the member for Port Moody—Westwood—Port Coquitlam to comment on the misrepresentation by the Liberals that they actually paid down the debt by \$66 billion.

• (1700)

Mr. James Moore: Mr. Speaker, the Liberal government has done not nearly enough to help young Canadians by alleviating the problems of the long standing debt in this country. There is no question about that.

When program spending in the past two years in this country has gone up almost 20% and on top of that the government still has surpluses and it is giving away \$4.6 billion, then yes, the government has surpluses that are too high. The government can meet its spending requirements and have surpluses left over. A surplus is by definition overtaxation, overtaxation that should go back to families and to paying down the debt, so we can get this country going.

Mr. Norman Doyle (St. John's East, CPC): Mr. Speaker, I am pleased to make a few comments on Bill C-48, a bill which the government calls the companion bill but which many of us call the NDP budget bill.

The Conservative Party is not against a better deal for post-secondary education. We are not against giving municipalities across the nation better access to funds for the provision of infrastructure such as water and sewer or urban transit facilities. We are not against the provision of additional social housing for the disadvantaged.

On the contrary, we see a Canada where our young people can receive an affordable education, get a well-paying job, buy a house and raise a family and so on. We believe in the Canadian dream and the right of every citizen to have access to that dream. This bill is less about the Canadian dream than it is about the Liberals' dream of staying in power forever. It is also about the NDP dream of being a bigger player in the parliamentary process.

The bill, as we are all aware, was scratched on the back of an old envelope in a backroom in the middle of the night. It is not about good government at all. It is about political expediency. It was the price of the NDP for propping up a corrupt government which is determined to cling to power at any cost. It is long on promises and short on detail, just the sort of bill that the NDP knew that the Liberals would like. The NDP has sold its soul to the Liberal Party. The NDP members are accomplices now to corruption, scandal and to ever bad spending decision that the government has made over the last year since the election campaign.

If the items in the bill are so important to the Liberals, why did they not include them in the original budget bill, Bill C-43? Given the government's cuts in transfers to the provinces in its effort to balance the national budget, it is no secret that students, health care, services at the municipal level, and the unemployed have been hard hit. Simply put, the Liberals balanced the budget in the nineties by passing the deficit down the line to municipalities and the NDP knew that.

Many times in the past eight year period since I have been here, I have supported NDP motions that called attention to the devastation that had been wreaked by the government over the decades. The NDP knows that the Liberals have been in power too long, long enough for the rot of corruption to set in, yet the NDP made a deal with the Liberals and it is not a deal of which it should be proud.

As part of its deal the NDP insisted that tax cuts for business be dropped from Bill C-43, the main budget bill. The tax cuts were designed to make Canadian business more competitive in the global economy. These tax cuts were aimed at allowing businesses to expand and create more jobs. We supported the tax cuts.

Why has the NDP refused to support tax cuts which create more jobs for the unemployed is beyond me. We in the Conservative Party are not against creating more and better jobs all across the land. Neither would I suspect are the tens of thousands of people from all over Atlantic Canada who have had to leave their homes for jobs in Ontario and Alberta.

• (1705)

The NDP portrays itself as the workers' party, but I ask, what is more important to a worker today than a good job? The business sector is the greatest creator of jobs in this country and why the NDP cannot support that is beyond me.

When the Liberals came to power in the early nineties, they gutted the employment insurance system. They made it more difficult for workers in seasonal industries to qualify for EI benefits and when they did qualify, it was for fewer benefits for a shorter period of time. In other words, the Liberals used the EI system and the moneys that they generated on extra premiums to amass a massive surplus which they used on things like the sponsorship scandal. These are the kinds of policies that the NDP is now supporting.

I asked earlier, what is more important to a worker than a good job? I would further ask, what is more important to an unemployed worker than a good EI system, a system that can carry a seasonal worker over until he or she gets back to his or her place of employment again? This is where the NDP fell down on the job. Not only did its budget deal strike out against job creation, it did not use the leverage with the Liberals to get much needed improvements to the EI system.

Government Orders

How can the NDP call itself as a socialist party and then forget about the workers in its deal with the government? It was in a position to really do something good for the workers of this nation and it failed.

Then there is the Atlantic accord. The first Atlantic accord was signed back in 1985. It gave the province of Newfoundland and Labrador about 70% of its revenues. Then all these revenues were clawed back under equalization. During the election campaign, the Conservative Party committed to the province to give it 100% of its offshore resources.

The Liberals had to be dragged, kicking and screaming, into a deal with the Province of Newfoundland and Labrador. We made numerous attempts when that deal was passed to have the accord split from the main budget bill and introduced as a standalone bill for speedy passage.

The Liberals constantly refused. The NDP supported us in that regard but yet, when it was cutting a deal with the Liberals, did it insist on a standalone Atlantic accord bill? No. Did it insist on that being part of the budgetary package? No. The NDP abandoned the Atlantic accord just like it abandoned the workers and the people of Atlantic Canada. It did not use the position it was in to get better benefits on EI for Atlantic Canadians who have a big seasonal workforce. It abandoned the people of Atlantic Canada when it came to the Atlantic accord by not insisting on standalone legislation.

If the NDP were to win power at the ballot box, I would not, and I am sure no one in this nation would not, begrudge it to right the priorities around the budget when it came to introducing a budget. I might disagree and others might disagree with some of the spending priorities, but if the NDP had the people's mandate, it would have every right to bring this kind of budget forward that it is bringing forward now.

However, the NDP did not win power. Indeed I remember in the latter stages of last year's election campaign the Liberals crushed the NDP by telling the people that a vote for the NDP was a vote for the Conservative Party of Canada. They were not too anxious to prop up the NDP at that time, but still, the NDP remained so anxious to prop up a corrupt, scandal-ridden government. I believe that in the long run the NDP will pay big time at the polls in the next election campaign.

● (1710)

We stand here today debating a budget bill that came about as the result of a backroom deal between the NDP and the Liberals. The deal was scratched on the back of an envelope, probably at 2 a.m., and is worth \$4.6 billion. Is this any way to run a country, to have the NDP writing the budget bill in a hotel room in the still of the night on the back of an envelope or an old napkin? Is that any way to run a country?

Bill C-48 is not a budget bill in its own right. It is a bunch of loose promises made, as I said, in a backroom in the middle of the night, when the Prime Minister was in his bleakest political moments. It is not about honour. It is about political expediency. It is about a place at the table of power. Canadians deserve much better.

Mr. Russ Powers (Ancaster—Dundas—Flamborough—Westdale, Lib.): Madam Speaker, I commend the hon. member for his

comments in this debate. Perhaps he will be able to explain to the House something which I find difficult to understand. All the dialogue that we have had led to the successful vote that was participated in by all last week on Bill C-43. There clearly was a positive contribution from the Conservative Party, the NDP and the Liberal Party in support of Bill C-43 and all the elements that are associated with it. There is the infusion of money for cities and communities, the movement toward the project green and the Kyoto protocol. There are so many good things, including the Atlantic accord which benefits certainly the hon. member and the area that he represents.

If Bill C-43 was so good for the members of his party just the other week, why are they having a problem with the enhancement to Bill C-43 that is contained in Bill C-48?

Mr. Norman Doyle: Madam Speaker, I have absolutely no problem supporting Bill C-43. As the hon. member mentioned, it contains some very good things. It contains the Atlantic accord legislation. While we were against the way the Liberal Party introduced the Atlantic accord as part of an omnibus bill instead of a stand-alone piece of legislation, we did support the budget Bill C-43 and there is Bill C-48 as well.

As I mentioned a moment ago in my comments, if the NDP were to win power at the ballot box, no one would begrudge the NDP the right to bring in a budget. The NDP would bring in things I am sure we would agree with and others that we would disagree with vehemently. But the NDP is not the party in power at the moment. That is no way to run a country.

That is no way to bring down a budget. The government which happens to be in a minority situation found itself in a difficult position with regard to staying in power and all of a sudden the NDP came along with what I call a blackmail bill and bringing in things that should not be introduced. It has taken the corporate tax cuts away from the budget, things which would give business the opportunity to expand workforces, to employ more people. That party, which claims to be the party of the workers in this country, is actually suppressing jobs. As I said, the NDP will pay a heavy price for that at the ballot box.

● (1715)

Mr. Pat Martin (Winnipeg Centre, NDP): Madam Speaker, I appreciate the opportunity to question my colleague from St. John's East on some of the misinformation that he has been spreading today. I know that my colleague is a former ironworker as I am a former carpenter, both former representatives of the building trades. I am wondering how he is going to explain to the working people in his riding that his party is opposed to just two examples of our better balanced budget, Bill C-48.

One example is the energy retrofit fund. Homeowners in St. John's will be able to retrofit their homes, creating jobs for building trades workers, reducing their operating costs, and reducing greenhouse gas emissions. They will get a grant to do that. I wonder if he has canvassed the working people in St. John's East to see if they would be critical of that.

Government Orders

The second thing that he would have a hard time explaining voting against would be the wage protection fund that the NDP managed to negotiate on behalf of working people in Canada. In the event of bankruptcy there would be a fund whereby people could draw the back wages owing to them instead of having to wait for years for the trustees in bankruptcy to discharge the assets of the bankrupt company.

How does he explain to the good people of St. John's that he is going to vote against those two very good ideas?

Mr. Norman Doyle: Madam Speaker, those might be very interesting questions, but what would be even more interesting would be for the hon. member to ask his leader why he fell down on the job so badly.

Last week a member of the NDP was actually trying to get a private member's bill through on EI. When the hon. member's leader found himself in a position of having influence over the Liberal government, why did his leader not say to the Prime Minister of Canada, "We have been fighting long and hard for EI reform and EI changes. Bring about these EI reforms to help seasonal workers in the Atlantic area and seasonal workers all over Canada"?

While the hon. member's questions might be interesting, what he is trying to do is divert attention away from the real issues like employment insurance, the Atlantic accord and many other issues which his leader failed to support.

Mrs. Carol Skelton (Saskatoon—Rosetown—Biggar, CPC): Madam Speaker, today I rise to speak to Bill C-48 on behalf of the constituents of Saskatoon—Rosetown—Biggar.

My constituents have consistently opposed the Liberal approach of spending without an adequate plan which is evident in Bill C-48.

It is surprising that the Prime Minister was willing to put his fiscal reputation into jeopardy with this budgetary process. Obviously his desire to hold on to his fragile grip to power has driven him to pursue paths undreamed of 18 months ago when he could do no wrong. It is because of this obsession to hold on to power at all costs that I feel this budget does not have the proper priorities at hand. It is more of a feel good budget than a do good budget. It looks fairly good today, but watch out for the consequences tomorrow.

The Liberal approach is cruel not only to taxpayers, but more important, to those who depend on the promised services. I must draw to the attention of my colleagues what I believe is the biggest deficiency of this budget document.

Over the last few years there have been thousands of stories in the media and hundreds of speeches and questions in the House of Commons on agricultural prices in Canada. Imagine the shock and disappointment my constituents and I felt when the bill did not even mention their dilemma. There was not a word. Just when they felt that perhaps their call for help had been heard in Ottawa, they discovered they were being officially ignored by the Liberal government. This only became worse when the NDP got involved and did not secure an ounce of help for them either. Only the Conservative Party is advocating for our farm families and rural communities.

Farmers have been promised programs in the past, but the government has not delivered. The programs are ineffective, burdened by paperwork and delays. They have failed those who need the help so badly.

The Auditor General has raised serious concerns about the ability of other departments to deliver programs effectively. These are departments to which the Liberals want to give more money in Bill C-48, including Indian and northern affairs and the Canadian International Development Agency.

In addition, the Auditor General's office is currently conducting an audit of the Government of Canada's climate change expenditures, which will be released next year. One can only imagine what negative effects that could have on all our citizens.

The Conservative Party wants to ensure that the social needs of Canadians are met. We recognize that many Canadians are not receiving the level of assistance that they deserve from the Liberal government. This is a direct result of the Liberal government's approach to all problems, throwing money without an adequate plan. The Liberals just throw money at the problem until it goes away, or at least their critics do.

This philosophy has cost Canada in the past and it will cost us even more down the road. Reckless spending has never led to long term stability and national prosperity. It is irresponsible and cruel to needy Canadians to throw money at government programs that are not meeting their objectives. Besides being a disservice and raising false hope, it is a waste.

The responsible approach would be for the government to first ensure that existing money is spent effectively, to improve programs and services to ensure that no one is left behind.

Committee stage is an important part of the legislative process. It is supposed to be an opportunity to improve the quality of legislation with expert testimony and the experience of all members. At committee stage the Liberal-NDP-Bloc coalition rejected Conservative efforts to restore prudent fiscal management.

The Conservative Party attempted to include real solutions for Canadians, such as matrimonial property rights for aboriginal women and to ensure accountability and transparency.

I was involved in the process through the aboriginal committee. The committee spent months in efforts to isolate the problems, identify the solutions and to put forward the recommendations. As with too much committee work, we feel our efforts have fallen on deaf ears.

As MPs we will not suffer. It will be our constituents, our fellow Canadians that will pay the price with a wasted opportunity.

Government Orders

• (1720)

Also, at report stage the Conservative Party tried to move amendments to make the spending in Bill C-48 more accountable to Canadians and to reflect a more prudent fiscal approach. There was a genuine effort to avoid a repeat of the waste, the mismanagement and the boondoggles that have dogged the Liberal government for years. Taxpayers have demanded better accountability and we have tried to deliver it, but the Liberals and NDP have restricted us at every step.

One amendment proposed was to raise the amount of surplus that would be set aside for debt repayment. The interest saved could prevent future cuts to social programs as a result of the upcoming demographic changes. Another amendment would force the government to table a plan by the end of each year, outlining how it would intend to spend money in this bill.

The Conservative amendment to clause 3 would ensure that important accountability and transparency mechanisms would be in place for corporations wholly owned by the federal government. These include crown corporations like the Mint, Canada Post and Canada Mortgage and Housing Corporation. Accountability and transparency should be paramount to any government, especially in this case, considering Bill C-48 advocates spending an additional \$4.5 billion of taxpayer money.

The Conservative Party will continue to hold the Liberals and the NDP to account where spending is unfocused and wasteful. As the social development critic, I was deeply concerned by the format the government chose to use for child care funding.

The \$700 million allocated for spending this year was put into a trust account. These trust accounts have been criticized by the Auditor General as their activities fall outside of the purview of Parliament and the Access to Information Act. This is no way to introduce accountability to a program that we know will cost billions of dollars. It is quite likely that we are witnessing the beginnings of the next billion dollar boondoggle. If the minister is so proud of his work, why is he not willing to be transparent with us? Why is he opening himself up to the scandal and mismanagement?

It is also worth pointing out that those trust accounts are a convenient way to say it has spent the money without actually spending it. In fact, only \$351 million of the \$700 million has been allocated to the provinces so far for child care. That means basically half remains unallocated and unspent. Unfortunately, if this trust account is like the others, such as the millennium fund, this money is lost unless spent. It cannot be returned to general revenues.

I sincerely wish the Liberal and NDP governments would have accepted the genuine efforts of the Conservative Party to improve the bill. Even more so, I wish our farm families, rural communities and seniors had not been forgotten. There have been lots of lost opportunities in this budget but the real damage will not be evident until long after it is passed.

• (1725)

Mr. Wajid Khan (Mississauga—Streetsville, Lib.): Madam Speaker, in the hon. member's comments, she talked about prudent fiscal management. I would like to take the member down memory lane.

Everybody has been talking about a \$42 billion deficit, but I want to correct those numbers. Under the Conservative government, the deficit went from under \$200 billion to over \$600 billion and the projection in the next year has been \$53 billion. Canadians and Canada could not afford it for even a minute longer. That is why the Conservatives were reduced to two seats in the country. They should not forget that.

They are trying to teach us prudence and fiscal management, but we have had continuous surpluses and the highest employment record budget after budget. If this government is fraught with corruption, why did the member and her party support Bill C-43?

Mrs. Carol Skelton: Madam Speaker, I want to reassure the member that there were a lot of good things in Bill C-43 and we did not oppose it. We voted for it last week because there were some excellent things in it. However, we do not feel confident about a bill written on a napkin. I do not know what time of the day it was written. Some of my colleagues said that it was late at night in a dimly lit room.

I just do not believe that is the way for a finance minister or a government of a country to write or add to a budget. If these things were so good, why were they not put in the original budget? Why did the finance minister not include them in the budget? Why did the Liberals bring forward a one page bill and submit it to the House of Commons. Why was it not in the original budget?

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Madam Speaker, we in Saskatchewan have seen what happens to economies when the socialist NDP has its policies enacted. Businesses have been driven out of the province. A generation of young people have left and made their homes in other provinces where there are more economic opportunities and it is easier to find a job and raise a family.

If that happens on a federal scale, will we see people leaving the country instead of moving from one province to another? A few years ago there was a lot of talk about the brain drain as people moved to the States to find economic opportunities. I fear the same thing might happen again if this NDP socialist budget is enacted. What happened to our economy in Saskatchewan will be applied at the federal level. The NDP drove young people and businesses out of the province. Will we see that on a federal level if some of these policies are enacted?

Government Orders

● (1730)

Mrs. Carol Skelton: Madam Speaker, we are so proud of our province of Saskatchewan which is celebrating its 100th birthday this year. The province has a lot of natural resources, but we see a lot of problems with mismanagement and money that has gone astray. A lot of money has been spent in crown corporations that is unaccounted. We have seen it over and over again. Young people are leaving our province because they cannot find the jobs. The climate in Saskatchewan is not there for jobs or for people to open small businesses.

I spoke with a group of disabled people on the weekend. They talked about our government not putting forward the money from the multilateral agreement it signed with the federal government. If it had not been for Conservative members of Parliament fighting for equalization for our province this year, no one would have gone to bat for the province. No one stepped up to the plate. Premier Williams came to bat. He came to Parliament to meet with the Prime Minister, but our premier did not do that very well.

Ms. Diane Finley (Haldimand—Norfolk, CPC): Madam Speaker, I rise today to speak to Bill C-48, the back of the napkin, Buzz Hargrove and leader of the NDP budget bill.

With the NDP ready to make more demands on the Prime Minister and the Liberals in exchange for their continued propping up of the Liberal government, I believe it is important that Canadians be made aware of the record of the last federal Liberal minority that was propped up by the NDP.

Here are just a few points to consider regarding the last Liberal-NDP coalition government. Between 1972-73 and 1974-75 fiscal years, spending on federal government programs jumped by 50%, from \$18.8 billion to \$28.2 billion. The taxes and other revenues taken from Canadians climbed by 52%, from \$19.2 billion to \$29.3 billion.

From October 1972 to July 1974, the inflation rate more than doubled from 5.2% to 11.1%. Chartered bank prime almost doubled, climbing from 6% to 11%. Five year mortgage rates jumped two full percentage points to reach 11.4%.

It is no wonder that groups like the Canadian Council of Chief Executives and the Canadian Federation of Independent Business have expressed grave concerns about Bill C-48 and the reckless spending that it proposes.

This out of control spending is made worse by the complete lack of a plan as to how this money will be spent. Spending without a plan is a recipe for waste and mismanagement. It is cruel not only to taxpayers but more important to those who depend on promised services.

As the official opposition critic for agriculture and agrifood, I find it incredible that despite criticisms of both the NDP leader and the NDP agriculture critic, Bill C-43 had nothing in it for farmers in rural Canada. The NDP did absolutely nothing to address these blatant omissions in Bill C-48.

Let us remember that it was the NDP leader who in the House said the following in regard to Bill C-43, "How can the member stand

and support a budget that gives nothing for farmers when they are living on the edge?"

Furthermore, the NDP agriculture critic had several things to say regarding Bill C-43. He said, "The Liberals presented the budget in the House just a few days before the R-CALF decision came down and we got to see what their five year plan for agriculture was. It was a big zero". He also said that it is "a budget that has made no attempt to address the long term issue of agriculture in Canada" and "to the rural farm families of Canada the budget has offered them nothing". He added, "There was nothing in the budget to encourage young families to take up farming. Unfortunately we have seen the plan for rural Canada. It is laid out in the budget, and there is nothing there".

Despite the NDP's claims that farm families were shut out of the government's budget Bill C-43, the Leader of the NDP ensured that farm families received nothing in Bill C-48 either.

The Leader of the NDP's actions make it obvious that the NDP does not care about farm families and will not support them in their times of need. In spite of the NDP's lip service toward the needs of the agriculture community, it did nothing to help our agricultural producers with Bill C-48. I guess this shows where the NDP's priorities truly lie.

The government talks about declining farm income. In spite of this, most of our export oriented agricultural producers continue to receive the blunt end of a stick from the Liberal government's intransigence which dictates to western Canadian farmers that they can have no choice but to market their wheat and barley through the so-called Canadian Wheat Board.

The Conservative Party of Canada believes the Wheat Board's monopoly on grain marketing should be abolished. Farmers should have options. They should be able to market their own grain if they so choose and take advantage of market conditions to maximize their profits.

● (1735)

Furthermore, the current unfair market situation facing our grain and oilseed producers is simply not sustainable or acceptable. Our grain and oilseed producers continue to face crippling foreign subsidies and unfair tariffs imposed upon them by foreign bodies at the WTO. Canadian grain farmers are losing \$1.3 billion annually to the hands of European and American subsidies.

The Alberta Grain Commission estimates that if tariffs were reduced, farmers would get \$16 a tonne more for wheat, \$19 more for barley and \$71 more for canola.

In this context, the Conservative Party of Canada supports the goals of the Doha round, those being substantial improvements in market access, the phasing out of export subsidies and substantial reductions in trade distorting domestic support.

This position is affirmed in the Conservative Party's international trade policy, which reads:

Government Orders

In future rounds of trade negotiations, a Conservative Government will vigorously pursue reduction of international trade barriers and tariffs. A Conservative Government will pursue the elimination of trade-distorting government export subsidies within clearly established time limits. A Conservative Government will seek a clear definition of what constitutes an export subsidy.

We are pleased that a NAFTA panel has ruled that U.S. duties on Canadian hard red spring wheat are unjust. However, this government's handling of the grain hopper cars runs the risk of more U.S. duties in the near future.

Speaking of the grain hopper cars and budgets, the Liberal government announced nine budgets ago its intention to dispose of 12,000 government-owned grain hopper cars. Nine years later, the cars are still in the hands of the government.

This process should not be complicated. The government and grain industry conducted an extensive review known as the "Grain Handling and Transportation Review", led by Justice Willard Estey and evaluated and supported by Arthur Kroeger. Estey's recommendation was to dispose of the cars for fair market value.

The government can dispose of these cars on a commercial basis; a process that would be fair to all Canadian taxpayers. Instead, the backroom deal being made by the Minister of Transport, at the expense of Canadian taxpayers, will see the cars given away for next to nothing.

The United States views the government-owned hopper cars to be an indirect subsidy to Canadian grain farmers. Even worse, a non-commercial transfer of the grain cars will run the risk of further U.S. duties on Canadian wheat.

This government continues to fail farmers by providing inadequate income support programs for producers struggling with circumstances and conditions outside their control.

It is unspeakable that both Bill C-43 and Bill C-48 have nothing whatsoever to help our Canadian farm families. Canadian producers are fighting for survival. They should not have to fight their own government.

The Conservative Party has consistently opposed the Liberal approach of spending without an adequate plan, which is reflected in Bill C-48. This bill is a reflection of the new federal budget, an NDP budget, one that the Liberals have put forward after they said it could not be done.

The lack of detail regarding programs that would be developed as a result of this bill, combined with the Liberals' poor track record on delivering value for money, provides little guarantee that the objectives of this bill would be met, that taxpayer money would be spent properly or that Canadians would be better off.

The Conservative Party wants to ensure that the social needs of Canadians are met and recognizes that many Canadians are not receiving the level of assistance they deserve from the federal government.

It is unfortunate that the NDP-Liberal coalition blocked at report stage the Conservative Party's efforts to move amendments to make the spending in Bill C-48 more accountable to Canadians and to reflect a prudent fiscal approach.

Our amendments aimed to do several things: raise the amount of surplus that would be set aside for debt payment; force the government to table a plan by the end of each year outlining how it intends to spend the money in this bill; and ensure that important accountability and transparency mechanisms are in place for corporations wholly owned by the federal government.

Unfortunately, both parties to the NDP-Liberal coalition prefer to remain unaccountable for their spending of Canadian taxpayer dollars. For this, I will be voting against Bill C-48.

• (1740)

Mr. Peter Julian (Burnaby—New Westminster, NDP): Madam Speaker, I was interested in the comments of the hon. member opposite, particularly given the Conservative track record on management of financial affairs.

Let us look at the Mulroney Conservative government of the 1980s and 1990s. We had record deficits, as we know. We also know that in the last federal election campaign the Conservative Party presented the most expensive platform in Canadian political history. It just wanted to shovel that money out the door.

We also know that with Bill C-43 the Conservatives did not even show up to work on that particular day and were fully supportive of \$4.6 billion being shoveled off the back of a truck to the corporate sector.

What we have is a pretty deplorable track record from the Conservatives in financial management when it has been in government. Two-thirds of the time across the country, provincially or federally, they have been in deficit. They had the worst deficits in Canadian history when they were in government, and they had the largest bill to the taxpayers for their bloated promises in the last federal election campaign. Happily, most Canadians rejected that.

I was interested in the member's comments about supporting farmers, because there was nothing in Bill C-43 that dealt with the agricultural crisis. Our agricultural critic for the NDP, the member for Timmins—James Bay, has been fighting in this House to make sure that farmers are fully aware of what needs to be done, but the Conservatives have basically sold out farmers right across the country by refusing to support supply management institutions.

The hon. member made reference to that in her speech, saying that she was not going to support the supply management institutions, that she favoured the type of sellout we could possibly be seeing through the WTO.

I am concerned because the Conservatives have a very poor financial track record, particularly when we talk about fiscal period returns, and we have from the Conservatives as well a very poor track record on standing up for farmers across this country, on supporting the corporate tax cuts and not pushing the agenda. In this corner of the House, the NDP has been fighting very hard to make sure that the government addresses those issues.

Government Orders

•(1745)

Ms. Diane Finley: Madam Speaker, I would be happy to offer my NDP colleague across the floor a tape of the speech I just made this evening, because it would seem that he missed virtually every point I made, representing them in entirely the opposite fashion.

He did make reference to a Conservative track record and an NDP track record in budget performance. I come from Ontario. The very first time Ontario had an NDP government, we suddenly had a thing called "Rae days". This was something that no Conservative government had ever brought in. The NDP actually cut people's wages, making them work longer hours for the same wages. That is not the sort of budget we want to see going before Canadians. We lived through that in Ontario. They were tough days.

This is my great concern with the federal Liberal-NDP budget that we are discussing tonight. These are the kinds of things that we want to avoid. As Conservatives, we want to see a plan for the spending. We do not want to see a revisit of the Rae days that those of us in Ontario endured during the 1990s.

Mr. Bob Mills (Red Deer, CPC): Madam Speaker, it is interesting to listen to the NDP blackmailers talk about their concern for agriculture, because they did not negotiate anything for agriculture in their NDP budget. Let me give an example from my constituency—

The Acting Speaker (Hon. Jean Augustine): The hon. government whip on a point of order.

Hon. Karen Redman: Madam Speaker, I can appreciate the fact that emotions run high and people have a lot of passion, but I would hope that through your good stewardship you would encourage all members to have a little decorum and use appropriate language in this House.

The Acting Speaker (Hon. Jean Augustine): That is not a point of order, but I would at the same time encourage the member to be careful that the adjectives and the descriptors he uses do not impinge on the members' reputations.

Mr. Bob Mills: Madam Speaker, I am just repeating what I hear in my constituency about this kind of deal. I represent my constituents. That is in fact what they call those people.

I will just give an example of malt barley, if I may, and of what the hon. member across the way and our agriculture critic were talking about. Today, malt barley in Alberta, where I come from, is \$2.45 a bushel. In Ontario, it is \$4.50 a bushel if it is low grade and \$5.50 for the top grade. It cannot be found in Ontario.

It would cost about \$1 to ship a bushel of barley from Alberta to Ontario to fill that market, but we cannot do that. When asked why we cannot do that and why the price is so low, the answer from the barley buyers down here is that we have such a socialist system in the Canadian Wheat Board. It does not apply to the Ontario farmer, but it does to the prairie farmer. I wonder what the minister or rather the member thinks of that; she should be the minister.

Ms. Diane Finley: Madam Speaker, I certainly thank my colleague for his vote of confidence.

He is absolutely right. We have heard too many stories about this. Allowed to compete in open markets, western producers of grain

would have a much more profitable year than they do through the Wheat Board.

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Madam Speaker, I am pleased to take part in this debate tonight. I have heard over the past couple of days different issues talked about in reference to Bill C-48. I have heard some of my colleagues and others talk about the fact that this no-tell hotel deal was signed on the back of a napkin. It is similar to former Prime Minister Chrétien and his deal with the Grand-Mère Inn and the golf course, where he brought forth a deal which had been signed on a napkin. That is not the way one would expect business to be done in this place. It is not acceptable. To spend \$4.5 billion with just a few words that mean very little, such general statements as to how that money should be spent, is unacceptable.

I do not want to talk about any one particular issue but rather talk about the impact on real people across the country and what this extra spending above Bill C-43 budget will do. When we look at this issue and talk about budgets, taxes and government spending and so on, we should remember that Canada should be the country with the highest standard of living in the world.

There is no reason why that should not be the case. We have the resources. We have well educated and trained people. We have everything that should be required to make Canada truly the number one country in the world when it comes to our standard of living.

Sadly, that is not the way things are. The reason for that can be attributed to the government and how it has handled taxpayers' money and the business of this nation over the last 12 years. As a result, and it has been exposed over the past year by studies that have been done, with the economy going so well and the government taxing at an ever increasing rate and spending at a wildly increasing rate, our standard of living has not improved one bit.

For some groups, I would argue that things have become worse. Canada should be the envy of the whole world. In fact, it is no longer the envy of the whole world. I went to a meeting of the NATO parliamentarians in February in Brussels where we dealt with security, trade, and of course defence and security issues. After those meetings I attended a meeting of the OECD in Paris which is the body that provides the best unbiased information for many things, but in particular, economic forecasts.

I attended a meeting of the OECD with members of the economic committee from NATO countries and from observer countries with experts giving economic forecasts. I was shocked that the OECD no longer talked about the G-7 but the G-6. All of the charts that talked about economic forecasts did not even include Canada any more. Canada was left off the list. That is a sad commentary on what has happened to our country under the guidance of the government over the past 12 years.

Canada should be truly, unarguably the envy of the world. Unfortunately, when it comes to international bodies, we are anything but. We have lost that status and we must get it back. There is no reason why we cannot. However, to do that, the government must show some leadership and there are some things that must be done which are not being done.

Government Orders

● (1750)

As a result there are two groups in particular that are being hurt and whose standard of living has dropped. Things have become a lot more difficult for them over the past 12 years rather than just holding their own. I am speaking of young families where in most cases now both parents have to work away from home. That makes it very difficult to raise a family.

Then there are the retired people, the elderly who are on fixed incomes. The government brags again and again about how wonderfully it is doing with the finances of the country because it runs surpluses. The surpluses are increased spending. It is taking more money from the taxpayers who simply cannot afford to be taxed at the level they are and especially young families.

I have had many people in my constituency, as have many members of Parliament in the House, come to me to tell me how difficult it is to make ends meet, how both spouses are working. I guess I know best about my own family.

My wife Linda and I have five children. Four have just recently completed their post-secondary education. My youngest daughter is still in university taking engineering. She is in a co-op program, which is a wonderful program, but she has a couple of years to go yet. The other four are all in the process of starting families. Two are married. The other two are single. All four of them are either building a house or buying a house right now because they are working and they have to have a place to live, and they prefer to buy rather than rent.

In the case of my two children who are married, both the husbands and wives work away from home because they have to, not because they want to. In both cases they desperately want to start a family but because of the high taxation levels, they cannot at this time. I only talk about my family because it represents exactly what is going on with so many other families across the country.

The government talks so lightly about everybody expecting to and having to pay taxes and so there is a level of taxation it forces people to pay. People are told to just pay it and not complain about it. What the government does not say is that it has the perfect situation right now to lower the tax rate. The economy in the country is going quite well. It is a golden opportunity to lower the tax rate and yet the government has done so little in the budget to do that.

What that has done is force our young families to have both parents working, even in cases where they want to start a family. They do not want to both be working away from home and yet they must.

The other group that I mentioned was the elderly, many of whom are on very low fixed incomes. In spite of the fact that an elderly person makes even \$15,000 in retirement pension, they still have to pay taxes. It makes it very difficult, quite frankly, for them, especially those who want to remain in their own homes, or those who have to pay high rental costs. Everyone knows about the increase in power and gas bills.

Many of the elderly I am talking about still are driving a vehicle and want to remain active and mobile. We know the price of gasoline. All these costs have gone up and yet they still have to pay

taxes. The government does not seem to see a problem with that. It is a golden opportunity to give substantial tax breaks to Canadians across the country. That is what the Conservative Party put forth in the last election. It was a plan to lower taxes in a substantial way and that is something that the Canadian Alliance and the Reform Party before that focused on.

● (1755)

We would focus on lowering taxes so that our children, people who have a very difficult time making ends meet would not have to pay taxes or pay much less tax than they do now. I hope that Bill C-48 will be thrown aside. Instead, we should have a tax reduction that would lead to making things easier for young couples who simply want to start a family and cannot at this time because taxes are too high.

● (1800)

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): Madam Speaker, I would like to congratulate the member on his family and wish all members of his family success.

Does he not think that a young couple starting out would not be more likely to want to start a family if they knew that there was a well publicly financed health care system available to help them along the way? When they think about the future and the possible health care needs of their children, would they not be more likely to want to take that step forward?

Would they not feel more optimistic about starting a family knowing that there is that social safety net? If they did not have publicly funded health care, would they not be less likely to want to start a family when they think of the exorbitant costs of private health care insurance in a country such as the United States? Would they not worry that if someone in their family became unfortunately ill that they could face bankruptcy? How would they feel then about wanting to start a family?

The hon. member is the chair of the government operations committee on which I have the pleasure of sitting. It will be proposing an independent body for federal public servants to go to if they wish to whistleblow. I thought I would add that in seeing as the member is the chair of that committee.

How can the hon. member say that the OECD does not reference Canada or think about Canada, when the OECD has said that Canada is the only OECD country that will have a surplus next year? How can he say that the OECD does not think about Canada or reference Canada?

Those are some of the questions for the hon. member.

Mr. Leon Benoit: Madam Speaker, I would like to thank the member of the government operations and estimates committee for his questions. I acknowledge that he is a very valuable member of that committee. A lot of good work has been done by this committee. It is a relatively non-partisan committee. It certainly will become the most powerful committee of the House without a doubt. It is well on its way there already.

The member talks about the OECD and the economic forecasts showing that Canada is the only country that is running a surplus right now. In spite of more than a 10% increase in government spending for each of the last two years, and in spite of the fact that taxes are so high, Canada is still running a surplus. Why would the government brag about running a surplus? Certainly, we do not want to go into a deficit position.

We could reduce spending and certainly stop the rapid increase in spending. We could reduce taxes substantially and still not get into a deficit position. That would leave more money in the pockets of the people who make it.

We all support social programs. When so much of what people earn is taken from them by government and spent by government, it is simply unacceptable. We must move to a better balance where the

Government Orders

tax levels are more reasonable and people who earn the money get to spend more of it themselves. That is what we are looking for.

In terms of health care, the member has some nerve to bring up the issue of health care after what happened last week or the week before. The Supreme Court said that over the last 12 years the government has run down our health care system to such a level that private health care has to be allowed to operate alongside public delivery. That is what the Supreme Court said.

I guess the government's hidden agenda is to run down our health care system, so that we do have a huge private component as well beyond what we have now. The Liberals have accomplished that by running down the public system.

[For continuation of proceedings see Part B]

CONTENTS

Monday, June 20, 2005

Heritage Lighthouse Protection Act

Bill S-14—Speaker's Ruling

The Speaker 7397

PRIVATE MEMBERS' BUSINESS

Heritage Lighthouse Protection Act

Bill S-14. Second reading 7398
Mr. Blais 7398
Mr. Stoffer 7399
Mr. Easter 7400
Mr. Hearn 7401
Mr. Rota 7402
Mr. Martin (Winnipeg Centre) 7403
Division on motion deferred 7404

GOVERNMENT ORDERS

An Act to Authorize the Minister of Finance to Make Certain Payments

Bill C-48. Report Stage 7404
Mr. Martin (Winnipeg Centre) 7404
Mr. Thompson (Wild Rose) 7405
Mr. Szabo 7405
Mr. O'Connor 7406
Mr. Szabo 7407
Mr. Broadbent 7407
Mr. Thompson (Wild Rose) 7408
Mr. Harris 7409
Mr. Szabo 7410
Mr. Richardson 7410
Mr. Szabo 7411
Mr. Martin (Winnipeg Centre) 7412
Mr. Abbott 7412
Mr. Bagnell 7414
Mr. Martin (Winnipeg Centre) 7414
Mr. Lunney 7414
Mr. Szabo 7416
Mr. Hill 7417
Mr. Sorenson 7417
Mr. Szabo 7418
Mr. Scheer 7419
Mr. Moore (Port Moody—Westwood—Port Coquitlam) 7419
Mr. Wrzesnewskyj 7420

STATEMENTS BY MEMBERS

Hamilton Police Services Awards

Ms. Phinney 7421

Liberal Party of Canada

Mr. Pallister 7421

Prince Edward Island

Mr. Murphy 7421

Chrysotile Asbestos

Mr. Boulianne 7421

Breast Cancer

Mr. Scarpaleggia 7422

Mitchell Creek Bridge

Mr. Reid 7422

Region of Festivals

Mr. Boshcoff 7422

World Refugee Day

Ms. Faille 7422

Multiculturalism

Mr. Savage 7423

Eastern Ontario

Mr. Poilievre 7423

World Refugee Day

Ms. Ratansi 7423

Financial Services

Ms. Wasylcia-Leis 7423

Age of Consent

Mr. Thompson (Wild Rose) 7423

Riding of Drummond

Ms. Picard 7424

Burma

Mrs. Grewal (Fleetwood—Port Kells) 7424

Edmundston Jazz and Blues Festival

Mr. D'Amours 7424

ORAL QUESTION PERIOD

Child Care

Mr. Harper 7424

Mr. Dryden 7424

Mr. Harper 7424

Mr. Dryden 7425

Mr. Harper 7425

Mr. Dryden 7425

Ms. Ambrose 7425

Mr. Dryden 7425

Ms. Ambrose 7425

Mr. Dryden 7425

Broadcasting

Mr. Duceppe 7425

Ms. Frulla 7425

Mr. Duceppe 7425

Ms. Frulla 7425

Mr. Kotto 7426

Ms. Frulla 7426

Mr. Kotto 7426

Ms. Frulla 7426

Civil Marriage Act			
Mr. Layton	7426		
Mr. Martin (LaSalle—Émard)	7426		
Mr. Layton	7426		
Mr. Valeri	7426		
National Security			
Mr. MacKay	7426		
Ms. McLellan	7426		
Mr. MacKay	7426		
Ms. McLellan	7427		
Technology Partnerships Canada			
Mr. Rajotte	7427		
Mr. Emerson	7427		
Mr. Rajotte	7427		
Mr. Emerson	7427		
Employment Insurance			
Mr. Lessard	7427		
Ms. Stronach	7427		
Mr. Lessard	7427		
Ms. Stronach	7427		
Canadian Forces			
Mr. Bachand	7428		
Mr. Graham (Toronto Centre)	7428		
Mr. Bachand	7428		
Mr. Graham (Toronto Centre)	7428		
Transfer payments			
Mr. Reid	7428		
Mr. Goodale	7428		
Mr. Reid	7428		
Mr. Goodale	7428		
Natural Resources			
Mr. Bezan	7428		
Mr. Dion	7428		
Mrs. Smith (Kildonan—St. Paul)	7429		
Mr. Pettigrew	7429		
Infrastructure			
Mr. Bains	7429		
Mr. Godfrey	7429		
International Cooperation			
Ms. Wasylycia-Leis	7429		
Mr. Goodale	7429		
Child Poverty			
Mr. Martin (Sault Ste. Marie)	7429		
Mr. Dryden	7429		
Agriculture			
Mr. Casson	7429		
Mr. Mitchell	7430		
Ms. Finley	7430		
Mr. Mitchell	7430		
Veterans Affairs			
Mr. Thompson (New Brunswick Southwest)	7430		
Ms. Guarnieri	7430		
Mr. Thompson (New Brunswick Southwest)	7430		
		Ms. Guarnieri	7430
		Industry	
		Mr. Crête	7430
		Mr. Emerson	7430
		Mr. Crête	7430
		Mr. Emerson	7430
		Information Commissioner	
		Mr. Tilson	7431
		Mr. Alcock	7431
		National Defence	
		Mrs. Gallant	7431
		Mr. Graham (Toronto Centre)	7431
		Haiti	
		Mr. Rodriguez	7431
		Mr. Pettigrew	7431
		Agriculture	
		Mr. Casey	7431
		Mr. Mitchell	7431
		Mr. Casey	7431
		Mr. Mitchell	7431
		International Aid	
		Ms. Bourgeois	7432
		Mr. Goodale	7432
		Natural Resources	
		Mr. Silva	7432
		Mr. Efford (Avalon)	7432
		National Defence	
		Mr. Godin	7432
		Mr. Graham (Toronto Centre)	7432
		Justice	
		Ms. Brunelle	7432
		Mr. Cotler	7432
		Privilege	
		Comments by the members for Montmorency— Charlevoix—Haute-Côte-Nord and Calgary West	
		Ms. Bakopanos	7432
		Mr. Guimond	7433
		ROUTINE PROCEEDINGS	
		Federal Fiscal Forecasting, Processes and Systems Report	
		Mr. Goodale	7433
		Aboriginal Healing Foundation	
		Mr. Cullen (Etobicoke North)	7433
		Certificates of Nomination	
		Mr. LeBlanc	7433
		Government Response to Petitions	
		Mr. LeBlanc	7433
		Investment Canada Act	
		Mr. Goodale (for Minister of Industry)	7433
		Bill C-59. Introduction and first reading	7433

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:

Publishing and Depository Services

PWGSC, Ottawa, ON K1A 0S5

Internet: <http://publications.gc.ca>

1-800-635-7943 or Local 613-941-5995

En cas de non-livraison,

retourner cette COUVERTURE SEULEMENT à :

Les Éditions et Services de dépôt

TPSGC, Ottawa (Ontario) K1A 0S5

Internet: <http://publications.gc.ca>

1-800-635-7943 ou appel local (613) 941-5995

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

Also available on the Parliamentary Internet Parlementaire at the following address:

Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :

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

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Additional copies may be obtained from Publishing and Depository Services, PWGSC, Ottawa, ON K1A 0S5

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

On peut obtenir des copies supplémentaires en écrivant à : Les Éditions et Services de dépôt, TPSGC, Ottawa (Ontario) K1A 0S5

**On peut obtenir la version française de cette publication en écrivant à : Les Éditions et Services de dépôt
TPSGC, Ottawa (Ontario) K1A 0S5**



CANADA

House of Commons Debates

VOLUME 140 • NUMBER 119 • 1st SESSION • 38th PARLIAMENT

OFFICIAL REPORT
(HANSARD)

**Monday, June 20, 2005
(Part B)**

—

Speaker: The Honourable Peter Milliken

CONTENTS

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

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

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

HOUSE OF COMMONS

Monday, June 20, 2005

[English]

[Continuation of proceedings from Part A]

Mr. Gord Brown (Leeds—Grenville, CPC): Madam Speaker, I am pleased to rise this evening in this place to discuss my views on and opposition to the proposed NDP budget Bill C-48. Like many of my colleagues who have already spoken to the bill and the many more who will follow me, I have deep founded, grave concerns about the bill and what it says about how we handle our finances.

Before I begin outlining my concerns, let me assure my colleagues and Canadians that I believe the financial goals of the House should be to give every Canadian the highest standard of living in the world. Our goal should be that every Canadian who wants a job should be able to find a job. Every region of our country should enjoy economic growth and prosperity, providing new and challenging opportunities for all Canadians from coast to coast to coast.

My goal is that every Canadian family should be able to look forward to a life of economic fulfillment. They should be able to dream big and achieve those dreams: education, a good job, a house, a family, a decent retirement. These are goals that all Canadians should be able to achieve, partly as a result of our stewardship of the country's finances.

However Canadians cannot achieve these goals. They cannot even dream about these goals when their federal government taxes them too much and spends too much.

The government has been on a relentless spending spree with one hand deep in the pockets of hardworking Canadians while the other throws money around with little concern for the consequences.

The Liberals always confuse spending money with finding solutions. They seem to believe that if they throw bags of taxpayer money at something and spin up a couple of good press releases everything will be made right.

In the past five years, program spending has increased by 44.3% from \$109.6 billion to \$158.1 billion. This growth is not sustainable based on our economic growth rate, which was only 31.6% for the same period. To put this another way, in 1996-97 real federal spending per capita was \$3,466. It will have risen to \$4,255 in 2005-06. Current Liberal and NDP spending plans will take it to \$4,644 by 2009-10. That is a real spending increase of almost \$1,200 per person.

Despite this incredible growth in spending, Canadians' issues are not resolved. Health care is not better. It is worse. Many seniors who worked hard all their lives are living in fear that the money will run out and they will be left freezing in the dark.

The most vulnerable in our society are not getting the handout that they need the most. In my riding, farmers are losing their farms. Most Canadian families require two people to work just to make ends meet and often one person is working just to pay the taxes. This is a crazy cycle that must stop.

However none of this will be stopped by Bill C-48. The bill is merely a blank cheque that allows the NDP-Liberal government to spend money as it pleases with no accountability to the people of Canada. If we look at the bill, we see that it is nothing more than a blank cheque bill to allow the government to continue to spend with no accountability and no due diligence.

Everyone in the House and Canadians in general are aware of the large disasters that have occurred as the result of the government's lack of due diligence in allocating large envelopes of cash to programs without strict guidelines and detailed plans in place.

The HRDC billion dollar boondoggle, the gun registry and the sponsorship program are the most highly visible examples of the kind of spending that is called for in Bill C-48.

However there are many other programs that have been designed by the government to help those Canadians most in need, the Canadians that Bill C-48 purports to assist, programs where the government has failed miserably in design and delivery, even with advance planning.

As a small business owner, I know that one cannot resolve an issue or a problem by throwing a large envelope of money at it. One cannot buy one's way to a solution to anything. Money may be the grease but the solution is always in the human elements, the details and the action plan.

• (1810)

The issue first has to be properly identified and defined. The solution has to be examined and the steps and stages to reach that solution must be worked out. As well, there must be a correct follow through process to ensure that the money that was spent, combined with the work, accomplished the tasks that it was supposed to.

Government Orders

Now I want to talk briefly about a program that was carried out in many communities across Canada and in a city right next door to my great riding of Leeds—Grenville. I am speaking about the supporting communities partnership initiative, also known as SCPI. This program was designed by the federal government and overseen by Human Resources Development Canada. It was designed as a program to help deal with the growing issue of homelessness across Canada.

In Kingston, Ontario, in the riding of Kingston and the Islands, over \$700,000 was spent altogether on the first phase of this program. From the beginning of the program in that community some folks felt there was something amiss. Concerned citizens spent more than a year pursuing the details of this program after it was complete and being shut out by all concerned. Finally, after months of letter writing and public statements, they forced an audit.

Deloitte Touche was called in and what the firm found was shocking. In the City of Kingston, of the over \$700,000 spent on the first phase of this project, only \$26,733 actually found its way toward helping the homeless. That was a mere 3.8% of the money that was earmarked to help the homeless in this program.

Auditors had some other interesting things to say about the program. They claimed there were errors in the process, a lack of oversight and poor record keeping. Where have we heard all this before?

What is ironic about this entire process is that it was actually members of the NDP in Kingston and the Islands who screamed the loudest for the audit and who spent the most time explaining to the public how the government had failed to deliver what it had hoped because of poor planning.

Knowing that, I find it difficult to fathom how the NDP in the House of Commons could even support this bill, its very first finance bill. I have read the bill and it has absolutely no details except for the \$4.5 billion of taxpayer money that is going to disappear into some hastily organized social programs. This has proven over and over again to be a recipe for disaster with the government.

I oppose Bill C-48. At report stage, members of my caucus attempted to improve the bill to make it almost palatable. They attempted to raise the amount of the surplus that would go toward paying down our national debt. This debt must be reduced to ensure we have the money we need for social programs in the future. They attempted to force the government to table a plan each year that would state how this money would be spent and how it would be allocated in this NDP budget bill. This seems a reasonable request.

Those people who stand to benefit from the spending would surely like to know what to expect. I join with my colleagues in demanding accountability, planning and transparency in government financing, and I join them in opposing Bill C-48.

Ms. Marlene Catterall (Ottawa West—Nepean, Lib.): Madam Speaker, I realize the member for Leeds—Grenville is a new member of Parliament and therefore probably does not have a very good memory of the last Conservative government we had in this country but I do.

Perhaps he does not remember that the last Conservative prime minister to run for election announced the election by saying that

unemployment in this country would be double digits for at least the coming decade. It did not take a Liberal government long to get unemployment well below that level.

The member talked about pensions. It was this government that put the CPP on solid, sustainable footing so that it would be there for our seniors. A Conservative government ducked that issue for the five years I was in Parliament and for the four years before that when it was in office.

The member for Leeds—Grenville also talked about the billion dollar boondoggle. The party opposite received great mileage out of that issue in the House for a long time but has forgotten to tell people that when the Auditor General finished her work the simple fact was that \$55,000, had not been misspent but simply had not been properly recorded.

I also want to point out that Parliament has a role in holding the government accountable. The details of how the budget money is going to get spent are in the estimates. What was the Conservative Party doing the week that committees were considering the estimates, the detailed spending and holding the government accountable? That party was boycotting committee hearings.

● (1815)

Mr. Gord Brown: Madam Speaker, I am having difficulty actually finding a question in there but let us talk about pensions for a second. Let us talk about the seniors, especially in a riding like mine which has a large senior population, who are screaming for more money. They are left with not enough support and the government is not doing anything to help them, other than a few measly dollars here and there.

The other part of the question I think had to do with fiscal responsibility. People are sick and tired of programs, such as the gun registry, where there is no accountability and spending just goes on and on. The people in my riding sent a clear message in the last election that they expected their member of Parliament to come here to speak about fiscal responsibility and I believe I have done that in my speech on the bill. The bill does not address the concerns of the people of my riding.

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Madam Speaker, I have a very brief question for my hon. friend.

He comes, as I do, from a riding that has a large farming sector and a large rural sector. The initial budget was just awful for agriculture. When the government's junior coalition partner with the real minister of finance, the member for Toronto—Danforth, made their cozy little arrangement nothing was mentioned for farmers or for agriculture.

I know the member must be dealing with similar problems to mine, which is that programs do not deal with young farmers. They are ineligible because they have not farmed long enough. He has probably heard the member for Yorkton—Melville talk about past programs where the money was announced repeatedly but was never delivered.

Government Orders

Why does the member feel that the government has completely ignored agriculture once again? This is one of the founding industries that has been built up in every province across the nation. I have worked in the Yukon and it has an agriculture industry. It is a very important and vital industry.

The average farmer will spend hundreds of thousands of dollars that go into surrounding communities to build the economy and yet this is something the government has completely ignored. There are no efficiencies and no wisdom in spending, nothing. I was curious what the hon. member's comments might be on that issue.

Mr. Gord Brown: Madam Speaker, many of the beef farmers in my riding are having a very tough time right now. I think it is a matter of priorities. The government has not made agriculture a priority and I think that was indicated in the last election. We saw that government members who came from ridings with large agricultural populations were not re-elected and that message was sent. In these budget bills we have seen support for farmers. The \$19 a cow in terms of BSE support is not adequate.

• (1820)

Mr. Gary Goodyear (Cambridge, CPC): Madam Speaker, I appreciate the opportunity to speak against Bill C-48.

I have heard a number of members in the House accuse the Conservative Party of not standing up for the homeless and for education. I want to make it absolutely clear that is completely misleading.

The issue before us today is a budget that was written on the back of a napkin in a hotel room somewhere in downtown Toronto with the perfunctory minister of finance, Mr. Buzz Hargove. It is difficult to understand who exactly is running the finances of the country when in fact billions and billions of dollars are spent just like that.

Without a plan we cannot vote for the spending of hard-earned taxpayers' dollars. The Conservative Party believes that the federal government should be the overseer and the protector of the funds that people lean on us to make decisions regarding.

The federal government should be responsible for things like international trade, the military, protecting the country's borders, but the Liberal government seems to want to interfere in every aspect of Canadian life.

The government wants to educate our children the way it feels it can do because it knows that parents cannot possibly raise their own children. The government wants to interfere with the family. It wants to tell us how to define our relationships and which relationships to have. It wants to interfere with the rights of religious freedoms.

The Prime Minister actually wants to be the premier of every province and the mayor of every city. The Conservative Party does not feel that is any way a federal government should operate.

The goal of the Conservative Party is it would like to see Canada in the highest of standards around the world. We believe that all Canadians who want a job should actually be able to get a job. We believe that Canadians should enjoy the economic growth that is the envy of the world. We have everything that we need to do exactly that, except a government with leadership.

We believe that moms and pops should go to bed every night knowing full well and feeling secure that their children will have access to a Canadian dream, any dream, a dream that I have not heard from the government in a decade, certainly not since I have been in the House representing my community of Cambridge.

We believe that children should be allowed a great secondary education, not just announcements, but action, a plan. We believe that they should have some money left to save for their retirement, not be robbed all their lives of their hard-earned dollars. Maybe, just maybe it is a dream, but just maybe they could have a little bit left over for skates or a one week summer vacation for their children. But no. What we see is a government that is so ramped on taxation that two people out of every family work, one of them just to pay the taxes for that family.

We feel very strongly that the social needs of Canadians must be met. We need to be responsible and recognize that there are Canadians who are less fortunate than we are.

However, approving the reckless spending, the unplanned and unchartered spending of \$4.6 billion is not the way to do that. There is no adequate plan on a piece of paper that is not more than a page and a half long. Somehow it is about \$200 million to \$300 million per word.

Frankly, to be quite honest, it is not only irresponsible, it is actually very cruel to continue to make announcements without a plan or probably without any intentions of following through.

• (1825)

I would like to discuss what happens when the government makes spending announcements without any plan. The first thing that comes to mind is the knee-jerk reaction of let us get into spending money on a gun registry.

A plan would be what we saw with our cattle. We can register 40 million cows for \$8 million, but apparently it takes almost \$2 billion to register seven million long guns. We are talking long guns, because registration of hand guns has been around since 1935 and it has not done anything to resolve the shootings in downtown Toronto.

I do not know that there are duck hunters in downtown Toronto causing all that violence. I suspect that those firearms are hand guns that have been registered forever. Where are they coming from? They are coming across the border at the 200-plus border crossings without any security whatsoever. The government calls that smart borders; I call it completely inane.

What about the knee-jerk reaction at Davis Inlet? At Davis Inlet we saw children sniffing gasoline. The media reported it. It became a public outcry, which it should have been, but without a plan, what did the government do? It approved the spending of what amounted to approximately \$400,000 to move those children, and what else? To move the problem. There were no solutions, just taxpayers' money. We need solutions, not announcements.

Government Orders

Nobody would build a house without a plan. What a disaster that would be to start digging the hole first, not even knowing what size the house would be and not even knowing how many bathrooms were needed, just a blank cheque. Canadians cannot afford that kind of lack of planning.

Probably the most known one is the sponsorship scandal. Some of my colleagues suggest that was not without a plan. There was a plan to funnel and launder taxpayers' money into the Liberal friendly coffers. Maybe that is true, but frankly, the plan was a knee-jerk reaction to get money somewhere and it ended up somewhere else.

We talk about infrastructure right now. The last time the Liberals put \$6 billion into infrastructure was into something called the Canadian infrastructure works program at the beginning of the Chrétien government. Since we are going back into history, I know the questions I will get asked will be something about past spending in some government. We are not talking about history. We are talking about saving Canadians' dollars by controlling the fiscal recklessness of the government.

I hate to break it to the members opposite, but we cannot change history. Let us move forward. Let us do something different, because what they have been doing for the last decade has not been working. We have record lineups, but we have \$41 billion announced for health care. Nothing has changed. Lineups have not changed.

What do we have in the Canadian infrastructure works program? We have \$6 billion, and a lot of that money went toward private hockey arenas. It went toward bocce courts. Do not ask me if I have anything against bocce courts. That is just political rhetoric. Of course I do not. What I have a concern about is spending taxpayers' dollars in areas in which they were not designed to go.

The Conservative Party has nothing against the homeless, absolutely nothing. They need to be helped. They need our help. We have a problem with putting \$1.6 billion into a program and not ending up with any extra beds. We have a problem with a program that has 97% administrative costs. How long does the government think that we will sit on this side of the House and give it a blank cheque to continue with its irresponsible spending habits? It stops now. Frankly, the buck stops here. We cannot vote for such reckless spending.

In my community of Cambridge, we have social programs like the Bridges and Cara's Hope. These are programs that are not funded in any way by the government, because the Liberals have too much money to blow on reckless spending.

• (1830)

We would like that the government get down to the business of making a plan, just as normal Canadians would have to do, and spending money on that plan. That is how we get a dollar for a dollar.

Mr. Paul Szabo (Mississauga South, Lib.): Madam Speaker, when we think of the G-7, and others have talked about Canada leading the G-7 in job creation, Canada is the only G-7 country to have a balanced budget. As a matter of fact this budget is the eighth consecutive balanced budget. This is not reflective of what the member repeated several times, reckless spending.

He talked about Bill C-48. Bill C-48 represents an increase of 1% in total spending. Why does he think that 1% increase in spending is reckless? Does he think assistance to post-secondary students is reckless? Does he think that spending on retrofitting low cost housing for environmental purposes is reckless spending? Does he think that spending on affordable housing so Canadians can have the dignity of a roof over their heads is reckless spending? I do not think so. I know the member. I know that he supports this budget.

Would the member at least recognize that there was a \$100 billion tax cut that has been now fully implemented and now that our tax system is fully indexed Canadians are receiving a tax cut each and every year?

Mr. Gary Goodyear: Mr. Speaker, I certainly reciprocate the respect of the hon. member. However, I had to chuckle when the member said that it is only 1%. That is the problem with the government: "It is only 1%; it is only \$100 million; it is only \$1 billion; heck, we spend \$500 billion, what's a billion?" I thank the hon. member for pointing that out. That is exactly the problem with the government. It has no respect for people who end up with \$13 left at the end of the month. What the hon. member wants to brag about is a tax cut that amounts to \$16 a year. How ridiculous.

Take care of the pennies and the dollars will take care of themselves. A dollar in the hand of the people is worth far more than a dollar in the hands of the government.

Let me just repeat what I said. We have absolutely nothing against providing for affordable housing, but the government's way of doing it does not end up with any net difference in affordable housing. Put the money into it, let us see the concrete pour and I will vote for it. To just throw the money into a money pit, I refuse to vote for that. I work too hard for my money. My constituents work too hard for their money. The government has to learn to respect dollars. Not everybody makes as much money as that hon. member does.

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Madam Speaker, it is a bit of a news flash that the Conservative Party has nothing against homeless people. I am pleased to hear that. I assume that party will therefore support Bill C-48, but I am somewhat skeptical about that.

There has been a lot of misinformation put on the floor of House by the hon. member and others. I want to bring to his attention that in the course of this government, program spending as a percentage of GDP has actually declined from something in the order of 17% to 12%. We in fact are holding the line at around 12% of GDP. Bill C-48 actually represents less than 1% of government spending and it is entirely contingent spending; in other words, if there is not a surplus, it will not be spent.

I want to make the point to the hon. member that this is a fiscally responsible approach to unplanned surpluses. In fact Bay Street has already looked at this and the dollar has gone up, surprise, surprise. Interest rates remain steady, surprise, surprise. Inflation has not jumped, surprise, surprise.

Government Orders

The people who actually look at these things and make decisions on what they are going to do financially with respect to Bill C-48, or Bill C-43 for that matter, have decided that this is appropriate spending.

•(1835)

Mr. Gary Goodyear: Madam Speaker, I do not believe there was a question there, just more rhetoric from the opposite side of the House.

Again I hear this issue about 1% of spending. We really do have to tell the truth to Canadians. This budget has no plan behind \$4.6 billion. Then there was this pre-election campaign spending of \$25 billion in promises by the Prime Minister. When Bay Street sees the \$25 billion plus this potentially contingent \$4.6 billion, which sounds to me like promises made, promises likely to be broken, I suspect the dollar will go up, interest rates will go up and our economy will downturn.

I would suggest the government pay close attention to all the promises it makes. Maybe in some weird way I actually hope it breaks a few of them.

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Madam Speaker, I welcome the opportunity to address this do over budget, the whoops we made a mistake in the first one budget so we will try again, the back of a napkin, Buzz Hargrove, NDP deal in a hotel room.

I want to outline the difference in philosophy between the socialist corruption alliance and the Conservative Party philosophy. Our party believes there has to be a reason to take tax dollars away from Canadians.

I want to relate a story and the hon. member across the way was instructing me as to why we could not have tax relief. He told me that the reason why we could not have tax relief was if a \$100 tax credit were given to every Canadian, it would cost so many billions and if a \$200 tax credit, it would cost double that.

I asked him what was the problem with that? He said the question was, did every Canadian deserve a \$200 tax cut? That sums it up. For the Liberals, ordinary working Canadians have to justify keeping their own money. They have to go to the government with a reason why they have to keep their hard earned dollars. Then the Liberals will sit there, judge and say that they will let some people keep a little more of their money but others they will not.

The Conservative Party thinks it is the exact opposite. We have to go to Canadians and provide a justification for why the government needs their money. It has to go to specific essential services. The Liberals view it as their private chequing account, that Canadians have to go and beg and plead for some of their own money back.

Let us look at a few of the items the government treats as its own private chequing account. There has been a lot of discussion in the past few days about foreign aid. We are sending tax dollars, collected from hard-working Canadians, working families, to China, government to the government. We are funding the most brutal regime on the planet and we are giving them tax dollars. Canada is funding a government that habitually exterminates its own people, wipes out villages, ethnically cleanses parts of its regions, rolls over vast

regions such as Tibet. It has missiles pointed at Taiwan. We are giving China direct dollars.

It is not a surprise. We know the Prime Minister's buddies in Power Corporation and Canada Steamship Lines do the bulk of the trade with China. They give money to the government of China directly and then lo and behold CSL and Power Corporation are the beneficiaries of some of the payback.

We look at more millions going into the gun registry. I am not surprised the NDP voted to keep the funding going. We know the position of the leader of the NDP on gun control. It is confiscation. We know, when he was a councillor in the city of Toronto, he advocated central depositories where gun owners would have to leave their guns and sign them in and out like a library card. If they wanted to go hunting on the weekend or if a farmer had some pests around that he wanted to get rid of, they would have to go and sign their guns in and out. How much would that have cost?

It really is no surprise that the NDP leader would support more funding for the gun registry, even though the vast majority of Canadians, certainly 95% of constituents who have contacted my office, have said that they want the program scrapped. They want those dollars put right into front line police officers. This is not going to happen with the government.

The issue of child care is another example of the Liberal philosophy. It is a vicious circle and we are in the middle. The Liberals only see the problem starting at there are many working families which have to have both parents out of the house working and that is creating a problem in looking after their children.

The Liberal solution is to take more of their hard earned tax dollars and put it into a babysitting bureaucracy. They will make Canadians work harder and longer to fund a program they will give only to certain people who fit into that Liberal paradigm, that one size fits all approach. Forget about shift workers. Forget about parents who choose to work opposite ends of the clock in order to be at home and provide that care. Forget about people who use a relative. Only the people who fit in that one size fits all paradigm will benefit from it.

The good news is we will all have to pay for it. Every Canadian, regardless of their child care choice, will have to pay for it. The vast majority of Canadians will pay twice, once for the option of their choice and once again to fund the minister's huge multi-billion dollar scheme. The minister cannot even tell the House how much it will cost. He says he does not know.

Government Orders

● (1840)

Members of his party, child care advocates, say that it will cost between \$10 billion and \$12 billion, perhaps even as high as \$15 billion a year. From where are they going to get the money? Will they hike taxes? Probably. Will they cut services in other areas? Probably. We have a ruling from the Supreme Court saying that the Liberals are certainly not doing a great job on health care, and it goes on.

A TD report released in January, I believe, showed that the gross domestic product in Canada from 1989 to 2004 grew by 25%, but the average take home pay for working Canadians increased by only 3.6%. Working families from 1989 to 2004 got a 3.6% increase in their take home pay. That speaks to a lot of issues such as quality of life. We know inflation goes up at a higher rate than this over that many years. Therefore, Canadians have had a pay cut because they have had to pay more for their services as inflation has gone up. They are keeping less of their money.

The average Canadian family in that time experienced a \$1,327 increase in their total tax bill. That is shameful. We are seeing working Canadian families paying more money for fewer services. The quality of service is going down. Proof of that is in the Supreme Court ruling blaming the government for the record of abysmal mismanagement.

We know what NDP deals do to the economy. We have seen the economy in Saskatchewan stagnate. Saskatchewan is a province full of prosperity and natural resources. People are willing to build their province. They are willing to be entrepreneurs and work harder to make their communities better. Yet the government uses their tax dollars to fund wasteful schemes. I think of Spudco, or offshore investments which lose, or dot-coms in Australia and Tennessee which lose hundreds of millions of dollars. It is no surprise to see the federal NDP party starting to do some of the same things, throwing money around without a plan.

This is an important thing to remember. This budget deal is all about unplanned spending. When we go through it, we see some of the things they talk about and all are unaccounted. The minister will be authorized to spend so much money on this and many millions on that, with no plan. The government has thrown a few words in to say that it would like the money to go to something for example like the environment, but there is nothing about how that money will be implemented.

Where have we seen the government throw money at a problem with no coherent plan or vision of how the money will be used to address a problem? The first one that comes to mind is the sponsorship scandal. The reason why half the Liberal Party is under investigation for criminal actions is exactly the same sorts of things. Throwing money at a problem and letting the chips fall where they may resulted in the sponsorship scandal.

The gun registry is a typical Liberal fallacy. If there is a problem, something must be done. This is something, therefore it must be done without any sort of foresight or any thought of watching what the end result might be. That is what we are likely to see here.

We are likely to see a whole bunch of money being thrown at something with no concrete plan in place. It is not surprising. The

Minister of Social Development stood in the House and told members he knew he was doing something right because he doubled the money going to Saskatchewan. He specifically said that he did not know where the money was going, but he knew he had doubled it. Therefore, he felt was doing twice as well as before. He cannot even tell the House how many child care spaces will be create.

This is the type of uncontrolled and unplanned spending. It is a horrible thing for responsible government. It is a horrible thing for our parliamentary democracy when government ministers can just spend money without any sort of accountability, implementation plan or evaluation of whether the money got to the right place and if it did the right thing. That is what the essence of the bill is. The NDP is supporting a corrupt government for the sake of being able to say that it threw money at problems.

● (1845)

I would like the NDP to explain that to the residents of my riding and people throughout Canada, who are so ashamed and saddened by what has happened to their government. I would like the NDP to tell them why they are propping up this corrupt government.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Madam Speaker, in listening to my colleague, it is just like hearing that the Conservatives are pure and white. I am wondering what happened in Saskatchewan when the Conservatives were in power for almost eight years. I do not know what happened to 14 of those Conservatives, but I think many of them were pretty close to jail. I do not know how those members can just get up and say how pure they were.

Let us look at the position of the Conservative Party. Where was the Conservative Party when it came to the employment insurance motion that we brought in last week? Conservative members voted against it because it was for working people. They could have helped men and women doing seasonal work. Only seven members of the Conservative Party voted for it.

Conservatives are saying that the NDP is voting with a corrupt government. How did they vote last week on Bill C-43, which was the government budget? They voted for the government budget. How can they get up today and say that the NDP has voted for a corrupt government on a bill and on a budget when they did what they did? The Minister of Finance had not even finished presenting the budget to the House when the leader of the Conservative Party left the House of Commons and told the press he could not vote against the government's budget because it was a good budget, because Bay Street liked it, because there were cuts for the big corporations.

Are the Conservatives questioning what the big corporations do with their money when they get it? I can tell them: they run to the bank. They do not create even one job over the year because it depends on the market, on if they have sales. That is how they create jobs.

Government Orders

Then, when it came time to help the students, the Conservative Party got up in the House and said it was against Bill C-48, not Bill C-43, where we give money to the big corporations, but against the one that would help students who are in debt. They are against that one, said the Conservatives. They are against affordable housing when we could help people who are on the street and we could give them a home. They are against that. That is what the Conservative Party is all about.

I am sure that Canadians are listening to what is happening tonight. One member is saying that the NDP has voted with the corrupt Liberal government. Where were the Conservatives for Bill C-43? Where were they for the Liberal budget, the real budget, where the Liberals and the Conservatives look the same, which was Bill C-43?

How about when it comes to the ordinary people? What about when it came to voting last week on the motion for the best 12 weeks? Who got up in the House of Commons and voted against it? The Liberals and the Conservatives, which to me look the same when we look at Bill C-43.

I would like to hear what the hon. member thought about it. He talks about Conservative members voting and tries to tell Canadians they did not vote for a budget of the government. They have voted on Bill C-43. They did not even wait for the minister to finish telling Canadians about the budget. The leader of their party said he could not vote against the budget because it was a good budget. It was a budget that was more for the big corporations than the little people.

• (1850)

[*Translation*]

Mr. Andrew Scheer: Madam Speaker, I wish to thank my colleague from the NDP for his question.

It is most unfortunate.

[*English*]

The hon. member is quite confused about many issues. I would like to point out to him, and I believe I am correct on this, that it was an NDP MLA in Saskatchewan who was convicted of a crime a few years ago.

The member had a number of questions. I hope I can address them in the short time I have. First he spewed out a bunch of things: why this, why that and why that was not part of the deal. There are all these things he is crying about. Where was all of that when they went to negotiate?

He talked about people in Saskatchewan. I have a lot of people in my riding who would like to know why, when those parties were making this deal, there was not a single penny for agriculture and not a single penny for a fair deal for Saskatchewan in terms of equalization, an agenda that this party has been driving for months as the only ally of the Saskatchewan people in moving this issue forward. We had a motion in the House to give Saskatchewan a fair deal on equalization. That is forgotten.

The member was talking about the first budget. Is he talking about the job saving tax relief? Does he not realize that what is better than social programs for Canadians is being able to have a job?

I am sure the people of Regina—Qu'Appelle would like to understand why he is against providing jobs in my riding. There are big corporations in my riding. IPSCO is a large corporation and employs a lot of people in Regina.

Someone has to pay taxes. Someone has to have a job. This job saving tax relief that the Conservative Party is advocating would help protect those jobs. The huge burden of taxation that the NDP would like to impose across Canada will hurt jobs and hurt people in his riding and mine.

Mr. Dave Batters (Palliser, CPC): Madam Speaker, it is my pleasure to rise tonight in the House of Commons on behalf of the people of Palliser, who have entrusted me to represent them in Ottawa.

Across my constituency, people continue to say that we need honest and accountable government, a government that is ready to govern according to the priorities of Canadians. I am proud to say that as a member of the Conservative Party of Canada I have stood up for Palliser residents time and time again to make sure that their priorities are reflected here in the House.

That is why I opposed and continue to oppose the wasteful Liberal gun registry, which diverts valuable tax dollars away from funding to fight crime, for front line policing, into a bureaucratic boondoggle.

That is why I opposed the Liberal day care plan, which the hon. member for Regina—Qu'Appelle referred to as the babysitting bureaucracy, and instead argued that we need to devote money to parents to make their own child care choices. Money in the hands of parents: I cannot think of a better solution.

That is why I stood up for farmers and producers in calling for the elimination of the producer deposit for the CAIS program.

I take the trust of the people of Palliser seriously. It is the reason I stand here tonight to speak out against Bill C-48, the Liberal-NDP deal that has kept this corrupt Liberal government in power, but which will deliver very little value to the people of Palliser.

I want to take a moment to talk about the Conservative Party's vision for Canada and why the Liberal-NDP deal fails to deliver the economic policies we need to allow families and businesses to prosper.

Canadians are profoundly disappointed with the Liberal government. The Prime Minister promised a lot when he came to power. All of us in the House remember his promises to end the democratic deficit. What has happened since then? That promise has been shattered over and over again with the same heavy-handed parliamentary tactics and patronage as the previous Liberal government under Mr. Chrétien.

The Prime Minister's reputation for fiscal responsibility has also been shattered by the fact that Liberal gang spent over \$25 billion to cling to power last month, aided by the leader of the NDP, whose party continues to advocate tax and spend policies that hurt our economy.

Government Orders

Bill C-48 is yet another indication that the corrupt Liberal government treats tax dollars like its own private piggy bank. The Liberal budget is not a long term fiscal vision for the country but instead an opening bid for negotiations with the NDP.

It may shock members on the government side, and certainly those in the NDP, to learn that using tax dollars to buy votes, to buy Canadians with their own money, is not good policy, nor is it in the best interests of our country.

Canadians do not need a government that overtaxes and overspends. They need a government that has an economic plan, a government that leaves as much money as possible in the pockets of families, as my hon. friend alluded to.

An hon. member: Airbus.

Mr. Dave Batters: Mr. Speaker, the member opposite should listen, because he might learn something tonight.

Fortunately there is a party in this country with a broad national vision for the country, one that believes a government must reflect the priorities of Canadians. That is the Conservative Party of Canada.

That is why I cannot support Bill C-48, the after-budget budget, the deal where a corrupt Liberal government opened its wallets to the NDP, led by the member for Toronto—Danforth and said, “Take it all”. Bill C-48 takes \$4.6 billion out of the pockets of hardworking Canadians just to keep the Liberals in power. This Liberal-NDP political deal betrays Canadians, particularly the people of Palliser and Saskatchewan, and makes a mockery of the budget process.

Let us be clear. The Conservative Party and I supported the first budget bill because, while it was far from perfect, it contained important measures on equalization, infrastructure, money for communities, more spending on the military, and some, albeit small, tax relief for families.

However, it has become clear that the Liberals were only giving us half the story when they presented their budget in February. Since then they have engaged in a reckless spending spree, without parallel in Canadian history, that has cost over \$25 billion. That is three times what the government of Saskatchewan will spend over the entire year. The Liberals have blown through that in a month.

How can I or any member of the House vote for a bill knowing that this spending was not considered important enough to include in the finance minister's first budget? That is the key point. If this was a good deal for the country it would have been in the first budget, and we have heard nothing to the contrary, nothing to counter that argument.

• (1855)

This bill, this Liberal-NDP deal of desperation, is not good for our country. It goes against the Conservative Party's commitment to carefully manage taxpayer money and threatens the fiscal stability of our country. It is a deal we cannot support. It is a deal that epitomizes the cynical vote buying of a corrupt government that has Canadians demanding better.

Bill C-48 is heavy on the public purse but light on the details: a page and a half for \$4.6 billion in spending. This is ludicrous. It

commits hundreds of millions of dollars under broad areas without any concrete plans as to how that money would be spent. The government would need to post \$8.5 billion in surpluses over the next two fiscal years to fully implement this bill.

The Auditor General has raised some serious concerns about the ability of certain departments to deliver programs effectively, departments to which the Liberals want to give more money in Bill C-48, including Indian and Northern Affairs and the Canadian International Development Agency.

In fact, the Conservative Party recognizes that many Canadians are not receiving the level of assistance from the federal government that they deserve because of the Liberal government's approach to problem solving: spending money without an adequate plan.

The bill also fails to deliver the goods for Saskatchewan. For families in Regina, Moose Jaw and southern Saskatchewan who just finished paying their taxes, \$4.6 billion is a pretty big price tag. I have low income families in my constituency trying to figure out how they will pay the rent and farm families trying to figure out how they will pay rising utility costs because of the government's failure to get the border open.

Do the Liberals think that these families looked at their income tax returns and thought that the taxes they were paying to Ottawa should be used to cut a deal with the NDP to keep themselves in power? Of course not. Instead, they are wondering why the government continues to waste money on boondoggles like the gun registry, when the federal Liberals and the Saskatchewan NDP are closing RCMP detachments along the border; hundreds of miles without an RCMP detachment. They are wondering why health care waiting lists continue to get longer in Saskatchewan under the Liberals and NDP despite the fact that we are paying more than ever for health care. They are wondering why Liberal cabinet ministers, Liberal bagmen and advertising firms are getting rich while taxes continue to rise. These are the questions of the people in Palliser and they are questions the government should be answering.

It is also difficult for families in my constituency to support a \$4.6 billion NDP-Liberal deal when very little of that money is going to support families in Saskatchewan. There is no new money for farm families. It does nothing to deliver funding directly to front line policing services to stop the spread of drugs like crystal meth. One would think that the Liberal government would do at least that much considering that it refused to bring forward changes to the Criminal Code to toughen penalties for trafficking meth.

Government Orders

There is no equalization deal for Saskatchewan, which is what the Conservative Party has been consistently demanding from the government. To put it into perspective, a new equalization deal would have meant an additional \$750 million for Saskatchewan, my province, this year alone. The Liberals and federal NDP said no to that. They said no to shortening health care waiting lists. They said no to repairing the province's highways. They said no to fighting crime. Why then should the people of Palliser say yes to the government?

In conclusion, the Prime Minister said that he wanted Parliament to work but he certainly never consulted our party about making a better budget that would speak to the real priorities of Canadians. We would have liked to have seen meaningful tax reductions for Canadian families and businesses and some spending restraint.

Instead of costing taxpayers another \$4.6 billion, we would have saved them some money. We would have liked to have seen real investment in Saskatchewan families.

The bill does none of those things and because of that I cannot support it.

● (1900)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I like the member's passion and it is good but in every budget we cannot do all things. The member probably will know that there was a \$100 billion tax cut and now he is calling for a further tax cut.

Mr. Andrew Scheer: They hiked CPP right after they cut taxes.

Mr. Paul Szabo: The member harps about CPP. He should know that the CPP is on very sound financial footing now and in fact is projected to be fully funded right out to the year 2075.

However, to get back to the member's speech, a number of members of his caucus have suggested that the existence of a surplus means that Canadians are overtaxed. However part of the responsibility of government is to be fiscally prudent and to manage the finances of the nation. We have had eight balanced budgets.

The existence of a surplus does not mean that there is some sort of a profit that does not do anything. It pays down the national debt and saves interest each and every year thereafter. We have had over \$60 billion of debt repayment and a savings of over \$3 billion a year.

The member now suggests that since there was a surplus the last time that we should have meaningful tax cuts. I wonder if the member would care to share with the House and with all Canadians what kind of tax cuts he is suggesting now. By how much would that reduce the government's revenue?

Mr. Dave Batters: Mr. Speaker, we did support Bill C-43 because it contained modest tax cuts. However it did not even come close to what is needed in the country. I believe Canadians will be saving \$16 a year. Canadians think that is a medium pizza and they are not impressed with the government.

We talk about being fiscally prudent. We are talking about C-48 tonight. Young Canadians who may be watching tonight are looking toward their future and to what we in the House are doing for their future.

This budget is very irresponsible. We are mortgaging their future. We are putting an anchor around the neck of young Canadians. This is \$4.6 billion. That is two-plus gun registries, four HRDC boondoggles and this is budgeted for in a page and a half. That is why we simply cannot support the bill.

Mr. Paul Szabo: What about the \$1.5 billion in the budget for post-secondary education.

Mr. Dave Batters: The member is pointing to the budget, yes, one and a half pages for \$4.6 billion.

If this was good for the country it should have been in the original budget.

● (1905)

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, I wonder what happened to the Conservative Party because when the Minister of Finance was reading his budget in the House of Commons the Leader of the Conservative Party ran out before the minister was finished and said that he supported the budget because it was a good budget.

What happened between then and now? I think he looked at the polls and when he saw that his party was up by 34% he decided that the budget was no longer any good and that he would bring the government down.

Right after that, the Conservatives voted for Bill C-43. What part of Bill C-48 are they against? Are they telling us that they are against bringing down student debt and helping our children? Are they saying that they are against affordable housing when we see many people in our towns and cities living on the streets and in cardboard boxes, as we saw in Toronto in front of city hall? Are they saying that they are against the 1¢ extra on the gas tax that could go to the city of Regina in the riding of Regina—Qu'Appelle?

Is that what they want to vote against, to give money to the city for infrastructure? Is that what the Conservatives are telling us?

Mr. Dave Batters: Mr. Speaker, I just want to go back a bit. In terms of Bill C-43, we can live with that because the measures in that bill were actually driven by the Conservative Party of Canada.

The NDP, on the other hand, were against the budget to begin with. It was only when all of us realized the depth of the corruption of the Liberals, that the member for Toronto—Danforth and the NDP decided to prop them up and keep them in power. It is inexplicable.

The member spoke about affordable housing. I have spoken in the House about reducing the Canada Mortgage and Housing Corporation premiums so that young families could afford to purchase their homes. Some members of the Bloc Québécois have also driven this issue. As a result, we have seen a 15% reduction in CMHC premiums. That is important.

Let us talk about what is missing from Bill C-48. The member for Toronto-Danforth, the leader of the NDP, had the opportunity to name his price that evening because, God knows, the member for LaSalle—Émard would have done anything to stay in power.

Government Orders

An equalization deal for the province of Saskatchewan would have been nice. It was completely forgotten by the member for Toronto—Danforth and the NDP. They completely forgot about a fair equalization deal for the province of Saskatchewan, as did the Minister of Finance from my home town of Regina. When we brought that motion forward he voted with the separatists to vote down a fair equalization deal for Saskatchewan. It is shameful.

Mr. Ted Menzies (Macleod, CPC): Mr. Speaker, I must rise in the House today to speak against the NDP budget bill and I have a few key reasons for my opposition. I join my colleagues to bring to Canadians a clearer view into the deficiencies of this spending spree.

To begin with, let us talk about the support for Canada's international trade strategy by this NDP-Liberal budget or, should I say, lack of support for any kind of trade strategy.

In this very short bill, which was apparently cooked up in a Toronto hotel room under the supervision of the unelected Buzz Hargrove, the Liberals paid a ransom of \$4.5 billion. The NDP added provisions for the environment, post-secondary education, affordable housing and foreign aid.

Those are all worthy projects. In fact, so worthy that they demand thoughtful planning and are undermined when they are treated like pawns in a Liberal-NDP power game.

We see nothing to help fuel international trade for the Canadian economy from the corrupt minority Liberals or from their armchair enablers, the NDP.

On the other hand, the Standing Committee on Foreign Affairs and International Trade just today accepted proactive Conservative Party policy ideas to the emerging market strategy report that will be tabled in this House. Time will tell what the Government of Canada will say in response to this.

There is no question that creating and pursuing a strong strategy to promote trade with new and emerging markets is very important. There has been action to grow beyond the traditional Liberal notion of inflated imports alone as trade objectives.

Comments over the past months and even years by the Liberal Party, the NDP and the Bloc have fallen victim to debate, using reactionary protectionist language.

A balance must be struck between adjustments to the ever changing global trade economy and invoking temporary and unsustainable interventions to shield sectors from external market forces.

The Conservative Party of Canada recognizes the unique nature of our domestic trade objectives. We urge all members of this House and specifically counsel the Liberal government to end its policy of divisive and polarizing dialogue on international trade.

Canadian industry relies on the federal government to continue its ambitious agenda of trade liberalization. This cannot happen if the Liberals are successful in pitting region against region and sector against sector.

We have seen in this House legitimate discussions on the government's commitment to defend the unique policy models and institutions. However in words and in action the Liberal government

has not balanced the debate by reaffirming its commitment to aggressively pursue a global increase in strong, rules based, clean market access for Canada's export oriented commodities.

To be perfectly clear, the Conservative Party of Canada will defend Canadians in their pursuit of prosperity through free and fair trade. The Canadian economy has unlimited potential to grow and prosper but it needs a federal government that stands up for its producers, manufacturers and service industries, both in our largest export market, the United States, and around the world.

The Conservative Party, as the official opposition and as Canada's government in waiting, believes that strategic trade policy must focus on efforts to achieve strong and enforceable rules based trade agreements at the bilateral and multilateral levels. These agreements must secure increased, effective and efficient market access to global markets in established regions, such as Europe, and especially in new and emerging markets, such as China, India, Brazil and Russia.

The Conservative Party of Canada has called on the Government of Canada to recommit to achieving a strong and enforceable agreement at the WTO that achieves increased effective and efficient market access to global markets, while also maintaining the sovereignty to retain domestic marketing practices consistent with WTO obligations.

● (1910)

Jobs, competitiveness and productivity that fuels increased international trade are the real issues that should have been addressed in any budget addendum.

Briefly I would like to discuss the foreign aid section of the NDP budget. The Conservative Party of Canada has repeatedly demanded that the Government of Canada address concerns raised by the unlegislated nature of CIDA. Without a legislated mandate, this crucial element of Canada's global contribution is vulnerable to misappropriation.

The NDP should not have given the Liberals another blank cheque that is supposed to be spent on development when CIDA funds were already included in the commerce section of the recently released international policy statement. This should raise concerns from the NDP, as it has in the Conservative Party, that CIDA funds may be diverted from development work toward priorities such as trade promotion rather than being effectively leveraged to enhance the development advantages that can be achieved as a consequence of Canadian industry investment in developing nations.

Government Orders

In an increasingly competitive global economy, trade remains the key to future prosperity in Canada. Many Canadian jobs depend heavily upon foreign markets. Those jobs are placed in jeopardy when other nations make it difficult for our exporters to sell their products. The Conservative Party of Canada is committed to improving overall economic growth in Canada through facilitating competition, improving productivity, streamlining regulation and fostering innovation in concert with free and fair trade agreements.

The Government of Canada must bring more security to existing trade related jobs. To create new employment opportunities, it is critical to focus on diversifying both the products we sell abroad and the markets into which we sell those products.

Secure access to international markets through a rules based trading system will maximize the benefits we have as a free trading nation, emphasizing the need to establish trading relationships beyond North America. The Government of Canada must vigorously pursue reduction of international trade barriers and tariffs, eliminate trade distorting government export subsidies within clearly established time limits, and seek a clear definition of what constitutes an export subsidy.

The Conservative Party of Canada urges the Government of Canada to resist implementing reactionary protectionist policies, balance its domestic and international dialogues to reflect all sectors of the Canadian economy, and reject pressure to undermine Canada's foreign aid budgets by raiding legitimate CIDA programming to achieve international trade objectives.

Finally, the Conservative Party of Canada supports the development of an innovative and aggressive strategy to develop trade ties with emerging markets.

• (1915)

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, I was delighted that the member spent his time talking about international trade. The Prime Minister actually has been talking about this for over a year and is leading initiatives in this. I am delighted that the member is coming on side to support us.

The Prime Minister has increased foreign presence in our consulates in the United States, especially one in Alaska that I have lobbied for. We have millions of dollars of softwood lumber marketing in the United States to deal with that trade dispute. In the Doha talks we are leading the way to reduce agricultural subsidies in Europe and the United States, while still championing our supply management mechanisms here. The Prime Minister long ago, and I am glad the opposition is coming on side, talked about the fact that Canada now has to look at the new emerging markets in international trade in Brazil, India and China. Of course he signed a new international trade agreement with Mexico.

The member suggested the removal of trade barriers. Does he support some of his party members who have constantly criticized the Export Development Corporation? All major countries in the world help their companies export by providing them some insurance should they not get paid. Canada is keeping up with the rest of the world because we depend on trade and yet some of his party's members were suggesting we handicap Canada by removing this service that helps us compete with other countries.

The member did get into the area of CIDA. What does he think about the dramatic change in the number of countries that we have decided to support through CIDA and our new strategy?

Mr. Ted Menzies: Mr. Speaker, perhaps I was not very clear in some of my comments if they were actually misconstrued as being supportive of this budget. Clearly nothing that I commented on could be classified as supportive, but I guess one grasps at the support one thinks one might get.

It is interesting that my hon. colleague mentioned the fact that the Prime Minister is finally addressing some of these trade issues, such as not enough consulates in different areas and certainly with our largest trading partner. The government has had 12 years to put those in place. It is not as if Canada's trade interests came out of nowhere and just started last year. The government has had 12 years to develop these trade initiatives and to increase our opportunities to trade.

There is one comment I might make about the consulates. Certainly they are a good thing, but I still do have to question to whom the consulates are reporting. My sense is that they are reporting to foreign affairs and not to trade. If indeed these are consulates that are set up to initiate trade deals and help Canadian companies, then they should be reporting to the trade department rather than to foreign affairs.

I would also have to question how much we are leading at the WTO. In fact the Minister of International Trade was not even present at the last two mini ministerials leading up to Hong Kong in December. How can we be a leader if we are not even at the table?

• (1920)

Mr. Peter Goldring (Edmonton East, CPC): Mr. Speaker, I would like to talk about what was mentioned earlier about the affordable housing sector and how this NDP budget has an allocation in it for \$1.6 billion for affordable housing. The question really is, why was there no allowance for any additional funding in the budget itself?

I would like to remind the House in general that there was another promise in the red book 2000 during the election campaign. At that time it promised to build up to 120,000 units of affordable housing worth \$680 million. Of course that came to fruition in budget 2001 with an allocation of \$680 million. In 2003 there was another \$320 million. The 2001 budget had \$753 million for homeless, which could be construed for homes. There was another \$400 million in budget 2003. This makes a sum total of \$2.1 billion, when from the onset only \$680 million was going to create 120,000 units of housing.

At the end of this program there have been less than 25,000 units of housing produced with that \$2.1 billion. I would ask the hon. member to comment on this. Does he feel that without a plan, without proven results, without analyzing what the problem was, that this is just throwing good money after bad?

Government Orders

Mr. Ted Menzies: Mr. Speaker, I would like to take a moment to commend the hon. member for the good work he has done on these specific issues, not only in affordable housing for Canadians but the passion he has shown in helping people in other countries. That brings the Conservative message out loud and clear that we on this side of the House do actually want to follow up on our promises. We do actually want to help Canadians.

There is probably one very simple way to answer my hon. colleague's question. Promises made, promises broken. We have seen it repeated many times in I have forgotten how many red books now. The numbers quoted are probably very accurate, but we probably should not be very proud of those numbers.

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, I am glad to speak at report stage of Bill C-48 to address a lot of the concerns that the constituents of Selkirk—Interlake and I have with this bill. The big thing is we are talking about \$4.6 billion that is contained in a document that is only six pages long. The last three pages make really good reading as they are all blank. Essentially this bill gives a blank cheque to the Liberal government to do with as it pleases.

We do not want to see any more boondoggles or scandals take place in the government. One of the reasons I entered politics was to make sure that we could put an end to wasteful spending, get the biggest bang for our buck as taxpayers and defend the interests of taxpayers here in the House.

The big concern is there are a lot of great ideas laid out in two pages of spending proposals, but there is no plan to support them. We voted on Bill C-43 just last week. When that bill was tabled, it was tabled with volumes of books as a backstop, as a plan, as a way to have the checks and balances in place for the spending that the government was promising. During the spring the committees sat down and went through the budgets for the respective departments and voted on the budgetary estimates line by line. Those are the types of checks and balances that are needed to ensure that government spending is kept in place so that the taxpayers are getting the benefits and the services they have requested.

I fear that the programs and policies that are being supported in this very thin bill will open the door for more mismanagement and more boondoggles. We only need to look at things like the gun registry, the HRDC boondoggle and many other programs that have been overrun because there has not been adequate planning put in place for the spending. We have to make sure that the plans are there and that the dollars are spent wisely.

I am the associate agriculture critic for our party. One thing that concerns me is that the NDP members often come in here and say that agriculture is very important to them, but unfortunately there is not a single line in the bill that even addresses any agricultural concerns. I have to wonder what the NDP priorities are if that party is not addressing agriculture. It makes up such a crucial part of our economy here in Canada, not just rurally but the entire GDP is largely based upon our agriculture and resource sectors.

All the spending that is planned in the bill is not really very beneficial to rural Canada. I represent a very rural riding. I do not see anything in the bill that is going to help with doctor shortages in our area. I do not see anything in it that is going to help with access to

federal services in rural Canada. I do not see anything in it that is going to help our farmers improve their marketplace. For those reasons, I cannot support Bill C-48.

There is a paragraph in the bill that addresses foreign aid. I think it is admirable that we would increase our foreign aid to at least 0.7% of GDP, which is a number that has been banded about since the 1960s as the ideal mark in funding foreign aid. However, we know that currently, as was already talked about with respect to CIDA, there is a shotgun approach to foreign aid. Money is thrown all over the place, sprinkling a little here and a little there. It is not really getting to the crucial parts, the areas of importance to help those in need.

Whether we are looking at poverty or children's issues around the world, essentially we should target a few countries. We should focus our resources on a few countries to get the biggest bang for our buck to help those people who need it the most with their education and their farming activities and help them provide for themselves. Those are things that we want to address.

● (1925)

We are talking about throwing more money at foreign aid, but we have a real crisis here in Canada right now and that is why we need more farm aid. We have a BSE crisis that needs to be addressed more adequately. Farmers are still not getting the dollars into their pockets and we need to ensure those things are taken care of first before we start throwing more dollars into foreign field.

We have to realize what this bill is all about and what brought it about. If this bill were so important to the Liberal government, it would have been in the original budget back in February. We know that it was all about getting 19 more votes to support the government. The NDP negotiated this deal in a backroom on a napkin and this is what it came up with.

This has been traded off with some really major tax cuts that we need to see take place to create more jobs and more opportunity in this country. The \$4.6 billion could have been better used to ensure we create more opportunities and a better and more competitive environment for business. We would see more jobs and, by and large, a better economy because of these tax cuts. Unfortunately, we have traded that off for votes and that is shameful.

There are a lot of things in the original budget that we could support but there is nothing in Bill C-48 that we can really dream of being brought forward and put into play. There is no accountability, no checks and balances, and nothing for agriculture. We are always quite concerned in ensuring that we address the needs of taxpayers as much as possible, so that we can go forward and put in place the services they desire. I do not see that happening here in a legitimate way.

● (1930)

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the hon. member outlined a whole litany of problems with this budget, but let us look at the macroeconomic indicators of this nation. I know there are always improvements to be made. We have to deal with the problems and never let our guard down.

Government Orders

Let us look at the situations that are generally good. We have strong employment growth which is the highest in the G-7. We have the fastest growth in standard of living in the G-7. We have good, steady, consistent GDP growth, low interest rates and extremely low inflation rates. There has been an extreme reduction in the debt to GDP ratio over the last eight or nine years.

We have had eight consecutive surplus budgets, the only country in the G-7 to be in a surplus position, and we have paid down about \$65 billion on the debt over the last nine years. When we compare that to what happened during the Conservative government, it is almost the opposite.

If things are as bad as he says they are, why are all the macroeconomic indicators, which are the only indicators we have, pointing in the opposite direction?

Mr. James Bezan: Mr. Speaker, the first time I voted in a federal election was in 1984 and I was more than happy to vote Conservative and replace the Liberal government of the day.

I took out my first loan in 1983 to buy some cows and the interest rate was over 22%. My father was feeling the same burden in his farming situation. Interest rates were so high in this country that no one could make a viable living. No one could start up a new business and it was choking the nation.

Then we had the chance to turn that around. It started with the Conservatives bringing in the trade agreements and the taxing regime, so that we could have a healthy economy and a healthy federal budget. As has been said—

Mr. Paul Szabo: You never paid down a penny of debt.

Mr. James Bezan: At 20% interest, it was almost impossible. If the interest rates were at the same level as they were during the last 12 years, there would have been a surplus posted the last three or four years of the Conservative government back in 1984-85 when it came into power.

The other thing to take into consideration is that spending has gone through the roof over the last few years. Since 1999-2000 spending has increased 44.3%. That is not responsible. Sure, the government has a flood of income but we just cannot keep on spending. Let us return some of that back to the taxpayer. Let us put more of that against the debt. No, we are going to invent some more programs that are not going to be fiscally responsible and will jeopardize our status now as a nation, as the Liberal government likes to do all too often.

• (1935)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member just deflected the question. It was an excellent question. We lead the G-7 in job growth as well as being the only G-7 country to have a surplus, low interest rates and low inflation. The fundamentals are good because we are fiscally prudent in managing the financial affairs of the country.

The same procedure has been followed in significant cross-Canada consultation with Canadians. Canadians did not say to forget about affordable housing, post-secondary education, the environment, foreign aid for Darfur, or labour market programs. Canadians did not say that. They wanted a balanced approach. It was not “give

me more money and stay out of my life because we do not need anything else”.

Given that background, the member should know that there are about 14 million Canadians who pay income taxes each year. If we were to put \$100 in each pocket of every Canadian who pays taxes, it would be \$1.4 billion to provide \$100 of taxes. If the member is suggesting we need meaningful tax cuts, what does he consider to be meaningful? How many hundreds of dollars times \$1.4 billion does he feel would be necessary to achieve the things he wants and what is that total, and does it put us back into a deficit scenario which Canadians do not want?

Mr. James Bezan: Mr. Speaker, the \$4.6 billion that was promised in the original budget and taken out of Bill C-43 was going to be targeted toward corporate tax relief to make our industry more competitive, to create more opportunity for reinvestment and job creation. We like to throw out rhetoric as to what is meaningful, but any dollar that we can put back in the pocket of Canadians is meaningful. I will trust Canadians any day of being able to spend their money more wisely than the government. We need to give them that opportunity and put those dollars back in their hands.

We have been debating the bill for some time now along with Bill C-43 and I have not heard anything from the other side that would convince me that if Bill C-48 were so important, that the Liberals would have put it in the original budget. They have never come out and said that it is a good idea. Bill C-48 represents only one thing and that is to buy NDP votes to ensure that the Liberals stay in power. That is what it is all about.

Mr. Peter Goldring (Edmonton East, CPC): Mr. Speaker, I am pleased to speak to Bill C-48, the NDP budget, and to remind people that in the 2000 Liberal red book the government promised to build up to 120,000 units of affordable housing for \$680 million by the year 2005. To date, there are less than 25,000 units of housing that have cost over three times that allotted funding that have been built, some \$2.1 billion.

Bill C-48 commits \$1.6 billion, with no plan and no number of housing units the government expects to build. It just simply does not know how many it would be able to build.

The current hodgepodge Liberal approach to affordable rental housing and homeless emergency shelters for single people is both financially wasteful and appallingly ineffective. Homeless emergency shelter usage and affordable housing availability for singles are interrelated concerns. A shortage of available low-cost, entry level rental units for singles leaves many no option but to seek very costly emergency social shelter space. Any discussion on housing needs must include a basic understanding of the most needy, the single people who dwell in Canada's emergency shelters.

Government Orders

It might be impossible to individually categorize all the sheltered homeless because some have varied levels of mental capabilities and addictions that generally inhibit independent, unsupervised living, let alone employment. Most of those living in homeless shelters are fully capable of paying their own way in modest, independent living and affordable homes, but none are available.

Canada's sheltered homeless population can be broken down by cause. Some 25% are what we call the de-institutionalized from the '70s. They are singles who are really in need of institutional care. Some 25% more are unemployable. They are hard-to-house singles with addictions. However, 50% are simply low-income singles in need of affordable rental housing.

Statistics Canada in 2001, the last year it took the statistics, said there were 14,150 homeless single persons in Canada's emergency shelter system. In Edmonton, there are 590.

Canada needs affordable rental housing for low-income families, but for those 14,000 singles in emergency shelters across the country who are able to live independently, the need is great for simple, entry level, single-room housing. Research has indicated that 50% of those residing in the shelters are actually low-income individuals with some income but with no independent living rental housing alternatives.

Federal funding flows into replacement emergency shelters, assisted living, transitional social shelters, but not into the building of independent living, private, singles homes.

Nationally, 75% of all private, single-person, entry level rental housing has been torn down or closed down over the last 30 years and has not been replaced. During the same period, singles homeless emergency shelters have been expanded and are now one of Canada's fastest growing industries.

Unavailable, private, \$350-per-month, self-paid, and entry level singles homes have now been replaced out of necessity by \$1,500-per-month emergency shelter and transitional social shelter, industry-taxpayer paid emergency beds.

One contributing problem is that affordable housing funding agents are very disconnected from the emergency shelter funding agents and, sadly, neither prioritize the true need for private, basic, entry level, singles, independent living rental homes.

New, multiple unit, family rental apartment housing numbers have also drastically declined over the last 30 years while new multiple unit condo ownership apartment housing numbers have grown. Over 30 years ago, 90% of all multiple unit housing being built were rental units. Today, 90% of all multiple unit buildings are condo ownership apartments and the very few rental apartments being built are not entry level, economical apartments but upscale, expensive, luxury units.

● (1940)

While Canada's population has grown greatly, society's most basic housing need has not changed. Virtually all of us first leaving home are low income earners and rent because we cannot afford the down payment to buy a house. The need for affordable, entry level rental housing is great, but assistance by government to help create more

should not be made in isolation from private, professional rental owner market forces.

The decline in the new rental construction market and an increasing need for affordable rental units must be explored statistically to determine what went wrong with the marketplace. The private rental market knows that affordable rental housing begins by building economical basic entry level housing, with fees, levies and taxes no higher than those for home ownership, and allowing private developers to access funding meant to encourage construction of new affordable housing.

Private developers of economical, multi-unit rental projects are discouraged by the barriers against building new rental units, such as proportionally higher property taxes, higher construction fees and levies, as compared to ownership condo units. Excessive city planning aesthetic requirements unnecessarily add considerably to costs of economical basic housing.

Research would show that these barriers are more numerous and much higher than they were 30 years ago. In short, fees, levies, grand municipal architecture vision and taxes have together served to halt development of building basic rental apartment units, while artificial rent controls and rent subsidies made certain new development would not start.

The federal Liberal government position on affordable housing and homeless funding is little different from the NDP's 1% solution, other than that the Liberals put more money into it. The federal government has failed to provide provinces and municipalities with statistical guidance that would help them understand the barriers and offer solutions to affordable rental home development. Instead, the Liberals bring out the federal chequebook, which, with poor guidelines and no remedial long term measures, actually exacerbates the problem and loads more taxation burden on the fewer and fewer unsubsidized rental taxpayers.

Proper statistical analysis of the cause and effect of taxation, fee burdens and subsidies would point to long term solutions for governments to recognize the problems and then work toward correcting them.

Once again, in the 2000 election red book, the promise was to create 120,000 homes for 680 million before 2005. Less than 25,000 have been committed to construction to date.

Non-profit landlords have many times received up to 100% of the project funding from multi-sourcing of taxpayer funding grants, pay no property taxes and charge just slightly less than market average rents. Liberal funding mismanagement is quickly destroying what little is left of the private competition in rental housing. The problem is that the federal Liberal government has no more idea of how to effectively control these funds than does the NDP.

Government Orders

Most of these funds were disbursed over the last five years and very little housing has resulted. Properly planned and disbursed, the \$2.1 billion, partnered with provinces, could have helped build over 150,000 new homes and could have half emptied Canada's emergency shelter spaces.

Over 50% of Canada's 15,000 emergency shelter units have some money and could pay themselves for moderate entry level single room homes, but none have been built, and sadly, the \$2.1 billion has leveraged no more than 25,000 homes, most of them social non-profit housing. Meanwhile, private developers would build, pay taxes and rent apartments at less than market rents for a fraction of the grants now being made, but they are discouraged from applying.

We need to return to the competitive enthusiasm of the private rental building construction market of the 1970s, where literally thousands of very affordable modest apartment buildings were built for entry level renters. The cause of today's affordable rental housing crisis is that we no longer build significant quantities of very necessary affordable housing for entry level renters.

Statistically identifying and then working with the federal-provincial-municipal departments to remove the barriers that inhibit private rental development should be the first priority. Then we must work with the provinces on a plan to proceed with workable guidelines to encourage competitive private enterprise to return to the business of building, owning and renting affordable entry level housing.

Throwing more billions of dollars at the problem without a plan most certainly will not address the housing needs of low income and homeless Canadians. It will only continue a trend of policy incoherence and ineptitude.

● (1945)

The promise made in 2000 was a promise broken. The government did not create a fraction of the homes promised. The money grew to \$2.1 billion and produced less than 25,000 units. Of the provincial-federal share, that is approximately \$170,000 per unit produced, a colossal mismanagement on a monumental scale. Shamefully, this bill is not about building housing. This bill is all about buying votes.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have to admit that it is kind of refreshing to finally hear someone talk about one of the aspects of the bills.

The member sounded quite knowledgeable but seemed to dwell on the homeless side of housing, then on social side and then on the affordable. There is a difference.

I must remind him, if the Toronto condition is any indicator, that: 35% of the homeless in Toronto suffer from mental illness; 28% are youth alienated from their families, 75% of which have experienced physical or mental abuse; 18% are aboriginals off reserve; 10% are transient women; and for the remainder, less than 10%, it has to do with some economic reasons. I would characterize those people as those in Canada whom no one loves.

That is the social housing side, but those people probably do not want the housing at any price. This is one problem that needs to be dealt with and this is not what this bill deals with.

With regard to the affordable side, members will probably know that many of the projects that have been built require a split between market rents and housing that is subsidized or rent geared to income. Usually it is 40% subsidized rent or rent geared to income, yet if we were to think about it, if the proportion were simply increased from 40% to 50%, that would be a 25% increase in the affordable housing stock. There are ways to deal with this. It is not just about money; it is about being smart. I know the member realizes that.

My question for the member, since he has spent a substantial portion of his time on housing, is this, excluding investment in aboriginal housing, which is a given: does he believe the non-aboriginal support would in fact be beneficial not necessarily as a final solution to all things but rather a help to ensure that more Canadians have the dignity of a roof over their heads?

● (1950)

Mr. Peter Goldring: Mr. Speaker, first let us talk a bit about those in the shelters, those who have been used, frankly, as a kind of symbolism for affordable housing fundraising and for coming to the federal government for affordable housing money. It is the poor people who are in the shelters. Certainly we can argue statistically, one balance or another, because some of them have multiple challenges.

What I am saying is that 25% are probably the de-institutionalized with mental challenges and another 25% have certain other addictions, making it very difficult for them to exist. The fact remains that the 50% number is made up of people who are fully capable of living on their own. Quite frankly, they have some income and could very well live on their own if there were modest housing available for them. Yes, Toronto's number will be slightly different than Calgary's or Edmonton's, but overall the mix is the same whether we are talking about Toronto or about Edmonton, where I live.

When I see the SCPI funds going into funding \$4 million, and this is just one example, to move 62 people out of a rented shelter into an architecturally designed shelter that has exactly 13 more beds and now has a budget that is 50% higher than it was before, I know it does not help those homeless people at all. What it is doing is building a shelter system.

What about those homeless people? When are they going to have the dignity of their own private single room home so they can close the door behind them in the evening, something modest? Then they can have the dignity of being able to afford to pay it for themselves. That is on the one hand. On the other hand, there is multiple family housing.

Government Orders

Why not have that offered by the irregular housing industry, assisted by some granting, probably to supplant all of the other barriers that have been in the way of creating rental housing, to bring back that industry again? Why does that industry have to be in the hands of non-profits? There certainly is a role for non-profits, but if we want the big bang for the buck, we want to work with the boardwalks that have tens of thousands of units. Those are the people we want to work with to get the bang for the taxpayer's buck, to build multiple units, not just one-off projects.

Certainly there are solutions required and it is a very complex issue all the way up and down, but we should not ignore the private sector and, for heaven's sake, we should not ignore the people who are still locked up in the shelters because we have not done a darn thing for them.

Mr. Ed Komarnicki (Souris—Moose Mountain, CPC): Mr. Speaker, I too will speak with respect to Bill C-48 and highlight some of the issues of concern.

Initially the NDP leader posed a question in the House to the finance minister as to whether or not there was any chance he might modify the first budget, Bill C-43. The Minister of Finance indicated that he might consider some technical changes, in the sense of being technical.

The leader of the NDP went fishing a little further and asked whether he might consider some substantive changes to the initial budget. The finance minister indicated he would not because, he said, one cannot start changing the budget. He had consulted with many people. He had consulted with all the Canadian interests. He had heard from the various interest groups. He had taken all that into consideration and, outside of technical changes, he could not do anything.

In fact, the Minister of Labour and Housing had proposed in advance of the budget that there would be \$1.5 billion allocated over the next five years for housing and he was shut out. It was the minister who had proposed that to the finance minister. The finance minister said it would not be prudent given all the circumstances that he knew of. He said did not want anyone to "cherry-pick" the budget, to take any portions out of the budget. It was what it was, he said, he had come to a balanced approach and there was not any room to move.

Suddenly there was a \$4.6 billion movement. That is not something that could be called a technical change to the budget. That, to my mind, is be very substantive.

However, when he was asked by the leader of the NDP whether he would be prepared to make any changes, he said he would not buy a pig in a poke. He said he would need to know exactly what was being talked about. When we look at Bill C-48, I am not so sure that the NDP did not sell itself for a pig in a poke.

When we look at the bill itself, it indicates that the minister "may, in respect to the fiscal year 2005-2006, make payments" with respect to the items indicated, provided there is a surplus of \$2 billion, and similarly for the period of 2006-07. However, the budget agreement itself said the investments would be booked in the years 2005-06, again, only if there is a surplus and only if the minister decides that

the money will be spent. We do not know exactly what it will be, but we know it will not be in excess of \$4.5 billion.

When we read the initial budget agreement, which many have said was prepared hastily in a period of 24 hours, without essential consultation with the finance minister, we find that it actually was meant to be \$4.6 billion. It is missing \$100 million. Part of that \$100 million was with respect to the investment that the NDP required for the protection of workers' earnings in the event of their employers' bankruptcy. That is not in the bill.

The Minister of Labour has been in charge of the area of workers' protection for some time; it has been in the House for a period of nine years. I ask, what has pricked the social conscience of the minister? The minister first of all agreed to the fact that it would be in the budget bill agreement of May 3, 2005, and then not in the act but in a separate piece of legislation.

That separate piece of legislation is a proposed amendment to the Bankruptcy and Insolvency Act. Let us see what the minister actually proposes in that bankruptcy act. He is suggesting that workers be given a superpriority, ahead of the banking industry and secured creditors, to the extent of \$2,000. He then proposes that there be a wage protection fund totalling \$3,000, with the understanding that in the case of the bankruptcy when the worker applies to that fund and gets paid, the worker assigns or subrogates all of the worker's rights to Her Majesty the Queen or the federal government, which then takes the place of the worker and collects back the \$2,000 at the expense of the secured party.

• (1955)

If that bill should pass, anyone attempting to start up a business and to provide jobs for workers would find himself or herself being able to obtain a far smaller loan than before the legislation. If he or she had 50 employees at \$2,000, the financial institution would deduct about \$100,000 from a line of credit. That business may never start. In fact, existing businesses may have a hard time maintaining their lines of credit if the legislation were to pass.

I make that point to make this one. The Minister of Labour has indicated this legislation will cost somewhere between \$30 million and \$50 million. A good half or more of that would be recoverable by taking the funds from secured creditors by virtue of the preferred position. Therefore, in the net there was not \$100 million, as agreed to in the budget bill agreement, but perhaps something like \$16 million over the next year and another \$16 million over the following year. That is an indication of the Liberals living up to their promises.

At the same time, we find there has been a piling up of dollars in various crown corporations such as CMHC. It is charging first time home buyers an insurance fee that results in profits being made by the organization to the tune of \$800 million. In 2005 it is expected to rise again. In 2009 it is expected to rise to \$1.175 billion, which should help first time buyers to buy a home. The government has made promises that require the funding of various programs, the use of multi-dollars, but primarily for the purpose of not helping those on the other side of it, but to help the Liberals stay in power, to help them cling to power.

Government Orders

As we heard my learned friend from Edmonton East, we have had a great amount of dollars spent in the housing area, but we have not seen any affordable units built. He indicated 25,000 or less housing were built after many years of Liberal spending. Where has that money gone? The minister has indicated that over \$1 billion has been spend on what is called “protective care” or to look after those who are homeless or lack affordable housing. However, he has not provided the amount and type of units that are required.

The minister spoke recently in an interview. He realized that most of the moneys the Liberals had spent so far had been for emergency shelters. He also realized that the area of housing, first and foremost, it was a provincial jurisdiction. Yet when we look at Bill C-48, or the bill that was made on the napkin, it indicates that the money allocated for housing would be utilized without the agreement of the provinces. In other words, the federal government would decide where it will spend it.

In the interview to which I referred, the minister was asked how many permanent housing units the money would buy. The interviewer said, “I still do not have an answer to my question: \$1.6 billion, how many units of affordable housing will you be building with that?”

Here is the Minister of Labour's answer, “A lot”. We know a few is seven or eight. What would a lot be? A lot would be more than seven or eight. When \$50,000 or \$80,000 is spent to subsidize a unit, or as my learned friend from Edmonton East said, to build a few number at great expense, it is not a wise use of money. She asked if he had a number and he never answered.

He said that once the budget passed, and he was in the process of working and meeting with his provincial counterparts, they would not have to put in a dollar. She asked him again if he was not going to delay. He replied that since July \$700 million was still in the bank. It had been there for the past three or four years. The provinces had not taken the money already in place. What did he do? He met with them individually and collectively and asked them what it would take to start spending the government's money. He said that the government was starting to spend the money and, in his words, “building units like crazy”.

• (2000)

The point is it is not hard to spend money. Anyone can spend money, but spending it wisely and achieving the maximum return for that dollar is very important.

Behind all of this is the fact that while old money is not used up, new money is put in place to have a corrupt government cling to power and for no other purpose. When we divide the \$4.6 billion by the number of members in the NDP, that is a pretty expensive buy.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I have a question for the member about his comments on the wage protection process. He has valid concerns and I share them. This, no doubt, will be an extremely complex issue when it comes before the House.

We are dealing with the interplay between federal jurisdiction and provincial jurisdiction and whether the company is under the Bankruptcy Act, or under the CCAA or insolvent. We do not want to

develop or create an impediment to companies seeking financing in Canada.

My understanding is this is not in Bill C-48. It would require separate legislation or a major amendment to existing legislation. It would have to come back before the House. I assume it would be debated extensively, dealing with a separate appropriation.

Why would the member hold up this bill, which seems to have broad approval from across Canada, for that issue?

• (2005)

Mr. Ed Komarnicki: Mr. Speaker, I am not holding up this bill because of that issue. I am pointing out that the government had years to bring in the wage earner protection act legislation.

The Liberals were pricked in their social conscience by the fact that they needed to buy some votes to stay in power. They were prepared to give the NDP what it wanted. NDP members said that they wanted \$100 million for a wage earner protection plan and all of a sudden a separate act was introduced to meet that promise.

The fact is the government has indicated that it will utilize \$30 million to \$50 million to protect workers and it will receive a half of it on the back of secured creditors. However, what the government is giving is really \$1,000 per worker. More important, that amount would be less than a quarter of quarter of 1% of the \$46 billions it took from the employment insurance fund to put into general revenues. The government will give the workers a quarter of a quarter of 1% for their use to protect them.

It is appalling. The Liberals should first put the \$46 billion back where they got it from so workers can protect themselves without the need of government and without the need of a \$30 million Liberal handout. The Liberals have had their own money sitting in general revenues which they have frittered away in one fashion or another while a debt is in place. They are taking \$4.6 billion of that money and giving it out to buy votes for themselves for the sole and exclusive purpose of staying in power.

Any fair judgment would have to say that the Liberals did more than buy votes. They played tricks in the House to get people to cross the floor. They defied the House constitutionally when they did not recognize the fact that the House had lost confidence in them. For a week, they used the levers of government, the power to government, to stay in government when they had no right and no legal basis to do so. We might expect that in third world countries, but we would not expect that in Canada. To legitimize government, they did it illegitimately and that is wrong.

Mr. Charlie Penson (Peace River, CPC): Mr. Speaker, I would like my colleague from Souris—Moose Mountain to address the issue. I know he is on to the Liberals in this business of Bill C-48 providing the funding that the NDP wants for bankruptcy protection.

Government Orders

It sounds like a noble goal. I was on the industry committee for a number of years. We heard a lot about small and medium sized businesses not being able to get the kind of credit they wanted from the banking industry. If somehow they are not to be ranked as secured creditors, if wage earners are to be ranked ahead of them, I think it will be more difficult.

Could the member for Souris—Moose Mountain comment on that?

Mr. Ed Komarnicki: Mr. Speaker, it is simple math. Any business person who attends at an institution to raise funds to start up a business and to provide meaningful jobs to ordinary people needs a line of credit. Most times, those lines of credit are taken on accounts receivable, on inventory and on cash in the bank.

The first \$2,000 of receivables per worker is a hit of a secured creditor, even if one has security on that. What will they do? The institutions will count up the number of employees, multiply that by 2,000 and reduce the amount of money available to operate a business: 50 workers, \$100,000. These business people will have to go to their moms or their dads or some place else to find security to proceed, or not proceed at all if they cannot get the security.

• (2010)

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Mr. Speaker, I am pleased to rise today on behalf of the constituents of Fleetwood—Port Kells to participate in the debate on Bill C-48, an act to authorize the Minister of Finance to make certain payments. The bill is better known as the Liberal-NDP budget.

Bill C-48 seeks to enact \$4.5 billion of the \$4.6 billion deal struck by the Liberal government with the NDP to make payments in 2005-06 and 2006-07 from surplus moneys exceeding \$2 billion. The money would be used to fund environmental initiatives including: public transit; an energy efficiency retrofit program for low income housing; training programs; enhanced access to post-secondary education to benefit, among others, aboriginal Canadians; affordable housing, including housing for aboriginal Canadians; and foreign aid.

All of this is unplanned spending and the Liberal government has proven time and time again that when it spends without a plan the result is inevitably waste and mismanagement. We have seen it with health care, the gun registry, Kyoto and infrastructure spending.

Billions of dollars have gone from the treasury without noticeable improvements to our health care system, the environment or our nation's highways. It all boils down to a government that liberally throws money at an identifiable problem without ever having a clear idea of how to fix it. Now the government wants to spend another \$4.6 billion of taxpayers' hard-earned money without a plan. Canadians have a right to feel nervous.

The Liberals only agreed to this bill to save their political skin. This is a \$4.6 billion deal using taxpayer money to keep a corrupt party afloat in government. A government mired in scandal has teamed with the NDP to write a fiscal plan for the nation on the back of an envelope. This is a recipe for economic disaster. If all of the spending in Bill C-48 was such a wonderful idea, then why was it not included in the February budget?

The Prime Minister has abandoned his party's so-called balanced approach to governing, which was to offset spending increases with some debt repayment and modest tax relief. We must keep in mind though that the balance was always tilted heavily in favour of spending anyway as taxpayers can attest. Now, with his budget pact with the NDP, the Prime Minister has given up all pretense of a balance. The deal squanders the budget surplus and flouts responsible budgeting in favour of irresponsible spending.

Even before this deal, federal spending was running out of control. Last year the finance minister projected program spending of \$148 billion for 2004-05 and it ended up being over \$10 billion more than that. As a result, between 2003-04 and 2004-05, government spending increased by over \$17 billion. At 12%, this is the largest single spending increase in over 20 years and the fourth largest in the last four decades. Since 2000, program spending has soared by 44% and, judging from this year's budget, Canadians should hang on to their seats because they have not seen anything yet.

In the first few months after he seized the Liberal leadership, the Prime Minister and his minions spoke of "financial responsibility and integrity". He promised Canadians to "better control spending". That is yet another broken promise by the government.

Including the new spending contained in Bill C-48, the Liberal government has announced over \$28 billion in spending since the Prime Minister went on national television in April to plead for his job. This spending has everything to do with his struggle to remain in office and nothing to do with improving the lots of Canadians. In the world of the Liberal Party, the poor voter is a secondary consideration.

By choosing spending over tax cuts and debt repayment, the Prime Minister is putting Canada's long term financial future at risk.

• (2015)

The federal government must become more aggressive in reducing Canada's \$500 billion debt. Interest payments soak up approximately \$38 billion annually, almost 18% of each tax dollar. This is the government's single largest expenditure. By paying more on the national debt, the government would have lower servicing charges, leaving more money for other more fulfilling purposes. Our debt to GDP ratio is still very high relative to other countries and our own past.

Prior to the mid-1970s, when Liberal governments first started ramping up spending, the debt to GDP ratio had always been at or below 20%. Now we are at twice that level. A responsible government would realize that today's surpluses will not last long. There is a chance of a recession or a prolonged rise in interest rates.

Government Orders

As well, we know that the baby boom generation will be retiring, placing increased burdens on our pensions and health care. If we do not act quickly to tackle the debt and bring it down to manageable proportions it may quickly become unmanageable.

The Conservative Party believes that the federal government should move to pay down the mortgage, which the huge national debt places on the shoulders of our children and grandchildren. This should be accomplished by introducing a debt repayment plan, with the main part of budget surplus being allocated to debt repayment in order to have a debt to GDP ratio well under 20%.

Steps must now also be taken to address Canada's falling standard of living and an unemployment rate that remains stuck above 7%. Improvements will only come with changes to the tax regime.

Our tax burden is too high. It saps productivity, deters wealth creation and remains a visible competitive disadvantage. The miserly tax relief announced by the finance minister in this year's budget will save every taxpayer only \$16 in personal income taxes in 2005. That is not good enough.

What Canadians need is immediate and long term broad based tax relief, starting with reducing personal income tax rates and substantially raising both the basic personal exemption and the spousal exemption under the Income Tax Act. Reducing personal income taxes will hike the take home pay and raise the living standard of all Canadians.

The Conservative Party of Canada believes that the goal of the federal government should be to give Canadians the highest standard of living in the world. Every Canadian who wants a job should be able to get a job. Every region of the country should enjoy economic growth and new opportunities for its people.

Canada should become the economic envy of the world. All of this will only happen if the government spends within its means and does not tax too much.

The Liberals have pledged tens of billions of dollars without providing much detail. This is the same approach that causes sponsorship scandals and gun registry boondoggles.

The government has lost control over the federal finances. It will spend, say or agree to anything to cling to power. The Liberal-NDP budget is proof of that.

The Conservative Party wants to ensure that Canadians have access to affordable, high quality education, to initiatives that create a clean environment, to affordable housing and to other high priority programs. That is why it would be irresponsible to support a government that throws public funds at these initiatives without a plan.

Canada faces numerous competitive challenges and yet the government remains committed to massive spending, rather than a balanced approach that secures our standard of living, which is why I cannot support Bill C-48.

● (2020)

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, I am delighted the member mentioned the tax cuts that were in the budget but I do not

think she covered enough of what is being done. I want to ensure that the public is aware that the Liberal government has put forward the largest tax cut in history of \$100 billion.

She talked about how significant this is to families. This is a 27% deduction on average in the personal income taxes of families. There are also tax cuts for people with disabilities in that \$100 billion. The tax cuts in that particular plan will take a million low income people off the tax rolls completely.

We can talk about what it does for businesses because we wanted to make sure that entrepreneurs and corporations also enjoyed those tax cuts. The small business deduction limit has gone from \$225,000 in 2003 up to \$250,000 in 2004 and rises to \$300,000 in 2005. All in all, for corporations the corporate taxes, including capital taxes, are now 2.3 percentage points lower than in the United States.

The member mentioned that she would like people to have jobs in all regions of the country, which we agree is admirable. Why then does her party, particularly the finance critic, constantly say that they are against the regional development agencies and that they would close those agencies that are so instrumental in actually getting regional development in all areas of the country and in the areas that really need that help?

Mrs. Nina Grewal: Mr. Speaker, it is unbelievable what the government will do to cling to power. It has sold itself to the NDP. Where are its priorities? Its priorities are misplaced and wrong. The government changed its own budget to accommodate the NDP.

This is a weak government with weak priorities. Where are the tax cuts? It has no money to keep up with its old promises. This is a recipe for fiscal disaster. The government runs on making deals, not on principles.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the member across made two comments. First she said that she wanted to see further decreases in the debt to GDP ratio and, second, she said that in the mid-1970s our debt to GDP ratio was around 20%.

I believe our debt to GDP ratio is now around 37% or 38% and she wants that decreased. I want to remind the member across that when her party, the Conservative Party, was booted out by the Canadian people in 1993, the debt to GDP ratio was 73%. I will repeat that. It was 73%, and through a lot of hard work and effort, the government has been able to decrease that from 73% to 38%.

She also talked about the payment of the debt. I want to remind the member across that the year that her party, the Conservative Party, was voted out of office, the annual deficit of this country was \$43 billion.

In 1993, when things were so out of control, could the member tell me how things got so far out of control?

Government Orders

Mrs. Nina Grewal: Mr. Speaker, the Liberals would rather grow the size of government than grow the income of families. We will continue to hold the Liberals to account where spending is unfocused and wasteful. We will continue to push them for more tax relief. Canadians deserve better. The Liberals cannot be trusted. The Liberals are corrupt.

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, I listened to my hon. friend's comments and one of the things I found rather interesting were her remarks on how interest rates will be going up.

After the Toronto—Danforth finance minister had his budget accepted by the rest of the coalition, I was waiting to see which economist would be the first one out to warn about this. I read in the *Ottawa Citizen* that the higher spending would put pressure on the interest rates because of the extra demand side pressures due to the inefficient, non-productive spending that the government, with its new baby coalition partner, was promoting,

Could the member tell the House how higher interest rates will affect people in her riding who have mortgages on their houses? How will it affect them in their day to day lives? What will it do to the economy in the area of Surrey?

● (2025)

Mrs. Nina Grewal: Mr. Speaker, on this side of the House we want to keep our promises, but on that side of the House, promises made are promises broken.

We want every parent in Canada to go to bed at night knowing that their children will have the chance to live the Canadian dream. Our children should be able to get post-secondary schooling, get a good paying job, buy a house and start a family. That can only be done if the government does not spend too much and does not tax too much.

Mr. Maurice Vellacott (Saskatoon—Wanuskewin, CPC): Mr. Speaker, I am pleased to add my name to the list of those who are fiscally responsible members in Canada, those who oppose the New Democratic budget, Bill C-48.

I joined my party to vote in favour of Bill C-43, the original bill. It was hard enough in some ways to vote for that bill. Yet there were some measures in it that were some lukewarm attempts to imitate Conservative Party policy. For that reason it seemed to be the expedient and proper thing to vote for that bill. It seems these days the only time the Liberal government is not involved in corruption is when it is imitating our party, when it is trying to mirror something that the Conservative Party would do. We wanted to affirm those halting attempts to be fiscally responsible, hoping that the government would speedily implement those measures that are really to the full advantage of Canadians across the country.

When we get to the other bill, Bill C-48, on the other hand, it is really irredeemable. Many members in my party, and I assume in the other parties, have made comment, and especially the Bloc has objections and problems with the bill as well.

Bill C-48 even makes the finance minister gag. He has to hold his nose I would imagine each time that he dutifully expresses his support for the bill, for that irresponsible piece of legislation which was thoughtlessly thrown together at the last minute by the NDP

leader and also by his right-hand man, the Prime Minister. The Prime Minister tried to get this coalition together to keep his corrupt government in power. He is clinging to power with the help of a political party that is prepared to look the other way. That is what the NDP-Liberal government is prepared to do. It is prepared to look the other way when we see some of the things from this worst corruption scandal in the recent memory of this country.

The Liberals are willing to spend billions of taxpayers' dollars to fund this addiction for power and that they should be in power at all times in the history of our country. This is a direct result of the loss of their moral authority to govern. Not only should this bill not be passed, but the finance minister should resign for tabling it. We have called on him to do that. The NDP leader has more influence it would seem on the budgetary framework than the Prime Minister's own Minister of Finance.

Bill C-48 is heavy on the public purse but it is quite light on details. It is quite scant and sketchy. It commits hundreds of millions of dollars in broad areas without any concrete plans as to how that money would be spent. Bill C-48 authorizes cabinet to design and implement programs under the vague policy framework of the bill to make payments in any manner it sees fit.

The government has reserved the right to use the first \$2 billion in 2005-06 and 2006-07 budget years from the federal surplus, presumably for federal debt reduction. Any surplus that exceeds \$2 billion can be used to fund programs related to the bill.

The government would actually need to post \$8.5 billion in surpluses over the next two fiscal years to fully implement the NDP's Bill C-48.

The areas addressed in the bill largely fall under provincial jurisdiction. It is more intrusion, more of the camel sticking its nose into the tent, more of moving into the provincial realm of authority.

Bill C-48 also violates a principle held by the NDP as was presented in its own prebudget report, that Parliament should have an opportunity to decide on the allocation of any budget surplus.

The Conservative Party has consistently opposed the Liberal approach of spending without an adequate plan. This is probably the biggest fault with Bill C-48. The Liberal approach is cruel not only to taxpayers, but more importantly to those who depend on those promised services.

The Auditor General has raised some very serious concerns about the ability of certain departments to actually deliver the programs effectively. Even if the dollars were shovelled off to a particular department, there is a pretty serious question whether in certain areas it would actually be able to make the best value of that, including Indian and northern affairs and the Canadian International Development Agency.

In addition the Office of the Auditor General has stated that it currently is auditing the Government of Canada's climate change expenditures which will be finally released in 2006.

Government Orders

The Conservative Party wants to ensure that the social needs of Canadians are met. Our party recognizes that many Canadians are not receiving the level of federal assistance that they deserve. That is a direct result of the Liberal government's approach to problem solving, which is basically to spend money without an adequate plan.

● (2030)

In most Canadian families both parents need to work, one just to pay the taxes. These Canadian families are receiving less and less each year for the taxes they are forced to hand over to the government. They are receiving less and less in the way of social programming and social services. The Conservative Party has long held that a dollar left in the hands of a homemaker or an entrepreneur is more beneficial than a dollar left in the hands of a bureaucrat or a politician.

It would be very irresponsible and cruel to Canadians in need to throw more money at programs that are not meeting those objectives. The responsible approach would be for the government to ensure that existing money is spent effectively to improve programs and to improve services to ensure that nobody is left behind.

Let us look at the Liberal record in respect to spending without a plan. Canada could have more better paying jobs and a much higher standard of living, but Ottawa taxes too much and spends too much.

Since the 1999-2000 program year, spending has gone from \$109.6 billion to \$158.1 billion, an increase of some 44.3%, a compound annual growth rate of 7.6%. The economy itself managed to grow by only 31.6%, a compound annual growth rate of about 5.6%. Once the Liberals had our money, they could not resist spending it even faster than the economy was growing. It is not surprising that there is so much waste with the government.

Often the government responds to problems in a knee-jerk way by throwing more money at those problems. The Liberals too often unfortunately confuse spending money with getting results. The Liberal government seems to have no true interest in getting results for low and middle income Canadians. As the Gomery inquiry has demonstrated, the Liberal Party is only interested, it seems, in getting results for the rich and the powerful, and for those who can return the favour.

A recent poll shows far more support for the Liberal Party among wealthy Canadians than among low and middle income Canadians. The Liberal Party has declared war on low and middle income Canadians, exploiting them to the advantage of its special friends and for any scheme that guarantees Liberal control over the reins of power in the Dominion of Canada.

Here are three examples of the Liberal government's wasteful and knee-jerk spending on programs that do not work.

We have heard for years now that the wasteful gun registry is the way to deal with the criminal use of firearms, but with no explanation of how this would prevent criminals from getting and using guns. The registry was to cost \$2 million. Media reports say that the actual cost is around \$2 billion at present and it is adding on as well.

The public saw television reports showing children high on gasoline. The Liberals threw money at Davis Inlet without a plan. The community was moved into new housing a few miles away at a cost of \$400,000 per person, but the problems simply moved along with them as they relocated to that new location.

The Quebec referendum is another example which shocked the nation. The Liberals responded by throwing money at it, but without a real plan. The result was the sponsorship scandal, a \$250 million waste of money, \$100 million illegally funnelled off to Liberal friends and the Liberal Party. Even worse, it has reinvigorated Quebec separatism and hurt the face of federalism in the province of Quebec.

In 1966-67 real federal program spending per capita was \$3,466. It will have risen to \$4,255 in 2005-06, an increase of \$800 per capita in volume terms, or \$3,200 for a family of four. Current Liberal-NDP spending plans will take it to \$4,644 by 2009-10, an increase of almost \$1,200 per person.

Increases in real government spending do not necessarily equate to solving problems or even getting better results. That is the major concern we have with Bill C-48. It was written up quickly and is very scant on detail. There is not much there. As a result, the Liberals want to put it through quickly because they say it is very short. Because it is so very short is the reason it needs rigorous evaluation, assessment and scrutiny. It is also why it deserves our full condemnation and rejection at this point.

Much more could be said, but suffice to say that the Conservative approach would be rather different. It would be a responsible and detailed plan that would reflect rather different priorities and rather different results for the Canadian tax paying public.

● (2035)

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, the Conservatives have really outdone themselves in embarrassing themselves today.

Some hon. members: Hear, hear!

Hon. Larry Bagnell: Mr. Speaker, I am glad they are applauding that they have embarrassed themselves.

They spent the morning with no member talking about this bill, costing taxpayers thousands of dollars, and now they are so desperate tonight that they are using the exact same speech. The media will have a field day when they check the speeches. If they look for the line, for instance, that refers to the Auditor General, the department of Indian affairs and CIDA, and if they match all the speeches and find the exact same thing, the media will wonder why we are spending hundreds of thousands of dollars on debate.

Government Orders

I have a great deal of respect for the member who just spoke. I know he had to use the speech from his researchers for his first 10 minutes. I will give him a chance now to speak on his own about what is in the bill. Just so that party knows what is in the bill, there is money to follow the plans that we have but we did not put enough money in the past. They are already in our plans and we are spending in these areas. This just enhances it .

The bill provides for the environment, including for public transit and for an energy efficient retrofit program for low income housing, an amount of \$900 million. There is money for supporting training programs and enhancing access to post-secondary education, to benefit among others, aboriginal Canadians. There is money for affordable housing, including—and I have to admit there was a member opposite who talked about affordable housing, and I compliment him for that—for aboriginal Canadians. For foreign aid, there is an amount not exceeding \$500 million.

I would like the member to comment on any of those four items and whether he thinks any of those four items are a good investment for Canadians to be making.

Mr. Maurice Vellacott: Mr. Speaker, it is rather important to note that it seems that the questions coming from the other side have a familiar ring. It seems that the Liberals are putting recycled questions to us.

The member needs to clearly understand, and I think if I know a little bit of his background he should have an appreciation for this, that the biggest objection we have as a party to this particular budget is the fact that it is unplanned spending. It is somewhat ad hoc.

We would have been interested to know why there was not any of that kind of response in the initial bill, Bill C-43, of the Liberal government. It has been added on at the very end. Was it not a priority early on? Did the Prime Minister and the NDP leader get together and all of a sudden decide there was a need for these things?

Certainly there is a need for some of the things that the member mentioned. However, if the Liberals give out money to some of these particular approaches or programs that he is talking about, who is to say that it would actually get through? Our biggest concern in any of these program areas is, will the dollars actually get through to be spent in the best way for the Canadian public, in respect to housing, in respect to transit? We have pretty good reason to believe there would be some reason to doubt that. We believe there is some question about that. I think the hon. member would want to provide us more detail if he is really sincere about getting some help for these different areas.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, I would suggest to my hon. colleague from the Conservative Party that he might want to read other budget bills and begin with the one he just supported, Bill C-43. In that bill many of the clauses requiring allocation of very large sums of money have even less detail than that entailed in Bill C-48.

For the information of the member, he should know that it is not uncommon to actually spell out in broad terms the provisions, knowing full well that it is this Parliament that will hold the government to account and scrutinize spending.

I would suggest in fact that the Conservatives are in so desperate need of an issue that they are prepared to gloss over the facts, misrepresent the actual situation and provide a lot of innuendo and hearsay, none of it having any basis in truth.

How does the member feel about the \$50 million that was allocated in Bill C-43 to the Cattlemen's Association without any specific details in terms of how that money should be spent? Does he have the same concerns about many provisions in other budget bills as he does with respect to Bill C-48, or is it the fact that he just does not like to see any money going to students who are trying to get an education, or to families who are trying to deal with smog and pollution, or to people who just want to get—

• (2040)

The Deputy Speaker: The hon. member for Saskatoon—Wanuskewin.

Mr. Maurice Vellacott: Mr. Speaker, I was a little nervous as the member was speaking because she was trying to convince me and talk me out of the fact that I voted for Bill C-43 by saying there was less detail and less concrete things in it. I will not be quite persuaded of that this evening, but I will reiterate what I said before, we have a concern with Bill C-48 because there is very little attention to detail in respect to these things.

I have been, as a student for many years, in the realm of needing assistance with respect to loans and grants and those kinds of things. It took many years to pay it off. We do need dollars in those areas, but we must ensure that we get those dollars to the students. I am not convinced by what I see in respect to the details to which she speaks on those particular items that it is in fact going to get through to those who most need it as well as the environment, housing and the other areas. We do not have concrete details to actually even suggest that it will get through.

I would suggest that it will be a matter of promise made, promise broken between these two parties. It is a coalition that will make a promise, but also break it as readily.

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): Mr. Speaker, I was elected to represent and protect the taxpayers of the riding of Stormont—Dundas—South Glengarry. I came here as a member of Parliament for the Conservative Party of Canada to represent it and the values conservative Canadians believe in.

The Conservative Party of Canada believes that our goal should be to give Canadians the highest standard of living in the world. Our goal is that every Canadian who wants a job should be able to get a job. Our goal is that every region of the country should enjoy economic growth and new opportunities for the people of those regions. Our goal is to make Canada the economic envy of the world.

We want every mom and dad in Canada to go to bed at night knowing that their children will have the chance to live the Canadian dream, get post-secondary schooling, find a good well-paying job, afford to start a family, buy a house, save for their retirement, and ensure that they have a bit left over for summer camps and vacations. Maybe they will want to start a business. They can only do that if government does not tax too much and does not spend too much.

Government Orders

When I rise to speak on a substantive issue in the House that is brought before the House in good faith, I always begin my speech by saying what an honour it is to address the issue. However, I cannot honestly call it an honour to speak to this sham of a budget bill. Bill C-48 can hardly even be called legislation. It is not a spending plan. It does not lay out any strategy for dealing with substantive issues. Bill C-48 is only two pages long and proposes to spend \$4.5 billion.

Two pages is not enough to lay out a responsible plan for spending that much money. Not one of the cabinet ministers called by the Conservative Party to appear before the finance committee would actually come to the committee to explain how their departments would spend the money this bill allocates to them. Obviously, they do not even have a plan, or at least they are not sharing it with Canadians. When ministers are spending \$4.5 billion of the taxpayers money, they owe them an explanation.

The Liberal-NDP coalition will tell us that this bill is all about the environment and aboriginal affairs and all kinds of things, but simply saying that it will spend a bunch of money on something is not a real plan and it will not solve any real problems. In fact, this bill proves that the only result the Liberals care about is staying in power just a little while longer and they do not care how much it costs Canadians.

The sponsorship scandal proved that the Liberals are more than willing to use Canadians' money to buy power, and this bill is just more of the same. Canadians should be outraged and horrified by this kind of reckless, ad hoc, back room legislation. The \$4.5 billion proposed spending means about \$300 from the pocket of each and every taxpayer in Canada. That is not the kind of thing a government can reasonably or responsibly address in a two page bill drafted in a hotel room.

The finance minister did not even have any input into the deal, yet Buzz Hargrove, an unelected and undeniably biased individual, did. In fact, the finance minister had already tabled a pretty fat budget because the government did not expect, quite frankly, to last this long. The original budget was a Liberal tax and spend pre-election budget that would have increased program spending by 12% in a single year.

The extra money promised in this bill simply goes too far. The Canadian Chamber of Commerce says that to say the program spending is out of control would be an understatement. The Chamber of Commerce, the Canadian Taxpayers Federation, chartered banks, the Canadian Federation of Independent Business and virtually every other economic expert in the country have expressed very serious concerns about the bill, and for good reason.

The Liberal-NDP government says that this agreement has to be passed now by Parliament to provide immediate relief to all kinds of issues. That is simply disingenuous. In reality, no matter when the bill is passed, if in fact it does pass, none of that money will start to flow until at least August 2006, if ever.

• (2045)

That is because the bill says \$4.6 billion can only be taken from the federal surplus in each of the next two fiscal years and only after \$2 billion per year has gone to debt reduction. The government will not know if it has a surplus until August of next year which also happens to be well after the federal election.

The Liberal government is misleading Canadian taxpayers. The vague promises and massive expenditures in the bill are nothing but premature campaign promises which will probably never bear fruit. Even those few who support the bill, including the NDP, should be worried about whether the Liberals will ever follow through. At best this bill is a hoax against the NDP and at worst it is a fraud against taxpayers, not to mention seniors, students, the homeless, aboriginal Canadians and all other Canadians mentioned in the bill.

The \$1.6 billion to be allocated for relief of the homeless will only be spent, if ever, starting in August 2006 on affordable housing including housing, whatever that means. There are no plans, no definitions and no details. In the area of tuitions, the bill is to provide for an amount not exceeding \$1.5 billion for supporting training programs and enhancing access to post-secondary education to benefit Canadians. That is far from an iron-clad commitment to lowering university tuitions.

The bill is simply bad for Canada's economy. Even the OECD is warning that the extra spending included in this bill will lead to high inflation and high interest rates. Canada's economic health and reputation will suffer under this legislation. In short, my Conservative colleagues and I will do everything in our power to oppose the bill because it is bad for Canadians, including those it purports to help. I call on all members to put the interests of Canadians ahead of the political interests of those who concocted the bill and vote against Bill C-48.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I really enjoy listening to the economics of the Conservative way. Let us take a look at what happened in 1993 because that is when many of us came here. We had an unemployment rate of over 10%. We had an interest rate which was very high which hurt everyone who had a mortgage to pay. When we talk about tax cuts, we have to keep in mind that people are paying record level low mortgages, so to pay 4% versus 8% on a \$100,000 mortgage would equal \$4,000 a year.

However, I want to put into perspective the \$4.5 billion the hon. member mentioned. We have a one time expenditure of \$4.5 billion, but the portion of the national debt that grew each and every year the Conservatives were in office went from \$200 billion to \$500 billion in nine years, at a cost to each Canadian of \$1,500 a year and it repeats year after year. We are talking about investing in Canadians in very critical areas. My hon. colleague mentioned a one time payment of \$300, but the Conservative portion of the debt is \$1,500 a year, year after year. I wonder if my colleague could put that into perspective.

Government Orders

• (2050)

Mr. Guy Lauzon: Mr. Speaker, the member talked about economics the Conservative way and I would love to talk about that but before I do I would like to talk about economics the Liberal way.

He talked about when the country started going into deficit. If I recall, history seems to indicate that started under a Liberal regime. Yes, it was continued through some bad periods of inflation, but I want to remind the member for Kitchener—Waterloo that under the circumstances, with low interest rates right now, what is going to happen, as all the chambers of commerce and economists are now telling us, is that because of this budget interest rates will go up. What will happen to our payments then on this massive debt?

What will happen when interest rates go up another 2%? Where will all the money come from? I would dare to say that if the interest rate goes up 2%, as most people are predicting it will, we will have a heck of a hard time trying to pay the interest on what is close to half a trillion dollars.

Let us talk about economics the Conservative way. This is how we do economics the Conservative way. Our goal is that every Canadian who wants a job will be able to get a job, that every region of the country will enjoy economic growth and new opportunities for people of other regions and to make Canada the economic envy of the world. That is economics the Conservative way.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member, along with other of his colleagues, has spent a bit of time talking about surplus and that the existence of a surplus means that Canadians are being overtaxed. I wonder if the member would care to comment on the fact that, to the extent there is a surplus, that surplus is used to pay down debt. Some \$65 billion of debt has been paid down at a savings of some \$3 billion a year that is available for the permanent funding of tax reductions, new programs or additional funding for health care.

The question really come to this. If the member wants more tax cuts for Canadians, what does he consider to be a substantive tax cut and can it be afforded without going back into deficit?

Mr. Guy Lauzon: Mr. Speaker, there are a couple of things I have to offer the member for Mississauga South.

Yes, we do believe that Canadians are way overtaxed. If we were to discontinue overtaxing Canadians and put more money into the pockets of Canadians, it would spur our economy and the country would have more taxes and each person would pay less tax on average.

The member said that \$65 billion have been paid down on the debt but he neglects to talk about the \$45 billion that the workers and employers were overcharged in this country. Where did that \$45 billion go? Every Canadian employer and employee was overcharged \$45 billion, along with the \$25 billion that was taken out of health care. That amounts to \$70 billion.

• (2055)

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, I rise in strong opposition to the \$4.6 billion tax increase that Bill C-48 proposes to collect from all Canadians.

I remind the Liberal-NDP socialist coalition that contrary to what misinformation is spread about business taxation and who does or does not benefit when business taxes are reduced, corporations do not pay taxes. People pay taxes.

What this socialist pact accomplishes in Bill C-48 is a double hit. By reducing productivity and maintaining the high level of taxation on business, while at the same time increasing taxes on Canadians by \$4.6 billion, the net effect of the damage is magnified.

Forget about the discussion of a surplus and the Liberal-NDP illusion that the \$4.6 billion is spending, not new taxes, that it is the budget surplus, the budget surplus is a myth. There is no budget surplus. The long term debt for Canada exceeds half a trillion dollars.

Canada has a serious deficit when it comes to health care, our military, municipal infrastructure and services, just to name a few. There is no surplus. Talk of a surplus is a hoax that is being perpetuated on the people of Canada by a scandal ridden administration that is out of control and reduced to buying votes with taxpayer dollars.

The Liberal-NDP out of control spending coalition is hoping that most Canadians have forgotten or do not remember the last time this pair teamed up to ruin the country's finances. The last time there was a minority government where the NDP propped up the Liberals was in 1972.

Between 1972-73 and 1974-75 fiscal years, spending jumped by 50%. While spending jumped by 50%, taxes jumped by 52% over the same period of time. From October 1972 to July 1974, the inflation rate more than doubled, from 5.2% to 11.1%.

The rise in inflation led to chartered bank prime rates almost doubling. They climbed from 6% to 11% and the rate on a five year mortgage during the same time climbed to 11.37%.

Canadians need to look at the fiscal record of the last Liberal-NDP accord to appreciate why I and the Conservatives oppose and have consistently opposed the totally irresponsible way the finances of Canada are being run by a government intent on buying support from the NDP in order to cling to power.

We should make no doubt about it, Bill C-48 represents crass, last minute deal making of the worst kind. What makes thoughtful Canadians critical of the Liberal-NDP spending pact is that it represents a huge tax increase. In this case, the Liberal Party is throwing taxpayer dollars at the NDP to buy its support.

The worst part of this misuse of taxpayer dollars is that while lofty goals are being stated on where the new taxes will be spent, there has been no thought and no plan that the intended spending will actually end up in the pockets of those who are the intended recipients.

Government Orders

Of particular interest to my constituents in the riding of Renfrew—Nipissing—Pembroke is the plan for families with children and helping those children receive a post-secondary education.

I have been listening with interest to the comments made by the NDP finance critic when the statement is made that the \$4.6 billion tax increase will benefit students. Specifically, it is alleged that the Liberal-NDP budget would allocate \$1.5 billion to lower tuition costs for students. However this is false because with the hasty way this deal to increase spending was put together, there was no indication of how the \$1.5 billion would be spent, much less where.

• (2100)

Let us contemplate for a moment that cash was allocated to reduce tuition, which is the line being pushed by the NDP. In an example provided by Mr. Alex Usher, vice-president of the Educational Policy Institute, let us consider the following.

Let us take a student of sufficient affluence with no grants or loans. Let us assume the student's tuition and fees are about \$5,000. Her net cost is \$5,000 minus the value of her tuition tax credit, to net out at about \$3,800. Now let us give this same student a 10% reduction in tuition. Her cost now would be \$4,500 with a net after tax benefit of \$380. With a \$500 tuition reduction, the affluent student would be better off by \$3,800.

Now let us take a high needs student, such as a single independent student, with costs minus resources of \$9,000 in Ontario. This student has tuition and fees of \$5,000. As with the more affluent youth, the net cost after tax would be \$3,800. Now if he has \$9,000 in loans, of which anything over \$7,000 would be remitted at the end of the year, meaning that effectively he would be carrying a \$7,000 loan and a \$2,000 grant.

Let me show members what happens when tuition costs are lowered by 10%, which may or may not be the percentage in the budget payoff to the NDP to prop up the Liberals. At a 10% tuition reduction, costs would go down by \$500. Therefore the need drops by \$500, dropping the student's loan from \$9,000 to \$8,500. In Ontario, because the threshold remains the same, this student would still have a \$7,000 loan but \$1,500 in grants. Therefore by not planning or consulting with the province, the student is no better off because the \$500 gained through the lower tuition fees would get clawed back by the student aid program, and it does not end there.

Thanks to the tax department, both students would lose \$120 of the \$500 benefit due to the decrease in the tax credit. Therefore giving a high needs student a \$500 break on tuition would mean taking away \$500 in grants and \$120 in the tuition tax credit.

To summarize, reducing a high needs student's tuition by \$500 would make him worse off by \$120. What we now have is a Liberal-NDP education policy for post-secondary students where the students are worse off than before the decision was made to increase taxes by \$4.6 billion. The \$1.5 billion, according to the NDP finance critic, being directed at tuition costs is doing more harm than doing nothing at all. This is a policy where kids who do not need something benefit while the students actually in need lose something.

That is but one example of why Bill C-48 is bad public policy. Bill C-48 hurts students. This budget tax increase hurts all Canadians.

The Liberal-NDP approach to spending, without an adequate plan, is something we oppose in the Conservative Party.

I urge all members of the House to oppose Bill C-48, this \$4.6 billion tax increase. It hurts all students and it hurts their families.

• (2105)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, after a speech like that I wonder whether the hon. member has actually read Bill C-48. It is kind of pathetic that she is opposed to spending \$4.6 billion. The bill does not call for spending \$4.6 billion, or \$4.5 billion, to be more accurate about it, unless and until there are certain contingencies achieved. If in fact there is a surplus beyond such and such an amount, namely \$2 billion, then the government will spend in these areas. It is called unplanned surplus legislation.

I want to know from the hon. member what she has against affordable housing. Does she think the government should not spend in areas like that? Does she think we should not be spending money on the environment? Does she think we should not be spending on matters to do with post-secondary education? Is there something wrong with spending on foreign affairs and things of that nature?

If the hon. member had actually read the legislation, she would know that there is no commitment to spending unless a certain contingency is reached. If that contingency is reached, then there will be spending. The member is completely misleading in her speech in trying to have people believe that this is wild, reckless and crazy spending.

Mrs. Cheryl Gallant: Mr. Speaker, I would like to thank the hon. member for confirming that this is wild and reckless spending on the part of the government.

The hon. member spoke about education. Apparently it is not getting through that the bill is actually hurting high need students. In Ontario, for example, a high need student can receive up to \$7,000 in loan and \$2,000 in grants.

If this plan without a program goes forward, or this plan without a plan, actually, and the student has a 10% decrease in tuition, let us say, the tuition drops for this student by \$500. However, because of the clawback provisions in the Ontario government's policy, this student actually gets less money than if the bill had not gone forth in the first place.

There is all this talk about how it is only going to be spent if there is a surplus, but in reality there is no surplus. We have almost half a trillion dollars worth of national debt. Until that is paid off, we really do not have a surplus.

Government Orders

Hon. Roy Cullen (Parliamentary Secretary to the Minister of Public Safety and Emergency Preparedness, Lib.): Mr. Speaker, I listened to the member for Renfrew—Nipissing—Pembroke and wondered if she had actually been apprised of what is in Bill C-48, because she talked about the fact that there are no surpluses. Perhaps she thinks the surpluses that the government has produced for Canadians for the last seven years are imaginary as well.

The government has consistently posted surpluses, which has meant that debt is being paid down, and in fact by some \$50 billion, which is saving Canadians some \$3 billion or so each and every year as an annuity on the debt service costs. The government also has helped to create the economic climate that has been good for business, with business development at roughly 3% growth every year. Unemployment is down to the lowest levels in years, to below 7%. There was the largest tax cut in Canadian history, of \$100 billion, in the year 2000. The fact is that people are able to go out and buy homes for the first time because of the low interest rate regime that the government has helped create. There is low inflation.

I think fondly back to the days when my colleague, Hector Cloutier, represented that area. I am sure that Mr. Cloutier had a better understanding of these bills as they came to the floor of the House of Commons.

Perhaps the problem is this. I understand that the Conservative party gutted the entire bill at committee. Perhaps when the member for Renfrew—Nipissing—Pembroke read the bill, there was nothing in the bill because the committee, on the recommendation of the Conservatives, had gutted the bill. Maybe she saw the bill, there was nothing in the bill and she drew a blank, because she clearly does not understand the bill. She does not understand the fiscal performance of the government.

• (2110)

Mrs. Cheryl Gallant: Mr. Speaker, it must be getting very tiring for the member opposite to make such misogynistic comments.

It is the Bank of Canada and not the Government of Canada that sets the interest rates. A \$4.6 billion increase minimum per year in taxes is going to shoot interest rates through the roof. Fewer and fewer people are going to be able to afford to purchase their own house, let alone pay for the increased rate of a mortgage.

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, I appreciate seeing you in the chair again, first in respect of Bill C-38, and now in the context of the House with respect to Bill C-48.

I too want to make a few comments here. I think some of my Liberal colleagues have a lack of understanding as to what the function of Parliament actually is. Going back to the time of the Magna Carta, Parliament was simply a device that would hold the king accountable for the spending of money. The nobles at that time simply revolted and said they would not pay any more money unless the king took their needs into account.

Parliament is essentially that concept. The role of the opposition, and indeed the role of everyone outside of the executive, is to hold the executive accountable. I see at least three members of the executive here tonight. It is our responsibility as members of the opposition, as well as the responsibility of backbenchers in the Liberal Party, to hold the government accountable.

This is not an issue of Liberals asking Conservatives questions or New Democrats asking Conservatives questions; it seems the only ones who are prepared to stand up and speak about this issue are the Conservatives. Every party should be standing up and holding the executive accountable for the money. We are talking about \$4.6 billion; no, \$4.5 billion, I am sorry, that is correct. Hanging around Liberals one begins to think of money in that kind of way. In my riding, \$100 million is still a lot of money, never mind \$4.5 billion.

That is our responsibility here: to ask the executive what it is doing with \$4.5 billion. I dare say that if I stood up and read the bill into the record as part of my speech, Canadians would be no wiser as to what the executive is actually going to do with their money.

I was a little disappointed to hear the socialist colleagues of the Liberals state that we are somehow wasting time by standing up in Parliament and debating this issue and asking these questions. Wasting time, that is what was said. It has been mentioned that thousands of dollars in overtime is being spent because of this debate. Let us put that into a realistic context.

That is thousands of dollars in overtime when we are talking about the expenditure of \$4.5 billion. What we are doing here tonight in terms of overtime does not come anywhere near to what that money could gain in terms of interest or, indeed, if it were put back in the pockets of Canadians. So yes, there is a price to democracy. Yes, there is a price to running Parliament, but our obligation to the people of Canada is to ask questions of the executive to determine exactly where that money is going.

The point was made also that in another lifetime the Conservatives were spendthrifts and spent all kinds of money. I just want to make a short point here. As I understand it, before the Conservatives came into power, the debt and the deficit were run up by the Liberals. It was a huge debt, especially for that time.

• (2115)

If we look at the spending during the Mulroney years, if we took into account what we had to pay in terms of interest on the debt that the Liberals accumulated during the good years, and if we took that interest away, out of the payments, the Mulroney government would have run a balanced book every single year. That is the reality.

There are some of us in the Conservative Party today who were not happy with Mr. Mulroney. We were unhappy with Mr. Mulroney for other reasons, but in fairness to Mr. Mulroney, he balanced the books. If it had not been for the Liberal debt, running this deficit would not have occurred. That is absolutely clear. Now the Liberals are saying—

Some hon. members: Oh, oh!

Mr. Vic Toews: Mr. Speaker, I know there are some enthusiastic members, but they will have their opportunity to ask me some questions when I am finished.

Government Orders

Now the Liberals are saying, "We rescued Canada". On what basis did they rescue Canada? There were two policy initiatives that brought money into the coffers of the government. What were those two initiatives? The GST and free trade. Again, both were initiatives by Mr. Mulroney. Whether we like him or dislike him is quite irrelevant: those initiatives brought the money into the treasury and have made the prior finance minister, now Prime Minister, look good. All he had to do was collect the money. That is essentially what happened.

At the same time, of course, the Liberals were raising taxes and spending, spending, spending. I find it interesting that at the same time as all the money was rolling in, some of my colleagues were in provincial governments. We bore the brunt of the finance minister's cuts in health care, education, infrastructure and all of those matters. We had to balance the books while they balanced their books on the backs of the provinces and the municipalities.

Some of their socialist friends still do not understand what free trade has done for the country. In my riding, there is a New Democrat candidate who said he is proud to be a member of a party that is opposed to free trade. On the front page of my weekly newspaper there is a New Democrat saying he is proud to be a member of a party that opposes free trade. In my riding, 80% of the manufactured goods go across the line into the United States. If free trade was shut down, thousands of my constituents would be out of work. I dare say the same is true for many of us here. Yet we have a New Democratic Party that is opposed to free trade, that wants to shut down trade.

Just recently, in fact, we had a member of the House stand up and call for sanctions against the Americans because of the international water dispute over Devils Lake. I disagree with what the Americans are doing on Devils Lake, but to simply say "let us impose trade sanctions against the Americans" when we are sending 80% of our manufactured goods across the line is the kind of philosophy that has generated this \$4.6 billion spending spree. Those people actually think the money would occur, as it did in the Trudeau years when it was just printed. If we run out of money, we just print it, that is the philosophy. Inflation runs up. Interest rates run up. People suffer.

That philosophy of the NDP against free trade, against the workers in my constituency, has infected this Liberal government and the evidence is in Bill C-48.

• (2120)

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I appreciate the hon. member's demonstration of the insanity of the Mulroney fiscal economics. For goodness sakes, if we have not learned anything over the past number of years, surely it is that we cannot run deficits in the country.

Mr. Mulroney occupied office from 1984 to 1993. Not one year did the accumulated deficit, or what we call a debt, go down. After this government took over in 1993, it took us three years to arrest that slide into deficit. It was only in 1997, after we had paid a huge political cost, were we able to arrest that fiscal insanity as given to us by the Mulroney years.

The hon. member invites us to go back to Mulroney economics. I do not think so. For goodness sakes, in 1989 we had some of the best

economic circumstances the country had ever enjoyed and still we had a runaway deficit.

I wonder whether the hon. member actually knows that the bill was returned to the House as a blank piece of paper and that we have only been able to put back into that blank piece of paper the fiscal contingencies that are necessary in order to propose this unplanned surplus legislation?

The government has learned from the Mulroney excesses and that member and his party have yet to learn from the Mulroney excesses.

Mr. Vic Toews: Mr. Speaker, I will not go through my entire speech. If the member was not listening the first time, I would invite him to go back to the transcript and read it very carefully.

No one is against low income housing. No one is against post-secondary education. No one is against helping out aboriginal Canadians. The point is, Liberals like to throw out a few catch phrases and say that if we are against this, we are against affordable housing or aboriginal Canadians and spending on their programs. The point is, as an opposition party, we have the obligation to ask the government questions. Where is the plan? Where is the detail?

My constituents understand that when they send me to Ottawa, my role is to ask those questions. We have not heard one answer from the government as to where that \$4.6 billion will go. All they know back in my riding is this is the government that said a gun registry would cost \$2 million, and it is costing \$2 billion. That is Liberal economics and that is what my constituents want me to stop.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, the member has said that he has not heard one answer from us as to where the money will go. I invite him to read the bill, which he never mentioned in his speech.

The money is will go to the environment, including public transit and energy efficient retrofit programs for low income housing in the amount of \$900 million. All this is in the same detail as in every budget. The money will go toward supporting training programs, enhancing access to post-secondary education to benefit, among others, aboriginal Canadians. It will go toward affordable housing, including housing for aboriginal Canadians. It will go toward foreign aid in an amount not exceeding \$500 million.

Why was his whole speech on nothing that was in the bill? He spoke about free trade from decades ago, about Trudeau from decades ago, about Devils Lake, about Mulroney and about the GST. Perhaps he could comment on affordable housing, foreign aid, tuition for students, items that are in the bill?

• (2125)

Mr. Vic Toews: Mr. Speaker, the member for Winnipeg Centre once characterized the Liberals, not that long ago, as institutionally psychopathic. I would not say something like that, but there is obviously something institutionally schizophrenic here.

Government Orders

On the one hand we have the Parliamentary Secretary for the Minister of Finance standing up and saying that there is no bill here, that there is nothing on here, that there are no pages. Then we have another parliamentary secretary standing up and asking why I did not talk about the bill and that I could have talked about low income housing.

Which is it? Is there a bill or is there not a bill? These two parliamentary secretaries cannot even make up their minds as to whether there is anything in the bill. Before they ask questions like that, they should at least get their stories straight.

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Speaker, it gives me great pleasure to rise in the House tonight to speak to Bill C-48. Bill C-48 is also known as the desperation bill that was struck with the NDP. It is also known as the power budget. It was brought about by a Prime Minister in such a dither to stay in power that he made a desperate attempt to do so and in doing so decided to go fishing. Off he went fishing on the socialist river. He landed a catch of 19. I have been on a few hunting and fishing trips, but I never had a trip that cost me \$240 million a fish.

This trip is paid by the Canadian taxpayer. Not only did each one of these fish the Prime Minister landed cost more than \$242 million each, the government also went and cancelled a big part of the original budget that would have created hundreds of thousands of jobs in Canada, thus doubling the financial blow to Canadians.

The budget is also filled with unplanned spending and it is an approach that is a recipe for waste and mismanagement. It is \$4.6 billion that will be in the control of 30-odd Sheriffs of Nottingham who surely will be looting all Canadians, but definitely these merry spenders will not be giving it to the poor.

The budget is a joke to Canadians, to those in my riding of Bruce—Grey—Owen Sound, who depend on the promised services that might never come to fruition and to the many farmers who have been devastated by BSE who will not receive anything from this desperate power budget. There is not one red cent in additional funding for agriculture in this \$4.6 billion. Shame.

A responsible approach to this or any budget would be for the government to first ensure that existing money is spent effectively to improve programs and services to ensure that nobody is left behind.

Liberals have a lot of experience in spending without a plan and we have seen the ridiculous results. Take, for example, the gun registry that has been mentioned here before, but it has to be mentioned again. It was supposed to cost \$2 million and it has ballooned to almost \$2 billion without saving any lives. In fact, last week the government voted to dump millions more into it instead of scrapping it when it had the chance, or at the very least fixing the flaws in the program. Even some members from across the House who said they did not approve of it sat on their hands and let it happen.

In 1997 real federal program spending per capita was \$3,466. In 2005-06 it will have risen to \$4,255. That is an increase of \$800 per capita in volume terms or \$3,200 for a family of four. Current Liberal-NDP spending plans will take it to \$4,644 by 2009-10. That is a projected increase of almost \$1,200 per person. However,

increases in real government spending do not necessarily equate to solving the problems or even getting better results.

The Conservative Party of Canada believes that our goal should be to give Canadians the highest standard of living in the world. That should be the goal of any government. Our goal is that every Canadian who wants a job should be able to get a job. With this part of the budget that has been taken out, job creation is defeated.

Our goal is that every region of the country will enjoy economic growth and new opportunities for the people of all regions. Our goal is to make Canada the economic envy of the world, and we can do it. We want every mom and dad in Canada to be able to go to bed at night knowing that their children have the chance to live the Canadian dream. We want them to be able to get post-secondary schooling and to find good, well paying jobs, and that goes back to that job creation, so they can afford to start a family, buy a house, save for their retirement and ensure that they can have a bit left over for summer camps and a vacation. Maybe they will want to start a business. One can only do that if the government does not tax too much and spend too much. The government eliminated the only benefit in the original budget to business when it crawled through the window and into the bed of the NDP. Lust, just a pure lust for power.

According to Statistics Canada, while government spending went up, Canadian families saw their after tax income stall in 2002 and fall in 2003. A dollar left in the hands of a homemaker or an entrepreneur is much more beneficial than a dollar left in the hands of a bureaucrat or politician.

The Conservative Party has tried to move amendments to make the spending in Bill C-48 more accountable to Canadians and to reflect a more prudent fiscal approach.

•(2130)

The Conservative amendment to clause 1 would raise the amount of surplus that would be set aside for debt paydown. The interest saved as a result of additional federal debt paydown is needed to prevent cuts to social programs as a result of the pending demographic crunch.

The Conservative amendment to clause 2 would force the government to table a plan by the end of each year, outlining how it intended to spend the money in this bill. Spending without a plan is a recipe for waste and mismanagement. It is cruel not only to taxpayers but, more important, to those who depend on promised services.

The Conservative amendment to clause 3 would ensure that important accountability and transparency mechanisms would be in place for corporations wholly owned by the federal government. Accountability and transparency should be paramount to any government, especially in this case, after what we have seen happen in recent years.

Government Orders

However, the Liberals only agreed to this bill to save their political skin, a deal that they cut to win the support of the NDP. It is shameful that they are willing to spend billions of taxpayer dollars to fund an addiction for power.

If all this spending was such a wonderful idea, I would like to know why it was not included in the February budget. In the end, the Liberals spent \$4.6 billion to buy 19 votes

However, now, we have to look at the other side and why the NDP members sold their souls for \$242 million each. It is not about the \$4.6 billion or the budget at all. It is all about their will to get a bill passed, Bill C-38, a bill that two-thirds of Canadians do not want to see and a large number from across the House. It is a bill that should not even be on the books. Hundreds of my constituents tell me that. This is another example of the lack of direction and ideas from the government.

The Conservative Party is the official opposition. The job of any good opposition party is to call the government on anything not good for Canadians. Bill C-48 is not good for Canadians. Dithering and desperation together can be thrown into a hat, but when we pull them out, they do not spell delicious. I do not like the taste of this *Let's Make a Deal* budget. I will be voting against Bill C-48. We will continue to hold the government to account where spending is unfocused and wasteful on behalf of Canadians.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, many of the things the member said in his speech I have heard in every other Conservative speech so far, a lot of platitudes.

He did ask one interesting question about why the deal, why the spending. It is not because someone wants to hang onto power. The member has forgotten that Canada has not been in a minority government since Joe Clark in 1979. This is 25 years later. Everybody can remember what happened to Joe Clark. If a party governs a minority government as if it had a majority, what happens? It loses the next election. It loses the budget and it loses the election. Governing is about working with what we have. In a minority situation, it was important to collaborate and work with other parties, and that is part of it.

I can see by the animation here when opposition members hear the truth, they just cannot take it.

On Bill C-48, the member asked the rhetorical question. He asked where the plan was. If he would read beyond the first couple of clauses, he would see it recognizes that certain of these items are provincial jurisdiction and that arrangements and authorizations have to be made. The bill asks for those.

What part of Bill C-48 does he personally disagree with? Is he against providing assistance for retrofits for low cost housing? Is he against post-secondary education assistance for students? Is he against affordable housing? Is he against foreign aid for countries like Darfur? If he is against Bill C-48, which one of those is he against?

• (2135)

Mr. Larry Miller: Mr. Speaker, first, my colleague across the way started out by talking about all the other speeches and pretended he listened to them. However, as my hon. colleague from Provencher

said earlier, I will not go through my whole speech again. When it comes right down to it, he was not listening.

After all the denial and whatnot from all over the place, I enjoyed hearing him admit that the government played *Let's Make a Deal*. It had to make a deal to save the party. That is what it was all about, staying in power. The truth finally came out and I thank the member for finally being honest about that.

It still all comes down to the long and short of it. We know what this was about. The Prime Minister just could not bear the thought of not being in power. He did whatever he had to do: sell souls at \$242 million a shot. It is very shameful.

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, my colleague is talking about how the NDP sold its soul. What does my colleague have to say about the Conservatives who voted for Bill C-43? Where does he see a plan in Bill C-43? He is saying that Bill C-48 does not have a plan. Where does my Conservative colleague see a plan in Bill C-43?

The leader of the Conservatives walked out of the House before the Minister of Finance even finished his speech and said that there was no way that he could not vote for this budget because it was something that he could agree with.

I do not see a plan in Bill C-48. I would like my colleague from the Conservative Party to tell us if they were blind when they agreed with Bill C-43.

The Conservatives talked about the NDP voting with a corrupt government. Where were the Conservatives on Bill C-43? Could my colleague explain? I have a hard time to understand when they say that Bill C-48 is the worst budget that they have ever seen, but Bill C-43 is all right because we are giving money to the big corporations, but not for affordable housing, not for students who are in debt, not one extra cent to the municipalities. The Conservatives said that the municipalities were left behind. I would like to hear my colleague's comments on why they voted for Bill C-43 with no plan.

Mr. Larry Miller: Mr. Speaker, I would like the hon. member to sit back and think about this. Any deal that comes from this side of the floor will not be made in some clandestine hotel room in Toronto, as the new finance minister from Toronto—Danforth did.

I would like to ask the hon. member from the NDP a question about agriculture. When the member from Toronto—Danforth made this deal with the Prime Minister, why did he not add something in there for rural Canada and agriculture?

For example, the member from Timmins—James Bay stands up here night after night and pretends that the NDP sticks up for rural Canada and agriculture. This budget is a prime example of the lack of respect the government gives to agriculture in this country.

Government Orders

● (2140)

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, I rise in the House tonight to address concerns with Bill C-48. I refuse to call this bill the budget because it hardly reflects the intent of the original budget presented in the House.

The original budget bill had some key elements that were extremely important to improving the lives of Canadians, as well as strengthening our economy. Some of the critical elements that were fundamental in the original budget were cast aside in favour of what is being debated this evening.

Bill C-48 is not about improving the quality of lives for Canadians, giving our children a brighter future, or helping the environment. It is definitely not about giving our seniors what they were promised and worked so hard for. This bill is nothing more than a deal to keep the Prime Minister and his party in power for a little while longer. This is a deal to buy votes. In buying the votes of the NDP, the Liberal government has ignored the democratic responsibility to Canadians from coast to coast to coast.

It is interesting to note that while the Liberal government has no moral dilemma in buying votes, the NDP also has no moral problem in being bought at the expense of Canadians. I find it interesting that the NDP has continually criticized the government on the democratic deficit and yet it is the one propping up the corrupt Liberal government.

In recent months the Prime Minister has stood before Canadians announcing deal after deal. These are not deals that will improve the lives of Canadians. It will only improve the life of the Liberal government. It is simply a deal with the devil. The Prime Minister used taxpayers' dollars to buy NDP votes and continues to use Canadians' hard earned money to maintain the little power he still has. If the so-called measures in Bill C-48 were truly in the best interests of Canadians, why were they not in the original budget?

The Prime Minister's recent spending spree, including spending involved in this bill, is not in the best interests of Canadians. When will the Prime Minister learn that governing is not about clinging to power? It is about giving Canadians the highest standard of living possible. The Liberal government is not interested in letting hardworking Canadians enjoy the fruits of their labour. The Liberals are interested in and have been successful at filling the pockets of their friends. Why will the Prime Minister not let Canadians hold on to more of their hard earned money?

I would like to take this opportunity to speak about an elderly couple living in my constituency, Kate and Bill Alsopp. They are fighting to maintain a decent standard of living. Kate and Bill have worked hard all of their lives to provide for themselves and their families. They supported their children when they were dependent upon them and worked hard so that they could enjoy their golden years.

The government of this country made a promise to Kate and Bill and other Canadians just like them. It promised all hardworking Canadians that their tax dollars would be there when they needed them most. The government promised programs that would allow seniors to maintain a high standard of living, yet the government has continually broken its promise. To Bill and Kate these promises

mean very little any more. Let me provide one specific example of how the government has let Bill and Kate down.

Bill will wait for one full year before he receives the hip replacement surgery he needs. While the Liberal government has recklessly spent his and Canadians' tax dollars, Bill continues to wait for the surgery that he deserved a long time ago. When Bill needed it most, the government failed him.

The Liberals have not only failed seniors but our parents, children, veterans, low and middle income families, new Canadians, businesses, the military and many others. The worst of it all is that it is not only ignoring the voices of Canadians but ruining the finances of this country.

The proposed blank cheque budget, better known as Bill C-48, will not improve the lives of Canadians like Bill and Kate because it has no definite plan. In my past career as a small business owner, one of the greatest lessons I learned is that without a coherent and well thought out plan, a business is doomed to fail. With such failure, those who depend on the business will be left with nothing.

In Canada half of all small businesses fail within three years of start-up. The predominant reason for that failure is that they have no plan. The Liberal government refuses to understand the simple principle. When the Liberal government proposed the spending of billions of taxpayers' dollars without a plan, it is not the only one paying for these great mistakes. It will be hardworking Canadians who will be victimized by this reckless budget.

● (2145)

There is absolutely no logical reason why Canadians should be victims of their own government. Bill C-48 is truly an injustice to all hardworking Canadians. Canadians must be assured that every single tax dollar collected is directed in an open and transparent manner and with a sound plan behind it.

The Liberals have made it clear with this bill that they are not working in the best interests of Canadians. They have made it explicitly clear that they will take whatever measures necessary to preserve their government. When will the Liberals learn that government is not about trying to create legacy? It is about democracy and honouring promises.

All parties in the House claim to have the same objective which is to improve the lives of Canadians. The question is, which party has a plan that will actually accomplish this objective? The Liberal government has clearly shown that it is not interested in a plan. Liberals are more interested in patting themselves on the back for spending more and more money. It is for this reason that I question the Liberals' sincerity of achieving the goal of improving the lives of Canadians.

It is time for the Liberals to realize Canadians want a government that will plan for the future and not just spend for today. The Conservative Party of Canada understands the goal of all Canadians and knows what they want. The goal is simple. It is what all hon. members have been entrusted to do when they are elected to represent the great people of Canada. It is to better the lives of Canadians.

Government Orders

It seems like a simple goal which makes me wonder how it could be forgotten by the Liberal-NDP coalition. The Conservative Party has a plan that is built around the fundamental principle of putting more tax dollars back in the pockets of Canadians where they belong. We will put Canadians and their needs first and foremost. We will ensure that every tax dollar spent will be spent in a wise and prudent fashion and we will provide Canadians with an accountable government they can be proud of.

We will continue to hold the Liberal government to account for its mismanagement and reckless spending. The Liberal government has stood before Canadians claiming to have solved issues such as the fiscal imbalance, lack of infrastructure for cities and the health care crisis. These announcements are only spending announcements. They are empty promises. Where can we find the plan that goes along with the billions and billions of dollars promised to fix the largest problems facing our country today?

I have yet to see these plans and Canadians continue to wait to see how the Liberal government will use their money to improve their lives. Canadians continue to pay some of the highest taxes among G-8 nations while their take home pay continues to decrease. The Liberal government is stripping more dollars out of the pockets of individuals and giving them less in return. The promises made to individual Canadians are not the only promises being broken. Promises are also being broken to the business community.

In the original budget the Liberal government promised to cut taxes for businesses. This tax cut was supposed to give businesses the opportunity to grow and thrive in a global marketplace. Canadian businesses have been at a competitive disadvantage for years because of overtaxation.

The excise tax, for example, on exported Canadian wine is but one of many examples of how the government has constrained the growth of our economy. The Prime Minister and his government expected Canadian wineries to pay tax on wine being exported to other countries while they allow international wines to be imported at a much lower rate. How is the industry expected to grow when small wineries cannot afford to pay this archaic policy?

Canada has been recognized in recent years as having some of the best wines anywhere in the world, yet the Prime Minister through unfair taxation is not allowing Canadian wineries to be competitive on the world market. Is it not the duty of the government to act in the best interest of our businesses? Why is the government then taking the obvious measures necessary to promote a healthy economy?

The original business tax cuts would have stimulated the economy, created new jobs and provided more incentives for businesses to remain in Canada, but the Prime Minister decided it was more important to spend money to make his party look good in the public eye. The wine industry as well as others will remain in the shackles placed on them so that the Liberals and their NDP cohorts can continue to run amok with the finances of this country.

The original budget was obviously flawed and lacked a coherent implementation plan, but it did address issues that are important to Canadians. The Prime Minister has manipulated the original budget so much that it no longer adequately addresses the needs of Canadians. Even worse, the billions and billions of dollars he has

committed since the original budget bill was tabled have absolutely no implementation plan.

● (2150)

We cannot allow the Prime Minister to play politics with taxpayers' money. We have seen hundreds of millions of dollars go to waste and stolen under the leadership of the Liberals through ad scam and other scandals. Millions more will go to waste if we do not see an implementation plan for the \$4.6 billion promised in this bill.

It is for this reason and this reason only that I cannot and will not support this Liberal-NDP coalition deal.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I want to point out to the member that last week this House approved the appropriations of approximately \$180 billion to be spent on programs across Canada. Tonight we are only talking about the \$4.5 billion supplemental appropriations for public transit, access to post-secondary education, foreign aid and affordable housing.

The hon. member went on with what seemed to be a litany of problems. He seemed to be repeating everything that has been said over the last number of days, stating that there is a real problem with the economic management of this country. Let us look at every external indicator, and I am not talking one or two, I am talking about every one of them.

The employment growth is the highest in the G-7 with 280,000 new jobs created in the last 14 months. We have the fastest growth in the standard of living in the G-7. We have good GDP growth. We have low inflation rates which in turn lead to low interest rates. There has been an extreme reduction in the debt to GDP ratio. We have had eight surplus budgets, something which has not been seen in any other country. We have paid down \$65 billion on the debt.

In any external indicator, this country ranks among the top. When the Conservative Party, the member's party, was in power we saw the exact opposite. The last year that the Conservative Party was in power the debt was \$43 billion. They say interest rates were high. I say interest rates were high because the Conservatives were in power and lost control of the economic and monetary policies at their disposal.

After hearing the member talk about the fiscal mismanagement that he alleges, why is it that every external indicator indicates the exact opposite?

Mr. Dean Allison: Mr. Speaker, the member raised a couple of interesting points to which I would like to respond.

Government Orders

The first one was about the implementation of this \$4.5 billion ad hoc deal. The concern we have is that when the government went through the original proposal with Bill C-43, there were all kinds of discussions and consultations. The Liberals were very clear when we talked to them after the budget that there could be no tinkering, that there could be nothing done with this budget, that it would be absolutely unreasonable, it would be reckless. The finance minister said that there was no flexibility in looking at trying to change in the budget. I find it somewhat ironic today as we stand here to debate this additional ad hoc deal. We all know that the real reason this has happened was just to save the political hide of the Liberal Party, for it to continue to stay in power.

I guess the real question will probably be what will happen next when the NDP is done propping up the Liberal government. Will there be more reckless spending? Will the honeymoon be over and will we be back at the table?

The next point the member mentioned was that so many people support this bill, that so many people are in favour of it and they have done a good job. What we have in Canada in terms of where we are right now and where we have been for the last 12 years is missed opportunities. We have had tremendous opportunities. We could have done a lot better than we have done so far.

The analogy I use when I talk to people is that they have a case of beer in the fridge, but what they do not realize is they could have had a couple of cases of beer in the fridge. At some point in time we will have missed our opportunity and they are going to open the fridge and there will be no beer in there at all and then they will be very disappointed with what has happened.

Hon. Shawn Murphy: From Niagara, it should be a case of wine.

Mr. Dean Allison: A case of wine, sorry; a case of beer is a bad example.

The other thing is in terms of different groups that have been critical with this budget and this particular deal. Once again the Canadian Federation of Independent Business has been pretty vocal in saying that this deal does not complement the priorities of small businesses, which favour allocating the federal surplus to debt reduction and tax relief over additional spending. Small businesses are the engine of the economy. They create all the jobs. They are the ones that need the tax relief to be competitive in other parts in the world. The Canadian Council of Chief Executives raised concerns that reneging on corporate tax relief would jeopardize investment and jobs in Canada.

The problem is not that we have had some good years of financial success. Our concern is the kind of footing that we are putting ourselves on as we move forward. We really believe that tax relief would help make us more competitive and help us to continue to be competitive in this global economy.

• (2155)

Mr. Rob Anders (Calgary West, CPC): Mr. Speaker, I would like to tell a little story which might make it interesting for the people back home.

An hon. member: The minister of defence is all ears.

Mr. Rob Anders: I am glad to hear the Liberals across the way are perking up their ears.

I have been reading a lot about ancient history recently. History does not really care about whether one is right or left. It does not really care about whether one is capitalist or Marxist. It really only cares about whether or not there is success or productivity and whether or not something has survived and thrived. That is all it really cares about.

I have been reading Edward Gibbon's *The History Of The Decline And Fall Of The Roman Empire*. I have been reading Arnold Toynbee's *A Study of History* and Will and Ariel Durant's *The Story of Civilization*. I would like to tell a story about Rome.

Edward Gibbon talks about the time before Augustus and Octavius. In that capacity one of the things that afflicted Rome was excessive spending. It did not have sound finances. The society was no longer frugal. It also suffered from its young men being unwilling to bear arms to be trained in the art of war and to defend the Roman empire. It also suffered from a large degree of extortion, moral decay, corruption and a general disregard for religion. Therefore, it also had a low birth rate.

Augustus came along and he said that he was going to change some of those things. One of the things he did was he cut taxes. For every single child that a person had, the person's taxes would be reduced by 20%. Someone who had five children would pay no tax at all. He also made sure the Romans had sound financing and frugality. He made sure they had a strong military.

Another thing he did is very important, and it touches not only on this bill but also many others that we will be dealing with in the next little while and some we have been dealing with over the past while. He governed with moral authority. He sought a society with strong faith. He removed those people who were unworthy administrators.

This is what I want to focus on in light of Bill C-48 and some of the other bills we are going to be dealing with. If we do not have a society that largely believes in a very concrete set of right and wrong, most often provided by religion, then the only thing that actually rules is the covenant of the sword. The only people who police the difference between right and wrong in that capacity are either the military or whatever police function there is in that state.

The great problem that arises with that is that the police and the military are largely a reflection of the society they serve. If we get to a circumstance where the society is becoming more and more accepting of moral decay, extortion, corruption and various things, then we cannot be surprised if the military, the police and the people who are there to administer the law themselves become corrupt and caught up in it. Then it is merely as Hobbes would have said that life is nasty, brutish and short because one is ruled by those people who have the right of might and the sword. It is the survival of the fittest in the most base way.

Government Orders

De Tocqueville also talks about this in his writings on early America. Sadly, one of the things that pains me across the way, one of the things that Augustus would have never stood for as a Roman emperor, is if there had been corruption on the level and scale that we have had brought forth by the Gomery inquiry, he would have done his utmost to rout it out. Because of the moral authority that he brought to that position, his rule of 50 years was extended by another 300 because people tried to largely leave unchanged many of the things he put in place. Had he not been around, the Roman empire would have been a blip of only 150 years rather than the pax Romana of 800.

• (2200)

One of my great frustrations when I look across the way is that I see a Prime Minister and to a large part a party that is complicit with regard to this form of extortion and corruption, this scandal, whether it is involving the sponsorship money or if it is the unity fund or various things, and it portends very badly for the future of this country and where we are all going.

Let us talk about some of the solutions then—

Mr. Paul Szabo: Mr. Speaker, on a point of order, I know it is getting late but the member just said that the Prime Minister was complicit in corruption. He has directly mentioned a member and he has impugned the reputation and the motives of that parliamentarian. That is contrary to the rules of Parliament and the member should be asked to withdraw his comments and to apologize to the House.

Mr. Rob Anders: Mr. Speaker, if he would like me to explain my words I will go on and do so. Putting aside some of these other comments for a second, I will address his concerns specifically. I remember when I was a rookie member of Parliament in my first term from 1997 to 2000 and I was in the human resources development committee—

The Acting Speaker (Mr. Marcel Proulx): The hon. member for Calgary West knows very well that he is now entering into a debate. It is not the intent of giving you a reply on the point of order. Do you want to reply to the point of order?

Mr. Rob Anders: Mr. Speaker, my reply to the point of order is that I do believe that this government is complicit in scandal and corruption and the Prime Minister is the head of it. I stand by that. I do not apologize for that. The Gomery inquiry is elucidating that daily in the press.

The Acting Speaker (Mr. Marcel Proulx): The hon. member for Calgary West knows well that he may talk in general but certainly not in regard to one individual that he would identify. If the hon. member was accusing one individual, I would ask him to withdraw.

• (2205)

Mr. Rob Anders: Mr. Speaker, I accuse a number of them, not just the Prime Minister. Does that satisfy it?

The Acting Speaker (Mr. Marcel Proulx): I would ask the hon. member for Calgary West to please withdraw. Whether it be one, whether it be two, whether it be three, if you accuse them individually, please withdraw.

Mr. Rob Anders: I accused them generally, Mr. Speaker.

The Acting Speaker (Mr. Marcel Proulx): The hon. member claims that he was accusing generally. We will look at the blues and at *Hansard*. In the meantime, continue.

Mr. Rob Anders: Mr. Speaker, I would like to read some stories into the record, if I may.

In my rookie years from 1997 to 2000 when I served on the human resources development committee, the current President of the Treasury Board was the chair of the committee. At that time he told us that the minister of finance, who is now the current Prime Minister, had his finger in every single expenditure of the government and had the accounting software flagged for anything above \$10 million.

We have heard about \$800 million that has gone missing or was misappropriated with regard to the sponsorship scandal and the unity fund. That would imply to me that at least—

The Acting Speaker (Mr. Marcel Proulx): The time for debate has elapsed. We are now into questions and comments. The hon. Minister of National Defence.

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, it may be because it is late at night, but this is one of the rare times that I have heard references made to people such as Marcus Aurelius, Hobbes and de Tocqueville and I would like to congratulate the hon. member for referring to these people. However it seems to me that when the member brought these historical figures forward and seemed to suggest that all the problems he was talking about were problems of today's world in Canada, did he realize that those great people of the past were talking about a balance in their civic life?

Everyone of us in the House are anxious to develop democracy. We all want, as he suggested, some sort of balance. Why does the hon. member not recognize that everybody in the House has a knowledge of history? Everybody understands that the history of Canada is all about bringing the strains of everything that he talked about together and that we wish to make this country work together. Why does his party not try to come together in the dying hours of this Parliament, at this time, to make this House work for the benefit of Canada and get our budget through in a compromise in a sense of what Canada is all about, not what the collapse of the Roman Empire was all about but what Canada is all about in making compromise and being tolerant and respectful of one another's work so we could get Bill C-48 and Bill C-38 through and move on so that next fall we can come back together here and achieve what the Canadian people want us to achieve?

Mr. Rob Anders: Mr. Speaker, I remember door knocking during the 2000 election campaign and one of my constituents said something very wise to me. He said, "You know, you get what you tolerate".

Government Orders

Let us talk about balance. On that side I see excessive spending. I see a withering away of the military, a morale decay, a corruption that is setting in and a tolerance for crime. What we should be looking for on the other side of the scales for that balance is: frugality; a strong military; a government exercising real moral authority rather than jiggery-pokery and smoke screens; a lowering of taxes; personal responsibility; a commander in chief, a Prime Minister who is personally going to take command of some of these issues; a maintenance and preservation of order by going after the criminals and protecting the victims; and the protection of the sanctity of marriage in honouring our traditions. That is the balance that this country needs.

I would ask my colleagues across the way to think about this. Where is the balance when it sends tens of millions of dollars to a government like China that has repressed Falun Gong practitioners, that has engaged in gunboat diplomacy against Taiwan, that has used forced abortions with regard to its population control policies and that is committing genocide in Tibet?

How is it that the government justifies taking hard-earned Canadian tax dollars and giving it to a regime with the worst human rights record on the face of the earth? How is it that the government is able to support a Prime Minister who builds his ships overseas, tries to avoid Canadian taxes, flies foreign flags and has his ships built by the people's liberation army and navy in China? There is nothing morally upright about those two things.

I will address my NDP colleagues in the House for a second because I know they will have a kindred spirit on this. The government takes about \$11 billion a year out of honest, decent people's pockets to go ahead and put into corporate welfare where they rob from Peter to pay Paul. It is wrong. There is nothing morally right about that.

I remember representing a company in the Goulds which is close to the St. John's area. It was sad when we found out that the company went bankrupt twice but the government propped it up continually and actually put the law-abiding tax paying company out of business. That is not right and that is exactly what has to come to an end. It is the reason that I do not support Bill C-48 and it is the reason that the government needs to fall.

● (2210)

Mr. John Duncan (Vancouver Island North, CPC): Mr. Speaker, the comments from the other side have already started but that is okay because I think it is all in good spirit.

This debate reminds me of a statement made by P.J. O'Rourke, the famous civil libertarian from the U.S, who said, "Giving money and power to government is like giving whisky and car keys to teenage boys". If we ever had a better example of what that means, Bill C-48, the very bill we are discussing right now, exemplifies exactly that.

We have a desperate government prepared to cut any deal with anybody. In this case, the anybody turned out to be a complicit NDP combined with a desperate Prime Minister, combined with a complicit finance minister in a minority Parliament where common sense and financial prudence have been thrown out the window.

One does not have to be a lawyer to read Bill C-48. I know my colleague from Yukon on the government side was complaining

about one of the earlier speakers, actually my seatmate from Provencher, saying that he was not speaking to the substance of the bill. There is no substance to the bill but I will speak to what is in the bill just so people will get an appreciation of how their hard earned \$4.5 billion have been subject to the whims of the government.

The bill states very simply on two pages how the Liberals will do it. It states:

...the Minister of Finance may, in respect of the fiscal year 2005-2006, make payments out of the Consolidated Revenue Fund up to the amount...be the annual surplus as provided in the Public Accounts for that year....

The payments...shall not exceed in the aggregate \$4.5 billion.

The payments...shall be allocated as follows:

(a) for the environment...an amount not exceeding \$900 million....

What this has done on that subject is that the NDP, which has had this stated commitment to renewable energy promotion, has bought into the Liberal version of the environment. There is no reference at all to the promotion of renewable energy. It has bought into the Liberal non-plan, the non-plan for Kyoto compliance. It has bought into the buying of foreign carbon credits from Russia, China, India or any other developing country rather than a cap and trade system within Canada that would actually invest in new technology in Canada and create Canadian jobs. Instead, we are talking about sending our money overseas.

The second area in the bill reads:

(b) for supporting training programs...an amount not exceeding \$1.5 billion....

Did we not, long ago, have an EI fund that was set up to do training as part of its program? Does that very fund not have a \$46 billion surplus? Does that fund, still to this day, not suffer from the fact that it is continuing to accumulate surpluses? It is continuing to take money from employers and employees and it is leading us into a place where those very people are subsidizing general revenues for the government. This does nothing to address that.

● (2215)

We see an amount not exceeding \$1.6 billion for affordable housing. We know that when money is thrown at a problem with no plan we get non-delivery. This government is famous for that.

The final item is for foreign aid, an amount not exceeding \$500 million. We know that is another area where we can see very clearly that without a plan we have a problem.

The Auditor General has identified two areas of major concern where money goes in and programs are not delivered in the way that was predicted: CIDA and our foreign aid; and the Department of Indian Affairs and Northern Development. Those are two areas that this \$4.5 billion addition to our budget is focusing on.

This is not an answer. That is the essence of the bill and the sum total of the substance of the language.

Government Orders

Why would the government agree to such a document created by the Prime Minister, Buzz Hargrove and the leader of the NDP in a hotel room in a meeting at taxpayer expense? This is unprecedented in Canadian history and probably unprecedented in a western democracy. This is something that is absolutely incredible. Of course, the government can justify anything after the fact. The worst thing about the Liberals is that the easiest way to criticize their actions is to restate their earlier words against them.

However the problem is that most often this is not newsworthy and second, the Liberals have no shame whatsoever. Any finance minister who was the architect, steward and defender of the budget would have resigned when his budget document was shredded by a \$4.5 billion addendum or alternative budget that was presented to him as a *fait accompli* to buy the support of the NDP in order to prop up the government for the next few months.

How did this unprecedented action occur? We know. A meeting was held between the Prime Minister, Buzz Hargrove and the leader of the NDP in a Toronto hotel room and they fashioned a deal. How sweet it is and what an irresponsible act and slap in the face to taxpayers. Can anyone imagine \$4.5 billion of taxpayer money to keep a minority Liberal administration in power for the short term?

Does the NDP budget meet the smell test? It contains no money for worker rights, no money for softwood dispute support, no reallocation of firearm registration spending, no money for rural Canada or for the resource sector in any way, shape or form. It contains no money for salmon enhancement funding shortfalls, fisheries enforcement or the Coast Guard.

The government after the fact is defending the \$4.5 billion deal on the basis that it will not create a deficit. If there were ever more clear evidence that the federal authority was delivering little and collecting lots, then here it is. This is *prima facie* evidence of the fiscal imbalance.

What about paying down the debt and reducing taxes? Canada should be the most prosperous country on earth for its citizens. Instead, we have the government frittering it away and measuring its progress by whether or not it is running a deficit.

The reality is that the federal government collects two-thirds of taxation and the provincial and municipal governments supply two-thirds of services. The federal government lacks fiscal discipline and it is costing each and every Canadian taxpayer. Taxpayers are being fleeced to save the government in its pursuit of power. I hope taxpayers see it for what it is. It is naked, self-serving and it is a grab for the continued existence of the government.

● (2220)

Mr. David McGuinty (Ottawa South, Lib.): Mr. Speaker, I must say at the outset that it really cannot be easy for the member or the party opposite to look in the face of 10 years of an outstanding economic record in the country. It is very difficult to overcome. It is very difficult to look forward.

We have a situation whereby the government, having been duly elected in minority form, has the wisdom and the shoulders big enough to negotiate and mediate a deal with the New Democratic Party of Canada to come up with the second part of a budget, Bill C-48, which builds deeply and widely on the priorities in the first

budget, a budget which, I need remind no one in the House, that party at first said was a wonderful piece of work and a wonderful illustration of Canadians' priorities. It cannot be easy for those members and I sympathize, but I do not sympathize that deeply.

However, the question for the hon. member is clearly this. It is a simple one. This government has worked very hard over the last decade, with the help of Canadians, who pulled in their belts and committed to eliminating deficits. We now have a situation where we can luxuriate in planning with an anticipated surplus. Would the member prefer to see a time, as in years past, when governments were hamstrung and shackled, one arm behind them, without any kind of flexibility in terms of moving forward? Is that where the Conservative Party wants to take us?

Mr. John Duncan: Mr. Speaker, I realize that the member who asked the question is a relatively new member. I have been here since 1993. I was elected largely on a fiscal platform, which was to balance the books and start paying back debt. What happened as a consequence of the Reform presence in the 1993 and 1997 Parliaments was that the finance minister of the time, our current Prime Minister, actually had the support to move where he moved. He would not have arrived there if he had cozied up to the NDP, the Bloc, his own backbench or even some of his cabinet members.

The Liberal government of today is very proud of balancing the books. Balancing the books is a responsibility. To not do so is irresponsible. It has only done the responsible thing. That is no excuse for being irresponsible today.

The member also talked about supporting the budget. Yes, the Conservatives supported the original budget. This is budget number two. We are not supporting budget number two because it is irresponsible. We voted on budget number one just the other day and we were consistent. We remain consistent. We are reliably prudent when it comes to fiscal matters.

● (2225)

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, my colleague from Vancouver Island North commented that a balanced budget is responsible and to not balance a budget is irresponsible.

We had nine years of Conservative rule in this country before the Liberals came into power in 1993, and I say to the member opposite that by his accounting the Conservative government was irresponsible for nine years. Would he please comment?

Mr. John Duncan: Mr. Speaker, I can only say that those days are long gone. What really transpired was that a Liberal government was elected in the previous administration to that administration and over a period of 14 years it increased federal spending by an average, which cumulated of course, of 14% per year each and every year.

Government Orders

That brought about big government and an attitude to Ottawa that we had never had in Canada. The federal government had its responsibilities and jurisdiction and carried out the activities that fell within its jurisdiction very appropriately and very well. Then it became a free-for-all.

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, Canada, should be one of the best nations in the world. We should have more higher paying jobs and a much higher standard of living, but Ottawa, the federal government, taxes too much and spends too much.

Since 1999-2000, program spending has gone from \$109.6 billion to \$158.1 billion, an increase of 44.3%, a compound annual growth of 7.6%, when the economy itself managed to grow by only 3.1%, a compound annual growth rate of 5.6%. Clearly the Liberals are spending more as a percentage of the economy than the economy is growing. It is very clear that this government is wasting a vast amount of money.

Let us look at some examples. The Liberals confuse spending money with getting results. Let us look at the health care situation. Wait times have increased, and doubled as a matter of fact, since the Liberals have taken office, and the quality of service has diminished.

The recent Supreme Court ruling on wait times is an indictment of Liberal neglect and mismanagement of our health care system. The Liberal solution is to throw more money at it, but that is not actually a solution and it is not a plan.

Let us look at another disaster that occurred under the Liberal government. This is the mere fact that there was a referendum in Quebec and that Quebec almost voted to separate. The Liberals again responded by throwing money at the problem, again without a real plan. The result was the sponsorship scandal, a \$250 million waste of money, with \$100 million apparently illegally funnelled to Liberal friends and the Liberal Party. Even worse, this has reinvigorated Quebec separatism.

The Liberals threw money into a firearms registry as way of dealing with the criminal misuse of firearms but offered no explanation of how this would prevent criminals from getting guns. The registry was said to cost \$2 million but in reality it is costing approximately \$2 billion.

We have seen the instances at Davis Inlet, where we have had a great tragedy with the youth of that area. The community was moved to housing a few miles away at a cost of \$400,000 per person, but the problems went with these poor children. It was another case of no plans and poor results.

The Conservative Party is committed to fiscal responsibility. One dollar wisely spent by the Conservatives is better than \$5 haphazardly thrown at problems by the Liberals.

Between 2003-04 and 2004-05, the Liberals could not help themselves. Program spending skyrocketed by 11.9%. Per capita program spending by the federal government has reached its highest point in over a decade and it is scheduled to go even higher in the future.

In 1996-97 real federal program spending per capita was \$3,466. It will have risen to \$4,255 in 2005-06. That is an increase of about

\$800 per capita in volume terms, or \$3,200 for a family of four. Current Liberal-NDP spending plans will take it to \$4,644 by 2009-10. That is an increase of almost \$1,200 per person. The Liberals do not seem to understand that more government spending does not necessarily mean better results.

• (2230)

While government spending went up, Statistics Canada says that Canadian families saw their after tax income stall in 2002 and fall in 2003.

The Conservative Party has consistently opposed the Liberal approach of spending without an adequate plan, which is reflected in Bill C-48. The Liberal approach is cruel not only to taxpayers but, more important, to those who depend on the promised services.

The Auditor General has raised serious concerns about the ability of certain departments to deliver programs effectively, departments to which the Liberals want to give more money in Bill C-48.

The Conservative Party wants to make sure that the social needs of Canadians are met and recognizes that many Canadians are not receiving the level of assistance they deserve from the federal government. This is a direct result of the Liberal government's approach to problem solving: throwing money at problems without an adequate plan.

It would be irresponsible and cruel to Canadians in need to throw more money at programs that are not meeting their objectives. The responsible approach is for the government to first ensure that existing money is spent effectively to improve programs and services and to ensure that no one is left behind.

At committee—and this is important because it shows how arrogant the government is—the Liberal-NDP-Bloc coalition rejected Conservative efforts to restore prudent fiscal management, to include real solutions for Canadians, such as matrimonial property rights for aboriginal women, and to ensure accountability and transparency.

At report stage, the Conservative Party tried once again to move amendments to make the spending in Bill C-48 more accountable to Canadians and to reflect a more prudent fiscal approach.

The Conservative amendment to clause 1 would raise the amount of surplus that would be set aside to pay down debt. The interest saved as a result of additional debt paydown is needed to prevent social cuts in programs as a result of the impending demographic crunch.

The Conservative amendment to clause 2 would force the government to table a plan by the end of each year outlining how it intends to spend the money in this bill. Spending without a plan is a recipe for waste and mismanagement. Again, not only is it cruel to taxpayers, but we have to remember that it is cruel to the people who are promised these services.

Government Orders

The Conservative amendment to clause 3 would ensure that important accountability and transparency mechanisms would be in place for corporations wholly owned by the federal government. Accountability and transparency should be paramount to any government, especially in these cases, considering that Bill C-48 advocates spending an additional \$4.5 billion of taxpayers' money. It is important that a plan is under way.

The Conservative Party will always uphold the principles of transparency and accountability in regard to the allocation of the public purse.

I would also like to talk about the process involved in this budget. We had a minority government that was in trouble, ditched all its principles, those that were left at least, and signed a deal with the NDP, which is notorious for poor social planning and outrageous social spending, putting whatever government happened to be in charge, whether it was in Ontario or B.C. or Manitoba, hopelessly in debt. The Liberals did this just to hang onto power. They did not have the guts to go to the people, because they knew the people would give them the boot.

There are many examples where moneys could have been better used, such as, for example, compensation for people who received hepatitis C from tainted blood. The Liberal government still refuses to compensate those people for that. Or it could be used for investing in the strategy for cancer control in Canada, for which the Conservative Party motion passed just a few days ago.

The bottom line is that the Liberal Party cannot be trusted to spend any of the public purse. It has been proven unable to manage. The Liberals have mismanaged, they are corrupt and it is time for change. Only when there is a Conservative government will accountability be brought back to Canada.

• (2235)

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, when the present Prime Minister first became leader of our party, he outlined in a long document his plans for Canada. That plan was based on three foundations: rebuilding Canada's social foundations; lifelong learning in the educational field; and rebuilding Canada's place in the world. That included a new deal for cities.

With his dogged persistence that plan was in our throne speech, which furthered all those objectives. To his credit, that plan then went before the people of Canada to prove that he was serious. Then that plan showed up in the budget speeches.

Every time there is an opportunity to add to the things that will move that plan forward, the Prime Minister does it. In particular, the items in this bill all enhance that plan. They all fit perfectly within that plan: the increase in foreign aid; the increase for students into the lifelong learning agenda; the increase for aboriginal people in the social foundations and affordable housing; and the transit increases for urban Canada.

There is a very detailed plan for a couple of years. This adds to it and enhances it. To the Prime Minister's credibility, he has stuck by it and lived up to it.

None of the Conservative speeches this evening have outlined any plan of the Conservative Party. I have great respect for the speaker. Could he outline for us what might be in a Conservative plan.

• (2240)

Mr. Steven Fletcher: Mr. Speaker, I am pleased the Prime Minister's record has been raised. The Prime Minister, when he was finance minister, took \$25 billion out of the health care system, which triggered the health care crisis we see today.

When the Prime Minister was the finance minister, we had the boondoggles of the HRDC, the gun registry, the sponsorship program and the list could go on.

There are many examples where moneys could have been better invested in the priority areas which the member has outlined. The member spoke of the tragedies facing our first nations. Michael Dechter came to the health committee and outlined, as did the Auditor General, how billions of dollars had been spent on our first nations but with little accountability.

No matter how much money is called investment or called throwing money into a black hole, unless there is accountability and a way of measuring how that money is spent, there is no way to know if that money is being utilized effectively.

If we look at the first nations, I do not think anyone in the House who would say that all the money which was intended to go to the first nations people went to them. The conditions that many of these people live in are deplorable and it is a national disgrace.

We have to do better. Part of that is to have a responsible plan that is enforced with a fear of vengeance.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I think what the member asked for is called the wondrous cross. Very briefly, the member used a line that many of his colleagues have used tonight about making a deal with the NDP simply to maintain control of the government.

We remember what happened to Joe Clark in 1979, the last minority government. He indicated that he would govern a minority government as if he had a majority. We know exactly what happened. He lost the vote and lost his government.

Does the member not think it is important that in a minority scenario all parties have to seek ways in which a minority government can work? More specific, since the Conservative Party voted in favour of Bill C-43, the principle budget implementation bill, why would it vote against Bill C-48, defeat the government and, therefore, throw out Bill C-43 and go into an election that Canadians do not want? What is the explanation?

Mr. Steven Fletcher: Mr. Speaker, the member will recall Joe Clark's era more than I would, as I was seven years old at the time. The member was probably in his mid-fifties or sixties.

Government Orders

It is the constitutional obligation of the opposition to hold the government to account. With all due respect to the member, who I believe is an honourable member, there is little faith among the Canadian people that the government is able to manage the moneys that are allocated. There might be good things in the budget and there may be bad things in the budget, but people do not have faith that the government can administer the public purse appropriately.

That is why I have been keen on having an election. I believe the Canadian people will replace the government with a Conservative government that will have the priorities and ensure that the investments of taxpayer dollars are well utilized.

Governments can be in power for too long, and I believe the government has been in power for too long.

● (2245)

Mr. Loyola Hearn (St. John's South—Mount Pearl, CPC): Mr. Speaker, it is a pleasure to say a few words in the debate tonight.

People watching think we are debating the budget, but that is not factual. The bill implementing the budget has already passed through the House and is in the Senate. Hopefully, it will receive royal assent shortly because it contains a lot of good things.

I would like to give the House a bit of history. When the government was elected last fall, it found itself in a minority position. It then brought in its budget, which was carefully doctored around the concerns of the opposition. All parties in the House can take credit for suggesting, pushing and ensuring sure certain items were included.

The Atlantic accord was a Conservative initiative, a Conservative commitment. It was included in the budget. We were the ones who pushed to get it in there. We had tax cuts, with which the government played around, that would stimulate the economy, create jobs, employ people, bring in more taxes and put money into social programs, all indirectly. We had included help for the homeless, an issue about which every party in the House talked. Generally it was a budget to satisfy everybody. It was not a Liberal budget. It was a parliamentary budget.

Consequently, the Liberal Party voted for the budget. The official opposition did not vote. If we had voted against it, we would have sent Canadians back to the polls. The NDP and the Bloc voted against the budget. Thanks to the official opposition, the government survived and things began to progress.

As things were progressing here, they were also progressing at the Gomery commission. We heard very heated and pointed testimony, pointing clearly to the involvement of the Liberal Party and high profile Liberals in the scandalous operations during the sponsorship time in Quebec. Unfortunately, the people of Quebec grew tired with a lot of the accusations. We have said many times that it was not a Quebec scandal; it was a Liberal scandal.

As a result of that, the government found itself in a very precarious position. People across the country were getting upset. Pressure was put on opposition parties to get rid of the government, to make changes. Liberals being Liberals, hanging on by their fingernails, tried to find ways to stay in power.

One of the members just asked if that was not what minority governments should do. He asked if we should form coalitions to try to beef up support to stay in power. My answer to that is yes. A government gains the support of other parties in the House, whether it be a four party system, as we have here, or a 25 party system as we see in other places, by being responsible, by providing good government and by being the type of government that opposition parties, especially fringe parties, can feel proud to support and keep in power. Is that what happened here? Not at all.

In trying to find ways to hang on to power, the Prime Minister knew he could not get support from the chief opposition party. He knew he could not get support from the Bloc after what the Liberals had done to the province of Quebec. His only choice was to try to buy out the NDP. Therefore, there was a hurried meeting in a hotel room.

Let me tell the House how hurried it was. The topics that were mentioned were the environment, public transit, energy efficient refits of low income housing, training programs, access to post-secondary education, including aboriginals, affordable housing, including aboriginals, and foreign aid.

● (2250)

It seems that there must have been a rapidly called meeting and the leader of the NDP must have rushed there not knowing what it was about. When the Prime Minister said that he wanted to make a deal with him, he must have had a copy of the budget. Trying to come up with a quick answer to satisfy the Prime Minister, he rattled off these topics because these very items are well spelled out in Bill C-43, the budget.

It talks about the implementation of a tax exemption for employer provided transit benefits, investment in communities, sharing gas tax revenues for sustainable infrastructure, and the amount of \$5 billion over five years for public transit et cetera. In large urban areas investments would target one or two of the following priorities including public transit.

Then we go to renewable energy and we talk about capital cost allowances for investment in efficient and renewable energy generation.

When we look at the post-secondary scholarships for aboriginal Canadians, there is a \$12 million endowment, \$10 million more for a post-secondary education program administered by the National Aboriginal Achievement Foundation. Then we talk about affordable housing with \$340 million over the next five years for first nations housing on reserves.

On foreign policy, there is \$500 million over five years, and I could go on, but these are items that are in the budget, Bill C-43.

If these items were there with a plan to spend x number of dollars over x number of years, why would the leader of the NDP say that we needed to put money into these five or six areas? They are already there. He says and the NDP will say that it is to up the ante; it is to sweeten the pot.

Government Orders

If we look at Bill C-48, we will find that this extra upping the ante only kicks in if there is a \$2 billion surplus which the government will not know until August 2006.

Justice Gomery is supposed to report in November with a final report in December. The Prime Minister said that he would call an election within 30 days of Gomery reporting. Therefore, somewhere between now and August 2006 we are undoubtedly going to have an election which means that the promises to the NDP mean absolutely nothing. Am I the only one saying that? No, not at all. Let me read what the NDP member for Winnipeg Centre said:

It is my personal belief that the Liberal Party of Canada is institutionally psychopathic. Its members do not know the difference between right and wrong and I condemn them from the highest rooftops. But before the last Liberal is led away in handcuffs, we want to extract some benefit from this Parliament and that means getting some of the money delivered to our ridings before this government collapses.

That is what he thinks about the party opposite. Perhaps I should read what the member for Vancouver East said. She said, when asked if she believed the Liberals were going to deliver, "Who does one trust? How do we trust someone? We are adults. There is no perfection in those guarantees for sure". The NDP members do not even think they are going to get the money. They just said that they made a point. They did make a good point and I congratulate them for it.

However, the whole thing is a sham and we are here debating a bill which is nothing but a sham. This bill will deliver nothing to anyone in the country. The main components are already in Bill C-43 which has passed.

• (2255)

How can the members stand and ask the people of the country to support this ill-conceived bill, completely outside the budgetary process, listing items that are already in the main budget, and with no intention of delivering the promise? It is just a matter of sucking in the NDP, like the Liberals tried to do with the people of Canada.

Hon. Shawn Murphy (Parliamentary Secretary to the Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I think the hon. member is taking liberties with the facts. I would classify him as a revisionist here.

He correctly pointed out in the first part of his speech that the budget that was tabled in February was a good budget. It did respond to the concerns of the official opposition and it did respond to the concerns of the other opposition parties. It responded to the concerns of all Canadians. People generally supported it. In fact, the first person who supported it was the leader of the official opposition.

In fact, I saw him running by here. We could play cards in his coat tails. He went to the foyer and indicated to all Canadians that he would support the budget. Based upon this statement, the government went forward.

For some reason, and the member across said it was some testimony from the government, but actually it was a poll which suggested that the leader could win, the Leader of the Opposition stated two things. First, regardless of what he said before, he would not support the budget; and second, which was much more offensive and probably the most offensive thing I have ever seen in the House, he made a deal with the Bloc Québécois.

We could see that deal in the House, in committees and in the corridors. He obviously cannot be trusted. Now there is a suggestion that over the next three months he will be given a makeover, so that when he comes back in September, he will be a totally different person.

Given the actions over the past four months by his leader, can anyone in Canada trust him?

Mr. Loyola Hearn: Mr. Speaker, the question is one of trust and who should trust whom. It might be interesting for the member to read the polls and find out who Canadians trust in relation to leadership. He will find that the one at the bottom of the poll is his own leader.

Why? Certainly, the way he is manipulating the budgetary process is one reason. The way he is deceiving the people is another, as the member opposite is deceiving people when he talks about a deal with the Bloc. At no time, and the Bloc will verify this, did any of us have a deal with the other. It just happened that we were against corruption and we voted the same way on that issue.

The NDP members, by the way, were also against corruption and voted against the budget until they were bought off by the corrupt government, so that makes us wonder who can trust whom.

If we were to check *Hansard* over this past year, it would be very interesting to see who propped up whom throughout the process and how often on different bills, including the same sex marriage bill. In fact, the Bloc voted twice as often with the Liberals this past year than it did with our party.

If the hon. member wants to talk about deals, perhaps he should get his facts straight. If he wants to talk about trust, maybe the one thing we should ask is, how can we trust a Prime Minister who says he knows nothing about the sponsorship scandal when he was Minister of Finance for nine years, when he was vice-chair of Treasury Board, the division that allocates the funds to different groups and agencies, and was the chief minister in Quebec where all the money went? Either he is not telling the truth or he is completely and utterly incompetent. Is that the type of person we want to trust to run our country? I do not think so.

• (2300)

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): Mr. Speaker, I rise to speak to Bill C-48, the NDP buy off budget, what I like to refer to as BOB. I actually thought that I should call it REG, ruining economic growth, but I could not find anything to tie it to so I will call it BOB.

The theme of my speech tonight is the Canadian dream. I believe Mr. Harry Bruce from the Halifax *Herald* summed it up the best. He stated:

Nothing has more clearly shown why [the Prime Minister] should not be a prime minister than his Faustian campaign to remain one.

His chief claim to virtue and ability in government had been fiscal restraint but, in a pathetic deal to save his prime ministerial skin, he recently betrayed the sensible budget of his own finance minister.

The budget's defeat in the Commons would have brought down his government, and to avoid that fate—apparently worse not only than death but in standing up for principles one had long claimed to believe in—[the Prime Minister] told the NDP leader that if the NDP would only support his budget, he'd add to it no less than \$4.6 billion for assorted social programs that [the leader of the NDP] happened to like.

Government Orders

Thus it was that, overnight, [the finance minister's] budget became the NDP's budget.

Overnight, in one fell swoop, billions of taxpayers' dollars that were unavailable in the original federal budget are now miraculously available to be spent on programs that do not even exist yet.

I remember the Minister of Finance standing in the House several times and telling Canadians that there was simply no more money in his pot. There was no more money for anything and now, all of a sudden, there is \$4.6 billion to buy, with BOB, 19 votes from the NDP. I find it, quite frankly, incredible that our government would run like this.

This blatantly demonstrates the Liberals' thirst for power and desperate actions that they are willing to take to hold on to power. The question is, why? From my surmise of this, it is either to continue to hide the actions of the past or to repeat those actions again.

It clearly shows a failure of any long term vision, an inconsistent vision for Canadians. I believe the Liberal government has had no future vision for Canadian families. BOB or Bill C-48 exemplifies the Liberal government's terrible record of managing Canadians' money. The Liberals' formula in this particular case is to tax more than 50% of our income and then to spend more money on their friends, bad programs and luxurious trips. This has absolutely no value for Canadians.

One day it is one budget, the next day it is BOB, and the next day it is yet another budget. Canadians must see this as vote buying and support it no more.

If this were a Canadian family business, it would be broke in months. It could not operate under the premise of not having a plan. As we have seen time after time, it will continue to operate because the Liberals can simply up taxes one more time. Canadians will pay because they have no choice but to pay.

Does the Liberal government not want Canadians from every region to enjoy economic growth and better opportunities for their children? Does the government not want every family in Canada to be able to go to bed at night knowing that their children will have a chance to live the Canadian dream, to get a post-secondary schooling, to find a good well-paying job, and to afford to have children? Why can people not buy a house? It is because they cannot afford it. They cannot save for their retirement because they are overtaxed. They do not even have a little money left over to send their kids to summer camp or to go on vacation.

One can only do those kinds of things if the government does not tax too much and leaves some money in people's pockets and that is just not happening. The government spends not only like a drunken sailor but a drunken sailor with only one last night on leave. That is exactly what the Liberals have done by striking this deal with the NDP to form BOB.

The Conservative Party of Canada believes in the Canadian dream. We believe in solid values, long term commitments to programs and solid fiscal management with a plan, something different than we have in front of us today. The Conservative Party believes that our goal should be to give Canadians the highest standard of living in the world so they can enjoy life.

● (2305)

As soon as we become government, we want to implement those dreams and values to help Canadians achieve the Canadian dream, to let Canadians spend their own money, not some billionaire who controls our finances but does not even let his own family company pay taxes in Canada. Is this the example of a Prime Minister that we hold high?

More specifically, Bill C-48, or BOB, deals with environmental initiatives, low income housing, post-secondary education and foreign aid, all four things that the Conservative Party has great platforms on. I note that my friends on the other side agree with me.

Let us be clear. With this Liberal-NDP BOB, there is no plan for where the money is going to be spent. There is no detail. In fact if we look at the Monopoly rules, we will see there is more detail in the Monopoly game rules than there is in this particular budget.

The Conservative Party of Canada has very long, specific commitments to these issues, which by the way were not hastily thrown together on a napkin overnight. We have taken into consideration financial things that may give a good example to the Liberal government.

For example, on the issue of the environment, the Conservative Party believes that in order to have a strong economy we have to have a balance between the environment and the economy. Let us start by cleaning up 30,000 sites that are all across Canada and which make Canadians sick every day, polluted sites that have been developed over the last 100 years of neglect.

The Conservative Party also believes that Canadians should have a reasonable opportunity to own their own homes, to have safe and affordable housing. For instance, my constituency in northern Alberta needs 5,000 more affordable homes. One would think I would jump at this chance, but how can I jump at a chance when there is no plan, when there is no detail, when there is no strategy, when it was thrown together on a napkin in an overnight meeting? I cannot support something like that. Anyone with proper fiscal management cannot support that either. There is no plan in BOB.

The Conservative party believes in greater accessibility to education as well by eliminating as many barriers as possible to post-secondary education. We believe in transferring money to the provincial governments so they can utilize that money for their benefit and their priorities on a pro-rated basis that would be fair.

We believe strongly in provincial jurisdiction, and that we must respect that provincial jurisdiction. The provinces should be able to spend that money how they see fit.

Government Orders

The Conservative Party is also committed to strengthening Canada's foreign aid. There is a difference between these four principles that have been put forward by the BOB consortium and the Conservative principles. We believe that we should have a plan for this, that we should have a clear mandate for development assistance, a clear mechanism for policy coherence, monitoring of the plan, accountability and reporting for the plan, specifically to Parliament. We believe that we should enhance public transparency.

None of those things are in the \$4.6 billion backroom plan that was made by the Liberal government and the NDP. The Liberal government does none of that. With 400 words in this bill spending \$4.6 billion, that is \$11.5 million per word. That is a lot of money. It is surprising because most of the time the Liberal government has no lack of irrelevant rhetoric.

Most important, a Conservative government would reduce business taxes and personal taxes for lower income Canadians. This would create jobs that would lead toward the Canadian dream. Reducing taxes would encourage foreign and domestic businesses to invest in Canada and encourage spending, meaning more and better jobs for Canadians.

Lower business taxes mean greater returns for pension plan members and those who have RRSPs so they can actually retire some time in the future, those people who want to retire but cannot because of this drunken sailor spending attitude. There is no detail regarding programs that would be developed as a result of this. As such it cannot be supported. There is no long term vision, no safeguards and no plan.

The bottom line is that BOB clearly demonstrates that taxpayers' moneys will be wasted without a proper detailed plan. In no way would it result in anyone receiving the Canadian dream, which we should work toward. It is time for the Liberals to wake up and for this nightmare to end. Vote no to BOB, no to the buy-off budget of the NDP and the Liberals.

• (2310)

Mr. David McGuinty (Ottawa South, Lib.): Mr. Speaker, I appreciated that the hon. member opened his remarks by referring to a dream, but by the end of his remarks it was either a fantasy or a nightmare. It may be that his remarks were cast in the darkness. They were not at all hopeful. Also, I do not think they were reflective of reality.

Let us talk about post-secondary education for a moment and the government's performance. Since the year 2000, \$11 million in millennium scholarships have been distributed to constituents in my riding of Ottawa South.

Home ownership set a record all-time high. Interest rates have been the lowest in real terms since 1951. The Canada pension plan has been single-handedly rescued by this administration in terms of pensions.

In terms of cities and communities, the plan of the government is endorsed by the 25 big city mayors while the Leader of the Opposition walks around the country and tells the Federation of Canadian Municipalities that we should not be involved in any way, shape or form in cities or communities. This is an unreal dream.

On the environment he mentioned contaminated sites. The government, in its own house in order initiatives, has quantified its magnitude of liability, is now describing that liability and is moving to clean up its own federal sites. That is a wonderful progressive move forward.

Finally, on federal-provincial cooperation, in my own home province, in 18 months we have signed with the new Ontario government 10 major deals, which is 10 more deals than the previous Conservative administration did in eight years.

My question is simple. Is it a dream or is it a nightmare?

Mr. Brian Jean: Mr. Speaker, I have good news for the member. It just so happens that all those wonderful initiatives that he has brought forward have already been passed in the form of Bill C-43 and with the full support of the Conservative Party. I am wondering what his question is about.

Quite frankly we have been living in a nightmare and I am hoping that the people of Canada will see the dream possibilities for our future with a Conservative government. I hope that answers my friend's question.

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I listened to the hon. member and I cannot help but think that he is practising voodoo economics. I really wish at some point in time that the Conservatives would stand up and repent that they are responsible for \$300 billion of the debt.

We are going to be paying something like \$23 billion to finance that portion of the debt. Somehow they reinvent history. In nine years they had nine deficits and added \$300 billion to the debt. In 12 years, after we were able to turn the ship around, we had eight surpluses, and much of the money was used to pay down the debt.

When is the member going to stand up and say that members of the Conservative Party repent for their sins and recognize what they have done, and look to the government for good fiscal management?

Mr. Brian Jean: Mr. Speaker, I hate to use a cliché that was used by a friend of mine earlier today but I do not remember being in government and spending \$300 billion. Possibly the gentleman does, but I was too young to be involved in politics at that time. To receive blame for somebody else's mistakes, if that is indeed the case which I do not believe it is and when I get to the answer of my next question he will understand exactly what I am saying, I was probably nine or ten when that happened. I am certain that the member was quite a bit older than that.

The case is clear that economics is not about today, tomorrow and the next day. It is about 10, 15, 20, 40 and 50 years from now. That is why companies use long term planning instead of 10 year planning. That is why we need a Kyoto plan, that companies can see in 50 years from today what the repercussions are going to be, not in two years or three years when the \$5 billion used to buy hot air credits has gone. We need long term, strategic financial planning, a strong economy long term and not sporadic spending.

Government Orders

The member is clear on his position that he supports a budget that has been drawn up on a napkin after a couple of phone calls and an amount of \$4.6 billion has been pulled out of the air. He is clear that he supports that, but the Conservative Party will not support that. We believe in long term forecasting and strategic management. That is not the case here.

• (2315)

Mr. Inky Mark (Dauphin—Swan River—Marquette, CPC): Mr. Speaker, it is a pleasure to take part in the debate this evening. There is no doubt that those watching this debate will conclude that Bill C-48 certainly is a creation of the NDP and that Bill C-48 was a deal to save the government from defeat.

We also know that the Liberals do not understand the whole concept of accountability and taxation. We all know that Liberals love to tax and spend.

I want to say for the record that in 1972 when Pierre Trudeau started governing the country the national debt was \$16 billion. When he finished in 1983 it had actually increased to \$160 billion. That is 10 times more.

Mulroney came in 1984 and started with a debt of \$160 billion. When he finished in 1993 he left a debt of \$489 billion.

When Jean Chrétien came in 1993, the debt started at \$489 billion. When I came to Parliament in 1997 it had already ballooned to \$620 billion. That is Jean Chrétien's debt. Who is going to account for that \$620 billion in 1997?

Some hon. members: Oh, oh!

The Speaker: Order. It is very hard to hear the hon. member who has the floor. I know he appreciates the help he is getting with his speech, but perhaps if hon. members could restrain themselves a little bit and whisper these comments, they could still hear them.

Mr. Inky Mark: Mr. Speaker, I will go into even more depth. In 1993-94, the first year of the Liberal reign, the revenue side was \$116 billion, the deficit was \$42 billion, and the debt was \$508 billion. The Liberals paid interest of \$38 billion. In 1997-98, the debt went up to \$619 billion and \$50 billion of interest was paid. Someone has to account for all that debt.

Let us not forget that the deficit was balanced on the backs of all Canadians when the Chrétien government and the current Prime Minister, who was the finance minister then, took \$24 billion from his budget and paid down the deficit. Obviously that is when we had the health care problems. I remember that because I was mayor at the time and it was all downloaded to the provincial governments. The provinces had to figure out a way to pay their bills. That was when the cuts started. A decade passed before we recovered from those cuts.

Let me demonstrate the Liberals' love of money. They certainly do not criticize the GST. They are collecting \$30 billion plus every year. They receive over \$30 billion from EI, which again is overtaxation. In fact, the Liberals took the federal employees pension fund of \$30 billion. On the way to Ottawa this week, I sat beside a federal employee who said that the union is going to sue the government for taking that fund away from its workers. I say shame on the government for doing that.

At the same time, we have unpaid liabilities of something like almost \$1 trillion on the old age pension. How are we going to look after our seniors down the road when we have to budget annually to pay the bills?

This debate tonight is not about the budget. Bill C-48 is really not worth the paper it is written on. Under the section "Purpose and amounts of payment" and "Authorization" on the second page, the bill states the governor in council "may" give consideration and "may" authorize the minister. It says "may", not "must". That does not mean anything. It really means that the NDP signed something that it is not sure is going to happen.

Mr. Yvon Godin: Don't worry about it. Vote for it.

Mr. Inky Mark: This is what it says in the bill, Mr. Speaker.

This debate is about trust. It is about trust, or the lack of trust, in this government by the populace of this country and how the government deals with day to day issues like agriculture. In my riding, agriculture is very important. It is the backbone of Dauphin—Swan River—Marquette.

This is about trust in regard to the government not being able to get the border open to cattle, which also has impacts all animal producers: elk producers, bison producers, alpaca producers, dairy producers, sheep producers and goat producers. The government decimated the Manitoba beef industry to the tune of over 90%. With annual cashflows of about \$500 million then, I do not think the receipts are even at \$100 million now.

In fact, the government does not even have the decency to go to the WTO to challenge the border staying closed. It did not even apply to the judge in Montana for intervener status. The government is pretty pathetic, but again, this involves issues out west somewhere, not in central or eastern Canada where all the votes are.

How about the softwood lumber dispute? How many years do we have to wait before that dispute gets resolved?

Even the CAIS program has problems. It is a shambles. Last week the government told farmers they could apply and get their deposit back. What does that say? We just go from program to program. This one is sort of like the grandchild of AIDA.

• (2320)

I have been here for seven years and for seven years I have watched the farmers suffer. They are losing their equity. They are going out of business. We know that farm wives are working so their husbands can stay on the farm.

We do not have car plants in western Canada. It is nice to see them here and I have no problem with that, but the fact remains that all parts of this country have to receive assistance.

Government Orders

As I have said, this is about trust. I will complete my remarks by saying that we all come here with great intentions and we do get very partisan at times, but unfortunately we do not do the right thing at the right time. Bill C-48 is another good example of that. It is not the right bill. Maybe it is being done at the right time to keep the government in power, but it ain't the right bill.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the member's conclusion that "it ain't the right bill" is an opinion that he has, and I respect his right to have an opinion. I am a little bit concerned about the conclusion he has reached and how the vote has gone on Bill C-43 and is intended to go on Bill C-48.

The spending with regard to Bill C-48 involves an increase in overall spending of 1%.

If the Conservative Party members voted in favour of Bill C-43 for the spending plan for the ensuing fiscal period and they were not outraged, how is it that they are now outraged at spending on post-secondary education, foreign aid, affordable housing and environmental improvements? How is it that this additional 1% tips the balance on four issues which I am sure this member himself in fact would be supportive of? How is it?

• (2325)

Mr. Inky Mark: Again, Mr. Speaker, it is not so much about the money but about the trust that something will actually get done.

I have a riding with 13 aboriginal reserves. Aboriginal housing is crucial. There is a shortage of housing. The fact remains that for 12 years we have been talking about this. Is it going to happen simply because it is in Bill C-48? I do not think so. Education and training are also very important. No one disputes the content of the bill. I think what is in dispute is why it is in this bill and not in Bill C-43. Why does the government need this bill to make it work?

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I want to correct a couple of things from the hon. member's speech.

First of all, with respect to enabling legislation, he gave a commentary on the issue that the legislation enables the finance minister to spend in these particular areas. I am sure that if the member reviews the language in Bill C-48, he will find parallel language in Bill C-43. He will find parallel language in Bill C-33. He will find parallel language in Bill C-24. All finance bills are phrased such that the minister "may" spend in these particular areas. I just wanted to correct this impression that he may have inadvertently left for people who are still listening, although I cannot imagine why, at 11:30 at night, people are still listening to this debate.

The other thing that troubled me about the hon. member's speech had to do with the other areas which the bill did not deal with. It is true that the bill deals with only four areas. That therefore means there are a whole bunch of other areas that it does not deal with, but that seems to me like complaining to Moses himself. The 10 commandments are only the 10 commandments; they are not the 20 commandments or 30 commandments or 40 commandments. There are only the 10 commandments.

I do not understand why the hon. member is complaining about Bill C-48 covering only four areas of anticipated spending as opposed to 40 areas of anticipated spending, let us say.

Mr. Inky Mark: Certainly, Mr. Speaker, having been here for eight years and having sat through probably a couple of dozen pieces of legislation in this House, I also understand the use of the semantics and language. It may be appropriate for finance bills to use the word "may", but I prefer the words "must" or "should" rather than "may" because they have more teeth to them.

This is what the debate is about. The debate is about the record of this government over the last 12 years. It does not matter what kind of word the government puts in the legislation if it does not enact it. We will end up going nowhere. We will end up in the same position. Ten years from now we will still be talking about it, just as we have over the last 12 years.

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, I will speak about Bill C-48 and how it represents an abandonment of traditions and the traditional roles of government and is a step in the wrong direction.

Before I do that, I want to take just a moment to respond to the remarks of the parliamentary secretary with regard to his complaint about how, after all, Bill C-48 deals with four areas and why it was not dealing with many other areas that the federal government could have dealt with. He has a point. Bill C-48 could have dealt with a great number of other areas and there is certainly a large number of areas which are sadly lacking from the agenda of the government.

There is obviously one that comes to mind because of the fact that I represent a rural and largely agricultural riding, one in which in particular there is a lot of farming. In fact, there are more beef cattle than there are voters in my constituency. What comes to mind is the complete absence of any provision in Bill C-48 that deals with agriculture, that deals with the crisis in Canadian agriculture and particularly that deals with the crisis in the Canadian beef production industry.

That absence is really striking. It is all that much more striking because of the absence of an adequate mechanism in this country to provide Canadian product, of which there is so much, to Canadian consumers, of which there are so many. There are so many willing consumers for Canadian beef, which as we all know is the best quality beef in the world, but we cannot get that beef from the hoof and from the farm gate to the consumer if we do not have the slaughter and processing facilities, given the fact that we cannot take that beef across the border into the United States even for the purpose of having it slaughtered and returned it to this country.

The CFIA, the Canada Food Inspection Agency, has been unwilling to license new federally inspected slaughter and processing facilities. Indeed, it is taking very inadequate measures. In fact, over a period of time, the past decade, it has reduced the number of facilities that are available in this country. It seems to me that this is an area that could have been and indeed should have been dealt with in this budget.

Government Orders

The government had two tries at this: Bill C-43 and Bill C-48. The Liberals could definitely have found some time in their busy labours to have accommodated these needs. Bill C-48 is essentially a package of amendments to Bill C-43. Given the Liberals' enthusiasm for amendments, they could have amended it to take into account this pressing need of beef producers and, indeed, of Canadian consumers. They could have done a great deal of good for a sector of the economy that is, after all, one of our key export sectors and one of our most productive sectors. That is a general comment with regard to the observations of the parliamentary secretary.

Let me now turn to the theme I wanted to dwell on this evening. Bill C-48 represents the abandonment of a very important part of our Constitution and our tradition regarding the control by the House of Commons over the spending of the ministry, the Crown, the executive.

We see the government in many areas abandoning or rolling back the traditional protections we have enjoyed. Canada's constitutional structure is in part modelled on the written constitution that was pioneered in the United States and that has been copied in other countries, such as Australia, for example, with the idea of a written constitution with firmly laid out jurisdictions and boundaries.

It is also partly a structure that is based on the British constitution. Of course, our Constitution Act of 1867 makes specific reference to being similar in spirit to the constitution of the United Kingdom, that is to say, to the unwritten constitution of the United Kingdom. The protections that are in the British constitution are based primarily upon conventions, traditions and a respect for a way of doing things that has been proven through time and usage. We see the Liberal government moving steadily away from this. In all fairness, we also see the Liberal government being increasingly disrespectful of the written Constitution as well and of the jurisdictional boundaries in the written Constitution.

• (2330)

I do not know of one area of provincial jurisdiction in which the federal government does not feel it can intrude, and ideally, from its point of view, by offering enough dollars to cause the provincial government to shift its spending priorities in order to capture federal matching funds. After having roped the provinces into making expenditures, which they would not otherwise have made, which means moving expenditures away from areas where they might more productively have been made, it then over time rolls back those expenditures.

Even when the initial expenditure is in a very worthwhile area, such as health care, the federal government, nonetheless, has a tendency to reduce its expenditures very substantially as a proportion of those in that area of provincial jurisdiction.

The government is into all kinds of areas of provincial jurisdiction and no doubt when government members get up to ask me questions, as they have been doing, they will ask me whether I approve of this kind of spending, that kind of spending or some other kind of spending. However all this spending will be in areas of provincial jurisdiction, areas which are underfunded because of the actions of the government.

It is a phenomenal fiscal disequilibrium that exists between the amount of money that the federal government raises and the amount of money that falls into the areas of its jurisdiction, and the amount of money available to the provinces after the federal vacuum cleaner has come out and sucked the money out of Canadian pockets and the very considerable responsibilities that fall under provincial jurisdiction under our Constitution: education, health and so on. It seems to me that this is a mark of disrespect for our written Constitution.

With regard to the unwritten Constitution, the conventional part of our Constitution, the most important of our conventions in this country and under the Westminster system of government is the convention that the government is responsible to the House of Commons. This is a convention that was established following the glorious revolution of 1688 in which it was established that the King could not expend funds without the approval of the House of Commons.

What we see the government doing is rolling back this convention and refusing to recognize that the House of Commons determines which party should be the government.

We saw this most spectacularly and most egregiously last month when the government, having failed to demonstrate that it had the confidence of the House, proceeded to hold off any confidence votes through a variety of technical means, and we are familiar with what those are, until such time as it could secure a majority or a tie vote based upon offering inducements, successfully to one member and unsuccessfully to a number of others, to either cross the floor or at least sit on their hands.

Leaving aside the merits of what went on with the current Minister responsible for Democratic Renewal, for which I am the critic, nonetheless I think it is clear that it held off on a confidence vote for a long period of time. The argument that was made by the House leader for the government was that they would allow the House to vote when the conditions were appropriate and the questions were appropriate.

That suggests that the government has the authority to decide whether or not the House of Commons is allowed to vote on whether it has confidence in the government. That was an egregious breach of convention and one that I think will be looked at with great dismay by constitutional scholars for many decades to come.

The other convention that is being shattered here, and this is in Bill C-48, is the convention of the House controlling funds. Let us take a look at this very small bill. It is a parody of a government budget bill and is two pages long. It contains a number of vague spending proposals. An example of one would be the proposal for affordable housing, including housing for aboriginal Canadians, in an amount not exceeding \$1.6 billion. It is great but it is very vague. We see that for foreign aid the amount is not to exceed \$500 million which is again an awfully vague promise.

We then get down to the actual operative part of the bill and it is all about the power of the government to spend this money as it sees fit, notwithstanding the vague promises made earlier. Clause 2 states:

(2) The Governor in Council may specify the particular purposes for which payments referred to in subsection (1) may be made and the amounts of those payments for the relevant fiscal year.

Government Orders

● (2335)

Clause 3 states:

For the purposes of this Act, the Governor in Council—

—that means the government—

—may, on any terms and conditions that the Governor in Council considers appropriate, authorize a minister to

- (a) develop and implement programs and projects;
- (b) enter into an agreement with the government of a province, a municipality or any other organization or any person;
- (c) make a grant or contribution or any other payment;
- (d) subject to the approval of Treasury Board, supplement any appropriation by Parliament;
- (e) incorporate a corporation—

This is all about simply creating a pool of money and then spending it in the manner the government sees fit on its own timetable. This is not a budget bill. This is about freeing the government from parliamentary and legislative control. Frankly, it is something which I think all parliamentarians who care about House of Commons control should oppose.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Mr. Speaker, we have had a very interesting debate all day. I think the result of the Conservatives' vote on this bill will really determine the long term future evolution of their party in Canada. I am interested in what the member thinks.

There are questions as to whether there is any progressive Conservative element left in that party. A lot of members have left the party and a number have come to the Liberals. There may be some left but it will be very easy in the debate, when individual Conservatives look into his or her conscience, to see whether each one of them could really vote against clean air for Canadians. Could they vote against helping poor children overseas who cannot get clean drinking water, food or a meal? Could they vote against affordable housing? Do they not want every Canadian family to have a house to live in? Would they prevent aboriginal people and youth from obtaining post-secondary education? These are all fundamental tenets of a progressive party, a progressive type of government in Canada. They are the types of things that a progressive Conservative party would have supported.

If members can live with their conscience to have on record their voting against these things in this budget, it will be the final icing on the cake that there are only remnants of the Alliance left, only the far right wing in that part. There is no progressive element. It could bring the party back into contesting the national government in mainstream Canada. I think we should have a strong national opposition in mainstream Canada.

As a philosopher of government and the Constitution, I would like to ask the member about the future evolution of that party. It appears from the speeches to date that there is going to be no progressive alternate to the Liberal Party on the opposite side. It is simply a party where every single member might vote against clean air for Canadians, against foreign aid for children and people overseas who cannot afford protection from disease and contaminated water, against affordable housing for all Canadian families, and against post-secondary education assistance for aboriginal and other Canadians.

● (2340)

Mr. Scott Reid: Mr. Speaker, I am glad the hon. member left me a few moments to respond, although he ate up more than half the available time with his question by repeating several points over and over again.

Let me start with his question regarding whether there are Progressive Conservatives still in this party. I am looking around the room right now. The House is not as occupied as it often is, but nonetheless I see a former president of the Progressive Conservative Party of Canada, one of my hon. colleagues who has been listening with rapt attention to every word the hon. member for Yukon said, one of the men with whom I helped negotiate the merger of the two parties, the hon. member for St. John's South—Mount Pearl. He would never have joined a party or reached an agreement that did not take into account very seriously the values of the party that he then represented. I could go on and on.

With regard to the issues that the member points to, housing, education and so many other excellent priorities, I have two thoughts. One is, if these are such important values, why were they not in Bill C-43? Why was it that the New Democrats had to impose them on the government? That would be a legitimate question for a New Democrat to be asking me. Perhaps if one of the New Democrats had raised that question, he would have a point.

The fact is that this was forced on the Prime Minister, who was desperate to save his government and did not give a hoot for any of these priorities a few months ago. He only developed this exquisite concern he now has after he realized that it was his ass on the line. I think we should not get too high on our horses about these being high Liberal priorities. They were not priorities of the Liberal Party at all.

Let me add the fact that the reason there is a shortage of funding for some of these priorities, all of which are in provincial jurisdiction, is that the government took so many billions of dollars out of the hands of provincial governments over a period of a decade while the current Prime Minister was the minister of finance. The Liberals should hang their heads in shame for the mess they made of this nation's finances.

The Speaker: I am afraid the hon. member's time has expired. I assume he was talking about the donkey being on the line.

Resuming debate, the hon. member for York—Simcoe.

Mr. Peter Van Loan (York—Simcoe, CPC): Mr. Speaker, I thank the previous speaker for his kind words about me as a former president of the Progressive Conservative Party of Canada. It is a good starting point for what I want to talk about, which is the stark choice that the bill gives to the people of Canada. It clearly illuminates for them, as responsible Canadians, the difference between the Liberal-NDP alliance and the Conservative Party.

In the Liberal-NDP alliance we see out of control spending. We see the elimination through this bill of any hope of any tax relief. We also see a track record of corruption and phony promises from a Prime Minister who is essentially one who likes to make phony promises.

Government Orders

From the Conservative Party, we see a party that is on the side of hard-working families, where fiscal responsibility counts, where we want to pay down the debt and where we want to see real results, not phony promises. We are trying to create hope for those families who are trying to achieve their dreams.

Responsible Canadians want a party that will stand up for their interests, not the interests of big governments, big bureaucrats and big programs, but for the interests of hard-working, law-abiding, tax paying, ordinary families.

The Liberal-NDP alliance has produced a budget that is not on the side of ordinary hard-working Canadians but is on the side of big government. This \$4.6 billion budget is part of a larger package of spending released in three weeks after April 21 of \$26 billion in promises designed to keep the government in office for another few months.

What does that mean for the typical family of four in my constituency? It means \$3,030. That is what they are being asked to pay to prop up the government through this budget. Even before this proposal came along, government spending was out of control. It was going up at a rate of 10% a year on the program side. Can anyone name any constituent who will tell us he or she is getting 10% more back from the government every year for his or her tax dollars? No one in my constituency is telling me that when I am in my constituency on the weekend. They are telling me that they cannot survive because the government is taking every penny and they cannot afford any more.

This is a bill where we talk about trying to work on issues such as housing and education. Let us think about what \$3,030 could do in the pockets of a family to help them pay down their mortgage or pay the rent for a few months. If we really want to help people with housing we give them the money to pay their mortgage or pay their rent. We should not be taking it from them for a big brother government program.

Let us think what it could do for post-secondary education, another alleged priority in the bill. Can any member name one family that would not benefit from being able to set aside \$3,030 for their children's education. If we want to see people achieve their dreams and build a brighter future, that is how they will be able to do it. It is not by having a big brother program that takes that \$3,030 away from them.

Responsible Canadians know who is on their side in this struggle for the future of this country, for their finances and for their tax dollars that they want to keep.

Let us look at the other things in the bill. Funding for transit is a very good example to look at because the transit funding in the bill is flawed. My constituency of York—Simcoe is a very good example. It is in the greater Toronto area. Many Liberal members here are from the greater Toronto area. I do not hear them speaking up for their constituents for how this bill shortchanges transit in the greater Toronto area. The municipalities of the greater Toronto area, according to the last census, has experienced growth of between 10% and 23% but the city of Toronto has experienced only a 4% growth.

The population in the four regional municipalities around Toronto is greater but they are receiving a small fraction of the transit funding that Toronto already gets. Guess what? The subway transit system is well established in Toronto. Where we are trying to create a new transit system, where we are trying to encourage public transit use and where we are trying to change people's habits, the government is putting forward virtually no money. The money is sent to the wrong places if we really want to change behaviour.

● (2345)

Where is it sent? I guess to the places where people vote reliably Liberal, rather than to where the real interests are for society for the future if we really are serious about improving the environment and if we really are serious about encouraging transit use.

I see the member for Halton here. He represents one of those constituencies in the greater Toronto area that is being shortchanged on transit. I am waiting to hear him stand to speak on behalf of his constituents. I do not imagine it would happen.

Then we see foreign aid, another one of these areas. What do we see? We see dollars that go to China and we see lip service on human rights. It is a perfect illustration of how the government operates: phoney words, phoney promises, no real deeds, no real results.

Hundreds of millions continue to suffer under the tyranny of a government in China that we are propping up with our foreign aid dollars, a major competitor to us economically. We have been told that we are under siege by 1,000 spies. I have heard stories myself from people in business who have been on the receiving end of that industrial economic espionage. However, we are helping to fund it while people who are looking for our support for their human rights and freedom go by undefended with little more than mere lip service.

Responsible Canadians are tired of that phoney, two-faced approach to government. They want to see an approach from a party that is willing to give them real results. Responsible Canadians want real results. Responsible Canadians want a government that will stand up for freedom and human rights around the world, in a principled way, where words are matched by deeds. Is that not what it is all about, matching words with deeds? We do not see that here. What we see are more phoney promises.

We see that even in the original budget. Of all those promises that were made, the great things that were said would happen, only 5% of them were in this budget year. It has not stopped the government from taking credit for all those other things that will not come until subsequent budget years. That is another example of the disingenuousness, the phoney promises, that I think hurt the credibility of politics and government in the country and certainly of the Liberal Party.

We can take a look at some of the things that observers have said about this specific bill. I look at one from the *Montreal Gazette*. It states:

Government Orders

[The] deal to add \$4.6 billion to social spending... have made it clear that those who really pay income tax are now politically powerless...The taxpayers getting soaked this way have no champions or lobbyists.

That is essentially what is going on right now when we talk about those ordinary families, the ones who are being asked to pony up \$3,030 each to keep the government in power. They do not have anybody speaking for them in the government, apparently. They do not have organized special interest lobby groups. They are counting on their democratically elected representatives to speak up for them, to help them try and eke out the living, to build a better future, by being able to hang onto those dollars for their education, to pay a mortgage and to buy a house for the first time.

That is what we in the Conservative Party are seeking to do through our position on Bill C-48. That is why we have to put a stop and call to account the government for this irresponsible spending.

Here is another one from a journalist named Bruce Garvey. He is speaking of the Prime Minister. He said, "The man's shamelessness is evident as he ladles out billions in fiscal bribery; as he guts his budget". That is what this is. It is a gutting of a budget that we were told previously could not be changed one letter, one chip or one jot or it would lead to fiscal destruction.

We had witnesses at the committee, the human resources committee, say that they could not return the \$46 billion EI surplus the government stole from workers and employers over the 10 years. They could not return it over 10 years because \$4.6 billion taken out of the budget for that purpose, to return it to people who paid it in the first place, would do unspeakable damage to the fiscal situation of the government.

That kind of thing was done on the back of an envelope, in a hotel room, between the leader of the NDP and the Prime Minister in order to put this bill into place. That is what the government's own representatives from the Department of Finance and Human Resources told us was fiscally reckless. We will not stand by and allow that to happen, not if we want to look out for the interest of taxpayers.

Then we can hear from the people who create jobs, the Canadian Federation of Independent Business that said

Never in our worst nightmares could we have envisioned the steady stream of ad hoc multi-billion dollar spending announcements of these past days. Such reckless, and irresponsible pre-election spending is an abrupt departure from the commitment to prudent spending, debt reduction and fiscal control...

That is exactly our concern

● (2350)

We have a government now that is leading us on a path to fiscal destruction. Responsible Canadians want better. Responsible Canadians want to see a government that stands up for them. Responsible Canadians want someone to help them survive, build their dreams and have a few dollars in their pockets. They do not want to pay \$3,030 to prop up the government for another half dozen months.

● (2355)

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, it appears this will be the last session of questions and comments for tonight.

I was very interested to listen to my hon. friend as he discussed the growth and massive influx of people in and around the Toronto area, particularly the outer suburbs. I am not always sure where they come from. He described how money was allocated not for needs but for political opportunities. I know the hon. member's riding is in an area that is growing very quickly. Perhaps he could enlighten me about some of the particular needs of the surrounding areas, in particular how they have been shortchanged in respect to the infrastructure funding, the gas tax funding?

This is a general point throughout all the legislation. It is important that money be accountably spent, that we just not spend it here, there and everywhere. There must be forethought and careful prudent spending. There must be a plan that everything be spent and spent not just in one area for purely partisan perspectives but in other areas where the need is perhaps greatest.

Would he elaborate on what the particular needs of his area are and how it has been shortchanged in this budget?

Mr. Peter Van Loan: Mr. Speaker, I would be pleased to do that. What is being done through Bill C-48 and the associated transit funding, which is supposed to be to help the environment, is it is being directed on the basis of where there is public transit already, not where there is growth, not where we need to create transit systems and not where the investment is required. It is being done on the basis of where the transit is already.

It is unbelievably paradoxical. If the purpose of government is to bring about constructive change, to help society to adapt, if we want to encourage more people to take transit, one would think that is where the investment would be put.

The concern is that sprawl is a bad thing. We want to encourage compact, urban form and development. We want to get people out of their cars and onto public transit. Where do we send the money? Not to the places where we are trying to change behaviour, but to the places where people already are riding the transit.

It is unthinkable and it is staggering. As a policy, it is utterly and completely bankrupt. It will not bring about any change whatsoever. In fact it will reinforce exactly the existing disparities in transit between the city of Toronto and all the surrounding 905 areas.

The critics and those in the Liberal government will continue to look glibly toward those who are not riding the transit which does not exist because their governments cannot afford it. Why? Because the taxpayers in that 905 area, where the member for Mississauga South is from, are forced to pay enormous taxes to the federal government. Their average family income has been falling from 2003. In that time the taxes have gone up 16% and average family income has dropped. They are being asked to pay those tax dollars yet they are not getting any money back for investment in their transit system. We are trying to make changes and they are trying to build transit.

Adjournment Proceedings

From a perspective of anybody who is serious about changing the urban form of our communities and cities, the government is doing the investment backwards. It is particularly ironic when we consider that at the provincial level, policies have been brought in place through greenbelt legislation and otherwise which are designed to do exactly the reverse of that in order to try to put a halt to sprawl and development and to try to encourage greater transit usage. Yet the dollars that are flowing from the federal government will not do that.

To me and to anybody who is an observer of what is needed to make our cities and communities more liveable and to help the economic growth and development of that economic engine of the greater Toronto area, we see a government policy that is perverse, distorted and that will not help to achieve its results.

On the gas tax, fortunately the right thing is happening. The money is being distributed in a fair and equitable way. It is something we have called for on this side of the House for a long time. It has been three and a half years since the Prime Minister first announced he would make it happen. Finally it is beginning to happen. Is there anybody in the House who thinks that if we were not in a minority government, money would be flowing right now? I will bet there is nobody because things like child care were promised 12 years ago—

• (2400)

The Speaker: The time for the hon. member's time has expired.

* * *

MESSAGE FROM THE SENATE

The Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bill, to which the concurrence of this House is desired: Bill S-36, an Act to amend the Export and Import of Rough Diamonds Act.

Mr. John Cummins: Mr. Speaker, on a point of order, I recognize that there was only a minute to go. I was prepared to speak, but we are prepared to see the clock as being at midnight, if that is the issue here. We do not want to think that the debate collapsed.

The Speaker: I do not think that anybody thought that. Is the hon. member seeking consent to make his speech now?

Mr. John Cummins: No, I just wanted to explain that.

ADJOURNMENT PROCEEDINGS

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

SPONSORSHIP PROGRAM

Mr. James Bezan (Selkirk—Interlake, CPC): Mr. Speaker, rather than calling this the late show, we should call it the early show. For those that are watching in eastern Canada, I would say good morning and for those in western Canada, I think it is time to go to bed.

I rise to address a question that I originally raised on May 6 regarding the sponsorship program.

The Commission of Inquiry into the Sponsorship Program and Advertising Activities has painted the brush strokes on a picture of Liberal electoral corruption spanning over a decade. The hearings into the sponsorship scandal have demonstrated the mixing of the machinery of government and the political operations of the Liberal Party into one.

The Gomery evidentiary record when reviewed in its totality demonstrates a clear picture of corruption and compels a finding that the Liberal Party exercised improper political interference and influence over the sponsorship and advertising activities of the federal government.

The inescapable conclusion is that public funds were used to reward Liberal supporters, to finance the operations of the Liberal Party and particularly to assist in the Liberal Party's pre-election and election efforts in Quebec where the Quebec wing of the Liberal Party was crippled by debt.

Over the course of these hearings there were numerous admissions of guilt by many Liberal Party operatives following the testimony of Jean Brault. It must be concluded that the sponsorship program was created by and for the benefit of the Liberal Party. The ability to exercise its improper influence over the awarding of contracts by the Liberal Party began when it changed the rules for tendering government advertising contracts that virtually any bidder friendly to the Liberal Party could be chosen as a winner in these so-called competitions.

As a direct result of these activities Jean Brault funnelled over \$1 million in secret contributions to the Liberal Party. Jacques Corriveau's company PluriDesign paid kickbacks to the Liberal Party and assumed the salaries of Mr. Manganiello, Mr. Philippe Zrihen and Mr. Jean Brisebois, who were Liberal Party employees.

Michel Béliveau, former director general of the Liberal Party's Quebec wing between January 1996 and the latter part of 1998, confessed that \$250,000 to \$300,000 in cash was requested and obtained from Mr. Corriveau.

Benoit Corbeil, former director general of the Liberal Party's Quebec wing, made specific demands of Mr. Brault in the 2000 election. Mr. Corbeil further confirmed that he received \$50,000 in cash from Mr. Brault which was used for Liberal Party purposes during that election and paid to party workers.

All this came about through influence peddling and the direct interference in the contracting process by ministers and high level bureaucrats.

The amounts available to agencies as a result of sponsorship and advertising contracts demonstrate that these entities were receiving millions of dollars which could then be made available for payment back to the Liberal Party. These amounts were used to finance local riding electoral campaigns.

Adjournment Proceedings

The demand and receipt of secret payments, benefits and services for the Liberal Party ridings from sponsorship and advertising activities permitted the Liberal Party to circumvent the strict spending limits provided by the Canada Elections Act. The use of illicit sources of such donations in effect as kickbacks from government contracts permitted the local campaigns to avoid having to raise money like everyone else, one small donor at a time.

Evidence adduced before the commission suggested that the Prime Minister's Office influenced the award of contracts to Groupe Everest. Mr. Guité stated unequivocally that the only time he had interference in advertising research, anything to do with communications, was from the Prime Minister's Office, the current Prime Minister.

As the evidence unfolded, it became clear that members of the Liberal Party, including numerous senior executives of the party, numerous senior officials of the Quebec Liberal riding association, several key political appointments within the Prime Minister's Office and other government ministries, several Liberal cabinet ministers were implicated in the sponsorship scandal.

• (2405)

The Speaker: Order. The hon. member's time has expired.

Hon. John McKay (Parliamentary Secretary to the Minister of Finance, Lib.): Mr. Speaker, I remind the hon. member and all those who are still listening at this hour that the Prime Minister and the government vowed to get to the bottom of this matter and that is exactly what they have been doing.

I will note for the hon. member and others that in December 2003 one of the first acts of the Prime Minister was to cancel the sponsorship program. The Prime Minister acted quickly and decisively to eliminate any possibility of the recurrence of sponsorship related problems.

He then announced the appointment of Justice John Gomery as an independent commission of public inquiry to examine the behaviour and to take evidence about the advertising programs, with a view to developing recommendations.

Then the Prime Minister in February 2004 announced the appointment of Mr. André Gauthier as special counsel for financial recovery. He in turn, through the Government of Canada, filed a statement of claim in the Superior Court of Quebec against 19 defendants claiming \$40.8 million. This is further evidence of the government's desire to get to the bottom of this and to effect any recovery that can be effected.

In February 2004 the government also announced that it would introduce whistleblower legislation in anticipation that this issue needed to be addressed. That commitment was fulfilled with the introduction of Bill C-11. It is a bill that is now before committee. We are confident that once it returns from committee it will be approved by Parliament.

In February 2004 we announced reviews that would be undertaken on possible changes to the Financial Administration Act and the accountability of ministers and public servants. On February 17, 2005 the President of the Treasury Board tabled his review of crown corporation governance. As a result, the Access to Information Act will be extended to 18 crown corporations.

I am sure members will agree that these various measures demonstrate our commitment to get to the truth and ensure public confidence in the ability of both the government and the Department of Public Works and Government Services.

The Prime Minister and the government have been completely clear that any funds that have been inappropriately received by the Liberal Party through means that are considered to be inappropriate will be returned to the Canadian taxpayer. I would like to reiterate once again and repeat what the minister has said time and time again, that we should not comment on the day to day testimony of the Gomery commission as that would prejudice the work of Justice Gomery.

All of us on this side of the House look forward to the report of Justice Gomery and whatever that may entail. The RCMP continues to look into this matter. Charges have already been laid and the RCMP will follow the facts wherever they may lead.

May I reiterate that the Liberal Party, the Prime Minister and the Minister of Public Works and Government Services have made it absolutely clear that any funds that have been inappropriately received will be returned to the Canadian taxpayer. The government cannot keep that promise until we have all the facts and all the facts will only be available to us when Justice Gomery reports.

Mr. James Bezan: Mr. Speaker, I thank the Parliamentary Secretary to the Minister of Finance for staying up so late to debate this issue. He must have drawn the short straw tonight and had to stay for adjournment proceedings.

He mentioned the report from Justice Gomery and I really hope that we do see that report. We must remember that former Prime Minister Jean Chrétien is exercising his legal privilege right now to have Justice Gomery removed from the inquiry.

One thing that we cannot forget is that the evidence before the commission presents a clear picture of corruption. It compels the finding that the Liberal Party at all levels exercised improper political interference and influence over the sponsorship and advertising activities of the federal government.

The parliamentary secretary made mention that the government filed 19 claims worth \$40.8 million and that is just the tip of iceberg. We need to find all the money that was laid out in excessive commissions and funnelled back to the political operations of the Liberal Party. We must ensure that taxpayers get all those dollars back. We know that it is well over \$100 million, as outlined in the original Auditor General's report. It is suggested to be even higher than that in the report by the auditing firm of Kroll Lindquist Avey.

I would like to take this opportunity to once again address the sponsorship scandal and how it has shaken this nation, shaken the trust that people have in the political system, and hope that we can come to a quick resolution and have an opportunity to let the electorate decide what they believe is right or wrong.

• (2410)

Hon. John McKay: Mr. Speaker, the Prime Minister has said that the electorate will have an opportunity to comment in an election immediately after Justice Gomery's report.

Adjournment Proceedings

I would caution the hon. member that trying to arrive at a conclusion prior to the completion of evidence, prior to the assessment of evidence, will only serve to confuse and make it even more difficult for Justice Gomery to get to the truth.

Once we receive the report, we will then have some facts with which to deal, but I would reiterate that the Prime Minister has introduced ethical guidelines for ministers, senior staff and Crown appointees. He has overhauled government advertising. He has recalled and dismissed the former ambassador to Denmark. He has

facilitated the convening of the all party public accounts committee. He has ordered the creation of whistleblower legislation.

I would reiterate once again that on numerous occasions—
[*Translation*]

The 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 12:12 a.m.)

CONTENTS

Monday, June 20, 2005

Mr. Brown (Leeds—Grenville)	7453	Mr. Toews	7478
Ms. Catterall	7454	Mr. McKay	7479
Mr. Trost	7454	Mr. Bagnell	7479
Mr. Goodyear	7455	Mr. Miller	7480
Mr. Szabo	7456	Mr. Szabo	7481
Mr. McKay	7456	Mr. Godin	7481
Mr. Scheer	7457	Mr. Allison	7482
Mr. Godin	7458	Mr. Murphy	7483
Mr. Batters	7459	Mr. Anders	7484
Mr. Szabo	7461	Mr. Graham (Toronto Centre)	7485
Mr. Godin	7461	Mr. Duncan	7486
Mr. Menzies	7462	Mr. McGuinty	7487
Mr. Bagnell	7463	Mr. Telegdi	7487
Mr. Goldring	7463	Mr. Fletcher	7488
Mr. Bezan	7464	Mr. Bagnell	7489
Mr. Murphy	7464	Mr. Szabo	7489
Mr. Szabo	7465	Mr. Hearn	7490
Mr. Goldring	7465	Mr. Murphy	7491
Mr. Szabo	7467	Mr. Jean	7491
Mr. Komarnicki	7468	Mr. McGuinty	7493
Mr. Murphy	7469	Mr. Telegdi	7493
Mr. Penson	7469	Mr. Mark	7494
Mrs. Grewal (Fleetwood—Port Kells)	7470	Mr. Szabo	7495
Mr. Bagnell	7471	Mr. McKay	7495
Mr. Murphy	7471	Mr. Reid	7495
Mr. Trost	7472	Mr. Bagnell	7497
Mr. Vellacott	7472	Mr. Van Loan	7497
Mr. Bagnell	7473	Mr. Trost	7499
Ms. Wasylcia-Leis	7474		
Mr. Lauzon	7474	Message from the Senate	
Mr. Telegdi	7475	The Speaker	7500
Mr. Szabo	7476		
Mrs. Gallant	7476	ADJOURNMENT PROCEEDINGS	
Mr. McKay	7477	Sponsorship Program	
Mr. Cullen (Etobicoke North)	7478	Mr. Bezan	7500
		Mr. McKay	7501

MAIL  POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

Lettermail

Poste-lettre

**1782711
Ottawa**

If undelivered, return COVER ONLY to:

Publishing and Depository Services

PWGSC, Ottawa, ON K1A 0S5

Internet: <http://publications.gc.ca>

1-800-635-7943 or Local 613-941-5995

En cas de non-livraison,

retourner cette COUVERTURE SEULEMENT à :

Les Éditions et Services de dépôt

TPSGC, Ottawa (Ontario) K1A 0S5

Internet: <http://publications.gc.ca>

1-800-635-7943 ou appel local (613) 941-5995

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

Also available on the Parliamentary Internet Parlementaire at the following address:

Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :

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

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Additional copies may be obtained from Publishing and Depository Services, PWGSC, Ottawa, ON K1A 0S5

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.

On peut obtenir des copies supplémentaires en écrivant à : Les Éditions et Services de dépôt, TPSGC, Ottawa (Ontario) K1A 0S5

**On peut obtenir la version française de cette publication en écrivant à : Les Éditions et Services de dépôt
TPSGC, Ottawa (Ontario) K1A 0S5**