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Tuesday, June 7, 2005
Part A

—
Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, June 7, 2005

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

• (1000)
[English]

COMMITTEES OF THE HOUSE

CITIZENSHIP AND IMMIGRATION

Hon. Andrew Telegdi (Kitchener—Waterloo, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 10th report of the Standing Committee on Citizenship and Immigration on citizenship issues entitled “Citizenship Revocation: A Question of Due Process and Respecting Charter Rights”.

The current Citizenship Act was enacted in 1977, prior to the adoption of the Canadian Charter of Rights and Freedoms that came into force April 17, 1982.

The major reasons that previous attempts to enact a new Citizenship Act in the 36th and 37th Parliaments failed was the lack of agreement on the proposed changes to citizenship revocation. It is for this reason that the committee has dedicated a report that deals exclusively with this contentious issue.

Under the current Citizenship Act, citizenship can be revoked when a person obtains citizenship or permanent residence by false representation or fraud or by knowingly concealing material circumstances.

Following a review in the federal court, where a judge must simply agree that it is more likely than not that the person improperly obtained citizenship, the federal cabinet becomes responsible for making the revocation order.

Currently, an appeal is not even allowed with respect to a federal court judge's decision that on a mere balance of probabilities an individual fraudulently obtained citizenship.

The committee is recommending some fairly radical changes to the existing revocation process. The committee has recommended a fully judicial process and a higher standard of proof. We determined that the potential loss of citizenship is of such fundamental significance to the person concerned that fraud should be proven beyond a reasonable doubt in a criminal court.

Committee members from all four parties agreed that the current revocation process is unacceptable and we must move to a system that requires the government to respect due process and the legal sections 7 to 14 of the Canadian Charter of Rights and Freedoms.

We have recommended that there be a full appeal process and that the legal protections of the Charter of Rights and Freedoms apply; the same rights a person fighting a shoplifting charge would enjoy.

These recommendations regarding changes to the current Citizenship Act are consistent with the government's commitment in the Speech from the Throne of October 2004, “to defend the Charter of Rights and Freedoms and to be a steadfast advocate of inclusion”.

The previous minister said that she would table new citizenship legislation in February 2005. That obviously did not happen and we are calling on the government to live up to its previous commitments, including those outlined in the throne speech, and table a new citizenship bill that properly reflects the value Canadians place on their citizenship.

• (1010)

PUBLIC ACCOUNTS

Mr. John Williams (Edmonton—St. Albert, CPC): Mr. Speaker, I have the honour to present the 13th report of the Standing Committee on Public Accounts concerning the Report on Plans and Priorities 2005-06 of the Office of the Auditor General of Canada.

In accordance with Standing Order 109, your committee requests a government response within 120 days.

I also have the honour to present the 14th report of the Standing Committee on Public Accounts concerning chapter 1, Information Technology Security, of the February 2005 report of the Auditor General of Canada.

[Translation]

In accordance with the provisions of Standing Order 109, the committee requests that the government provide a comprehensive response to this report within 120 days.

* * *

[English]

GOVERNMENT BUSINESS NO. 14

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

Supply

That during today's debate on Government Business No. 14, no quorum calls, dilatory motions or requests for unanimous consent shall be entertained by the Speaker.

The Acting Speaker (Mr. Marcel Proulx): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.
(Motion agreed to)

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT

Hon. Jack Layton (Toronto—Danforth, NDP) moved for leave to introduce Bill C-403, an act to change the name of the electoral district of Toronto—Danforth.

He said: Mr. Speaker, I have the honour today to introduce the private member's bill that would change the name of my electoral district from Toronto—Danforth to Danforth—East York—Riverdale.

Everyone knows the Danforth, famous for its Greek food and fabulous community character. However, East York, a very important municipality and Canada's only borough for many years, was annihilated after a referendum showing that Toronto citizens wanted to retain these communities. It was annihilated by the provincial government in an act that was explicitly anti-democratic.

East York, however, lives on in the hearts and minds of the residents of East York and we are re-establishing the identity of East York through the name of this federal riding. This of course will match Beaches—East York which encompasses the other half of this wonderful community. Many seniors and veterans live in East York and they have a great deal of pride for what they have achieved and built over the years.

Riverdale is a historic community in Toronto separated for so many years by the Don River but is now an integral part of the life of the city and we are able to recognize that in this new name. We look forward to its adoption for the next election.

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

* * *

PETITIONS

NATURAL HEALTH PRODUCTS

Mr. Jim Gouk (British Columbia Southern Interior, CPC): Mr. Speaker, I have the honour to present a petition entitled "Health Freedom". Canadian constituents, primarily from the south Okanagan, desire to have an updated Food and Drugs Act created by Parliament that is consistent with the inherent rights of Canadians to informed freedom of choice and access to non-medicinal drugs products of their choosing as protected by sections 1, 2, 7 and 15 of the Charter of Rights and Freedoms.

They call upon Parliament to repeal outdated prohibitions against making truthful health claims for the prevention, treatment and cure of health challenges with non-drug approaches by enacting Bill C-420. They are right to be concerned. It has been a constant battle to keep access to these natural health products.

I hope Parliament, and particularly the government, will stop this attack on people's freedom of choice and agree to the speedy enactment of the private member's bill.

● (1015)

IMMIGRATION

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, I have a petition that is signed by thousands of people from my riding and across this country. The petitioners draw our attention to the following: that Canada has committed to upholding the rights of asylum seekers and refugees by signing the 1951 UN convention on refugees and the 1948 Universal Declaration of Human Rights. Accordingly, the petitioners request that Parliament insist that government immediately implement the refugee appeal division's approval by Parliament in the Immigration and Refugee Protection Act of 2002.

* * *

[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, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. Marcel Proulx): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

SUPPLY

OPPOSITION MOTION—HEALTH

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC) moved:

That, given a national strategy is needed now to reduce the growing human and economic costs of cancer, heart disease and mental illness; the House call on the government to fully fund and implement the Canadian Strategy for Cancer Control in collaboration with the provinces and all stake holders, and given that Canada is one of the few developed countries without a national action plan for effectively addressing mental illness and heart disease, the government should immediately develop and initiate a comprehensive national strategy on mental illness, mental health and heart disease.

He said: Mr. Speaker, today the Conservative Party is introducing what I hope will be an historic change in the way the Canadian government deals with cancer, mental health and heart disease.

The need for national strategies on cancer, mental health and heart disease is obvious. There is a high human and economic cost that must be immediately addressed in a comprehensive, pan-Canadian approach. The costs of these strategies are minimal compared to the looming health and economic costs.

Leadership for this plan should come from experts on the ground, not from government bureaucrats. Canada lags behind many other developed countries in its approach to national disease strategies. The lack of Liberal leadership on the issue has cost Canadian lives.

In our plan, the autonomy of the provinces and territories will be respected. These strategies will allow the provinces to communicate and share knowledge and best practices across Canada and to hook into national and international expertise.

The Council for the Canadian Strategy for Cancer Control has a model for other disease strategies. We understand that the Heart and Stroke Foundation and the mental health organizations will use the cancer strategy as a model for their own programs.

These strategies will operate under full accountability from the moment they are initiated. There will not be more government foundations: funding will be based upon results.

Canada is ideally situated to quickly make progress on a national cancer strategy because we can easily access best practices overseas and improve lives through information sharing. Each province is essentially a laboratory in which trials can take place.

Despite claims made by the Public Health Agency, it has no national cancer strategy. No specific money has been allotted for cancer. The Conservatives are taking the lead on this important health issue while the Liberals hide from making needed decisions.

While the Liberals are up to their eyeballs in corruption and cover-ups of scandals, the Conservatives have a plan for Canadians. The Conservative Party cares about the health and well-being of Canadians. We will not sacrifice them for ideological or political reasons.

Our proposal promotes transparency and accountability, in stark contrast to Liberal apathy. Our plan commits funds to the various diseases while the Liberals say they provide money. As for the small amount of money they do provide, there is no measuring of the effects the funding is supposed to have.

Why do we want a national strategy? Rather than having a patchwork approach for policies across Canada, it makes sense to maximize our gains by pooling and focusing the resources of stakeholders across Canada. These diseases affect the lives of every Canadian.

We also recognize that because of the taboo that surrounds mental illness it is important to finally generate a constructive dialogue on the subject. Just because people do not want to think about or talk about mental illness, there is no reason not to deal with the issue. The Conservative Party is taking the lead on mental health and mental illness.

The Liberals have ignored the human and economic costs of these diseases. The long term costs of cancer, mental illness and heart disease will run into the tens of billions of dollars, if not hundreds of billions. It is important that we implement these strategies immediately. The Liberals have had 12 years to do this and have not done so.

The Liberals have shown a profound lack of leadership and accountability on these issues, particularly in their funding models.

Supply

For instance, today there is no way to track the money that is spent on cancer. Instead of a national strategy, the Liberals have bought off various advocacy communities with small amounts of money that have had little effect on the problem. They hide behind the excuse that disease specific strategies are ineffective and only a chronic disease strategy will work.

● (1020)

In short, this is nothing but ridiculous. In reality, disease specific strategies have worked remarkably well in numerous countries, such as Britain, France and many other EU countries, to name a few. These policies are at the forefront of each government's health policy framework.

The Liberals claim that implementing national disease strategies would be too difficult due to the complexities of federal-provincial relationships. However, the EU has been able to coordinate through a number of separate nations. We should surely be able to do it within Canada.

It is interesting to note that the Council for the Canadian Strategy for Cancer Control has brought in all stakeholders in the cancer community and has buy-in from all these stakeholders. The Liberal health minister promised the Council for the Canadian Strategy for Cancer Control that \$26 million would be allocated in this year's budget, with increased funding in subsequent years. A week later, on budget day, not a penny was given to the cancer strategy. The health minister's promise to cancer stakeholders was broken, which is not a surprise, unfortunately, when dealing with the Liberals.

We are calling for specific moneys to be allocated to the Canadian strategy for cancer control in the amount of approximately \$260 million over five years. The funding would make Canada a world leader in cancer control.

The Public Health Agency, which sits as a board member on the CSCC council and has funded the group's strategy, abstained from approving the plan just two weeks ago. Essentially, it paid for advice on cancer and then refused to accept the advice. Even the cancer experts working with the PHA have no idea what it bases its decisions on or what the plan is.

The Conservative Party supports the leadership of the Canadian Mental Health Association, the Canadian Cancer Society, the Canadian Alliance on Mental Illness and Mental Health and the Heart and Stroke Foundation. Instead of creating yet another layer of bureaucracy, these groups should take the lead in developing and implementing specific national disease strategies. They are in a far better position to do so than government officials. These groups are composed of experts in their respective fields and involve thousands of volunteers.

Supply

We call on the government to implement these comprehensive strategies as they are presented, not by cherry-picking only what it likes and implementing each in a piecemeal fashion. Comprehensive strategies are needed now. All that is required is the political will to commit the funds to these plans.

The funds needed to implement the plans are relatively small in light of the long term costs associated with mental illness, cancer and heart disease. The Liberals have doled out nearly \$20 billion in the past two months and yet have done nothing to adequately combat diseases that will affect the lives of every Canadian and strain government resources in the decades to come. The longer they wait, the higher the long term costs for Canada will be.

What will a national cancer strategy buy? We will get: a national cancer prevention strategy; system change for greater investment in supportive and palliative care; improved surveillance and analysis; a common data and technology system to facilitate national standards; a centralized national database of clinical practice guidelines; a national human resources database; and a long term research agenda.

I would like to also take a moment to acknowledge Senator Forrestall, who has been instrumental in spearheading action on cancer and cancer research. Unfortunately, the senator is ill. I would like to express my hope that he will soon return to good health and continue his fight in Parliament.

Because I am splitting my time with my colleague from Yellowhead, I do not have time to get into all the specifics, but the bottom line is that we have an opportunity to do a great thing for Canadians. We have an opportunity to deal with the cancer crisis, the mental health crisis, and the heart disease crisis we have and to deal with them now, because this is just going to get worse.

• (1025)

The Liberals had the opportunity to implement a national strategy and they have not done so. If we talk to any of the cancer associations, they will agree with that statement. Though the Liberals will deny it, the fact is that leadership on this issue is coming from the Conservative Party of Canada.

We look forward to working with the stakeholders to ensure that the health of Canadians remains and is preserved into the future.

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I want to congratulate the member, who is the lead health critic of the official opposition, for bringing this subject forward. We know that health care generally is the number one concern for Canadians.

I will have a chance to speak later in greater depth on this, but we can present arguments as to whether we should be funding or allocating directly for specific diseases or a specific strategy or whether we should have a global fund and have peer reviewed competitive research funding.

We are investing considerably, especially in cardiovascular and cancer research, through the Canadian Institute for Health Research and its specific institutes within that through the Canadian Foundation for Innovation and through the research channels. In many ways, assets that are out there financed by the federal government are working toward those strategies.

We could argue whether that is the way to go or whether we should have dedicated funding. The problem with dedicated funding is that we have to start to pick and choose among diseases. I do not know that there are many out there that do not deserve funding. Many of the groups are working toward their funding, so we have a competitive process and I will get to that later.

However, the question I have for the member and where I agree with him, is that as a nation we are failing on the question of mental illness. I will not be so political as to point to any individual party, order of government or any level of government because it is a very difficult issue. It has been a taboo type issue across the country and does not necessarily have the proper structures interprovincially.

If I were to have a heart attack in any province of this country, I would be taken care of properly and then I would worry about which province would pay. If I were to have a mental breakdown, I am not so sure that I would get the same level of care. We have to work together.

A lot of people, like Michael Wilson, were advising the Minister of Health. There are a lot of people working on it across the country. I think we have to go further at all levels of government and I would ask the member for his comments on this subject.

• (1030)

Mr. Steven Fletcher: Mr. Speaker, the member raises an interesting question. What approach is better, to have disease specific strategies or to lump it all together in one pot? This seems to be what the Liberals have been doing.

The answer is very clear. Disease specific strategies have worked. They have worked throughout the industrialized world, in France, Ireland, New Zealand, Australia, the U.K., and through the EU. Canada is out of step in this regard. Disease specific strategies also allow for transparency and accountability.

The member raises the issue of having to pick and choose diseases. The fact is that cancer, heart disease and mental illness, if we combine those three diseases together, probably touch the lives of just about every Canadian. These are not willy-nilly issues. These are diseases that have a profound effect on Canadians.

We have a strategy to deal with cancer that is ready to go. It has been bought into by all the stakeholders and all the provinces. All it needs is the funding. The Liberal government has refused to provide the funding. Let us see how it goes.

I challenge the Liberal government to prove the cancer community wrong. The way we can do that is to fund its programs. Canadians will be pleasantly surprised to see concrete outcomes and receive huge value for their dollars.

I trust third party arm's length organizations with all their stakeholders to implement the strategy than a government bureaucracy that is subject to the political manipulation of ministers. There is also the fact that there is no real transparency or accountability available when we look at what the member is suggesting.

Supply

This strategy will be transparent. The members will be accountable. We will see value for our dollars. I encourage the member to reconsider his position and support the Canadian cancer community, the Canadian mental health community and the Heart and Stroke Foundation. They support us. They do not support the Liberal plan. They support the Conservative plan which is their plan.

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, it is a privilege and a pleasure to second this motion. It is very important that we come into this House and talk about issues other than sex and corruption, which seems to have capitalized the attention of this place and discredited each and every one of us who represent members of the Canadian public. It is important that we talk about something that is near and dear to their hearts, that they are compassionate about, and that will impact them, their kids and their grandkids for generations to come.

It is important, before we start talking about health care, that we have a clear picture of what is coming at us with regard to the demographics of our country and how that will impact our health care system. We pride ourselves on our health care system. We are passionate about it and passionate about saving it, protecting it and making it better.

We have seen the Liberal government over the last decade not only removing funds from it but actually discrediting it to the point where we have doubled the number of people on waiting lists. We have a lack of human resources in our system, where 75% of doctors are refusing to take any more patients in this country right now. We are seeing a lack of nurses. We need 100,000 within the next few short years in order to refurbish the workplace within our hospital walls.

It is a serious situation when we look at the disastrous state the health care system is in right now. Before we even start dialoguing and discerning how we are going to fix that, we have to understand what is coming at us in the long term because health care, unfortunately, gets used as a political football. We look at it in four year segments, as election cycles go, and how we are going to win the next election by using health care as a vehicle. That has to stop. We do not have the luxury of doing that in this country.

When we look at the baby boomer population, the stress that it will put on the health care system will not start for a decade. Once that starts it will then begin to intensify and will keep intensifying until about the year 2040. It is important for us to mention that here because everyone in this House has to understand that, so we can clearly articulate it to the people of Canada. If we do not understand what is coming at us, there is no possible way that we can make decisions on how we can fix it.

Health care has been treated by crisis management, as patients show up at the door of hospitals, for the last half century. We must recognize that we must do more than just treat health care and patients of Canada through a crisis management approach. We must look at it in a proactive way. We must look at prevention and that is why it is important that we look at this motion today. That is why we are bringing it before the House, so we can have a healthy debate and look at what we are going to do with cancer, mental illness, heart problems and strokes, and how we are going to look at these issues in a proactive way.

It is important to mention what has happened in the last two years with regard to the health accords of 2003-04. The government implemented them, but we have seen very little action coming out of the 2003 accord. In fact, we agreed with the 2003 accord, but we saw that the provincial and federal governments actually bailed on a lot of the commitments in that 2003 accord.

I do not know what was more frustrating: the poll results that we saw on the 2004 accord or the \$100,000 it took for the government to actually poll constituents and find out what they felt about that 2004 accord. The cynicism that was reflected in that poll should have been expected after what we saw come out of the 2003 accord where everybody bailed on their commitments.

Nonetheless, we know that the public's confidence in the health care system has eroded, and that is very clear in the poll that just came out yesterday or the day before. It is not surprising, but it is frustrating. It tells us that Canadians do not believe that the 2004 accord is actually going to solve all the problems. It is not going to be the fix for a generation that the Prime Minister had promised Canadians. It is not going to do anything more than play politics with health care like we have done in the past and are doing at the present time in order to win another election. That has to stop.

• (1035)

The motion speaks to a Canadian strategy for cancer control. I am absolutely struck at how well the strategy has been laid out by the Cancer Society. In fact it is very passionate about it. The Liberal government will tell us that it is implementing it, that it is in the Speech from the Throne and that it is supposed to be in the budget, but it is not. I was struck by the fact that an individual from the Cancer Society drove 10 hours in one day to meet with me in my riding office to explain the strategy to me.

The individual told me that just a few short years ago one in four Canadians contracted cancer in their lifetime. Today it is one in three. In a few short years it will be one in two. Those are horrendous numbers when talk about the demographic curve and the impact that will have on our health care system as we move into the 21st century. We have to understand this fact. If we do not understand it, we will be unable to solve anything.

The strategy is a preventative approach. How many cancer deaths can we prevent in the foreseeable future? Before we start draining the bucket to solve the problem, we should stop filling the bucket. By filling the bucket, I mean how do we deal with the number of overweight people? How do we deal with the health conditions of people because of their lifestyles? How do we ensure we have clean water, clean air and clean land? How will that impact our society with regard to health care?

I have had 20 years of experience in the health care system in my province of Alberta. The way we deal with mental illness in every province is a disaster.

When I sat on a regional health authority in Alberta, one statistic absolutely astounded me. It indicated that the number one reason people were hospitalized was for mental illness. It is not cancer or heart disease. People do not understand the seriousness of mental illness.

Supply

A study which came out last June indicated that 24,000 deaths within our acute care hospitals were caused by adverse events, most of those because of problems with medications. A good part of the reason why people are medicated is because of high stress and the amount of pressure placed on them. That is why we see an explosion in the number of people on benzodiazepines, antidepressants and sleep disorder medications. Until we stop thinking there is a pill for every problem and start realizing that every pill also has a problem, we will never be able to deal with these problems.

We have to look at a national strategy. We have to understand how to prevent illnesses from the start. Maybe we should look at slowing down our society with regard to the amount of pressure and stress on individuals. This would allow us to deal with some of the problems in a more proactive way.

It was interesting listening to one of the questions from my Liberal colleague with regard to the reason for having a national strategy on some of these issues.

Three thousand babies are born with fetal alcohol syndrome every year. This is an issue that the health committee dealt with recently. We brought forward a motion and debated it in the House. We sent a directive to Health Canada indicating that by June 2 we wanted a comprehensive strategy on how to prevent fetal alcohol syndrome.

At the last meeting of the health committee, Health Canada came forward with a solution. It was the most pathetic example of how it would deal with this situation. It had nothing to do with prevention and it had very little to do with the question that was asked. This directive was sent to Health Canada not just by the health committee, but by the House of Commons.

When I see that sort of approach by Health Canada and I see the kind of weak approach with regard to health care and our health care system by the Liberal government, I have to admit we have a serious problem in our country.

It is a pleasure for me to second the motion before us today. I challenge every member in the House to understand exactly what it is saying. I challenge them to vote for it. If they vote against it, they are saying they do not care about a national strategy. If they vote against it, they are saying they do not believe that prevention is the way to go. If they vote against it, they are indicating that they want to play politics with health care instead of looking at solutions. It is very important that we understand what is coming at us.

●(1040)

When I spoke about the demographic curve, I failed to mention the amount of obesity within our school aged children. They are going to start to have heart, stroke, cancer and diabetic problems at age 30 and 40, not at age 50, 60, 70. That will impact our health care system at the same time the demographic curve does. When we look at a realistic picture, we have to understand that we have to look at preventative solutions. We have to put people at the centre of our health care system and build a system around the needs of patients. If we fail to do that, we will fail Canadians and we will fail the health care system. The Liberals have failed them for the last decade. It is time to remove them. It is time to deal with health care the way it should be dealt with, and that is the approach before the House today.

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, it is a pleasure to ask my colleague a question about this important issue. Two years ago I tabled a similar motion related to environmental contaminants, human health and prevention. A Bloc amendment to the motion passed in the House of Commons with every party voting for it. Then we voted on the main motion and the Alliance and some Liberals killed it, narrowly. It was unfortunate because prevention was very much at the forefront of the motion, cancer in particular.

I would like to ask the hon. member a question about an important issue he raised, and that was the issue of prevention. I would like to get his opinion on whether the environment, in particular pollution and its connection to human health is adequately addressed by our country.

I know the OECD has discussed the issue of Canada losing billions of dollars of production because of the impact of environmental contaminants on human health. Cancer, as this motion addresses, is an important issue related to that.

What does he think we should do on the issue of the connection of human health and cancer related to our contaminants? Yesterday we identified a series of cities that were plagued by smog. What his suggestion to reduce the human health factors related to smog and individuals? What would he bring forward as a priority?

●(1045)

Mr. Rob Merrifield: Mr. Speaker, the member's questions give me an opportunity to explain to the House and Canadians our party belief on this.

We believe we have to deal with cleaner air, cleaner land and cleaner water. Those are the essentials. We have to do a much better job than we have done in the past.

However, we do that by getting rid of nitric oxide, sulphur dioxide and some of the poison contaminants that come out of the smokestacks of our factories and automobile exhaust pipes. We do not do that by bringing in CO₂ emission controls, a Kyoto protocol issue, which is about changing wealth rather than dealing with contaminants in Canada. We do not solve the problem by buying carbon credits from Chile or Russia. We solve the problem by dealing with the pollutants in our air. That is how we save Canadians.

I am appalled by a party over there that believes the Kyoto protocol is the answer. Two parties over there seem to believe that is the solution and answer to the smog problems that plague Toronto. It has nothing to do with smog. It has everything to do with CO₂, which is what the Kyoto protocol is. It is an elusive situation where they have fooled Canadians into thinking that will solve the problem.

Unfortunately, it will not. It is the right idea going in the wrong direction. It will have a horrendous cost impact on Canadians rather than create the kind of climate changes that we need to save the lives of Canadians.

When we talk about human health and the health of a society, he is absolute right. We have to clean things up. We have to have cleaner air, cleaner water and cleaner land. We can do that with some of the technologies.

The member asked a specific question about fixing the problem of smog in Toronto. We do not do it by fixing CO₂. We fix it by having more efficient automobiles, with new advancements in technology such as using other alternatives to fossil fuel. We are starting to see some of those advancements in our automobiles, the hybrid as an example.

I believe there will be new technologies far beyond what we see today. We should focus and put our money on that. We should put our research into this area to do what is the right thing for the people of Canada so we can save their health, build our economy, have the best country in the world and sustain that into the 21st century and beyond.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, when I became a member of Parliament and joined the health committee in January 1994, the first presentation came from Health Canada officials. They outlined how 75% of health spending was on remedial or fixing the problem and only 25% was prevention. Their conclusion was the system was unsustainable.

Therefore, I do not think it is a surprise by the situation in which we find ourselves. We have had some false starts on things like the National Forum on Health. It came to the conclusion that there was enough money in the system, but it was not being spent properly. Subsequently, all that work was reversed and it said that more money was needed. However, we still have not seen the results.

I applaud the member for bringing forward the motion. It is an important area, particularly with regard to addressing what the member would describe as maybe frustration with Health Canada.

However, people are living longer these days. It is not so much that they are living healthier lifestyles, but that the technology of medicine and pharmaceuticals have allowed people to overcome a lot of the things that they could not in the past. Therefore, there are some conflicting approaches to a healthy lifestyle.

I am a big believer in terms of an investment in prevention. Does the member feel that perhaps now is the time to take a little tougher stand with Health Canada, which seems not to have come to that same conclusion, and to ensure that words of parliamentarians are not only heard but acted upon?

• (1050)

Mr. Rob Merrifield: Mr. Speaker, it is one of the frustrations that I believe everyone in the House has sensed over the last while. It is the lack of respect for votes that are taken in the House. We saw that frustration first-hand in the health committee with the issue of fetal alcohol syndrome. That is not the only one. There are many others.

It shows the amount of disrespect the House has even itself. It is not only the disrespect and cynicism Canadians for the House in the way that we have acted in the last while. That has to change or democracy will fail.

However, how do we look at prevention and how do we send the message more clearly to the health department, which I believe was

Supply

the essence of the question? If we vote unanimously for the motion, that will send a very strong message to the government. If we are to have a national strategy, we will have to ensure that we put some feet to the fire. We must send a message to Health Canada.

It is great to see the Minister of Health here. I am hoping he will stand up and applaud this initiative. It is in his ballpark to deal with. I implore him to not only vote for the motion but to act on it. That is what Canadians need and that is what we have to do. We have to stop playing politics with health care and start doing what is in the best interest of Canadians. That is the reason they have charged us to come to the House. It is an honour to represent them from that perspective. Each and every one of us had better feel the weight of that and understand that the reason we are here is to speak on their behalf.

Hon. Ujjal Dosanjh (Minister of Health, Lib.): Mr. Speaker, the issue is among one of the foremost preoccupations for me as the Minister of Health.

I thank the hon. member opposite for bringing the issue forward in the form of this motion. The hon. member is quite right in highlighting the human and economic toll of serious chronic diseases, such as cancer, heart disease and mental illness.

Few families have not been touched at some time by the pain, the anxiety, the fear and the tragedy brought on by such devastating conditions. The Government of Canada understands and I understand that when Canadians are forced to fight these battles they should never be left on their own. They need and warrant our help. The hallmark of a caring society is one that aids people in their time of greatest need.

We can and must do those things. At the same time, we need to support knowledge sharing to ensure that the benefits of research are put into the best practices that will, over time, help lessen suffering by unlocking the key to earlier detection and better management.

Those are among the principles of our new integrated strategy on healthy living and chronic disease. These strategies are being developed by the new Public Health Agency of Canada.

Thanks to an important investment included in last February's federal budget, the strategy brings together, focuses and builds on the many activities that are already helping Canadians deal with the burden of chronic disease.

Non-infectious or chronic diseases do not generally seize the headlines but the truth is that they kill more Canadians every day than all the emerging communicable diseases combined. We know that 82% of deaths and 74% of disabilities are attributable to chronic diseases.

The cost in terms of quality of life is immeasurable. Insofar as it is possible to put a price on suffering, we can say that chronic diseases cost our economy an estimated \$70 billion per year.

Supply

While chronic diseases can afflict anyone, their burden is not shared equally. Certain groups, low income and aboriginal Canadians, for example, are more apt to suffer from heart disease, diabetes, obesity, cancer and some types of mental illness than the population at large.

Many chronic diseases are largely preventable and yet more and more Canadians are not sufficiently active or not eating as healthily as they might to ward off chronic disease down the road.

Chronic disease is often dubbed the silent epidemic. We in the Government of Canada, alongside our partners in the provinces and territories and the health and non-profit sectors, can hear the cry for health loud and clear. We hear it and we are acting.

Over the years, Health Canada has worked with its partners to respond to the many urgent needs posed by chronic disease. I know my colleagues will review some of the many disease specific initiatives that have emerged from our many fruitful partnerships, such as the Canadian heart health Initiative and the Canadian diabetes strategy.

Let me spend a couple of moments on the programs that we have or will have with respect to cancer. First is the integrated strategy of healthy living and chronic disease. As we know, in this budget that is before the House, \$300 million over five years have been provided, of which a significant portion will fund a component for cancer specific activities in support of the Canadian strategy for cancer control.

Canadian Institutes of Health Research is also involved in research and provided \$94 million for cancer research in 2003-04. For 2004-05, cancer research programs benefited from \$93 million, in addition to \$12 million for cancer related Canada research chairs.

There has been a \$10 million one time grant for the 2005 budget for cancer research in recognition of the Terry Fox Marathon of Hope.

•(1055)

The Canadian breast cancer initiative will get \$4 million annually to support research, care and treatment, professional education, programs for early detection and access to information for women.

The Canadian Breast Cancer Research Alliance gets \$3 million annually to support high quality research on all aspects of disease.

Many other programs that are currently in place.

We are also fully engaged on a number of very worthwhile fronts with the Chronic Disease Prevention Alliance of Canada.

The Government of Canada is also investing intensively in research into the causes and potential treatments for various chronic conditions. In the area of diabetes, for instance, the Canadian Institutes of Health Research committed \$28 million in 2003-04 alone.

Since 1997, the Canada Foundation for Innovation has awarded another \$27 million to support diabetes research at universities and research hospitals, while six of Canada's research chairs specialize in this disease alone.

Mental health is often overlooked as a chronic disease, but it may be just as devastating and debilitating for Canadian families. In making mental health one of my own personal priorities, I recently appointed the Hon. Michael Wilson as a special adviser for mental health in the federal workplace. I have asked my cabinet colleagues to appoint a senior official within their ministries to help coordinate federal policies and activities in the area of mental health in our own workplace.

I think we can all agree that the range and depth of initiatives underscore the commitment of the Government of Canada to control the prevalence of chronic disease. However we also appreciate that there are compelling reasons to integrate our efforts, to build on our laudable progress and to create some powerful synergies. Indeed, that is the approach adopted in budget 2005 which builds on previous investments with another \$300 million over five years for the integrated strategy on healthy living and chronic disease. If I might add, this approach is supported by the 2004 accord on health care of the first ministers of September 2004.

The strategy will include a series of activities to promote healthy eating and encourage physical activity and healthy weight in order to help control chronic diseases. It also encompasses a series of complementary disease specific activities in the area of diabetes, cardiovascular disease and cancer, as I have indicated.

For example, funding for the Canadian diabetes strategy will rise from \$15 million to \$18 million a year. The aboriginal diabetes initiative will also be extended and enhanced. Its funding will rise to \$25 million in the first year and eventually up to \$55 million as part of a \$700 million aboriginal health package that was also agreed upon at the first ministers meeting in 2004.

The investment will support diabetes prevention and health promotion and improved treatment and surveillance.

I am confident that the integrated strategy on healthy living and chronic disease is the right way to go. It will result in better health for all Canadians and a more sustainable health care system down the road.

The reason for my confidence is that the strategy adopts an innovative approach comprising three interrelated pillars. First, it promotes health by addressing the conditions that lead to unhealthy eating, physical inactivity and unhealthy weight. I have been personally engaged in my own struggle with all of those issues and have been exercising almost every day for the last three months.

Second, the strategy seeks to prevent chronic disease through focused and integrated action on major chronic conditions and their risk factors.

Third, it will furnish us with platforms for early detection and management of chronic diseases.

We take a great deal of justifiable pride in the knowledge that Canadians are among the healthiest people in the world. They are served well by a health care system that is one of the best in the world. There is no question that health care system can be improved upon and that is what I suppose all of us across the country are engaged in.

Supply

●(1100)

A long, healthy life has become something of an expectation of living in a wealthy society and yet, ironically, there is a downside to longevity and prosperity. However that does not mean we need to lose ground when it comes to our enviable health status. What it means is that we need to focus on priorities. We need to recognize that chronic diseases pose a real and growing threat to our population.

We need to commit to action. We need to work together to address the underlying conditions that lead to chronic disease. We need to work in partnership, governments, health professionals, researchers, the non-profit sector, all those with a shared interest in maintaining a healthy population and a sustainable health care system. We need to work together in an integrated fashion tying together surveillance and monitoring, prevention and health promotion, knowledge sharing and best practices, and early detection and better disease management.

Those are the key elements of our integrated strategy on healthy living and chronic disease. I am confident that they will lead us down the right path toward better health for all Canadians.

Once again I applaud the hon. member opposite for his well placed concerns and for bringing this urgent matter to the floor of the House. While we are making progress on the path I just outlined, the motion is worth considering in the context of the direction we are taking.

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, I am disappointed, not necessarily for what the minister said but what he did not say. The minister did not tell us that the government will vote for the motion, which is to fully fund and implement the Canadian strategy for cancer control.

The minister has to understand that the non-profit organizations in the cancer community, the organizations to which he referred, are screaming that the government is not listening. What we heard at the press conference this morning and in their comments since then is that the government is not listening to the cancer community. If it were it would implement the strategy.

The lack of support from the government on the motion is further seen by the Public Health Agency of Canada abstaining just two weeks ago from supporting the five year fiscal plan of the council. I have been told that the minister made a commitment that the cancer control strategy would be fully funded in the last budget but, for some unknown reason, which perhaps the minister could explain, the funding was cut.

We also understand that federal officials are blaming other federal officials for cutting the budget but everybody knows it is a decision of the Prime Minister and his cabinet. Therefore the minister has to take responsibility for not fully funding and implementing the strategy.

The disease specific strategies have been proven throughout the world to be the way to go. Countries with similar democratic profiles as Canada, such as Australia and the U.K., have implemented such strategies. I will ask the minister for a simple yes or no answer. Will the government fully fund and implement the Canadian strategy for cancer control?

●(1105)

Hon. Ujjal Dosanjh: Mr. Speaker, the hon. member is fond of very simple answers.

Let me go back to the 2004 accord. The first ministers all agreed, based on advice they all received from their jurisdictions, that we should have an integrated healthy living and chronic disease strategy. That strategy will be funded with \$300 million additionally over the next five years, which means \$60 million additionally a year.

Obviously, money is never enough. One could always pour in a lot more money. We need to work on a whole host of issues, healthy living and dealing with common risk factors in the integrated disease strategy, and of course disease specific actions and projects that need to be dealt with. All of that has to be done together. We are working on that multi-pronged strategy.

I believe that if the member looked at that, he would be satisfied that we would deal with the issues that the NGOs or non-profit sector is asking for in terms of the stand-alone strategy. It was a decision made in the budget at that time. We want to make sure that we deal with the common risk factors in the chronic disease strategy in an integrated fashion aided by some of the disease specific initiatives that we are undertaking as well.

Mr. Jim Gouk (British Columbia Southern Interior, CPC): Mr. Speaker, it is ironic the minister would keep emphasizing the term "lead us down the path". It seems very apropos.

The war on cancer should not have to depend on the efforts of a heroic young man who lost his leg and eventually his life to cancer. It should depend on the government and on Parliament. The strategy of the Liberals reminds me of a brush fire where the responsible agency, in trying to save money, instead of sending the equipment and manpower necessary to put out that fire, sends one person with a small extinguisher. Eventually they lose control and lose a lot of forest land, jobs and taxes and create problems for the environment instead of doing the job right upfront.

I would be interested to know if the government has ever done a cost benefit analysis. For example, if it put in large sums of money, what benefit would it get in terms of savings to the health care system, lost wages, taxation and all the other things that come up?

In terms of what money is available, recently the government came out with a budget and said, "This is all we have", yet a few short weeks later, the Liberals managed to find another \$4.6 billion. I will not even go into whether or not the things they targeted with the additional money were really wonderful, but they had \$4.6 billion, presumably, to make this commitment. If they took a large part of that and instead of talking about putting hundreds of millions of dollars or even a few million, and I think the minister said an additional \$60 million, the figures I have seen lead me to believe that if we would invest hundreds of millions, we would save in the long run hundreds of billions.

Supply

Has a cost strategy analysis every been done? If so, why does the government not take a serious look at making a genuine commitment to a real war on the health problems of the citizens of this country and deal with it once and for all for net saving and also for quality of life?

• (1110)

Hon. Ujjal Dosanjh: Mr. Speaker, there is no question that chronic diseases, as I indicated in my remarks, cost us approximately \$70 billion a year. That may include the productivity cost as well.

It is important to recognize that stand-alone strategies are not necessarily the best way to deal with this issue. There was agreement on that issue among the first ministers because there is emphasis in that accord on an integrated chronic disease strategy. I understand there is some consensus among professionals who deal with these issues that many of these diseases, including cancer, share common risk factors. Therefore, it is important for us to have an integrated disease strategy and an integrated response to several of these diseases all at the same time, as I said, aided and complemented by disease specific initiatives that we need to deal with. It is important.

There is no question that public health generally needs to be promoted across the country rather than remedial action. We need to make sure that we promote healthy living. Part of this strategy would be the education, awareness and promotion of healthy living.

I am personally engaged in trying to live healthy. I have been at the gym at the Confederation Building almost every day for the past three months. It is important that each one of us engage in that.

Mr. Jim Gouk: I would rather you stay inside and sign some cheques.

Hon. Ujjal Dosanjh: Mr. Speaker, I do not know why the member opposite is so upset at my mention of the fact that I am engaged in a personal struggle on these issues. It is important that all Canadians participate. That is why we want to have a Canadian healthy living and chronic disease strategy.

Mr. Peter Stoffer: Mr. Speaker, I rise on a point of order. There have been discussions among the parties and I believe if you seek it, you would find unanimous consent in the House to allow me to move the following friendly amendment to the motion we are now considering. The amendment reads, "That after the word 'provinces', the words 'territories and municipalities' be added".

[*Translation*]

Mr. Réal Ménard: Mr. Speaker, I rise on a point of order. Contrary to what our colleague from the NDP is suggesting, there is no agreement between the parties, since the Bloc Québécois is not in favour of this amendment.

[*English*]

Mr. Peter Stoffer: Mr. Speaker, not to get into a debate on this, but I have spoken to the Bloc Québécois. That party did give its consent.

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): There is no consent.

We are moving on with questions and comments. The hon. member for Hochelaga.

[*Translation*]

Mr. Réal Ménard (Hochelaga, BQ): Mr. Speaker, I know that time is running out. I simply want to ask the minister a question. Later my colleague from Laval will have the chance to explain why we are not in favour of this proposal by the Conservatives.

Is the root of the problem not a problem in and of itself? The situation would perhaps be less problematic in a much more functional political system than the one we have had for the past few years. The federal government has the resources but the provinces have great needs, in health especially. Health is the most inflationary item for any government.

From 1994 to 1999, the government unilaterally and substantially cut transfer payments. To achieve the objectives being proposed by our Conservative colleagues, would it not be easier to considerably increase the transfer payments and allow the provinces to define their own strategies for fighting cancer and preventing mental illness and heart disease?

• (1115)

[*English*]

Hon. Ujjal Dosanjh: Mr. Speaker, we did just that last September. We added an additional \$42 billion over the next 10 years to those transfer payments. Now, with that money going to the provinces, the amount of money being provided far exceeds the recommendations made by the Hon. Roy Romanow in his report.

I believe that in addition to providing more transfers, we have an obligation in terms of education and awareness on prevention and promotion of public health across the country. The \$300 million integrated disease strategy and healthy living strategy is part of that compliance with respect to our own obligations to Canadians.

[*Translation*]

Mr. Réal Ménard (Hochelaga, BQ): Mr. Speaker, I am pleased to speak on this official opposition day.

First, I want to pay tribute to volunteers in communities throughout Quebec and English Canada who help those afflicted by cancer, mental illness or cardiovascular disease. Often, caregivers are the ones making such commitments, and this demonstrates tremendous solidarity within our communities.

I will try to make my remarks as detailed as possible. I would not want to give the impression that mental health, cancer and cardiovascular disease are unimportant to the Bloc Québécois.

In the near future, one in five Canadians will likely develop a mental health problem. Obviously, the seriousness of these problems can vary; nonetheless, one in five individuals is at risk.

Currently, every eight minutes, a Canadian is diagnosed with cancer—be it breast cancer, colon cancer or another cancer. It is quite scary and a cause for concern, but that is the reality.

Cardiovascular disease is, clearly, also a problem. If every MP who has lost a loved one to cardiovascular disease raised their hand, there would be a big show of hands. I am certain that most of us know someone who has died from this disease.

However, I believe that our Conservative friends used faulty logic to identify this problem. I respectfully submit that what the Conservatives are proposing will not allow us to truly resolve the real problems.

First, I want to re-read the motion for those just tuning in. Then, I will explain why the Bloc Québécois will not be able to support this motion. This motion has been moved by the member for Charleswood—St. James—Assiniboia, my colleague, the Conservative health critic, an MP from Manitoba, a monarchist and a fascinating fellow. That is how I tend to describe him.

It reads:

That, given a national strategy is needed now to reduce the growing human and economic costs of cancer, heart disease and mental illness; the House call on the government to fully fund and implement the Canadian Strategy for Cancer Control in collaboration with the provinces and all stakeholders, and given that Canada is one of the few developed countries without a national action plan for effectively addressing mental illness and heart disease, the government should immediately develop and initiate a comprehensive national strategy on mental illness, mental health and heart disease.

I must begin by saying that the motion is certainly well-meant. We do, of course, live in a time when chronic diseases are wreaking havoc in terms of productivity and morbidity. I cannot, however, resist pointing out that the word “national” appears four times in the 10-line motion. When the member for Charleswood—St. James—Assiniboia uses that term, he is, of course, referring to Canada. One might therefore legitimately ask the following question. Does the type of strategy the member is calling for have to be driven from Ottawa?

• (1120)

I think there is no doubt in the minds of the Bloc Québécois that this strategy cannot be federally driven.

If our colleague had proposed increasing transfer payments and encouraging the provinces to set aside funds for cancer, mental illness and, of course, the whole area of cardiovascular disease, the Bloc Québécois would obviously have been a staunch supporter of this motion. I believe, however, that it must be acknowledged that such is not the case.

I had the pleasure earlier of an impromptu conversation with spokespersons for the Canadian Strategy for Cancer Control and the Canadian Mental Health Association. What they had to say was a bit different.

If the intended objective had been to create a co-ordinating point where representatives of all provinces and territories could sit around the same table and exchange information on diagnostic tools, preventive approaches and available therapies, then the Bloc Québécois could not be opposed, out of good common sense and

Supply

a degree of generosity. That is, however, not what we are dealing with here; this is about implementation of a national strategy.

It is really about giving the federal government a bigger role in health. In any case, the motion before us cannot be isolated from the national issue. This is really the main point the Bloc Québécois is making. One cannot claim, on the one hand, to respect the prerogatives of the provinces, and on the other, ask the federal government to have a national strategy. They are irreconcilable. There is a kind of paradox or contradiction.

I know that the Conservatives like to say that they support provincial rights in the 19th century tradition and want to respect the jurisdictions of the provinces. I only wish I could believe them. But reading the motion before us, I can hardly believe that this is a sign or demonstration of a desire to respect the provinces and their jurisdictions.

That is the general background that leads us to vote against this motion. I would like to tell you about a little experience I had a few years ago. I am obviously not 20 years old any more. I have been in this House since 1993 and have been health critic since 1999. In fact I think that I am the dean of the health critics. I do not think that anyone in the other parties has been on the Standing Committee on Health longer than I have.

I do not claim to be the incarnation of stability within the Bloc Québécois during what are shaping up to be some interesting times. But that is another debate, and we do not want to get off track.

This being said, a few years ago the Health Minister at the time, Allan Rock—the member for Etobicoke Centre, which whom you yourself sat, Mr. Speaker—was appointed, in a non-partisan gesture by the Government of Canada, to be the Canadian representative to the UN. You will remember him. Allan Rock was a lawyer, not a bad person, and he appeared before the Standing Committee on Health. At that time, Mr. Charbonneau, the member for Anjou—Rivière-des-Prairies—a riding that has now been renamed Honoré-Mercier — was appointed to UNESCO by the government in another non-partisan gesture. Mr. Charbonneau was the parliamentary secretary to the Health Minister—Mr. Rock at the time — and he had asked the Standing Committee on Health to study the whole issue of mental illness.

It is obvious that these illnesses are a major problem and will even be one of our most important concerns over the next few years. If it is true that one in five of our fellow citizens will have mental health problems over the next few years, ranging from slight depression to more serious illnesses, this is obviously something that we need to be concerned about.

• (1125)

So I was opposed to the motion.

The Standing Committee on Health began its work and heard witnesses from Health Canada. Are members aware how many Health Canada officials could talk to us about the department's mental health initiatives? In all, in a full committee, there were three officials who had the expertise and who had done full-time research into mental health.

Supply

Why am I saying this? It is not because the officials were not competent or not doing their job to the best of their ability. However, do they seriously think that the federal government, which does not have responsibility in this, can be a motive force in connection with problems as serious as mental illness, heart disease or cancer?

Those who provide care, make the diagnoses, are familiar with drug therapies and are working on detection technologies in hospitals are all part of a strategy.

It is fine with me to talk about strategy, but what is this strategy about? A strategy has to include prevention first off. Prevention has to do with the factors affecting health, including the environment, food, physical activity, recreation and stress management. The responses to all these variables are to be found in provincial jurisdictions.

A national strategy, if there has to be one, begins with prevention. None of the major factors in prevention is connected with an area of federal jurisdiction.

Diagnosis follows prevention. From a sampling of the population, those in whom the three diseases I referred to are either active or dormant have to be identified. But who is responsible for prevention? First, a CLSC, then a long term care centre, an emergency room or a hospital. How can the federal government be useful in prevention or detection?

Further along in the strategy, after prevention and detection, comes cure. If care is required, where can it be obtained? In a hospital, of course. How is this care provided? It is provided by health care professionals. Who accredits the health professionals through the professional bodies? The provinces. Who makes the medication available? I will come back later on to the federal government's strategy to create a national drug formulary. Formularies exist already for available therapies.

The Quebec government and the official opposition are considering this issue. I want to take a few moments to wish best of luck to Louise Harel, the MNA for Hochelaga-Maisonneuve, now leader of the opposition in the National Assembly. She is the first woman occupy this position. I do not want to get off topic, but I mention Ms. Harel because she is the PQ's health critic. The National Assembly's social affairs commission is currently considering a drug policy. However, who decides what medications to include on the formulary? Certainly not the federal government.

So we see the subtle inconsistency from which the Conservatives are unfortunately—and temporarily, I hope—suffering. They are intimating that the House could implement a national strategy. However, none of the major components of such a strategy, from prevention to detection, from therapies to hospitalization, gives us reason to believe that the federal government could make a difference here.

• (1130)

The best thing the federal government could do would be to increase the transfer payments.

Earlier, the Minister of Health—I was going to record him, but I understand this could bring him bad luck—said that, over the next 10 years, federal funding will increase to \$42 billion. Bravo! We are not

afraid of saluting this initiative. The more money there is for health care, the better for everyone. However, even with this investment, the federal contribution to the health care system is less than 25%.

I want to remind everyone that, no matter what their political stripe—and there have been Conservatives, New Democrats, sovereignists and Liberals—whenever all the premiers have met, since 2001, they have called for the federal contribution to health care to reach 25%.

Such is the insidious nature of Canadian federalism. Every government uses themes to promote nation building. Health is a top priority for our constituents. Naturally, it is on everyone's mind. These days, we cannot simply talk about old age, we have to talk about very old age. It is no longer unusual in our communities to meet people who are 80 or 85 or 90 years old who are seem younger. They are in great shape and active in their community.

We have examples in our own caucus, such as the member for Champlain. He is a senior, but an extremely dynamic man, who is energetic and in good health. Why? Because he watches what he eats, he avoids excesses and he manages his stress level. That is the secret of getting to old age, Mr. Speaker.

In short, we cannot support the Conservative motion, even if it is well intentioned. We are of course concerned about the whole issue of chronic disease. And, yes, cancer, mental illness and cardiovascular disease are prevention, research and treatment priorities. These areas were identified in the 2004 agreement. However, we do not think the federal government should be the motive force.

I remind you that, in recent years, the federal government has been using health for nation building. What is the federal government's inspiration? Not just that. I have to say, with regret, in this regard that my NDP colleagues, so progressive in other areas, have latched on to the federal government and the Romanow report. What is the federal government's bible? It is the Romanow report. What does the report recommend? It is as plain as day. The report advocates putting an end to ten health care systems and having only one.

It is even true that the report has pushed audacity to the new height of calling for a single drug recognition system with one formulary for all of Canada. Is that not insidious?

In closing, because I see my time is running out, I say that we cannot support the Conservative motion. We ask them to take the logic of respect for the provinces to its conclusion and not ask the federal government to take the lead with a national strategy, when it is not the competent player to do so.

Supply

• (1135)

[*English*]

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, from one health critic to the other, I am not sure whether the member took a breath during his speech and I must say that air is good for people and he should use it. The member may have misunderstood what is happening here.

This national strategy, particularly the cancer strategy, is not a Conservative Party document. This document has been put together by all the major stakeholders in the cancer community, including members from Quebec. The strategy brings together expert advice. It is an arm's length council of experts. It allows provinces to opt in and opt out as the case may be, and it respects the autonomy of provincial governments in health care delivery. It focuses on outcomes and results and is managed, in most cases, locally.

The strategy is not a program out of Ottawa and will not be run by the federal government. We are asking the federal government to provide the money for the program but that the stakeholders, the people, the council would implement it. It is quite different from what the member has described.

It is a small “n” national strategy. The fact is that we are in this together. We share a lot of the same challenges. The fact that the member is in the House today indicates that there are many common concerns between people who live in Quebec, Ontario, Manitoba or Alberta and cancer is one of them.

The point I am making is that the federal government will not really be involved in the strategy other than in the funding of it. The bureaucracy has shown that it is unable to implement a national strategy. The fact is the Liberal government has shown contempt for the stakeholders in the cancer community by rejecting the strategy.

I wonder if the member would reconsider given that the strategy would be arm's length, that there would be provincial autonomy and that it would be for the greater good. This strategy will save lives, the lives of his constituents, the people who vote for him. I am sure he does not want to lose his voters.

I would ask the member to please reconsider and help us implement the strategy because it will help everyone.

• (1140)

[*Translation*]

Mr. Réal Ménard: Mr. Speaker, I thank my colleague for his question. I can reassure him that I am not in any danger of running out of air; I am fine. My health is good. I thank him for his concern.

Words do have meaning, however. The motion can be amended if he likes. It refers to “a national strategy to reduce the growing human...costs” and calls upon the government to “fully fund and implement”, adding “with... all stakeholders”. As the motion is worded, the initial principle is that the leadership and implementation of this strategy would come primarily from the federal government. This I think must be acknowledged.

Our colleague says the provinces will be the ones responsible for running the whole thing. The motion can be amended to indicate that. If the motion called upon the federal government to restore transfer payments so that the provinces, exercising their own

jurisdiction, could develop strategies on cancer, mental illness and heart disease, then we would have been in favour.

I would like to ask our colleague whether he obtained the support of the National Assembly. I do not think the Jean Charest government, the Parti Québécois or the ADQ would support such a motion. As an MP from Quebec, I consider myself the spokesperson for the consensus in the National Assembly. I call for full respect of jurisdictions, particularly the sacrosanct ones, such as education and health. I would be extremely surprised if the National Assembly would give its support to anything worded in this way.

[*English*]

Mr. James Lunney (Nanaimo—Alberni, CPC): Mr. Speaker, I know members on this side find it disappointing that our colleagues from the Bloc are not willing to support this initiative for a national cancer strategy.

I want to ask the member a question in another direction. He mentioned the former minister of health, Alan Rock, and the parliamentary secretary of the day, Mr. Charbonneau, who introduced a motion at the time to look at mental illness. That is a subject that a lot of us are concerned about and we are talking about that as part of a national strategy.

The member, who is a longstanding member of the health committee, is aware that the health committee has a bill before it right now dealing with the way we regulate natural health products. I know a lot of Canadians who are having trouble understanding Health Canada's response to an initiative that came out of Alberta showing great promise in treating people with mental illness, a vitamin and mineral product called Empowerplus.

It was showing such promise that four peer review studies were published. The Alberta government put over half a million dollars into that study. People were being relieved particularly from bi-polar disease when Health Canada authorities moved in to shut down the study at the University of Calgary that was producing the evidence of effectiveness.

The RCMP were sent in to raid this little company in Raymond, Alberta, steal its computers and contact 3,000 Canadians who were benefiting from the product and who had actually recovered their mental health. Those people were told to get back on their psychiatric drugs under the care of their doctors and to have proper psychiatric management when in fact they were actually doing very well, many of them with the support of their doctors.

Whether it is mental health with Empowerplus or whether it is heart disease and folic acid, which we now know is one of the main defence mechanisms against one of the highest risk factors in heart disease, the homocysteine which damages the lining of the vessels, and yet because of the antiquated sections in the Food and Drugs Act, subsections 3(1) and 3(2), and parts of schedule A, we are not allowed to tell Canadians about the benefits of simple, non-patentable, low risk products that would help them lower the risk.

Supply

In establishing a national strategy would the member agree that it is important that we look at all possible avenues of advancing health and prevention and in promoting wellness in any strategy to promote national wellness in these areas?

• (1145)

[*Translation*]

Mr. Réal Ménard (Hochelaga, BQ): Mr. Speaker, I agree with our colleague that in the range of options available to consumers, there are some natural products that can be very beneficial. However, with all due respect, there were a few problems with the wording of the bill.

Nevertheless, let us use this as an example. For several months, we considered the bill of another colleague—not the bill on natural food products and natural health products—on fetal alcohol syndrome. We had the same reaction.

At the committee table, people called for a national strategy for fetal alcohol syndrome. When we looked at the elements of this strategy, we realized that the responsibility and expertise of the federal government hardly went beyond information.

They printed off pamphlets and sent them to various professional bodies. These pamphlets contained information on preventing the syndrome. However, beyond that, when you go to a doctor's office for a prescription or a healing strategy, the federal government cannot help.

I think it is no different for fetal alcohol syndrome than it is for mental illness, cardiovascular disease or cancer. The federal government might be able to invite people to come to the table to exchange information, but we do not need a national strategy for that.

The best system and the best service the federal government could provide is to increase transfer payments, just as all the provinces have been asking it to do for almost 10 years.

[*English*]

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Speaker, the NDP will be supporting the motion and I thank the member for Charleswood St. James—Assiniboia for bringing it to the attention of the House and for some very vigorous debate around an issue that is very important to Canadians.

I will not read the whole motion but I will read the last part which states:

—the government should immediately develop and initiate a comprehensive national strategy on mental illness, mental health and heart disease.

Earlier in the motion it talks about the need for a national strategy on cancer.

The member referred to the coalition of a number of organizations that have been working very actively and very vigorously for a number of years on this very initiative. In a document entitled *Establishing the Framework for a Comprehensive Canadian Strategy for Cancer Control*, it lays out a number of factors that are critical in looking at a national strategy. These include prevention, screening, diagnosis, treatment, supportive care and palliative care.

I know a number of other members will be talking about various aspects of this national strategy but I would like to focus on prevention and wellness.

In the document it is stated:

True cancer control aspires not only to treat and hopefully cure the disease, but to prevent it, and to increase the survival rates and quality of life among those who develop it. The process encompasses interventions aimed at both individuals and populations.

This is a very critical statement in this document.

After looking at this initiative and after speaking with a number of advocates in the cancer community, one of the things that dismayed me was that this conversation has been going on for years and years. In 2005 one would hope that we would not be in the position of having to spend an entire day of members' time talking about this very important issue and instead we should be talking about the success of a national cancer strategy.

In preparation for the debate today I pulled out a document called *Cancer Care in Canada*, the voice of the Cancer Advocacy Coalition of Canada. I talked earlier about being dismayed. The coalition produced a report called report card 2003. One of the lead in statements in the report card says:

Since the year 2000, the Cancer Advocacy Coalition of Canada...has been asking for hard facts on the issues that matter most to the country's cancer patients. Year by year, our mantra has been, "We cannot manage what we cannot measure.

This group did a report card on the provinces throughout Canada. It looked at a number of measures: mortality, which provided rankings for the provinces; 2002 waiting times; per capita funding; rates of funding increases; and transparency and accountability.

When we take a look at a factor such as waiting times, we are looking at a range that goes from unacceptable, borderline, to acceptable. Throughout the provinces we have no consistent way of looking at waiting times, of gathering the information or of reporting the information back to Canadians. What the organization pointed out in this document was that often we were talking about apples and oranges.

My favourite topics are transparency and accountability both at the federal level on how federal dollars are spent on health care, but also at the provincial levels in how they report back to the federal government on how dollars are spent.

The analysis on how provinces reported out information went from unacceptable to borderline to accessible, to actually one case of outstanding. It talked about the fact that the transparency and accountability in the province of Ontario was outstanding. Unfortunately, in my own province of British Columbia it was merely acceptable.

One of the challenges we have when we are talking about cancer control and prevention is that often we do not know what we are measuring, we do not know how to gather the information and we have no consistent framework to talk about this.

•(1150)

Before I go on to talk about prevention and wellness, my good friend from the Bloc referenced the Romanow report and implied that the federal government had actually been working progressively on the Romanow report. I must beg to differ.

The federal government has talked about the fact that it has closed the Romanow gap by allocating some funds over the next 10 years to health care. The only Romanow gap that it has closed is by making a commitment to funding, but when we talk about many of the other initiatives that were addressed in the Romanow report, we are talking about inertia and inattention.

The final report from the commission on the future of health care in Canada specifically talked about prevention and wellness and this is a very good context in which we can speak about the cancer prevention strategy. One of the things the report talked about was anticipating an aging population. We know that age is a factor when we talk about cancer. The demographic trends show that the proportion of Canadians 60 years and older is expected to grow from 17% to 28.5% by the year 2031.

When we talk about the need for a national strategy, the fact is that not only are we seeing cancers identified in people under the age of 60, but we have a very serious demographic bulge that is going to happen over the next few years. If we are not out in front in developing a strategy to address this, it is going to present some serious challenges for our medical system.

The Romanow report goes on to say that much of the international evidence indicated that modest growth in economics should ensure that most countries are able to manage the growth in their elderly populations and increase health care spending in the future. It is worth remembering that there are countries which already have larger elderly populations than Canada, spend significantly less, and achieve similar health outcomes in comparison to Canada.

Romanow also addressed the issues of needs and sustainability. He talked about the fact that Canada's health outcomes compare favourably with other countries. Evidence suggests we are doing a good job of addressing factors that affect the overall health of Canadians. There are, however, areas where there is room for improvement and there are serious disparities in both access to health care and health outcomes in some parts of Canada.

Clearly, more needs to be done to reduce these disparities and address a number of factors that affect the health of Canadians, such as tobacco use, obesity and inactivity. In a few moments I am going to talk a bit more about those determinants of health.

Romanow made some very specific recommendations to strengthen the role of prevention. Recommendation 22 stated:

Prevention of illness and injury, and promotion of good health should be strengthened with the initial objective of making Canada a world leader in reducing tobacco use and obesity

Recommendation 23 stated:

All governments should adopt and implement the strategy developed by the Federal, Provincial and Territorial Ministers Responsible for Sport, Recreation and Fitness to improve physical activity in Canada.

Supply

When we talk about promoting good health, we know that many of the factors that lead people into acute care systems and requiring treatment for cancer are directly related to other factors such as lifestyle. In the report Romanow talked about the fact that over 90% of lung cancer deaths and 30% of all other cancer deaths could be prevented in a tobacco free society. Those numbers are from Statistics Canada. They are not made up, pie in the sky numbers.

We are certainly taking steps and I applaud many of the non-profit groups, like Physicians for a Smoke-Free Canada, on their vigorous pursuit of making Canada a tobacco free society. Clearly, there are many issues in prevention that need to be incorporated in the pan-Canadian strategy. I must add that the coalition has advocated for that.

He goes on to say that the impact of determinants of health and lifestyle choices is well known to government and health organizations. Unfortunately, the key problem lies in turning the understanding into concrete actions that impact on individual Canadians and communities. That has been a huge challenge in seeing that translation from talk into action.

•(1155)

Canadians are losing an appetite for more reports. Canadians are losing an appetite for more promises that do not actually result in concrete action.

There are more facts about smoking and again these are addressing the leading major causes of health problems. The Romanow report said:

Estimates are that smoking costs our economy more than \$16 billion each year, including \$2.4 billion in health care costs and \$13.6 billion due to lost productivity through sick days and early death.

Surely if we developed a national strategy, we would be talking about these factors and incorporating these into these factors.

I am going to come back to the coalition specifically because it has done some good work on developing a cancer prevention system for Canada. A report was produced by the Canadian Strategy for Cancer Control: Prevention Working Group in January 2002 . It outlined some important principles regarding a cancer prevention system for Canada. I want to talk about some of the principles that it outlined because these would be important factors to include in a national strategy. It stated:

A cancer prevention system should embody the following principles:

Supply

1. Population-Based Public Health Approach that takes into consideration the Determinants of Health

The risk factors for cancer are widespread and have an early onset. Public health is our best vehicle for reaching healthy people in their communities with interventions designed to decrease these risk factors.

2. Integrated and Coordinated

The risk factors for cancer are common to many other major non-communicable diseases. Collaborative action is cost effective and increases the opportunities for learning. There are many stakeholder organizations in cancer control and coordination among them is needed to enhance effectiveness and create synergy.

3. Focus on Community Capacity Building with Strong Linkages

The most promising interventions have multiple interventions in multiple settings at the community level with supportive action at provincial and national levels.

4. Accountability

Funding is needed to bring partners to the table but this must be done in a responsible way that requires participants to meet the performance of set standards in order to receive funding. Standardized data collection is needed to measure the impact that activities are having on established short-term goals.

5. Sustainability

It will take time and committed effort to establish a system. An implementation body with clear responsibilities and adequate resources is needed to provide strong leadership.

These are critical principles to guide the development of this national strategy. They have been developed by pan-Canadian consultation and by not only health care providers and practitioners but by advocates in the cancer community. These five key principles would go a long way to addressing many of the things that need to be addressed at the community level, for example.

We know that many of these strategies and ideas come out at the national level and are developed at the provincial level, but the impact is felt at the community level. I was pleased to see that part of the principles in this strategy focus on community capacity building because it is there that we need to develop our strength.

There is one other element in this document that is really important. Under the case for a cancer prevention system, it lays out the fact that:

Estimates range but most experts agree that at least 50% of cancer cases and deaths can be prevented through healthier lifestyle choices. These include: reducing exposure to tobacco, a diet that is high in vegetable and fruit consumption, protection from overexposure to the sun, adequate physical activity to maintain a healthy body weight, and reducing environmental/occupational exposure to carcinogens.

When we hear this kind of information coming out of prevention that says 50% of cancer deaths and cancer cases could be prevented by paying attention to some of this front-end information, it makes me wonder, in this day and age, why we have not addressed these factors.

I talked a little bit about tobacco earlier, but this document also focuses on tobacco because it is one of the contributors.

• (1200)

I talked a little bit about tobacco earlier, but this document also focused on tobacco because it was one of the contributors. It said that simply educating people about a healthier lifestyle was not enough to effect change. It is not adequate to educate children in school about the hazards of tobacco if they go home and their parents are smoking, or they go to their local sports facility and public smoking is tolerated, or if the price of cigarettes is too low to discourage uptake. The social environment, including public policy, needs to support healthy choices.

Clearly, many good minds have come together to talk about the fact that we need to not only look at treatment, and it is very much a part of this cancer strategy, but we must look at prevention. We must look at lifestyle factors. We must concentrate on educating Canadians and health care providers and practitioners about the necessary factor of prevention.

I am going to shift gears a bit here, from talking specifically about prevention, to talk about some of the challenges that we have when we talk about information systems that would support a national strategy. Although this is broader than the cancer strategy, there was an interim report put together called “No more time to wait—Toward benchmarks and best practices in wait time management” by Wait Time Alliance for timely access to Health Care. Of course, when we are talking about timely access to health care, we are talking about people who have cancer as well as a number of other issues that bring them into the health care system.

The report talks about principles for medically acceptable wait time benchmarks. One of the challenges that we have come across as we look at many of these issues is that we do not do an adequate job of gathering information. We do not do an adequate job of analyzing the information that we do gather and we are often talking about factors that are not gathered in the same way from coast to coast to coast, so we cannot even do comparative studies across the country.

When we talked many months ago about Bill C-39, we talked about accountability in the health care system. One of the critical factors of accountability is that we must have information. When we are talking about programs and services, we talk about what we measure. Well, if we do not even know what we are measuring, how do we know what we are getting? The report talks about medically acceptable wait time benchmarks and I am going to paraphrase from the report.

It talks about the fact that benchmarks need to be pan-Canadian in approach, so that we avoid things like duplication of effort. We want to maximize economies of scale. It talks about the fact that wait time benchmarks need to be derived from an ongoing process. Life is not static in Canada, so it needs to be an ongoing process in order to review the benchmarks and talk about their significance.

There needs to be ongoing and meaningful input of the practice in community and many of us talk about the fact that we all do the statistics around policy. It is great to have policy developed in Ottawa, but we need the ongoing community practitioners and the community residents to be involved in these kinds of initiatives. Public accountability and transparency are exceedingly important and I am going to read this part:

—Canadians must see tangible results in terms of reduced waiting times for health services in the 5 priority areas.

We keep talking about accountability and transparency. Yet, we continue to see an opaque veil drawn over the operations in Health Canada and other government departments as was demonstrated a couple of weeks ago by journalists across Canada about accessing information. Transparency and accountability are fundamental to ensuring that we are getting what we want out of the money that we are spending. Wait time benchmarks and provincial targets to reduce wait times must be sustainable.

Mental health is a critical issue and in the statement of issues that the Mental Health Association put together, it talked about things like affordable housing.

In conclusion, we support this motion before the House and I urge all members to support it. I have an amendment to the motion that I would like to put forward. Following consultation with my colleague, the member for Charleswood—St. James—Assiniboia, I move:

That after the word “provinces” the words “territories and municipalities” be added.

•(1205)

The Acting Speaker (Mr. Marcel Proulx): Does the member for Charleswood—St. James—Assiniboia accept the amendment?

Mr. Steven Fletcher: I agree.

The Acting Speaker (Mr. Marcel Proulx): Questions and comments.

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, I would like to thank the NDP for its support of this motion.

Earlier today we heard the Minister of Health say that disease specific strategies were not the way to go, yet the government does have a disease specific strategy when it comes to diabetes. Also, it has been demonstrated throughout the developed world that disease specific strategies are very important. The minister also talked about the \$300 million for chronic disease, of which \$90 million is already designated for another specific disease, so that leaves only a small pittance for this strategy.

I wonder if the NDP member could share with the House why she believes that the Liberals seem to dodge this issue and why they have not implemented this strategy. Quite frankly, it is a great strategy. The work is already done. It just needs to be implemented. The Liberals have had many years to do it and they have not, and they make claims, as we have heard this morning, that are simply not true.

Could the member share with the House why she thinks the Liberals are not straightforward with Canadians on these national strategies?

Ms. Jean Crowder: Mr. Speaker, the member's question does get right to the heart of the issue.

It is interesting when we are talking about a disease specific strategy to focus on what this strategy would actually do, particularly when we are looking at the prevention aspect. I will focus on prevention again and say that it is very difficult to see how a comprehensive, disease specific strategy dealing with particular lifestyle factors would actually not benefit us in regard to a number of other diseases.

Supply

If we could find a way to make this particular disease specific strategy a leader in Canada, I would suggest that we would be probably be able to impact on a number of other factors. Not only would it end up saving costs in the health care system and benefiting us around economic productivity, but we could become a national leader in developing strategies, research and other tools for dealing with this strategy.

Why are we not there? That is a very good question. Over the last several months, we have heard a number of times about how good work has been done on any number of issues, and certainly the cancer prevention strategy is a very good example of significant amounts of work that have been done. We have seen this in other areas such as employment equity and violence against women, where we have the studies and the reports and we have done the consultation. What is lacking is the political will and a commitment to moving some of these initiatives forward.

Many people are becoming quite cynical about hearing things announced in budgets and throne speeches yet not actually seeing any real action as a result. This would be a chance to have some real action.

•(1210)

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, contrary to what the member for Charleswood St. James—Assiniboia earlier said in inviting me to change my position on this, I do not know that he has to because I do not know if I oppose his position.

I think this is the ideal type of debate that the House should have. I thank the member for her comments and her speech. I think we can have different opinions or different ways of looking at how we achieve the same thing, have a good debate on it, bring forward different ideas that feed the process, and hopefully come to a good resolution.

Let me ask the member about this. Let us look at the question of the integrated strategy, the \$300 million on healthy living and chronic disease prevention, which seem to be the common points that lead to the three specific diseases that the member's motion refers to, those being cancer, cardiopulmonary disease, and mental health, to a different extent. It also touches on a lot of other diseases that we often deal with. Whether it is diabetes or questions of vision, hearing, juvenile diabetes, MS, MD, and many more, they need a lot of research money.

If we have disease specific strategies and we know that we are competing with limited funds, do we risk in certain instances, for example, repetitive work being done in all of these individual strategies rather than being done on a common point? Or do we risk having limited resources available through competitive funding, like the Canadian Institutes of Health Research, for diseases that might not get as much attention in the media or might not get our attention at all, but where we have a possibility of coming to resolutions on some cures or better treatments with proper research funded on a competitive peer-reviewed basis, as is done in CIHR and its institutes? They of course include cancer, cardiac disease and all of those others.

Supply

Once again, I thank the member for her points and I ask her those specific questions.

Ms. Jean Crowder: Mr. Speaker, this is the case of the cart or the horse and which comes first. We have had so much talk over a number of years about developing an integrated strategy and about issues around public health and how important they are for Canadians, yet we are not really seeing the results.

Therefore, why not go with a disease specific strategy that actually can provide a framework for dealing with some of the other issues facing our health care system? An innovative strategy could benefit other disease specific strategies like diabetes or mental health. That kind of framework could demonstrate that leadership. There could be synergies as a result of developing a specific strategy; we could see some spinoffs in the health care system that would be of benefit to us.

I spoke earlier about innovative research and economic development. Perhaps we need a model that would help us work through some of these other issues.

• (1215)

[*Translation*]

Hon. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I support the main motion and the amendment. However, I do want to raise another point. We cannot conclude today's debate without talking what I consider to be a major problem in western society: being overweight.

Being overweight is a very important determinant of cardiovascular disease and some cancers too. However, it is not a determining factor in other diseases. We know there is a link between the rates of cancer—such as prostate cancer—in men and being overweight. This is not always the case, of course, and I am not claiming otherwise. Whatever the case may be, there is a direct link between being overweight and diabetes, although not juvenile diabetes.

In my opinion, any debate on health must consider the problems associated with being overweight or obese, a problem afflicting western nations, particularly Canada. We eat a lot of fast food. This issue deserves consideration.

I invite my colleague to respond to the following proposal. In the past, advertising campaigns, particularly the ones from ParticipAction, encouraged Canadians to be physically active. To some degree, we have turned our attention elsewhere lately. I think we need to focus on this again. The health of Canadians depends on it.

[*English*]

Ms. Jean Crowder: Mr. Speaker, if we are going to talk about obesity and weight control, it seems timely to remind members that the NDP brought forward the motion on trans fats, which is one factor in dealing with things like diet.

I would agree with the member that this is a critical factor. I ran out of time so I was not able to talk about the social determinants of health in a broader way, but we need to deal with some of these lifestyle factors that are contributing to ill health in Canadians, not just around cancer but, as the member rightly pointed out, around diabetes, although not juvenile diabetes.

When we are talking about programs like Participaction, what a strategy allows us to do is develop a vision and the specific goals underneath that vision and then make sure that whatever we are doing comes back against that vision and those goals.

We would need a comprehensive 360 degree look at what would be included in that kind of strategy. Things like Participaction and other healthy lifestyle initiatives would be part of that strategy, and we must make sure that everything else we are doing is supporting those kinds of initiatives.

Mrs. Lynne Yelich (Blackstrap, CPC): Mr. Speaker, I will be sharing my time with my colleague from Hastings.

“You have cancer”. Those are three simple words in the English language that no one wants to hear. Those are three simple words that have often, too often, altered the course of the lives of numerous Canadians and turned them upside down. Those three words too frequently have devastating consequences and are the equivalent to a death sentence.

The words evoke for many such an overpowering and paralyzing fear that people are often unable to utter the words. In the next 20 years it is estimated that 1.45 million Canadians will hear those words. One of those people could be a spouse, a parent, a sibling, a best friend or a child.

Cancer knows no prejudice. Cancer knows no boundaries of religion, ethnicity or language. Cancer knows no boundaries of size or shape. Age and gender does not matter. Social status and financial income does not matter. It can affect anyone. Everyone is frightened by those three words.

For all the ramifications that those three simple words have on one's physical health, it is paralleled by the destruction it wreaks on the mental health of individuals. The moment people learn they or a loved one has been diagnosed with cancer is indelibly etched in their lasting memories. Those affected are never the same once they hear those three simple words. The time and relationships we have with those around us have new meaning. We mull over questions that, up until that point, rarely entered our mind. People do not really ponder the essence of their existence as during the period when it could potentially end.

After being diagnosed, for many the aggressive treatments that will likely follow—radiation, chemotherapy or surgery—only serve as additional anguish. The assortment of side effects that result from these treatments—fever, nausea, hair loss, vomiting, infections and extreme fatigue—effectively make the search for the cure as difficult as the diagnosis.

The impact of those three simple words is not restricted to individuals. The diagnosis has ramifications for their loved ones, especially their families. The diagnosis creates a ripple effect that inevitably causes increased stress and tension as circumstances advance beyond control and as the physical changes are mirrored in changes in familial relationships. Families debate who to tell, what to do next, what will happen if. Families try to cope in order to provide the individual with the necessary emotional support and hope to combat the fear that those three simple words instil.

To quote Dr. Barbara Whyllie, chief executive officer of the Canadian Cancer Society, “Cancer wounds everyone in our society”.

The leading cause of premature death in Canada, cancer silences 68,000 Canadians each year, taking 950,000 years of potential life from families and loved ones. According to the Saskatchewan Cancer Control report in 2004, in my home province cancer claims the lives of 2,215 loved ones annually. Additionally, primarily due to an increase in lung cancer deaths, the number of cancer deaths per year among females has increased 39% since 1983. However it is about to get much worse.

According to Dr. Whyllie, we are on the verge of an unprecedented cancer epidemic in Canada. Over the next three decades it is projected that nearly six million Canadians will hear the three simple words, “You have cancer”, and worse, half of them will die from it. We likely will intimately know someone or, indeed, even be one. How do we explain this increase?

• (1220)

First, as Canada's aging baby boomer population grows older so will the risk of getting cancer.

Second, as Canada's population expands there will be, as a consequence, more cases of cancer diagnosed. The financial cost of the impending onslaught of cancer diagnosis, while secondary to the immense emotional strain for those affected, is, nevertheless, staggering.

In the next 30 years those three simple words will cost the public treasury nearly \$176 billion in direct health care costs and more than \$248 billion in lost tax revenue. Furthermore, it is estimated that during this period, Canada could potentially lose approximately \$14 billion due to lost productivity from Canadians diagnosed with one of the most common cancers: lung, breast, prostate and colorectal. Canada must act now and implement a strategy to prevent such a national tragedy.

The House should heed the advice of the World Health Organization and comply with the resolution passed this past May calling on all member states to work with WHO to develop and implement a comprehensive cancer control program. Such programs have the potential to save thousands of Canadians from the experience of hearing those three simple words.

Over the past decade countries, like Australia, New Zealand and the United Kingdom, have developed and funded national plans to combat cancer.

In 1985 the European Union launched an ambitious program entitled Europe Against Cancer, aiming to lower the number of deaths caused by cancer by 15% in the year 2000. The program was implemented with the cooperation of experts, cancer charities, health professionals and national civil servants, primarily focusing on the areas of prevention, screening and education.

Although this ambitious target was not met throughout the EU, a report published in the *Annals of Oncology* indicated a 10% reduction was achieved in cancer deaths in males and an 8% decrease among females.

Supply

Moreover, a handful of EU countries, such as Austria, Finland, Italy and Luxembourg, actually managed to reach or come very close to the 15% reduction goal.

However Canada lags shamefully behind other states with respect to creating a cancer control program. Dr. Whyllie has stated:

Canada is one of the few nations in the developed world that has failed to implement a strategy for cancer control.

We are now paying for that failure with our very lives—

—the Canadian approach to cancer control is inconsistent, flawed and driven by political expediency rather than medical realities.

Cancer prevention in Canada is pathetically underfunded and fragmented.

All of this must change and must change soon.

It is imperative that the federal government provide leadership to implement and fund the Canadian strategy for cancer control. The strategy, a wide ranging and coordinated approach to cancer control in Canada, would make certain that we are prepared to meet the unprecedented cancer epidemic about to strike Canada.

The Canadian strategy for cancer control would be a national strategy aimed at bringing about a sustained, coordinated, comprehensive and collaborative approach required to combat the coming cancer epidemic.

Each province would be permitted to independently construct its own unique cancer care management system from a basis of national data and knowledge gathered from across the country and shared by all.

Timely and state of the art information regarding cancer would be accessible to all Canadians regardless of their location. Moreover, the strategy would decrease repetition, fill in gaps and ensure scarce resources are shared.

However the success of a national strategy is dependent upon the federal government advancing a coordinated and targeted approach to cancer care.

We must always be cognizant of the fact that this is a matter of life and death. Indeed, in the time that has elapsed since I commenced my remarks someone in Canada has succumbed to cancer and another two have heard those three simple words, “You have cancer”.

• (1225)

[*Translation*]

Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ): Mr. Speaker, I just heard a speech that gives me an opportunity to react. We are discussing a very important and serious motion, although at the same time, I would not want the people listening to us to become too depressed.

Cancer is indeed something we talk about more and more. Life expectancy is steadily increasing, and we will therefore hear even more about it in the future. I can tell you that I number among those who have been stricken. Three years ago, I learned that I had cancer. Four other members close to me also learned that they had cancer over these three years, and all four of us, myself included, have managed to beat it.

Supply

That does not mean that more research is not needed. I just wanted to add this personal experience. At this very moment I can think of someone, whom I know very well, who learned around noon today how serious her cancer is and what will have to be done. This word should therefore not terrify us. Cancer must be beaten and it can be. I agree that the motion before us today could increase the possibility of preventing these illnesses.

This also gives me an opportunity to ask my colleague a question. We are speaking about the importance of the fiscal imbalance. When speaking about a matter as important as what we have here today, we must realize that it is more than high time for the federal government to give the people who are responsible for health the money that they need. Health is at the heart of an important issue. This is true as well of education and other things.

The motion that we are discussing today asks the federal government to take the place, to a certain extent, of the provinces, but it should, instead, be asking the federal government to return the money to the people who have a mandate for health care. It should be going in that direction, and then we would move more quickly toward the achievement of our objective.

• (1230)

[English]

Mrs. Lynne Yelich: Mr. Speaker, I thank the hon. member for sharing his story because that is exactly what my speech was about. At this time someone is probably receiving the news that he or she may have cancer and at this time someone is dying of cancer. More and more cancer is being diagnosed, and yes, there are more successful treatments, but there have been increases in many different types of cancer and diagnoses.

On the fiscal imbalance, I am not thinking of this as something solely for the provinces but something that is national so we can share information. Cancer has no boundaries so we cannot have each province creating its own databases and research without sharing it. We need everyone to work together on a national strategy so that then each province can perhaps deliver the services.

We are not just talking about delivery. We are also talking about research, science and the diseases that have no boundaries. As a country, we need to be a leader, as other countries have been, in creating a national strategy. I do not think each province can handle the magnitude of what that would entail.

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Speaker, I would like to thank the member for Blackstrap for sharing her time with me this afternoon.

The health and safety of our citizens must continue to be the number one priority for the government, a position which I endorsed from the first day I started campaigning and I will continue to endorse until the last day I serve in the House. I have and I will continue to be committed to achieving better and more accessible health care, not only for the citizens of Prince Edward County, Prince Edward—Hastings but for all Canadians.

I would love to stand in the House here today and declare to all Canadians that Parliament has served them well, that we have the situation under control, that their health care is of the finest quality,

that it is equally accessible to all and that it is in capable hands. Sadly, that just is not the case.

We do have some measures of health care that are performing well, but by and large, the lack of definitive direction in our health care system is causing widespread inequities and failure. In my riding of Prince Edward—Hastings, for example, we have approximately 15,000 citizens without access to a family doctor and we have among the highest rates of cardiac problems, strokes, aneurysms and cancer in Canada.

Yet I like most Canadians listened when our Prime Minister, prior to an election, promised over \$40 billion. He said that would just simply solve the problem for the decade. The reality is that no amount of spending, promised or real, will solve the problems facing health care unless there is a real plan on how to deliver measurable results with a clear guarantee of accountability.

There is an old adage that comes to mind, which I believe offers a rather simplistic overview of the strategy that we must follow, and that is “Plan your work and work your plan”. We have many wonderful health care professionals who are so dedicated to the well-being of society, yet they are stymied and shackled with a system that is overly bureaucratic, overworked, duplicitous and inefficient. Why? Because there is no overall blueprint or plan on how to work effectively and cooperatively.

There remains great disparity in the quality of care in our country. That is not acceptable. Health care professionals are suffering burnout. That is not acceptable. Our health care system, which was in the top three in the world, a source of pride in service, now is rated in the high twenties to early thirties. That is not acceptable.

Before arriving in Ottawa as a member of Parliament, I had the wonderful opportunity to serve as president of the Madoc chapter of the Canadian Cancer Society. I learned first-hand how important a strategy was in combatting diseases such as cancer. My friends at the Canadian Cancer Society, Hastings-Prince Edward County unit, are eagerly anticipating a national strategy which they can finally implement at the local level.

I note with interest that the Canadian strategy for cancer control has called for a nationwide cancer prevention strategy. Yet in 12 years the Liberal government has yet to implement a national strategy for cancer, mental health and heart and stroke.

Today we are discussing this Conservative supply day motion that declares a national strategy is needed to reduce human suffering and economic costs related to cancer, heart disease and mental illness. The motion is by no means intended to clear all the ills in our health care system, but it will serve to set the tone and the direction for planned accountability and measurable improvement.

In my brief time today, let me try to put a few numbers to this needless human suffering.

Despite spending \$14 billion per year in Canada last year, 710,000 Canadians are living with cancer. In the past 12 months alone, an estimated 140,000 have been diagnosed with some form of a disease and almost 70,000 will die from it. That is more people than live and exist in many of the ridings in this country.

Mental health statistics are equally troubling, with over 4,000 people committing suicide in Canada each year, including many of our young and vulnerable. As we know, there are countless thousands of suicides that have gone unreported.

• (1235)

Depression, mental illness, is projected to be the most expensive cause of loss of workplace productivity due to disability by the year 2020. Cardiovascular disease accounts for over 70,000 deaths per year and costs the economy over \$18 billion a year just unto itself. The long term cost of cancer, of mental illness and cardiovascular diseases will run into the hundreds of billions of dollars.

Since I first arrived in Ottawa, I have been waiting for the government to produce for Canadians a health care plan, a framework, a legitimate plan that will improve the system in a coordinated, organized strategic fashion. Instead, I have watched when the Liberals have signed deals in an ad hoc manner and when they have signed one-off deals with the provinces. Yet when they continue to either promise or throw more money at health care without any real long term strategy or plan, the Liberals unfortunately appear to be more clearly concerned with the optics of political photo ops than with discernible human results. I emphasize that positive results will only occur when there is a solid direction and a solid plan.

As Canada is one of the few developed countries in the world without a national action plan for mental health and heart disease, I respectfully ask my colleagues on all sides of the House to place the people ahead of the politics and to endorse, with enthusiasm, this Conservative initiative, this Conservative motion to establish a clear national strategy and a timeframe to implement such.

Millions of Canadians in our ridings depend on this. I honestly believe it is time that Parliament places its priority on the health and safety of all Canadians.

• (1240)

[Translation]

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I want to thank the hon. member for his excellent presentation.

[English]

I understand when the member talks about having a strategy for health care, in all areas of health care. I want to take him back a bit and invite him to consider and comment on this.

His comment on the one-offs, on the federal-provincial deals and whether it constitutes a plan is debatable. If we look back to last year, 13 jurisdictions were brought together. Ten provinces, three territories and first nations negotiated what was needed in health care across the country over the term.

We are looking at a 10 year plan with \$41 billion. In working our plan and planning our work, I ask the hon. member to consider this. We have established benchmarks on wait lists and have set aside \$5.5 billion for that. Provinces will report annually on the plan. We have timetables on different elements of the plan, for example, a national pharmaceutical strategy.

Supply

On the accountability side, while provinces will be reporting, we also have the Canadian Institute for Health indicators and the health council of Canada will bring all this together in a national perspective.

We also have two parliamentary reviews planned within the 10 year strategy, within the 10 year commitment by the federal government and the 13 jurisdictions. By doing that, we agree that perhaps the evolution will not be perfect. At these milestones, we will have to see if we need to reorient, and that is where Parliament comes in.

We look at the question of health human resources, which are a big part of the plan. The member is absolutely correct. In a lot of ridings, including mine, there is a lack of medical practitioners and professionals, whether they be technicians, nurses, pharmacists or otherwise. There is a need, but within the plan there is money and a plan to work with the provinces and the provincial jurisdictions to return more seats in medical schools. He may remember, as I do, when these seats were turned back in nursing school.

They are in the strategy, in an organized fashion.

Mr. Daryl Kramp: Mr. Speaker, in response to the hon. member on the other side of the House, we have a little something in common. We are relatively close to the same age. That puts us almost into the baby boomer status. This poses a real problem.

I thank the hon. member for mentioning the initiative of bringing the health round table together. It is a start.

However, what happened 12 years ago? We have a group going through the baby boomer years. By 2008-09, we are into crisis in this country. We have millions of people who will stop becoming productive citizens. We will not pay as much tax. There will not be as much income coming into the government, yet the demands will be dramatically increased on our health care system. We are coming to that age when all those calamitous diseases start to take hold.

We have a little too much talk coming out of the government and not enough activity and action. I am thankful that an initiative has been started. I believe we need more than an initiative. We need a national strategy. It has to be the number one priority for the government.

We can no longer sit and suggest that some day, some time, this problem will reveal itself and we will get over it. We have a disaster in the making. The government must recognize that a national strategy must be implemented immediately, that all the stakeholders must come to terms with the fact and we must get on with the job.

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I will be sharing my time with the Minister of State for Public Health.

[Translation]

Mr. Speaker, I am pleased to provide my hon. colleagues with more specific information on the measures taken by the government to prevent and treat diseases and illnesses that affect the lives of many Canadians, including cancer, cardiovascular disease and mental illness.

*Supply**[English]*

These diseases are so common in Canada that I think there is not one person in this chamber who has not been affected, either themselves or their families, by cancer, cardiovascular diseases or mental illness. These are the diseases of our 21st century society. We are not alone in facing the challenges they pose. Countries all over the world face them also.

They challenge us because they are diseases that result in part from the way we live, what we eat, how active we are and whether we smoke. This means that as a government, which is committed to the well-being and good health of its citizens, we have to encourage Canadians in healthy choices in their day to day lives and we have to try and shape society so that the right choices, the healthy choices, are the easiest ones to make.

To succeed, we have to adopt an approach that takes us into homes, communities, workplaces and schools. We also have to work in partnership with other departments, jurisdictions and non-governmental organizations.

• (1245)

[Translation]

The government is currently working on achieving these objectives. Our strategy, which is focussed on healthy lifestyles and chronic illness, is based on promoting health and prevention through healthy diet and physical activity. This strategy highlights the conditions that are conducive to poor eating habits, inactivity and excess weight.

[English]

What impact will this have on cancer?

[Translation]

In Canada, the incidence of cancer is increasing as the population ages.

[English]

In 2005 alone, 150,000 Canadians will be diagnosed with cancer. Seventy thousand of those currently living with cancer will die.

[Translation]

The 2005 budget sets out \$300 million over five years for a strategy focussing on healthy living and chronic disease, aimed at promoting healthy lifestyles and preventing chronic diseases such as cancer. The strategy leads the way in prevention, early identification and management, in order to reduce these staggering figures.

The budget also allocates \$10 million to the Terry Fox Foundation for cancer research to mark the 25th anniversary of Terry Fox's Marathon of Hope.

[English]

Through the Canadian Institutes of Health Research's institute on cancer research, major organizations and agencies that fund cancer research are coming together to coordinate a united strategy response for cancer control. In 2003-04 the Government of Canada supported this effort with an investment of \$94 million.

[Translation]

The human element of cancer alone justifies such an investment by the government. Nonetheless, we must also recognize the financial burden caused by the disease. In 1998 alone, cancer cost Canadians over \$14 billion and we expect this figure to continue to rise.

What about cardiovascular disease?

[English]

Like cancer, cardiovascular disease is very much preventable. We know what the human cost is. The cost of cardiovascular disease to our health care system is also enormous. It is estimated to be about \$7 billion annually and is a huge strain on Canada's health care system. In addition, another estimated \$12 billion in indirect costs such as lost income and productivity are attributable to cardiovascular disease for that year.

This is why the integrated strategy on healthy living and chronic diseases is so important. The same risk factors can make us vulnerable to cancer, to heart attacks and to strokes.

Canada's Public Health Agency will be working with provinces, territories and stakeholders to put in place innovative and integrated approaches which address the prevention of chronic diseases, including cardiovascular disease, and will address the common risk factors that we know too well: being overweight, eating an unhealthy diet and being physically inactive.

[Translation]

The government has also played a lead role in Canadian activities in favour of cardiovascular health, in addition to its involvement in other activities such as the Healthy Heart Kit, the Canadian Coalition for High Blood Pressure Prevention and Control, and guidelines for hypertension screening. As well, it has worked in conjunction with the Chronic Disease Prevention Alliance of Canada.

[English]

There is another issue that the government is working to address, a health issue that, due to the related stigma, is devastating in its impact on individuals in society. I am talking, of course, about mental health and mental illness.

• (1250)

[Translation]

We are aware that there is still much to be done in connection with mental health in this country. Our well-being as a society and our public health system require us to pay particular attention to mental health issues.

I know that the Minister of Health has made mental health his main priority. In particular, he has appointed a special advisor, the hon. Michael Wilson, and mandated him to examine this issue in the workplace, and has called for the creation of an interdepartmental task force for better coordination of mental health policies in the federal government.

[English]

The healthy living strategy, which has the support of provincial and territorial partners, will help us develop a coordinated approach to address mental health issues. While the healthy living strategy currently emphasizes nutrition, physical activity and healthy weights, these cannot fail but have an impact on overall health, including mental health. We cannot separate body and mind when it comes to physical health.

The same is true for mental health. That is why mental health has been identified as a potential area of emphasis for subsequent phases of the healthy living strategy.

[Translation]

Poor mental health and mental illness, like other chronic diseases, are a burden for the individuals and families affected.

The federal government recognizes these ill effects and is concentrating its efforts on conditions that are liable to foster good mental health as well as those liable to trigger or aggravate mental illness. These conditions are particularly present in the work place, which is why the Minister of Health has recently announced his support of research into mental health in the work place, with an investment of \$3.2 million.

[English]

Chronic illnesses such as cancer, cardiovascular diseases and mental illnesses are not new to our society, but they demand new approaches from us. We know that they are preventable for the most part, and we know that to prevent them we must be innovative and focused.

[Translation]

We will continue to work in conjunction with the provinces and territories, as well as major health-related organizations. If we are to be effective, we must couple our determination with compassion. By so doing, we will achieve our goal.

[English]

I was listening to an earlier speaker talking about his riding having high incidences of cancer and cardiovascular disease. We have a number of those ridings and communities around our country, some in my province, including my riding. If we look at why, inevitably we are going to find work related, industry related and environment related activities.

In the Annapolis Valley, an area with no stacks and no heavy industry, we have one of the highest concentrations of low level ozones anywhere in the world, because of its geography and the harmful emissions in other parts of our country and the country south of it. I think we have to consider all elements when we look at the question of these diseases and healthy living in general and we have to include the environmental element.

On the strategy, the \$41 billion we put into health care is important. The money we put into research is important. The strategy specific to diseases suggested by the member for Charleswood St. James—Assiniboia is important. The environmental side is important. Social conditions are important. I think we need to have a

Supply

fully integrated approach at all levels: social, physical and, of course, workplace.

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, it is very disturbing that the Liberals suggest one thing and do another. There has been talk this morning about \$300 million for the chronic disease program, but the fact is that what we are asking for is a commitment that the government fund and implement the Canadian strategy for cancer control. I have yet to hear the minister, the parliamentary secretary or any other person of influence in the government say yes, they will fund the strategy.

This morning the minister dodged questions and implied that disease specific strategies are not the way to go, yet there is a disease specific strategy when it comes to diabetes. This is demonstrated to work throughout the world, in New Zealand, Australia, the U.K. and so on, and yet the minister does not recognize that.

The member talked about working with stakeholders, but the Canadian Cancer Society and many of the other cancer groups have indicated that they have not received the support they have asked for from the government and in fact have been misled and led down the garden path.

Not until today, when the Conservative Party motion, my motion, was brought forward, has the government paid any kind of attention to this. I wonder if the member could tell us whether the government will support the Conservative motion and follow through on it. Yes or no?

● (1255)

Hon. Robert Thibault: Mr. Speaker, when I rose in the House this morning, I congratulated the member for Charleswood St. James—Assiniboia for bringing this debate forward and for his motion. I can tell him that I certainly will be supporting his motion. I think it is very important.

The question that the debate always and invariably ends with is how to achieve this. I think we all support the principle of what the member brings forward. I think that what he brings forward is the first concern of Canadians and that is health care. I thank him for using the time of the House for such an important issue.

I also remind him that there are many other ailments for which research and strategies are needed. We have to look at the comprehensive approach. We have to look at all our resources and how we will bring them to bear. There is no doubt that the questions of mental health, cancer and cardiac care are primary.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I want to take this opportunity to ask my colleague from West Nova for the view of his party, the ruling government side, on the issue of cancer causing, asbestos laden Zonolite insulation.

Given that our colleague from Charleswood St. James—Assiniboia has given us the opportunity to raise cancer in its broader context, I note that we have this glaring threat staring Canadians in the face. Over 350,000 homeowners have cancer causing asbestos Zonolite insulation in their homes. The government has expressed no interest at all in introducing measures to assist homeowners to test for and remove this known carcinogen.

Supply

I will ask my colleague from West Nova about this. By what reasoning can the government say it is taking steps to preclude cancer from environmental causes if it ignores the most glaring example anywhere in the country, which is in people's own homes?

Hon. Robert Thibault: Mr. Speaker, I do not profess to have too much expertise on this matter, but it is my understanding that the risk comes from how it is installed and whether there is some leakage of it into the environment. I know that the minister is quite concerned, as is the Minister of Labour and Housing. I think the questions would be more appropriately put to the Minister of Labour and Housing. I will put forward the member's concerns to the Minister of Health.

[*Translation*]

Hon. Carolyn Bennett (Minister of State (Public Health), Lib.): Mr. Speaker, the hon. member raised the matter of a national strategy to fight disease. I agree with him. A real strategy is vital in order to demonstrate what, when and how.

We began with the integrated strategy on healthy living and chronic disease and the Canadian diabetes strategy.

[*English*]

It was very exciting last year to hear the first ministers talk about prevention promotion in the same sentence as the sustainability of our cherished public health system. The first ministers focused on three things: an integrated disease strategy; choosing some public health goals for Canada; and school health, which is probably the best place to focus on these modifiable risks.

As Canadians, it is important for us to understand that it is time we put the health back into health care. We have to recognize that the health of Canadians will not be solved in just one government department. It must involve all government departments across all jurisdictions.

We also have to work on the determinants of health, such as poverty, violence, the environment, shelter, equity, and education. When we look at the numbers based on those determinants we find that there are unacceptable disparities in health outcomes.

It is hugely important that we put together the modifiable risks that are common for heart disease, cancer, lung disease and many other diseases. We could do much better by using an integrated strategy rather than parallel strategies disease by disease.

The Prime Minister showed leadership in establishing the Public Health Agency of Canada and by putting in place a Chief Public Health Officer of Canada. He has actually begun the work on getting back to what Tommy Douglas said would be the ultimate goal of medicare, which is to prevent disease before it occurs rather than just patch people up once they are sick. This is about what David Butler-Jones, the Chief Public Health Officer of Canada, calls the moral responsibility, that we all have to prevent the preventable.

We want to ensure that as we move forward that no one in this country gets cancer who need not have and no one gets heart disease who did not need to. It is important that we prevent all kinds of lung disease and that we put in place a society that prevents and supports people's mental health such that they end up not in trouble.

Every year in Canada more than three-quarters of deaths result from one of the four groups of chronic diseases: cardiovascular; cancer; diabetes; and respiratory. Half of all Canadians have a chronic disease. Risk factors leading to these diseases, such as physical inactivity and unhealthy eating are growing. Health disparities between population groups are growing, as is the burden of preventable diseases, disability and death.

These diseases are highly preventable. The World Health Organization has found that 90% of diabetes type II adult onset is preventable; 80% of heart disease and 30% to 50% of cancer is preventable by changes to the risk factors such as smoking, physical inactivity and healthy eating. It is not simply a matter of individuals changing their own habits to prevent the onset of disease or improve their health once they have a disease. It is a matter of changing our entire society so that the healthy choices are the easy choices to make.

The best example of the comprehensive approach to risk factor reduction is tobacco control. The percentage of the population who smoke has changed radically over the last three decades. Individual actions have been complemented by the efforts of government, NGOs, health professionals and researchers who offer one on one interventions, supportive community programming, social marketing, tax policy, regulations and legislation.

This is an example of how a strategy can really work. In 1985, 35% of Canadians smoked. In the past year only 20% smoked. We know that smoking reduction has had a tremendous effect on heart disease, lung cancer and the other affected diseases.

There are two different approaches. Comprehensive strategies to address chronic disease and injury can be divided into two categories. One is the integrated strategy that the first ministers asked us to focus on. Those address more than one risk factor of one disease at once. The other is the specific, those that focus only on one risk factor or disease. Health Canada and the Public Health Agency have been working in both of these areas. This is consistent with the approach endorsed by the WHO.

The disease specific strategies for the major chronic diseases of diabetes, cancer and heart disease are at various stages of development. To date, only one, the Canadian diabetes strategy, has had any significant investment by the federal government at \$30 million annually.

• (1300)

National strategies are done by collaboration among governments and a wide variety of stakeholders. It is envisioned coordinated action from upstream to downstream, taking and promoting health, preventing the onset of disease, finding it as early as possible, treating it and preventing it from getting worse, and caring for the people dying of the disease.

Supply

These strategies will also complement the development of a health and environment agenda. As we debate this motion today we must understand that having a Canadian strategy for cancer control will be extraordinarily important as it is the leading cause of premature disability in Canada.

We acknowledge the collaborative work of the coalitions on the strategy for cancer control. We now have to ensure that proper investments are determined to ensure the effective focus on prevention promotion and also in actually determining the causes of certain diseases. We are interested right now in how second-hand smoke may actually be involved in the incidence of breast cancer. It is important to be able to figure out causes, then move to prevention promotion, as well as early detection and management.

We must focus on things that we already know we should be doing better, such as mammography. It is unacceptable that the majority of Canadian women over the age of 50 are still not getting a mammogram even though we know it can affect their length of life.

As the fabulous Ian Shugart said to me this morning, there are some things we know we are doing, some things we know we are not doing, some things we know we are doing but we do not know enough about, and some things we just do not know. We have to look into all of this with the appropriate research so that we always fund what works and stop funding what does not work. We need a capacity for real surveillance to put together the pieces around cause, determinants, risk, as well as where it overlaps with heart disease.

I look forward to working with all the partners and particularly with our provincial and territorial colleagues in looking at the dollars that are already being invested in tobacco strategies, the dollars already put aside for the wait list strategy that will affect both cancer and heart disease. We need to know what is there in the strategy for cancer, what is there in the integrated strategy and what is there in these other strategies around wait times and tobacco so we come up very quickly with a very comprehensive approach.

As we look into what the member outlined in terms of the needs around mental health, we need to focus on how the federal government needs to do a better job. The Minister of Health's appointment of Michael Wilson is absolutely brilliant in making us, as the Public Service of Canada, the best we possibly can be in terms of exemplary employers. We need to look at the mental health issue and what we will do interdepartmentally in the areas for which we have direct responsibility, our veterans, our military, corrections, the RCMP, as well as the public service.

It is important to move forward on developing a strategy on heart disease, although heart disease is probably the one thing on which we are doing a little bit better, because of the smoking and tobacco control. We have done groundbreaking work in Canada on cardiovascular disease prevention and control. It is important that we pass the 2005 budget so we can deploy that \$300 million to the integrated strategies.

• (1305)

[*Translation*]

The 2005 budget further expands initial investments in the Public Health Agency of Canada and provides \$300 million over five years for an integrated strategy on healthy living and chronic disease.

[*English*]

It is going to be extraordinarily important to work together with the provinces and the territories, with the voluntary sector, with all of the health care providers, and with the citizens of Canada who understand that they can have input on health policy as well. We want to move forward. We need to pass the budget. Then we need to work with our partners to get this done.

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, I appreciate the recognition that disease specific strategies are important and the way to go, particularly with cancer. I would point out that what the minister is saying actually contradicts what the Minister of Health has said, absolutely it does.

The Minister of Health spent 20 minutes this morning telling the House that disease specific strategies were not the way to go. He spent a considerable amount of time telling us that the chronic disease model was the way to go. He did not recognize the fact that the motion is asking for funding for the Canadian strategy on cancer control, which will be approximately \$250 million over the next five years. Of the \$300 million that the minister spoke about, \$90 million has already been allocated. Already there is not the money we are talking about for the specific strategy.

Why is there a contradiction? Will the government fully fund and implement the cancer strategy that is outlined in the motion and allow the arm's length implementation of the strategy?

• (1310)

Hon. Carolyn Bennett: Mr. Speaker, I do not see any contradiction in what the Minister of Health and I said at all. We are saying that there had been work on individual strategies in the past. The first ministers, the ministers of health and the WHO have said we need to pause and develop an integrated strategy in order to find out what things we could all be doing together and then what things could only be done in a disease specific strategy.

Things like causation, early detection and some of the management pieces are there, but on prevention promotion we need to make sure that we are getting the absolute best effect for every dollar we spend on prevention promotion. That requires an integrated disease strategy foremost. We then need to work with the kinds of partners who have been involved in the coalition for cancer control in order to look at the kinds of things that are there and the things that need to be there.

It is extraordinarily important to understand that this must and will be done with our provincial and territorial colleagues. That is where it has to be. I have a sneaking suspicion that the Auditor General will not be interested in our putting it in any arm's length body.

Supply

Mrs. Lynne Yelich (Blackstrap, CPC): Mr. Speaker, I am curious to hear what the hon. member has to say about mental illness in our youth. The statistics are staggering. It is estimated that 10% to 20% of Canadian youth are affected by mental illness. In Canada, only one out of five who need mental health services receives them.

I think of the parents of schizophrenic children who have come to us for help. Being the greatest disabler, it strikes more often in the 16 to 30 year old age group and they have nowhere to go. A national strategy should certainly be in place. Mental illness has been ignored not only in our province but across Canada. Where in Michael Wilson's work is this going to be addressed?

Hon. Carolyn Bennett: Mr. Speaker, we are looking to the initial Kirby report at the beginning as being a very good outline of where we need to be going in this country. We look forward to the final report in the fall.

The work that Michael Wilson will be doing with the Minister of Health is very much around the mental health efforts of the public service in this country and the role of the federal government with the people it directly looks after.

I hope the member will understand there is probably no more complex issue than mental health in this country in terms of not only the pure medical treatment but mainly around the supports and services that are required and the flexibility that is required to get people what they need when they want it. It will be together with our provincial and territorial colleagues and with specific help particularly working with our aboriginal peoples that we will design programs that really will help to change those unacceptable statistics around mental health.

• (1315)

Mr. Tom Lukiwski (Regina—Lumsden—Lake Centre, CPC): Mr. Speaker, it is a pleasure to speak in favour of the motion today to develop a national strategy for major chronic diseases such as heart disease, cancer and mental illness.

Some of these diseases have touched my family on a great many levels. About 40 years ago when I was just a very young man, my mother was stricken with cancer and after a valiant battle of about a year she passed away. That was my first experience with what cancer can do to an individual, to a body. It is without question one of the most insidious diseases known to mankind. It literally eats away at a person's body. To think that 40 years later we still have no real grasp as to what causes cancer and how to prevent it. It is something that is unfathomable to me.

I should say at the outset that I will be splitting my time with the member for New Westminster—Coquitlam.

That was my first experience with cancer itself. Two decades later, we had another incident in my family. My father, over a period of about two or three years, suffered two heart attacks, eventually came down with a stroke, which of course as everyone knows or should know is a form of cardiovascular disease. Ultimately he passed on after being incapacitated in a hospital for about two years. I saw his quality of life erode. He was an extremely active man. Both my parents were active.

To see the effects of these diseases on two vibrant individuals and to know that I was relatively powerless to do something to ease their

pain is something that will never leave my memory. It is something that I feel strongly about. We need to be doing something to prevent these major diseases in every capacity.

My brother, who is only 13 months older than me, suffered a stroke about four or five years ago. It was a minor stroke luckily. He has basically fully recovered, but again this is something that stems from family history. One of the things we need to be looking at in our overall strategy to prevent these major diseases is the cause of some of the diseases. None of my family had all of the typical indicators of either heart disease or strokes. None of my family members were smokers, had high cholesterol or were overweight, all of which are typical indicators of people who may be ripe candidates for a heart attack. We did not have that.

The most personal, I suppose, and most closely related impact that heart disease had on my life was on January 12 of this year when I suffered a heart attack. It was one that was certainly unforeseen by me. I spent five days in the hospital. I am on medication now that probably will maintain my hopefully healthy and long lifestyle over the course of the next 30 or 40 years, but again, it was something that happened to me that was totally unexpected. I had no cholesterol problems to speak of and I certainly did not have a weight problem. My blood pressure, according to my cardiologist at least, was equal to that of a 16 year old well-conditioned athlete. Yet no one could possibly have predicted it other than the fact that I had a family history of heart disease.

I understand the effects that these diseases have on people's lives. I should add one humorous aside so people do not think my life is filled with tragedy. After my heart attack on January 12, it happened to be the same day that the leader of our party was coming to Regina. I actually met him at the airport around noon. He went on to one of his first events. I told him at that time I was supposed to go with him but I said that I would catch up with him later because I had to do something.

I checked myself into the hospital at which time I was told that I was right in the middle of a heart attack. I was taken up for surgery. I give great credit to all of the nurses and doctors, and my cardiologist who worked on me. In 14 minutes they had done an angioplasty and put a stent in my heart. It was an amazing procedure, but the humorous part of all of this was that the leader did not know anything about this until he found out later in the day that I had suffered a heart attack.

• (1320)

The humorous part was that the next morning the newspaper reported that the leader of the PC Party was visiting Regina and a local member suffered a heart attack. I am not sure whether the media truly grasped the enormity of his visit or the enormity of my disease but, in any event, we both had a good laugh about that.

Because of the closeness of some of the diseases that have struck my family, I believe very strongly that we need to develop a national strategy for major diseases. That is what this motion calls for.

Supply

There has been proof around the world that if one develops a comprehensive national strategy, it works. We see examples in the U.K., Austria, Australia and Finland where those countries that have employed and created national preventative strategies for major chronic diseases, such as cancer and heart disease, the rate of incidents in those countries for these major diseases has gone down dramatically.

Yet, Canada has no such strategy. We have talked about it for years, but we have done nothing. I think that is, quite frankly, shameful. For this country, the greatest country in the world in my estimation, which is losing so many people every year to heart disease, cancer, to sit back and do nothing about taking positive steps that have been proven worldwide to be effective and that work, is shameful.

However, I take this opportunity to suggest that now we have an opportunity to put some funding, some real money into a national strategy that would work, that would prevent disease and treat those who have incurred disease in order to save lives. That is the bottom line. This strategy would have the effect of saving lives. I do not think that anyone could put an adequate dollar value on what it means to save Canadian lives. This is not something that we should be debating. This is something we should have done years ago.

Although it may be too late to save those people like my father and mother, it is not too late to save people in future generations. I do not want this for my own health, although that is very important to me, I want this for my sons. We have a family history of heart disease and cancer. I want my sons to live in an environment where they have a fighting chance to prevent those diseases before they impact and affect my sons, and my grandsons and granddaughters.

We do not know enough about cancer and we certainly do not know enough about heart disease to determine what causes these major diseases.

Everyone always thought that it was the indicators I had mentioned previously that caused things like heart disease, for example, if a person was overweight or had high cholesterol. Well, certainly, those are indicators. If people were smokers, that would cause them, in many respects, to have heart attacks and develop heart disease. However, those are not the only indicators. I had none of those. My family had none of those indicators. Yet, we still developed these major diseases. Why? No one can tell me that.

We need to develop a strategy that would bring together all the major stakeholders and organizations like the Canadian Cancer Society and the Heart and Stroke Foundation. We need to get them, in a coordinated fashion, to share information in order to develop ideas that would be communicated to Canadians across this country. We need this group to tell Canadians some of the things that they perhaps could be doing to prevent heart disease and cancer, and also to develop a research environment to answer the questions that we have long been asking. What causes cancer? What causes chronic heart disease?

This is not something that we should be sitting here and debating. We should all be coming together as parliamentarians and saying that it has to be done. Let us get it done. Let us put the funding forward.

Let us not argue. Let us not debate. This is not a political issue. This is a matter of life and death.

• (1325)

Mr. Paul Forseth (New Westminster—Coquitlam, CPC): Mr. Speaker, Conservatives have put forward for debate the following motion sponsored by our health critic, the member for Charleswood—St. James—Assiniboia. The motion states:

That, given a national strategy is needed now to reduce the growing human and economic costs of cancer, heart disease and mental illness; the House call on the government to fully fund and implement the Canadian Strategy for Cancer Control in collaboration with provinces and all stake holders, and given that Canada is one of the few developed countries without a national action plan for effectively addressing mental illness and heart disease, the government should immediately develop and initiate a comprehensive national strategy on mental illness, mental health and heart disease.

Mental health issues can be addressed from enhancing our emotional well-being to treating and preventing severe mental illness and disorder. A supportive environment for maintaining and improving mental health is one that shows respect for personal dignity and fosters a sense of having control over one's life.

In Canada the planning and delivery of mental health services is an area in which the provincial governments have primary jurisdiction. The federal government, chiefly through the Public Health Agency of Canada, collaborates with provinces. They seek to develop coordinated and efficient mental health service systems.

Mental health is an important part of overall health. Just as we can care for our physical health in a variety of ways, we can take steps to maintain and improve our mental health, and that of our families and communities.

We are reminded that at least one in five people will be affected by mental illness during their lifetime. About 4,000 people will commit suicide in Canada each year. Depression will be the single most expensive cause of loss of workplace productivity due to disability by 2020. The need for care, treatment, rehabilitation, community integration and support programs and services far exceeds what is available in most communities.

Sadly, mental health promotion and prevention issues have been placed near the bottom of the priority list of health care initiatives of the government. The stigma associated with mental illness and the lack of public awareness about mental health issues prohibits open discussion and blocks a coordinated approach to finding solutions and help for the people who need it most.

Canada does not have a national information collection and reporting system to allow for the accurate estimation of the incidence and prevalence of mental illness or to evaluate mental illness and mental health programs, services and policies that are paid for by the taxpayer. There is no nationally organized mental illness and mental health research agenda in Canada. Canada, unlike most other developed countries, does not have a national action plan for mental illness and mental health.

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We need to promote mental wellness through wise lifestyle choices and body fitness. We need to encourage all Canadians to take a proactive approach to life and their mental well-being. Good mental health provides us with the ability to positively deal with the stresses and challenges of life, and facilitates the utilization of the full range of opportunities to enrich our lives and those around us.

For far too long the stigma of mental illness has made the victims hide their mental suffering while society failed to adequately provide for their needs. However, times have changed. Today, like cancer and heart disease, mental illness is viewed as a chronic disease. It can happen to anyone and like other illnesses it can be treated successfully. People coping with mental illness and those who help to support them deserve care, acceptance and respect. They also deserve a fair share of health care dollars.

Mental illnesses touch the lives of all Canadians, exerting a major effect on relationships, education, productivity and overall quality of life. In fact, approximately 20% of individuals will experience a mental illness during their lifetime and the remaining 80% will be affected by an illness in family members, friends and colleagues. With sufficient attention and resources much can be done to improve the lives of people living with mental illness.

Various reports on mental illness in Canada have been designed to raise the profile of mental illness among government and non-government organizations, and in industry, education, workplace and academic sectors. They describe major mental illnesses and outline their incidence, prevalence, causation, impact, stigma, prevention and treatment. The policy makers will have to pay better attention in order to shape policies and services aimed at improving the quality of life of people with mental illness.

Researchers recommend the collation of existing data as the first step toward developing a surveillance system to monitor mental illness in Canada. We need more resources to study mental illnesses in Canada, so we can use good Canadian data that is currently available, such as, hospitalizations and mortality data, as well as provincial studies.

Hospitalization data has its limitations however. Many factors other than prevalence and severity of illness can influence hospital admissions and lengths of stay. Moreover, the majority of people with mental illness are treated in the community rather than in hospitals and many may not be treated at all within the formal health care system.

• (1330)

The use of modern medications has humanized responses to mental health care. Data from provincial psychiatric hospitals would provide additional insight, but these data are often unavailable by type of illness. We need quality information to begin to fill the gaps to provide a more complete foundation on which to plan and evaluate policies, programs and services for mental illness.

For Canadians it is very simple. We stand for the Canada Health Act. However, before that, we stand for needy Canadians who are currently suffering while the system is unable to respond.

I am concerned about the thousands who simply cannot find a family physician with which to establish an ongoing therapeutic relationship. That positive relationship factor alone is a great mental

health backstop. The fact of folk developing a quality relationship with their family physician is an aspect of psychoprophylaxis.

Conservatives stand for each of the five principles of the Canada Health Act: universality, comprehensiveness, accessibility, public administration and portability. They are values and benchmarks. They must also not become custodial rules which become barriers to healing or the ability of Canadians to care for their neighbour and the hurting in our communities.

These principles are the essence of Canadian public health care. Although these ideals are not met every day, we can strive to do a lot better. New science and the innovations from our medical researchers and from innovations from abroad all must be allowed to be incorporated into daily care. We still have administrative policies that get in the way of helping patients and alleviating real suffering, where policy comes before care and bureaucracy comes before healing. Canada could do much better.

Our public system, taken together with our history, becomes a societal guarantee of access to health care on the basis of need and not ability to pay. We support public delivery and public pay. Canadians turned their backs on developing a fully privatized health care system some 40 years ago. We collectively try to care for each other. However, the socialists want us also to ensure that all suffer together and some even die, as long as one bureaucracy and one mode remains. We must never allow the system to be before people, for we know that socialism hurts people, especially in health care.

We do not have an American system and our innovations are not replications of that. The comparison is erroneous. Although the Americans have the world's best health care for many, it is not for all.

May we not slide down to where all can potentially get some care, but it is only mediocre and not internationally competitive in best practice. Nevertheless, we ensure that no one will ever go bankrupt in order to get care. The problem now is what kind of care and at what levels, especially for mental health services.

The Prime Minister has demonstrated in his own personal care situation that there is a role for private for profit care. Catholic hospitals, the Salvation Army and others have demonstrated the complementary role that private non-profit care can have as part of the mix. Again, the Prime Minister is the best example, that we can expand somewhat privatization and help keep our Canadian health dollars at home without doing away or hurting the Canada Health Act.

Living in Canada we never forget that we are rich beyond the imaginings of many in this world. The right to own private property, the private enterprise system, which allows private profit in business, and the promotion of competitive open markets has gone a long way to generate the wealth needed to pay for the health care that we want.

Our privileged position means that we can ask much of ourselves and our government, and rightly so. Our medicare system can be a social equalizer in a positive sense if properly managed. It represents Canadian conservative values of equity, of equality, of justice and compassion.

I am calling today for the Government of Canada to have the patience, tenacity and a long range view to learn from the world and have more resolve to improve our public system as compared to other countries. That means investing significantly in mental health services.

Conservatives have the plan and vision to see it through to completion, for the benefit of this generation and the next. The nation, Canadians, expect no less.

[*Translation*]

Ms. Nicole Demers (Laval, BQ): I am pleased to speak to my Conservative colleague's motion. Although I do not agree with the motion as worded, I understand the member's concerns. Talking about the health of Canadians and Quebecers is always difficult. It is a traumatic and dramatic subject for families, children and parents. It is always difficult to talk about these things without involving individual people.

You know me now and know that I, myself, had cancer five years ago. I knew I could count on help from people around me, the health care system and community agencies, which could provide support and follow-up. Had I not been sure of that support surrounding me, I do not know how I would have managed.

I am one of the lucky ones who did not die from the disease. I can guarantee that, when it happened, the first few minutes and hours after such a diagnosis were very distressing. It is very upsetting.

As I was saying, there is support in Quebec. I got immediate support. As soon as the doctors realized that it was an extremely invasive cancer, they went into action. I started treatment within two weeks. I lost all my hair. I started intensive chemotherapy. I also had an operation and received radiation therapy. It took a year. I am all better now, thank you. As you can see, I am in good health.

All that aside, when we consider such things, we need to ensure that we have lots of support, as I had. We must ensure that people so afflicted get lots of support from their communities. To do this, we must ensure that the provinces—and not the federal government—have the money to develop strategies. If we wait for the federal government to develop a national strategy, we might miss the boat.

I want to give just a few examples to support my remarks.

In 1999, there was the fetal alcohol syndrome/fetal alcohol effects strategic project fund, implementing national FAS/FAE initiatives. In 2001, a situational analysis was done and a publication on FAS/FAE best practices was released. In 2003, the fetal alcohol spectrum disorder: a framework for action was introduced. In 2004-05, there were round tables to identify an alcohol and drug abuse prevention

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strategy. In June 2005—we just received this in the health committee—Health Canada has provided us with an overview of actions and another framework for action. Millions and millions have been spent and little action has been taken.

I could mention another example: the gun registry. Even though it is not part of the health sector—although it can affect the health of numerous individuals—not just millions, but rather \$1.186 billion has been spent and nothing has been resolved to date.

As far as the federal anti-tobacco strategy is concerned, the 2004-05 budget was \$22.22 million and the 2005-06 was \$10.177 million, yet the problem is not solved. The amounts invested are being cut, yet the percentage of smokers among the Inuit is 72%, among the Métis, 57%, and among aboriginal people 56%. It is said that 54% of young aboriginals between the ages of 11 and 19 smoke, and 65% of those between the ages of 20 and 24 do also. These are very important strategies, but are not given all the attention they deserve.

In the Minister of Public Security's speech she referred to a fund for chronic diseases. That fund contains \$300 million, and not one red cent has yet to be used to help eradicate such diseases as juvenile diabetes, cancer or any other.

• (1335)

First Nations health is something very close to my heart. As a woman and a mother, I find it is not being given sufficient attention. It may be mentioned frequently, but really only through lip service. That is an expression used often in English to mean that a situation is merely being talked about and nothing is being done to solve it.

In 2004-05, the budget allocated to aboriginal health was \$3,166,300,000. Strangely enough, in 2005-06, that dropped to \$2,855,685,000, notwithstanding the announced desire to help with First Nations health. Even Phil Fontaine, chief of the Assembly of First Nations, has said:

Instead of receiving more funding to finally make inroads towards improving our shameful health status and strengthening the role of First Nations governments in delivering health care, this budget actually claws back much-needed funding. For example, First Nations desperately depend upon the coverage provided by non-insured health benefits. This program will be cut by \$27 million over the next three years.

According to the press release from the AFN:

The National Chief also noted that the budget included several other major cuts to First Nations health funding. These include the elimination of the First Nations Health Information System, co-owned by First Nations in Ontario, through cuts of \$36 million over three years, and the reassignment of \$75 million of the previously announced \$400 million funding for upstream investments and enhancement programming as renewal funding for the aboriginal diabetes initiative.

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These are only a few examples, but they show the importance of the provinces and territories themselves having power over the spending of the money needed to eliminate the diseases we have mentioned.

On the subject of strategy, I can talk about a national strategy in Quebec. A few years ago now, we began to fight these diseases. Of course there were difficulties to overcome and problems to resolve. However, the problems would be much smaller if there were no fiscal imbalance and if we had the funds the federal government owes us. We are short \$55 million a week. With that kind of money, we could resolve all our people's health problems.

If all the provinces and all the territories had what is owed them, but denied them by the fiscal imbalance, there would be no need to discuss national strategies. What we have to remember is that whenever the federal government is asked for money for national strategies, they do not come within its jurisdiction or under its responsibility. The health care, education and child care strategies have to go back to the provinces. We cannot forget this.

I have no doubt about the good intentions of my colleague who presented this motion. I know how important health is to him.

However, as I was saying, in Quebec, we have developed substantial programs meeting many of the needs of Quebecers, for example the disease prevention, screening, investigation and diagnosis program. There are also programs pertaining to treatment, adaptation and rehabilitation support and end of life palliative care, in the case of cancer.

In Quebec as well—I am sure that it is the same in some other provinces—a number of major firms have recognized their social responsibilities and the importance of getting involved. For example, I will name just one Quebec company involved in cancer, which I know well. This company has invested a lot in the Look Good Feel Better program, which is run by the Canadian Cancer Society.

• (1340)

Sanofi-aventis invests millions of dollars every year to help women like me, who have been stricken with cancer, find ways of looking good and feeling better.

This is not just a federal government or national strategy question; it is really a matter of survival for existing programs in the provinces or territories. The government needs to give us the means by re-investing in the provinces and territories, by giving us back money that is rightfully ours so that we can do a better job of dealing with all the cancer-related problems, the cardiovascular diseases and mental illness problems.

The latter group of problems is also close to my heart. In my riding, a number of older people living with mental health problems are looking for housing. The population is aging, and it is becoming apparent that many people with mental health problems no longer have the special services that they used to receive. In the past, these people did not live as long and were taken care of by their families or lived in institutions.

Now with de-institutionalization, people who have mental health problems often live in places that were not intended for them. They often live in places where there are no tools to help them to live in

dignity and with respect. They also have great difficulty adapting and finding a suitable environment. When they grow older, things become even more difficult.

Rather than investing in homes where these people could live better, the government confines them in residences with older people, much older people, with whom, unfortunately they have little in common, thereby sowing discord.

Instead of spending this money on a national strategy, I would prefer to allocate it to a strategy where it would be reinvested, where it would be given back to the provinces so that they could meet their commitments to their citizens.

• (1345)

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I would like to thank the member for what she had to say and the goodwill she shows on the House of Commons' Standing Committee on Health.

Like her, I acknowledge that health is of course a provincial jurisdiction. I am just back from Saint John, New Brunswick, where professionals in the delivery of health services are getting together. There are three national, Canada-wide associations from all the provinces and all the territories, including Quebec. These people recognize the need to get together and see whether they have things in common on which they can work.

On the national, Canada-wide level, when you look at treatment, research and service strategies, there is a chance here to get together and develop strategies for avoiding duplication of research and development. This is an opportunity for people to familiarize themselves with the best practices in any province or community. People have to get together to exchange views. There can be coordination on the national level, with a view of course to the competencies in all the jurisdictions, in order to review the whole question of research and funding.

There are some provinces, territories or communities that might have fewer resources than others, less capacity to pay. That is true of the Atlantic provinces and it is often true of Quebec, to which the government provides financial transfers.

I think that the member should recognize the fact that when the 10 year health plan was developed, the Government of Quebec signed the agreement. It signed the accord.

Would the member not agree that there might be a way, regarding this national strategy—say for chronic illnesses for example—to have a national approach, a Canada-wide approach, which respects provincial competencies and jurisdictions of course.

Ms. Nicole Demers (Laval, BQ): Mr. Speaker, I would like to thank the hon. member, my colleague on the Standing Committee on Health and Parliamentary Secretary to the Minister of Health.

Even if I have to say it 100 times, you know that we are against national strategies. Everything that is not a federal government jurisdiction should be considered a provincial or territorial responsibility, without condition. Apart from the health of Aboriginals, veterans and soldiers, health is just not a federal jurisdiction; it is a provincial jurisdiction. It is very clear, therefore, that I do not agree with any national strategy, regardless of what it is.

• (1350)

Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ): Mr. Speaker, once again, I appreciated the speech of my friend from Laval.

I do not know whether we will succeed some day in making the federal government understand that the funds it wants to distribute out the back door for all the services should go directly to the provinces.

My friend mentioned how much people depend on various services when they are sick. For myself, I had the same experience as she did. Between the detection of my illness, cancer, and the ultimate operation, there was a maximum of two months. When this time gets any longer, it is because of a lack of money, not a lack of competencies. When will the federal government get it through its thick skull that this money does not belong to it? This money belongs to the provinces, which have jurisdiction over the development of the health sector and the progress there.

I would like to ask my friend from Laval a question on Canada-wide plans. I was once agriculture critic. At the time, we were taken in by a Canada-wide plan to provide security for farmers. All the farmers in Quebec regret this plan. No Canada-wide plan really works.

I would like my friend to say more about the health care services available in Quebec to show how close we are to the people of that province.

Ms. Nicole Demers: Mr. Speaker, I thank my colleague from Saint-Maurice—Champlain.

It must be said that some problems with health care in Quebec, which are the result of the fiscal imbalance, still need to be resolved. After numerous negotiations, the federal government has allocated \$800 million to health care, but this is not enough to meet all the needs. Nevertheless, I believe that we have the best health care system compared to Canada and the United States. Europe, where the health care systems are quite different, is another matter.

Quebec has a community-based health care system, thanks to the CLSCs, community organizers, social workers, doctors and nurses. They work with the patients and are able to provide primary health care services.

We also have an extremely professional ambulance service. Now, people are taking courses to become even more professional and better able to save lives.

Our hospitals provide exceptional health care services, particularly in oncology and geriatrics. We have hospitals for different health care services. For example, studies in geriatrics are being conducted in Sherbrooke. The Laval hospital is considered one of the best

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hospitals in terms of oncology, neonatology and prenatal care. We provide truly exceptional care.

We also have a drug plan and health insurance. So, each individual pays the lowest possible amount for services that are supposed to be universal. However, as a result of the fiscal imbalance, people have had to start paying more because health care services cost too much.

Nevertheless, we still have the best health care services, at the lowest cost and community-based.

[English]

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, I would like to thank the hon. member for her comments; however, I fear that there may be a misunderstanding on what the Canadian strategy on cancer control entails.

The strategy does respect the autonomy of the provinces. It does respect the fact that the provinces are responsible for health care. It allows the provinces to opt in or opt out, whatever the case may be. It would not be administered by the federal government but by the stakeholders. It would be funded by the federal government, but that is it.

I wonder if the member of the Bloc would read again this cancer strategy of mine and pay specific attention to page 15 of the strategy. In light of this new information, and the fact that it is not a national strategy in the way it seems to be interpreted by the Bloc but a strategy that will benefit everyone who lives in this country, would the member be open to looking at it from that perspective?

• (1355)

[Translation]

Ms. Nicole Demers: Mr. Speaker, I read the text of this motion very carefully. That is why I objected to it so vehemently.

I am sure that if my colleague reread his motion, he would see that it says that:

—the House call on the government to fully fund and implement the Canadian Strategy for Cancer Control in collaboration with the provinces and all stakeholders—

It does not mention provincial responsibility, but federal responsibility. If the hon. member would agree to take out that part, I think we could agree on the principle. Indeed, in principle, we certainly should have the necessary funding to meet the needs of our constituents.

[English]

Mr. Tony Martin (Sault Ste. Marie, NDP): Mr. Speaker, I have a question for the member. Given that we are looking at a national strategy that includes a big chunk in terms of prevention, and recognizing, as the member said, that Quebec does a lot of good for its people, it always surprises me that Quebec would not be interested in sharing that with the rest of the country.

Given the nature of the place in which we all serve, and a federal national government to serve all the people of Canada, given the fact that we know in terms of prevention of cancer that for the air we breathe and the water we drink there are no boundaries, why she would not be supportive of a strategy that would help all people in Canada live a healthy life and not get cancer? Why would we not want to support that kind of initiative?

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[*Translation*]

Ms. Nicole Demers: Mr. Speaker, of course I want everyone to live as healthy a life as possible. I want all Canadians and Quebecers to receive as many services as possible. Nonetheless, again, it is not by accepting the federal government's interference into provincial and territorial responsibilities that we will achieve this result. It is out of the question.

I would say to my colleague that if he wanted to see what is happening in Quebec and look at the programs we have, then he can. Hundreds of people come every year to study our programs because they think they are the best. If my colleague wants to do the same, he is welcome.

I am sure my colleagues at the National Assembly will welcome him kindly. They will show him all the programs we have. Do not worry; we are prepared to share our knowledge and know-how with all Canadians because we are a nation that likes Canada, despite what anyone may say.

STATEMENTS BY MEMBERS

[*English*]

DARTMOUTH GENERAL HOSPITAL

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, this past weekend in my riding the 20th anniversary of the annual lobster dinner and auction for the Dartmouth General Hospital was held.

The event, which is organized by the hospital foundation, attracted over 800 people and is made possible by the hard work of the volunteers and the generous supporters of the Dartmouth community.

Twenty years ago, at the first dinner, \$16,000 was raised and this year the foundation raised in excess of \$100,000, all for the benefit of patients and the Dartmouth General Hospital, one of Canada's finest community hospitals.

The foundation has undertaken a new campaign to fund a new CT scanner which is urgently needed to replace the hospital's current one. This new scanner is state of the art technology and will be used to diagnose a number of diseases and conditions.

The hospital has one of the best emergency facilities in eastern Canada under the able leadership of Dr. Todd Howlett. The Dartmouth General Hospital is an example of community based medicine at its best. It was built due to community involvement and continues to be an integral part of the Dartmouth—Cole Harbour community.

I congratulate all the professionals at the hospital—

• (1400)

The Deputy Speaker: The hon. member for Vegreville—Wainwright.

NATIONAL SPELLING BEE

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Mr. Speaker, last month Finola Hackett, a determined young lady from my riding of Vegreville—Wainwright, won the first ever CanWest CanSpell National Spelling Bee, a contest that began in January with more than 80,000 students.

As well as being the first to have her name carved into the CanSpell cup, Finola walked away with a \$10,000 scholarship and a spot in the prestigious 78th annual Scripps National Spelling Bee in Washington, D.C. This was a tremendous accomplishment.

Millions of children worldwide participated in the local spelling bees in hopes of reaching the level that only Finola and 273 spelling champions were able to achieve.

Then Finola, at the age of 13 years, showed great poise and knowledge last Thursday and made all of Canada proud by placing 11th overall in Washington.

I am very proud of Finola, her parents, her teachers and all who helped shape her success.

I say way to go to Finola. She has done Tofield, Alberta and Canada proud.

* * *

CLEAN AIR DAY

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, June 8 is Clean Air Day. It is part of Canadian Environment Week which promotes activities that help conserve and protect our environment. Clean Air Day specifically tries to raise awareness on air pollution and climate change.

It is important that we dedicate ourselves to work to improve air quality in order to create a cleaner and healthier environment for ourselves and for generations to come. Air pollution is particularly harmful to young children, the elderly and those with respiratory and cardiovascular diseases.

As a member from the city of Toronto, a city that continually has to deal with air pollution, I believe it is essential that we raise awareness on environmental issues, such as clean air, in order to protect our planet for generations to come.

* * *

[*Translation*]

MAISON CLAIRE-FONTAINE

Mr. Marcel Gagnon (Saint-Maurice—Champlain, BQ): For the third year in a row, La Maison Claire-Fontaine, a B&B in La Tuque, has been named best in its region in the Grands Prix du tourisme québécois.

This B&B fits perfectly into the tradition of Haute-Mauricie, the birthplace of Félix Leclerc. Haut-Saint-Maurice is a wondrous part of the country, striking in its vastness, its natural resources such as the Saint-Maurice river, and its recreational and tourism potential.

This magnificent residence, classified “four suns”, was built in 1917. Many guests have praised the personalized hospitality of owners Marie-Josée Hébert and Eddy Georges, which has added to the tourism reputation of the region and fuelled the pride of those who live there.

Congratulations to Marie-Josée and Eddy.

* * *

CYNTHIA MATHIEU

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, I would like to extend my congratulations to Cynthia Mathieu, recipient of a silver certificate in the Duke of Edinburgh's award program Young Canadians Challenge.

Recipients have met personal challenges in four areas: community service, adventurous journey, physical recreation and skills.

This young resident of Fabreville in the riding of Laval—Les Îles earned most of her award within Squadron 687, where she provides administrative services and teaches music. She also helps with seniors' recreational activities.

Cynthia Mathieu is an excellent example of a determined young woman involved in the life of her community.

We thank you for that, Cynthia. Keep up the good work.

* * *

[English]

ORGANIZED CRIME

Mr. Art Hanger (Calgary Northeast, CPC): Mr. Speaker, as the proverb goes, “there is nothing new under the sun”, and that applies to the actions of our government charged with the responsibility to control all crime and look after the good citizens of our country.

Why then is law and order breaking down?

Let us put it into perspective. Drive by shootings, gang wars, fraudulent telemarketing schemes, identity theft, drug operations and juvenile prostitution, to name but a few, are very much prevalent in every community. The alarming aspect, and we should be more than alarmed, is that organized crime launders between \$5 billion and \$17 billion a year from these activities. Dirty money in the hands of dirty people.

Is it that some in authority are playing in the same sandbox as the shadowy figures of the underworld or are politicians just turning a blind eye to organized criminal activity? Whichever, our justice and law enforcement systems have been compromised and the results are devastating.

No, there is nothing new about politicians not acting when they should. We in the House had better get out of our comfy chairs and address the problem of organized crime before it is too late.

* * *

• (1405)

DALHOUSIE, NEW BRUNSWICK

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, last week I was invited to take part in an

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activity in Dalhousie, New Brunswick to recognize 108 individuals who made a difference to the development of that region. The activity was part of the celebration this year of the 100th anniversary of the City of Dalhousie.

[Translation]

People's contribution to their community is vital to keeping our regions dynamic and furthering development. The people who were recognized at the celebration on Saturday had all contributed to making their community a good place to live.

[English]

I would like to congratulate the nominees of that special event in Dalhousie and to thank everyone in my constituency who is involved in the development of their community.

* * *

[Translation]

SEMAINE QUÉBÉCOISE DES PERSONNES HANDICAPÉES

Mr. Robert Vincent (Shefford, BQ): Mr. Speaker, June 1 to 7 is the week Quebec sets aside for persons with a disability. This year, the ninth edition, under the banner of “Together, everyone is a winner”, the goal is to help persons with a disability integrate into society.

Quebec's Office des personnes handicapées is working hard to eliminate obstacles for persons with a disability. However, the organization and the government cannot do the job alone. We, all of us, must change our attitude and become more aware of this considerable problem.

On behalf of the Bloc Québécois, I would like to thank the people in the health community, Quebec's Office des personnes handicapées and everyone involved directly or indirectly in improving the welfare of these people. I am thinking in particular of the families and caregivers who live with a physically or intellectually disabled person.

* * *

[English]

ENVIRONMENT WEEK

Hon. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, Canadians are the stewards of much of the planet's natural environment. Future generations in Canada and around the world are depending on our ability to preserve a natural heritage that includes healthy ecosystems with productive and protected habitats, clean air and water, and a wide variety of species.

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The Government of Canada encourages the preservation of our natural environment. The habitat stewardship program for species at risk funds projects that support habitat conservation and fosters stewardship. The ecological gifts program provides tax incentives to citizens who wish to make gifts of ecologically sensitive lands.

In addition to these federal programs, local conservation organizations and people in the riding of Etobicoke—Lakeshore, like Christina Sharma, Dr. Fisenko, Carole Goyette and many others are leading stewardship efforts across the country. I encourage all Canadians to take action this Environment Week to protect our natural future.

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KAMLOOPS—THOMPSON—CARIBOO

Mrs. Betty Hinton (Kamloops—Thompson—Cariboo, CPC): Mr. Speaker, my riding of Kamloops—Thompson—Cariboo is host to many wonderful events. Covering over 44,000 square kilometres, we are larger than some small countries and equally diverse.

During the most recent break week, I attended the Clinton Historic Ball. It is a tradition that dates back to 1867. This year's Mr. and Mrs. Clinton are Doris Ilingworth and Dr. Frank Campbell.

Up north in Clearwater, I rode a float in the annual May Day parade, followed by the grand opening of the 100 Mile House Emergency Services Training Centre.

In Kamloops, the South Central trucking and industry dinner and auction for Royal Inland Hospital was a great success. I opened the B.C./Yukon dog agility trials where over 300 dogs from across North America went through their paces. Parliament could take a lesson from their trainers.

I had the honour of reviewing the Royal Canadian Air Cadet Corps and visited with Chief Richard LeBourdais of the Whispering Pines Band prior to the opening of the Kamloops off-road track.

I pay tribute to all those volunteers and organizers who contribute so generously of their time and talent to make these events a success.

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JOHN F. KENNEDY BUSINESS CENTRE

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, on April 19, 2005, I had the privilege to attend the launch of the Internet site of the John F. Kennedy Business Centre located in St. Michel. During the event a plaque was presented to all the business partners as a thank you token for outstanding support given to the centre.

The John F. Kennedy Business Centre is an adult school under the English Montreal school board whose mandate is to offer quality services to people in need of training. The Quebec government awards a vocational skills diploma at the end of each session.

The centre, thanks to its strong connection with firms and businesses, can offer work-study modules followed by active placement services. Over 85% of the Business Centre graduates walk right into a job.

I would like to extend my congratulations to the John F. Kennedy Business Centre's administration for a formula which puts the school

system in close cooperation with the business sector in order to provide trained personnel according to need.

I would also like to congratulate the teachers for their commitment and the attendees who actively pursue the Canadian dream of a better life through better jobs and better education.

* * *

● (1410)

TORONTO PORT AUTHORITY

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, over the last few months I have called for the closure of the Toronto Port Authority and transfer of its lands and assets to the City of Toronto. Today I renew that call.

In May the Liberal government gave the Toronto Port Authority \$35 million ostensibly for a \$22 million settlement not to build a bridge to the Island airport. *Globe and Mail* columnist John Barber rightly asked how a bridge that was to cost \$22 million to build could now cost \$35 million not to build. That was a good question.

The Port Authority is a money pit. The Port Authority's financials for 2004, now available, disclose that the airport generated a pathetic \$1.4 million in revenue but incurred expenses of \$5.3 million.

I state once again that we should stop the hemorrhaging of our tax dollars and close this useless, money wasting enterprise.

* * *

AUTISM

Mr. Stockwell Day (Okanagan—Coquihalla, CPC): Mr. Speaker, all children are special. All children have special needs. The only differences between children are that the special needs of some children are more evident and obvious than others.

Such is the case for the Rodrigues and Zaffino families in my constituency, and for thousands of other families in B.C. and across Canada. They are families with very special children, children who are autistic.

There is hope for these families. There is a treatment known as Lovaas therapy which, for 30 years, has clinically proven dramatic success rates in 47% of children who receive the therapy, and measurable improvement rates of close to 100% of all autistic children.

However, the agonizing reality is that the Supreme Court of Canada has agreed with the Government of B.C. and the federal Liberal government stating that governments should not have to help families pay for the expensive cost of this remarkable therapy.

Courts and governments can be technically right on an issue from a legal point of view but tragically wrong from a human point of view.

Oral Questions

I am asking all MPs from all parties to join in efforts to find solutions for the Canadian families of autistic children. They are truly special children.

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[Translation]

BERNARD LANDRY

Mr. Stéphane Bergeron (Verchères—Les Patriotes, BQ): Mr. Speaker, I would like to pay tribute to Bernard Landry, the extraordinary man who shaped the destiny of the riding of Verchères for over 10 years and who has dedicated his life to the development and international reputation of Quebec.

Today, we find ourselves suddenly deprived of the services of a great man who always had the best interests of his fellow Quebecers at heart.

The political world can be a very thankless place. After serving his nation, the land of his birth, with such devotion, loyalty and determination for decades, he is stepping down with dignity. Although he won a strong majority from Parti Québécois members, this support did not meet the incredible aspirations he had for Quebec and the colossal task he called upon his party to perform in order to achieve those aspirations.

Mr. Landry's departure leaves a gaping hole in Quebec politics. I am consoled by the knowledge that he has reiterated his unflinching desire to continue to fight until Quebec takes its place in the community of nations.

Thank you for everything, Mr. Landry.

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[English]

YOUNG OFFENDERS ACT

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, I just received a letter from a constituent, Mrs. Carol Sleeva of Canora, Saskatchewan and I would like to read from it. She states:

My 16-year-old son Travis committed suicide on December 6, 2004, after several months of harassment from a group of school students. In his suicide letter he stated that he "just cannot take the fighting anymore". I am writing in anticipation that you would be able to bring my message to Parliament for the following urgent request: Please revamp the Youth Justice Act to include "bullying" under the Criminal Code. This will allow for the RCMP to start putting an end to this hateful crime. The Youth Justice Act has obviously not been a deterrent for young offenders; in fact it is a joke to them. Our children need to be able to go to school and out in the community feeling safe and free from harassment from those who choose to be bullies in our society.

I have started work on what I hope will eventually lead to the introduction of "Travis' bill" in this House. We need to urgently amend the Young Offenders Act and implement a multi-pronged strategy to address the serious bullying problem in Canada.

* * *

COMPANION OF THE ORDER OF CANADA

Ms. Yasmin Ratansi (Don Valley East, Lib.): Mr. Speaker, yesterday the Governor General of Canada invested His Highness the Aga Khan as an honorary Companion of the Order of Canada for his life of generosity, benevolence and spiritual direction.

As head of the Aga Khan Development Network, His Highness is responsible for an organization dedicated to seeking long term global solutions to the problems posed by poverty, hunger, illiteracy and ill health in the developing world.

Last April the Government of Canada welcomed the establishment of the Global Centre of Pluralism in partnership with the Aga Khan Development Network. The centre will engage in research and promote dialogue about ethnic, cultural, linguistic and religious diversity with a view to helping foster pluralistic values and establishing similar institutions worldwide.

I am certain that all Canadians and members of the House join me in congratulating the Aga Khan for his ongoing work to improve the lives of millions in the developing world.

* * *

• (1415)

AUDIOTAPED CONVERSATIONS

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, in the case involving the discussions between the Minister of Health, the Prime Minister's chief of staff and the member for Newton—North Delta confusion and accusations abound. There are allegations and counter allegations about the content of the discussions and authenticity of the tapes.

The government says that any information should be forwarded to the RCMP and the Ethics Commissioner. Yet there has been no public release of phone records, meeting logs, correspondence or e-mails relative to the file. There has been no release of the information to the Ethics Commissioner or the RCMP. There has not been even an offer to release this information.

The Prime Minister could provide some clarity on these matters: simply order his minister and his staff to release all information pertaining to this file.

ORAL QUESTION PERIOD

[English]

DEMOCRATIC REFORM

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, according to an article in *The Hill Times*, the Prime Minister has named one member the Minister for Democratic Reform and another the Minister for Democratic Renewal.

Since there appears to be no agenda in either area, could the Prime Minister explain to the House the difference between the two?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, there is no doubt that the whole reform of the way in which we operate is something that has to be looked at and renewal becomes very clear when we see the way the opposition has treated the House. There are constant allegations, innuendoes and the catcalls we hear right now.

In fact, if anybody requires an example of the need for democratic renewal, it is the way the opposition is acting at this very moment.

*Oral Questions***THE BUDGET**

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, I suggest the Prime Minister name a third minister and they might eventually come up with a job description.

The Prime Minister has promised over \$26 billion in spending in his attempts to buy votes and cling to power. The last time the Liberals and the NDP formed an alliance and went on this kind of spending spree they damaged the economy for two decades to come.

What evidence is there that Canadians, and for that matter what evidence is there that Liberal voters want NDP fiscal policies?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, as usual the hon. gentleman has his numbers incorrect. The \$26 billion figure is purely a figment of his website and has nothing to do with reality.

Second, this is the government that balanced the books after 27 years of deficit financing. This is the government that has delivered eight consecutive balanced budgets. This is the government that has taken the record of the government from the bottom of the G-7 to the top of the G-7 and delivered the best fiscal performance since 1867, and that will not change.

* * *

FEDERAL-PROVINCIAL RELATIONS

Hon. Stephen Harper (Leader of the Opposition, CPC): Mr. Speaker, we know how the government now intends to keep the budget balanced. It will declare all those promises to be figments of people's imaginations.

[*Translation*]

Today, in a committee report, three parties in this House have again denounced the fiscal imbalance. The premiers of Quebec, Ontario and other provinces have denounced the fiscal imbalance.

Will the Prime Minister commit to meeting the Council of the Federation to come up with up a viable, long-term solution to this growing national problem?

[*English*]

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, each level of government has access to essentially the same major tax sources. Indeed the provinces have access to some that the federal government does not. I am thinking of lottery returns, for example, which are very substantial and natural resources royalties.

Each level of government has entirely its own fiscal autonomy, to make its own spending and revenue raising decisions. The debt load carried by the Government of Canada is twice as large as the combined debt of all the provinces and the revenues flowing to provinces is larger than that to the federal government.

* * *

• (1420)

THE BUDGET

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, if every provincial government taxed like the federal government, they would go bankrupt pretty quickly.

The prestigious OECD is predicting that the Prime Minister's NDP inspired spending spree will result in interest rates being hiked. That means Canadians will be paying more for their mortgages, their credit card debts and the value of their homes may drop.

Why must ordinary Canadians bear the brunt of this flaccid Prime Minister's flagrant vote buying attempts to prop up his fraudulent corrupt government?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the bitterness of the hon. gentleman is palpable for the rest of Canadians to judge. The policies of the government have resulted in low and stable inflation rates and low and stable interest rates.

We have an established policy with the Bank of Canada which keeps inflation in that band between 1% and 3%. It is solidly within that range. It will stay within that range and that means interest rates in the country will continue to be stable and low.

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, let us take a look at what some of those experts are saying. Those experts are predicting that interest rates are going to go up.

Nesbitt Burns said that with the passage of the two budget bills, the Bank of Canada would have no choice but to raise interest rates. Marc Lévesque, a senior strategist with TD Securities, said that the lavish spending promises made by the Prime Minister to win the support of the NDP would push the Bank of Canada to raise interest rates more quickly.

Instead of punishing ordinary Canadians, will the Prime Minister put the interests of Canadians ahead of his own personal agenda to desperately cling to power?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the repetition of a fallacious premise does not make it true. The spending profile difference before and after Bill C-48 is the grand total of 1%. Within the fiscal flexibility that was built into the framework on February 23, there is ample room to cope with the new spending initiatives of, as I say, barely 1%.

The Government of Canada has delivered for over a decade now the most fiscally responsible performance in the history of our country and we will stick by it.

* * *

[*Translation*]

OFFICE OF THE PRIME MINISTER

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, on May 31, in response to a question about discussions between his chief of staff and a Conservative MP, the Prime Minister stated here in the House, “—the statement is absolutely clear that no offer was made, that an offer was solicited”. That is what he said.

I am asking the Prime Minister when he learned that an MP was soliciting an offer from his chief of staff in exchange for crossing the floor of the House. Was it during the negotiations between his chief of staff and the Conservative MP, or later, meaning once those negotiations had been made public?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, once again, the leader of the Bloc Québécois is referring to altered tapes. I can tell him that we acted on the basis that no offer would be made. Unlike the opposition, we are not making accusations of malfeasance about the opposition gratuitously.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, they are not gratuitous. I will repeat what he said. The Prime Minister responded, and I quote, “—the statement is absolutely clear that no offer was made, that an offer was solicited”. Those are his words.

I am asking him if he learned of it before or after. In the first case, he should have called the RCMP; in the second, his chief of staff should have called them. When did he learn of it? I am repeating his words. It is not gratuitous. I am not accusing anyone. I am repeating his words. Now he needs to explain himself.

[English]

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the Prime Minister said that he was informed the member for Newton—North Delta wanted to cross the floor. The Prime Minister said that no offer was to be made, and no offer was made.

[Translation]

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, the Prime Minister refuses to say when he was made aware of the offer made by the member. One thing is certain, however. He cannot claim that his chief of staff was not aware because, after he was approached, the chief of staff entered into negotiations. This, therefore, is proof that his chief of staff was aware but did not see fit to inform the RCMP.

Does the Prime Minister not think that he would be fully justified to call for the resignation of his chief of staff after this demonstration of such a flagrant lack of judgment?

• (1425)

[English]

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, no.

[Translation]

Mr. Michel Guimond (Montmorency—Charlevoix—Haute-Côte-Nord, BQ): Mr. Speaker, here in this House, the Deputy Prime Minister has shown us the way to approach such a matter, stating that anyone aware that a criminal act might be committed has a duty to inform the RCMP.

Does this apply to the PM's chief of staff? Since the chief of staff was obviously derelict in his duty, ought he not to resign immediately?

[English]

Hon. Tony Valeri (Leader of the Government in the House of Commons, Lib.): Mr. Speaker, as I have said in the House numerous times before, the RCMP will decide whether there is

anything to investigate in this matter. If the member opposite has any information, then he should provide it to the RCMP, and I would encourage him to do so.

* * *

THE ENVIRONMENT

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, my question is for the Prime Minister. It is Clean Air Day, but it is really a tragedy because the air in our communities is getting dirtier and dirtier and harder to breathe.

Let me just cite the Toronto Board of Health study that says that pollution is killing 822 people in Toronto, 818 people in Montreal, 368 people in Ottawa and 258 people in Windsor.

Smog is not solved by rhetoric. It is also not solved by voluntary measures. In fact, health experts agree that we need firm action.

Will the Prime Minister admit that his way is not working and that we need mandatory—

The Speaker: The hon. Minister of the Environment.

Hon. Stéphane Dion (Minister of the Environment, Lib.): Mr. Speaker, smog is indeed a very serious problem. That is why Canada is acting so strongly in order to fight this problem. That is why, for instance, the regulations for sulphur in diesel fuel will decrease diesel emissions by 97%. For instance, by 2010 for on road vehicles, the engine emission regulations will decrease by 90%. It is true that we need to do more, but we are doing a lot of very important things for Canadians.

Hon. Jack Layton (Toronto—Danforth, NDP): Words, Mr. Speaker, words. I would like to know what words this government has for the people who are going to emergency wards right now because their kids cannot breathe and because the seniors cannot breathe.

Let us review some of the recent environmental reports. Canadian toxic emissions are up. In the United States, they are down. Greenhouse gas emissions are going up faster than the economy is growing. By every indicator, lethal smog is getting worse, and leading environmental groups and the *Globe and Mail* say that the Liberal Kyoto plan is not good enough. What does it take for the Prime Minister to start enforcing the reduction of pollution by those who pollute in this country?

Hon. Stéphane Dion (Minister of the Environment, Lib.): Mr. Speaker, I will leave the words to the NDP. The Liberals will take action. For instance, we have the sulphur in gasoline regulations, the sulphur in diesel fuel regulations, the on road vehicle engine emissions regulations, the new source emissions guidelines for thermal electricity generation, the particulate matter and ozone precursor regulations, and a list of toxic substances.

We have a lot of regulations, but above all we have a vision, and that is to bring the environment and the economy together under the leadership of this Prime Minister.

*Oral Questions***THE BUDGET**

Mr. Monte Solberg (Medicine Hat, CPC): Mr. Speaker, the OECD has raised a red flag on out of control Liberal-NDP spending, which it says will hike interest rates. That means a lower standard of living for all Canadians, for all Canadian workers and all Canadian families.

How many red flags have to stick the Prime Minister right in the eye before he decides to dump his deal with the dippers?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, when the precursors of the hon. gentleman's party were in government they delivered an economic performance that resulted in the world's observers saying that Canada had become a candidate for membership in the third world. That is the Conservative legacy.

We eliminated that legacy. We balanced the budget. We have delivered eight consecutive surpluses. We have the best fiscal performance in all of the G-7 and it is going to stay that way.

• (1430)

Mr. Monte Solberg (Medicine Hat, CPC): Mr. Speaker, according to Don Drummond, a former deputy finance minister, Canadians have not seen a rise in their take home pay since this government took power. I think that is pretty damning.

A 2% hike in interest rates on a \$200,000 mortgage would mean a \$230 increase in monthly mortgage payments. That is a disaster for working Canadians. Will the Prime Minister dump his deal with the NDP so that Canadians can pay their mortgages?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, I take it from the previous remarks of the hon. gentleman that he is a great fan of the fiscal policies applied by the United States of America. I would point out to the hon. gentleman that in that country interest rates are rising. In this country, interest rates are low and stable.

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[*Translation*]

THE ECONOMY

Mr. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, in February, the government presented its budget and announced that tax reductions were necessary to attract investment. The Liberals entered into a \$4.6 billion deal with the NDP and have crossed the country announcing \$26 billion in spending. The business community's concerns about our financial situation are justified.

Will the minister admit that he is prepared to pillage the public treasury in order to buy the voters' consciences?

[*English*]

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, the hon. gentleman repeats the \$26 billion figure. Again he is wrong. That is simply a figment of the imagination of the webmasters that work for the Conservative Party. It is factually incorrect.

The fact of the matter is that we are investing in post-secondary education, housing, the environment and foreign aid. I would like to know from the hon. gentleman, which one of those four does he oppose?

Mr. Michael Chong (Wellington—Halton Hills, CPC): Mr. Speaker, the Minister of Finance should not just take our word for it. He should listen to the Canadian Council of Chief Executives and to the president of the Canadian Chamber of Commerce, who said that "to say that program spending is out of control would be an understatement". He should also listen to *The Economist* magazine, which said that the Prime Minister "appears to have thrown fiscal restraint to the wind".

How will he or can he reconcile with his budget this government's outrageous \$26 billion in vote buying spending announcements?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, if the hon. gentleman would like to find the reconciliation, I would recommend that he look at page 258 of the budget plan. He will see the fiscal flexibility that is there, built in.

I would also point out to the hon. gentleman that the advice that comes from the chief executives and those on Bay Street is very valuable and important to the government, but so also are the voices from main street that talk about post-secondary education, that talk about more affordable housing and that talk about foreign aid and the environment. Those voices are also important.

* * *

[*Translation*]

EMPLOYMENT INSURANCE

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, after voting in favour of creating an independent employment insurance fund just a few weeks ago when she was a Conservative, the Minister of Human Resources and Skills Development is saying that an independent fund is no longer necessary, now that she has been told how it operates.

Are we to understand from the minister's statements that she is not really convinced of this, but rather has been told this is how she should think?

[*English*]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, we are following the advice of the Auditor General, who said those funds should remain with the public accounts.

[*Translation*]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, yesterday, the minister discovered that the fund was working well. It is not the fund that is the problem, but how it is being used.

When an offence is committed and a car is seized, it is not seized because it is not working properly, it is seized because it was used in a crime. It is the same thing with the EI fund.

Will the minister admit that nothing explains her 180 degree turnaround on the EI fund issue other than she was prepared to do anything to get—

Oral Questions

The Speaker: The Minister of Human Resources and Skills Development.

• (1435)

[English]

Hon. Belinda Stronach (Minister of Human Resources and Skills Development and Minister responsible for Democratic Renewal, Lib.): Mr. Speaker, the human resources committee brought forward a number of recommendations to strengthen the independence of the EI commission. They were taken into consideration and were brought forward in the budget bill, Bill C-43, to strengthen the independence of the commission as it strengthens the way that the rate is set, and that it is brought about in a more transparent and accountable way.

* * *

[Translation]

INFRASTRUCTURE

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, the Prime Minister regularly refers to his desire to respect provincial jurisdictions, but acts quite differently.

How can the Prime Minister claim to respect the governments of Quebec and the provinces, when he is insisting that the municipalities agree on the criteria for distributing gasoline tax revenues before paying the money out, whatever the amount may be?

Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.): Mr. Speaker, I have often said that the matter of the distribution of funds remains in the hands of the Government of Quebec, in cooperation with the municipalities and the Government of Canada. We have already established close cooperation in the case of infrastructures, and will continue this way.

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, the federal government is shamelessly black-mailing Quebec and the provinces by making them subject to the approval of their municipalities before they can touch funds from the transfer of part of the gasoline tax.

How can the Prime Minister use money from the fiscal imbalance to make the governments of Quebec and the provinces dependent on the approval of their own constitutional creatures, the cities? Is this not totally unacceptable meddling?

Hon. John Godfrey (Minister of State (Infrastructure and Communities), Lib.): That is not the case at all. We are working closely with the Government of Quebec. We are consulting the cities, but are waiting for the Government of Quebec to find a distribution formula for its cities. Then we will be able to proceed, as partners.

* * *

[English]

GOVERNMENT CONTRACTS

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, rent scam goes right to the top. Top sources revealed to my office documented proof today that taxpayers started paying rent on the empty Gatineau building two months before a contract was even signed. That is right. The first payday was December 1, 2003, and the deal was inked on January 28, 2004.

Why did the current finance minister, the then public works minister, pay half a million dollars in rent to a Liberal—

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

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, it is important to recognize that, first of all, this lease was awarded and the contract was awarded after a fair, open and transparent process, and in fact, a process that was overseen by a fairness monitor, that fairness monitor being KPMG.

It is also important to recognize that yesterday in this House the hon. member attacked the new conflict of interest code for senators. It is important to recognize that this code of conduct is in fact supported by Conservative senators. He is offside with his own party membership in the Senate and I suggest that they get on the same page and talk at caucus tomorrow about this important issue.

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, my question is for the finance minister, who was the public works minister at the time that his government started paying rent for an empty building without even signing a contract. Why is it that this minister paid a half a million dollars to the company of a Liberal senator, without a contract?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, further, the contract was signed before the individual was in fact a member of the Senate.

Further, I would draw the member's attention to what Senator David Angus has to say about the new conflict of interest code for senators. This is what a Conservative senator is saying: "This conflict of interest code for senators is a remarkable document". He says that it is the result "of a long and thoughtful but arduous labour by many of our honourable colleagues". He goes on to say that "our code is much better than the one that was adopted earlier this year in the other place".

I hope that tomorrow at caucus the hon. member speaks to his Senate colleagues and urges them to get on the same page.

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Mr. Speaker, this minister is avoiding the question. On May 31, the public works minister admitted to the Standing Committee on Government Operations and Estimates that their Liberal landlord had broken the Parliament of Canada Act in a deal to rent his building to this government.

What he did not admit is that taxpayers had been paying rent months before the contract was signed. Is it normal procedure for this government to pay out taxpayers' money before a contract is signed or is this a special deal for his Liberal colleagues?

Oral Questions

•(1440)

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, to clarify, as I clarified at committee, what I referred to at committee was the fact that when we as the department became aware of the situation, I instructed our department to write to Alexis Nihon. The letter simply said:

We would like to know...what arrangements...you have taken to ensure that you are in compliance with the Lease...Please inform us...of what corrective measures you have taken to arrange your affairs in such a way that you are not in breach of section 25.10 of the Lease.

We took action. Section 25.10 in fact refers to section 14 of the Parliament code. That code no longer exists. There is a new code of ethics and we are confident that in fact all—

The Speaker: The hon. member for Vegreville—Wainwright.

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Mr. Speaker, this government only acts when it is caught red-handed. It took the opposition to blow the whistle and catch the government's breach of the Parliament of Canada Act. The penalty for breaking this law is \$200 a day, which now is \$110,000 in total. When will the government collect this fine from its Liberal colleague?

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, once again, the hon. member is simply not up on his facts. In terms of the \$200 a day fine he is referring to, that fine no longer exists, in fact. It is part of section 14. Section 14 was replaced by the code of conduct, which I believe this Parliament approved in 2003, and beyond that, a conflict of interest code for the Senate that is supported by the Conservative senators.

If those members have a complaint to launch about a senator's conduct, they should talk to their Conservative senators about making that complaint to the Senate ethics commissioner.

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THE BUDGET

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, post-secondary education and skills training is increasingly important in our global economy. To be competitive in today's economy, we must invest in Canada's future to ensure a strong, knowledge based workforce. I believe that Bill C-48 is a step in that direction and I think most Canadians agree.

In light of that, could the Minister of Finance please tell Canadians what will be lost in this area if the House does not pass Bill C-48?

Hon. Ralph Goodale (Minister of Finance, Lib.): Mr. Speaker, first I would like to congratulate the member for Dartmouth—Cole Harbour. He has played a very strong role as the chair of the government caucus on post-secondary education and research and in fact helped to secure the \$1 billion in further federal support for science and research that is in the budget of February 23. That builds on about \$5 billion per year that our government already invests in education and higher learning. Bill C-48 adds another \$1.5 billion over the next two years especially for student assistance.

* * *

NATURAL RESOURCES

Hon. Bill Blaikie (Elmwood—Transcona, NDP): Mr. Speaker, my question is for the right hon. Prime Minister. It has to do with the very serious need for a full-court press on Washington with respect

to the Devils Lake diversion. We only have a few weeks left. The Prime Minister has said that he has been in touch with the President. I wonder if the Prime Minister could tell us when he expects to hear back from the President or Condoleezza Rice. We need to know because if they are not going to say yes to the IJC reference, we need to be able to develop an alternate plan.

Could the Prime Minister tell us what is happening on that file?

Right Hon. Paul Martin (Prime Minister, Lib.): Mr. Speaker, I share the views of the hon. member in terms of the seriousness of this measure. I share his views in terms of the need for a full-court press.

It was a major topic that I raised with the President when I spoke to him last week. I asked the President to support his environmental commissioner who is in fact very much aware as a result of the discussions that the government has been having with him.

The President of the Treasury Board has been in constant contact, as have I, with the Premier of Manitoba. I can tell the House that we take this issue very seriously and are pushing it as hard as we possibly can.

Hon. Bill Blaikie (Elmwood—Transcona, NDP): Mr. Speaker, we want to know not what the government has done but what the government is going to do and when it expects to hear back from the President.

This does not just have to do with Manitoba. This impacts on everything that would have been formerly treated by the IJC. If this is allowed to go ahead without the IJC being involved, then things could happen to the Great Lakes down the road on both sides of the border without any IJC reference.

This will be a terrible precedent not just for Manitoba's ecosystem but for boundary waters disputes in general.

•(1445)

Hon. Stéphane Dion (Minister of the Environment, Lib.): Mr. Speaker, I think it is an excellent question. It is something we share all together. We need to speak very strongly to our friends in the United States. We have a treaty that must be respected. Lake Winnipeg is one of the most wonderful lakes in the world and we need to protect it.

That is why I am in intense negotiations with many colleagues and intense negotiations with the CEQ and Mr. Connaughton to be sure that at the end of the day the United States will do the right thing.

* * *

[Translation]

GOVERNMENT CONTRACTS

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, rent was paid 10 months in advance for an empty building, despite the fact no contract had been signed. The Minister of Public Works and Government Services has admitted that the lease and the law were broken. When I caught the Liberals breaking the law, cabinet repealed the legislation, all for another Liberal friend.

Oral Questions

In addition to the sponsorship scandal, will there now be a rent scandal?

[*English*]

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the hon. member ought to be aware that in fact this House approved and supported the new Senate code of conduct. Beyond that, the Conservative senators supported the new code of conduct. In fact Senator Angus and others have spoken very positively about it.

There is a new ethics code for the Senate. It is overseen by a new independent ethics officer. Section 14 no longer applies. In fact it is notable that new conflict of interest code actually was inspired by the Oliver-Milliken report that was tabled in—

The Speaker: The hon. member for Nepean—Carleton.

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Mr. Speaker, we are not talking about a Senate code here. We are talking about why the government began paying rent to one of its Liberal friends 10 months before Canadian employees occupied the building and two months before there was a contract in place.

I ask the Minister of Finance who was the then Minister of Public Works, is it standard practice to pay out before a contract is signed?

Some hon. members: Oh, oh!

The Speaker: Order. The hon. Minister of Public Works and Government Services has the floor.

Hon. Scott Brison (Minister of Public Works and Government Services, Lib.): Mr. Speaker, the irrevocable contract, the competitively developed contract was in fact two years before the hon. member is even speaking about. It was beyond that.

The hon. member ought to understand, because it has been explained to him enough, that the 10 month delay was caused by the merger of two agencies within the Government of Canada. Alexis Nihon in fact delivered the building to the government on time, on budget and fulfilled its contractual obligation to the government.

It was an internal issue and not one in which one would punish an external contractor, in this case Alexis Nihon.

* * *

CHILD CARE

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, the Liberal government is creating a two tier child care system, one tier for those who can find a space in a government run, nine to five day care centre, and another tier for those who are forced to fend for themselves, especially parents who work shifts. This two tier child care system does not create choice or opportunities for the majority of Canadians.

What is a single parent on a low income who works late night shift work supposed to do for child care under this Liberal plan?

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, the first thing this system provides is a huge additional amount of money for the provinces and territories to invest in the areas of priority to them and which also meet the principles that we have agreed to. I am sure that among those priorities within the

provinces there will be priorities for rural and remote areas. I am sure there will also be priorities in terms of flexibility.

One of the advantages of early learning and child care is it is not a large scale system like education. We can meet the smaller needs more effectively.

Ms. Rona Ambrose (Edmonton—Spruce Grove, CPC): Mr. Speaker, each and every parent should be able to afford the choice to care for their children as they see fit. A one size fits all day care plan does not provide choice and discriminates against some parents.

When will the minister acknowledge that all parents deserve choices and financially empower all families equally?

Hon. Ken Dryden (Minister of Social Development, Lib.): Mr. Speaker, let me take the hon. member back 13 months or so to where early learning and child care in this country was at that point. None of the provinces outside of Quebec was willing to make a big investment in early learning and child care. The party opposite clearly was not interested. When that party had the choice, it decided to come up with a scheme that would pay \$320 per child to a low income family. That is no choice.

* * *

● (1450)

[*Translation*]

NATIONAL DEFENCE

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, once again, members of the Canadian navy are in hospital, this time in Halifax, following a fire yesterday on board a patrol frigate, the HMCS *Toronto*. Just as in the investigation into the fire on board the submarine HMCS *Chicoutimi*, the Canadian navy is refusing to disclose the exact number of hospitalized seamen, or their health status.

Since the navy is keeping us in the dark, can the Minister of National Defence tell us the exact health status of the crew of the HMCS *Toronto*?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, I met with navy officials this afternoon. I can reassure the hon. member and all the members in this House on this matter. A fire broke out on the *Toronto* and caused some damage. A few people were sent to hospital, but everyone is fine. No extensive damage was done. Everything is now under control.

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, does the minister intend to dock all Halifax class frigates until the end of the investigation into this fire, as he did with the submarines after the *Chicoutimi* fire?

Oral Questions

Hon. Bill Graham (Minister of National Defence, Lib.): Certainly not, Mr. Speaker. The nature of this fire and the extent of the damage are fortunately not at all the same as what happened on the *Chicoutimi*. The ship in question was docked. This was an unfortunate incident, but I can assure the House that the *Toronto* will be seaworthy shortly. There is no problem. There is no reason to keep this ship in the dockyard.

* * *

[English]

DEMOCRATIC REFORM

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, before she became a Liberal, the Minister responsible for Democratic Renewal was one of the co-sponsors of Bill C-261, which would lower the voting age to 16. She even toured the country in support of the bill.

My question is, now that she is a minister, does she still support Bill C-261 and the lowering of the voting age to 16?

Hon. Mauril Bélanger (Minister for Internal Trade, Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages and Associate Minister of National Defence, Lib.): Mr. Speaker, as the hon. member knows, the bill he refers to will be debated for the second hour tomorrow. If the member waits patiently, he will find out how everybody intends to vote tomorrow night.

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, I am going to guess that the minister will be voting in favour of the bill based on the fact that www.vote16.ca has her picture on its front page and has this quote from her:

The new Canada is the future, and lowering the voting age is a step in providing fresh oxygen to our political process.

I might add that the Prime Minister's solution to the democratic deficit seems to be to have a surplus of ministers responsible for democratic reform. Let me ask the one responsible for electoral renewal, will he be acting promptly on the recommendations of the Standing Committee on Procedure and House Affairs regarding electoral reform?

Hon. Mauril Bélanger (Minister for Internal Trade, Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages and Associate Minister of National Defence, Lib.): Mr. Speaker, there were two questions. On the first one, the answer is the same: wait until we vote on it and he will see how people vote.

In terms of the government's response to the committee, we are waiting for the report. We hope that the committee will report and recommend to the House, as the House unanimously asked for, a process to consult Canadians on democratic reform and democratic renewal including electoral reform. The government indeed will take the recommendations of the report very seriously.

* * *

AIR TRANSPORTATION

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): Mr. Speaker, I congratulate the Minister of Transport and the government on the recent bilateral air agreement reached between Canada and China.

However, we must not forget that India also has a rapidly growing economy. India has a strong relationship, both economically and socially, with Canada.

Could the Minister of Transport please tell the House what the status is of the Canada-India bilateral air agreement?

• (1455)

Hon. Jean Lapierre (Minister of Transport, Lib.): Mr. Speaker, I want to tell the House that these are happy times with Canada-India relations. Last month we celebrated the return of Air-India regular flights to Canada and today we just completed an agreement with India. We are going to increase by fivefold to 35 round trip flights per week for each country. It is going to be a great improvement on Canada-India relations and it is a great agreement for Canada and for India.

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MARRIAGE

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, the Prime Minister broke his promise to hold full public committee hearings on the same sex marriage bill and as a result he lost a member of his caucus. Now he is desperately making more promises in order to keep other Liberal dissenters quiet.

Why does the Prime Minister not simply keep his old promises to guarantee a full public hearing and a free vote for all Liberal members, including cabinet members, rather than simply embarking on a new round of promises?

Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we have been holding full public hearings. I might advise the hon. member that the predecessor justice and human rights committee heard from over 500 witnesses, travelled to 12 Canadian cities and received 300 written submissions. All of that has been incorporated by reference as part of the evidence before this committee, and the hearings are continuing as we speak.

Mr. Vic Toews (Provencher, CPC): Mr. Speaker, that was the one the Liberal government shut down so that it would not have a vote on the issue.

The same sex marriage bill offers no protection to religious organizations or public officials who have concerns about changing the definition of marriage. Yesterday the Prime Minister tried to reach a backroom deal to grant these protections in order to keep more of his members from bolting.

Will the Prime Minister tell all Canadians about this new deal, or is this just another empty promise to buy his government a little more time?

Hon. Irwin Cotler (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, any notion of a backroom deal is the figment of either the hon. member's website or imagination. There have been no backroom deals. All discussions are open. All meetings with the caucus are of a continuing nature. We will continue with this process.

[Translation]

NATIONAL DEFENCE

Mr. Jean-Yves Roy (Haute-Gaspésie—La Mitis—Matane—Matapédia, BQ): Mr. Speaker, the uncertainty the Minister of National Defence is allowing to surround the matter of the Cap-Chat cadet summer training centre is totally irresponsible. The centre is threatened and at risk of closing, if nothing is done in the short term. If this happened, it would mean the loss of 70 jobs in an area already hard hit by unemployment.

As he has already made a commitment, why is the minister not meeting representatives of the community who want to eliminate the uncertainty surrounding the future of the Cap-Chat cadet camp?

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, I can assure the member and all members of the House that armed forces officials are very actively preserving the role of our cadets within the Canadian system. They are working with officials at the Cap-Chat camp and other camps to ensure our cadets have a place to work and learn during the summer. The nature and discipline of our armed forces is a very good thing for the country and for Quebecers.

* * *

[English]

HEALTH

Mrs. Susan Kadis (Thornhill, Lib.): Mr. Speaker, my question is for the Minister of Health regarding an issue that impacts Canadians on a national scale at an increasingly alarming rate.

According to the Canadian Cancer Society, an estimated 149,000 new cases of cancer and 69,500 deaths will occur in Canada in 2005. On average, 2,865 Canadians will be diagnosed with cancer every week and 1,337 Canadians will die of cancer every week. Cancer is the leading cause of premature death in Canada, taking an incalculable toll on Canadians.

Would the minister outline what specific steps the federal government is taking to address this catastrophic disease?

Hon. Ujjal Dosanjh (Minister of Health, Lib.): Mr. Speaker, \$300 million was allocated in the last budget for an integrated disease strategy across the country. We are determined to enhance our focus and collaboration in fighting cancer.

Last year the Canadian Institutes of Health Research invested \$94 million in cancer research. We gave \$10 million to the Terry Fox Foundation for cancer research.

We have been collaborating with the provincial and territorial governments, NGOs and support groups since 1999 in developing a cancer control strategy. An action plan describing priorities was released in 2002.

* * *

● (1500)

[Translation]

NATIONAL DEFENCE

Mr. Guy Côté (Portneuf—Jacques-Cartier, BQ): Mr. Speaker, things are not getting any clearer as far as the contamination of water

Speaker's Ruling

by pollutants at Valcartier base and the neighbouring municipality of Shannon is concerned. In fact, they are getting murkier. DND is refusing to make a preliminary report public, and Environment Canada is doing the same with a report on the Jacques-Cartier fish habitat, which may be at risk.

What is the government waiting for before releasing these two reports in order to reassure the public? They are entitled to know where they stand.

Hon. Bill Graham (Minister of National Defence, Lib.): Mr. Speaker, the hon. member is well aware that we have worked with the neighbouring community on this. We have provided drinking water for all homes where there were problems. We are cooperating with the community and trying to pinpoint the source of the problems. We will work with the community to rectify the situation. We have already given funds to the municipality and we will continue our efforts, despite totally unfounded accusations like this one.

* * *

[English]

BUSINESS OF THE HOUSE

The Speaker: I wish to inform hon. members that pursuant to Standing Order 128, the House shall meet tomorrow Wednesday, June 8, between 1 p.m. and 2 p.m. for the consideration of Government Business No. 15 in relation to a resolution rescinding subsection 36(2) of the Ontario Fishery Regulations, 1989. This resolution is contained in the second report of the Standing Joint Committee for the Scrutiny of Regulations presented to the House on Monday, May 9.

[Translation]

I would ask hon. members to notify their colleagues that the debate will take place tomorrow from 1 p.m. to 2 p.m.

* * *

[English]

POINTS OF ORDER

INQUIRY BY ETHICS COMMISSIONER—SPEAKER'S RULING

The Speaker: After question period yesterday several hon. members rose on points of order related to the statement I had made before question period relating to the inquiry now undertaken by the Ethics Commissioner concerning the hon. member for Newton—North Delta and the hon. Minister of Health.

[Translation]

I would like to respond to these points of order with one single statement, which I will make as promptly as possible, given its immediate repercussions on the way hon. members will handle these matters in the days to come.

*Speaker's Ruling**[English]*

The power of the Chair with regard to the Ethics Commissioner's work is very limited. Informed by the commissioner that an inquiry has begun under his terms of reference, I will then formally communicate that information to hon. members so that they may govern themselves accordingly.

As I said yesterday, I will then do my best within the purview of my authority to enforce the moratorium on comments about the issues under inquiry, as requested by the commissioner and as stipulated in our Standing Orders. That purview does not go beyond the proceedings here in the chamber and perhaps those in committee when they are reported back to the House by committee.

I can offer no solace to the hon. member for Abbotsford or the hon. member for Delta—Richmond East with regard to what might go on beyond this chamber, nor does the Speaker have any mechanism to address the worry voiced by the hon. member for Edmonton—Sherwood Park about a possible conflict of interest faced by the Ethics Commissioner himself.

[Translation]

The hon. member for Elmwood—Transcona cited section 72.05 (5) of the Parliament of Canada Act, which provides an express protection against the work of the commissioner “limiting in any way the powers, privileges, rights and immunities of the House of Commons or its members”.

[English]

I agree entirely with the hon. member. However, as I see it, in adopting those amendments to the Parliament of Canada Act along with the Conflict of Interest Code that is now included in our Standing Orders, the House decided to be governed by the Ethics Commissioner in certain matters.

Part of that discipline, it appears to me, is akin to the House abiding by the sub judice convention: when a matter is before a court, the House will await the determination of the court before discussing that matter publicly in the course of its proceedings.

Similarly, when issues are the subject of an inquiry under the mandate of the Ethics Commissioner, members are enjoined from discussing those issues, so that the inquiry can proceed untrammelled by public comment from members.

The Speaker has no control over what goes on outside the House, in the media here in the capital, or in members' own ridings. That is left to each member to manage as a matter of conscience. The rules have been drawn to the attention of the House. I would hope that hon. members will be mindful of them in their conduct outside the chamber.

I know that these are difficult issues for all hon. members and they do not admit of simple solutions. The system may not be a perfect one, but it is the system the House has adopted as part of its Standing Orders and upholding those Standing Orders is the responsibility of your Speaker.

I would ask for the cooperation of all hon. members to ensure that our work can be carried out with the seriousness and fairness that Canadians expect of us.

I thank the House for its attention and hope this clarifies the matters raised by hon. members yesterday.

* * *

●(1505)

*[Translation]***PRIVILEGE**

ORAL QUESTION PERIOD—SPEAKER'S RULING

The Deputy Speaker: I am now prepared to rule on the question of privilege raised by the hon. Parliamentary Secretary to the Minister of Social Development (Social Economy) concerning comments made by the hon. member for Portage—Lisgar during question period on Friday, May 20, comments that were critical of the former Chairman of Canada Post, the hon. André Ouellet, and the hon. Minister of Fisheries and Oceans.

[English]

I would like to thank the hon. member for raising this matter as well as the hon. President of the Treasury Board, the hon. Minister of Fisheries and Oceans, the hon. deputy House leader of the official opposition and the hon. member for Calgary—Nose Hill for their interventions.

During question period on May 20, the hon. member for Portage—Lisgar posed a question containing a comment about the former chairman of Canada Post who had appeared before the Standing Committee on Government Operations and Estimates on May 17.

Following a reply by the hon. Minister of Fisheries and Oceans, the member asked a supplementary question in which he stated in reference to the minister “every burglar needs a good inside man”. He continued on to accuse the minister of being “an accomplice in Mr. Ouellet's tax avoidance”.

Following question period, the hon. parliamentary secretary rose to express concern that the comments about Mr. Ouellet and the minister were unparliamentary and to ask that the hon. member withdraw them.

In his intervention, the hon. deputy House leader of the official opposition remarked that the hon. member for Portage—Lisgar had made similar sardonic comments about the former chairman of Canada Post outside the House and that it was “political language”.

The hon. President of the Treasury Board took issue with the comments, asserting that the member had accused the Minister of Fisheries and Oceans of complicity and fraud. The hon. member for Calgary—Nose Hill refuted this argument, stating that no accusations had been made. Finally, the Minister of Fisheries and Oceans also argued that the comments directed toward him were inappropriate.

The Deputy Speaker undertook to look at the blues and, if necessary, return to the House.

Points of Order

[Translation]

In my opinion, there are two issues that must be addressed here: inappropriate language referring to someone who is not a member of Parliament and inappropriate language about a member of Parliament.

[English]

As Marleau and Montpetit point out in *House of Commons Procedure and Practice* at page 524, there is a longstanding tradition in the House that hon. members should exercise great caution when they refer to individuals or groups, particularly when they are unable to defend themselves.

Historically, when a member has made a remark considered unparliamentary or inappropriate, the Speaker has asked the member to withdraw or rephrase. Over the course of this session, the Chair has been asked to rule a number of times on unparliamentary language. In particular, I refer hon. members to rulings on November 4, 2004, May 4, 2005 and, most recently, May 11, 2005.

First, I wish to deal with the comments made with respect to the former chairman of Canada Post. As stated in Marleau and Montpetit at pages 503 and 504:

One of the basic principles of parliamentary procedure is that proceedings in the House of Commons are conducted in terms of a free and civil discourse.

The Speaker has often reminded hon. members that freedom of speech is one of the most important privileges we enjoy. But with such an important right comes a duty to use it responsibly. While members have the right to exercise their freedom of speech, the Chair urged, as I did on May 11, to be moderate in the language they use, whether it be political or not, when referring to individuals who are not members of the House and who do not have the opportunity to defend themselves in this forum. As stated in Marleau and Montpetit at page 524:

—Members should avoid as much as possible mentioning by name people from outside the House who are unable to reply and defend themselves against innuendo.

• (1510)

[Translation]

The second issue arising from the hon. parliamentary secretary's question of privilege concerns remarks that brought into question the integrity of the Minister of Fisheries and Oceans. As hon. members know, Standing Order 18 prohibits disrespectful or offensive language against a member of the House. As Marleau and Montpetit states at page 522:

Remarks directed specifically at another member which question that member's integrity, honesty or character are not in order. A member will be requested to withdraw offensive remarks, allegations, or accusations of impropriety directed towards another member.

[English]

One of the cornerstones of our parliamentary traditions has been respect for the integrity of all members. In recent weeks, the House has been under a magnifying glass, even more than usual, and judging from the correspondence received by the Speaker on the subject, the public does not condone disrespectful behaviour in its elected representatives.

In a ruling given on December 11, 1991, found at pages 6141 and 6142 of the *Debates*, Speaker Fraser urged members to respect the conventions and traditions of this place and to conduct themselves with the civility becoming the elected representatives of the Canadian people. He pointed out that unsubstantiated allegations can linger and have a suffocating effect on the fair exchange of ideas and points of views. Anything said in this place receives wide and instant dissemination, and leaves a lasting impression.

Speaker Fraser noted that while words may later be retracted, the inferences or offence the occasion caused may be withdrawn, denied, explained away or apologized for, the impression is not always as easily erased. He went on to state:

The Chair wishes to emphasize that a major element of this civilized conduct consist in refraining from personal attacks. There is good reason for this. First of all, in a general sense, respect for the person is the building block upon which our society is structured. Second, few things can more embitter the mood of the House than a series of personal attacks, for in their wake they leave a residue of animosity and unease.

As the Speaker noted in his ruling of November 4, 2004, partisan feelings can run high during question period and members quite enjoy exchanging barbs. And while all members enjoy the cut and thrust of question period, I would ask all hon. members to be judicious in their language and avoid personal attacks on other members, so that they do not bring themselves and the House into disrepute.

In the situation before me, while I cannot find that there is a prima facie question of privilege, I do believe that the comments made by the hon. member for Portage—Lisgar with respect to the Minister of Fisheries and Oceans went beyond the limits of what is permissible. I would ask, therefore, that the hon. member withdraw his remarks.

Mr. Brian Pallister (Portage—Lisgar, CPC): Mr. Speaker, I would not in any way want to discredit or disparage the Minister of Fisheries and Oceans. I would want it on record that I in no way intended to have my remarks reflect on him. My remarks were directed toward the minister responsible for Canada Post and the Minister of National Revenue. That being said, I accept your ruling without equivocation and withdraw my comments.

The Deputy Speaker: I thank the member for Portage—Lisgar and others who participated in that.

* * *

POINTS OF ORDER

BILL C-259—EXCISE TAX ACT

Mr. John Duncan (Vancouver Island North, CPC): Mr. Speaker, I am rising to add to the point of order yesterday by the Parliamentary Secretary to the Minister of Finance.

Yesterday the parliamentary secretary raised a point of order after question period challenging my private member's Bill C-259 as amended and reported back to the House of Commons as being out of order.

This was not a surprise to me. The government has opposed this bill in every forum on almost every occasion, even though it passed second reading on January 31 without opposition and with support from many members of all parties.

Points of Order

The reality is that the government opposes my private member's bill in any format. If it were the same as the original wording at second reading, it would say that it did not include watches. Therefore, it is not inclusive and, therefore, it is inconsistent with the application of the excise tax to jewellery.

As amended at committee, the government has said that the inclusion of watches is outside the scope of the bill at second reading in the House of Commons because it expands the bill to include watches as jewellery.

To respond, I would first like to correct the statement made yesterday by the Parliamentary Secretary to the Minister of Finance that Bill C-259, as reported back to the House of Commons, repeals the excise tax on jewellery, watches and clocks. This is not correct. Clocks are excluded by the wording of my amended Bill C-259. It is extraordinary that the parliamentary secretary could get this so wrong.

The central argument that the Parliamentary Secretary to the Minister of Finance is making is that watches are defined separately from jewellery in the Excise Tax Act. Therefore, the bill is out of order because it deals with jewellery in the original text and not watches.

I submit there is clear language in the Excise Tax Act which includes watches as jewellery. Section 23.11 and section 43, which I will quote, clearly support the notion that the term jewellery is intended to include watches by providing the following enumeration, "watch, clock, ring, brooch or other article of jewellery". If watches were not supposed to be included in this enumeration of items of jewellery, then it would have been written as, "he shall, for the purposes of this Part, be deemed to have manufactured or produced the watch or clock, or ring, brooch or other article of jewellery in Canada". This construction would have clearly excluded watches from the enumeration of items of jewellery, but this was not done.

Bill C-259 deals with section 5 of the Excise Tax Act, which consists of three paragraphs. On the issue of whether section 5 is separately defining jewellery, I submit that it is clearly not. Legislative counsel argues at worst it leaves the term undefined. Therefore, it is within the jurisdiction of committee to decide for itself whether the amendment to Bill C-259 that was reported back to the House is within the scope of the bill at second reading.

Legislative counsel has dealt with the issue of whether the amendment was out of order both with my office and at committee. I am sure that the Speaker may also wish to seek their counsel or perhaps you have already done so.

Legislative counsel was in attendance at committee and was consulted. I think it is fair to say that legislative counsel was under considerable pressure to clarify his position and was very careful in the choice of language as a result.

I can quote from the last meeting of committee at which Bill C-259 as amended was adopted. That was the meeting of May 19 of this year.

• (1515)

As the sponsor and as a witness at that meeting, I said:

What I would like to do at this time is ask legislative counsel, who is here today at my request, to explain further as to how the term "jewellery" is an undefined term in legal language.

Mr. Doug Ward, legislative counsel, law clerk and parliamentary counsel officer of the House of Commons said, and I quote from the minutes of the meeting:

It's just a straightforward fact that in this particular act there is no definition of jewellery, so jewellery just has the ordinary everyday meaning of that term. There's really nothing more to that point than this.

Later Mr. Jean-François Lafleur, procedural clerk, stated at the same meeting:

When we are dealing with an amendment to a bill, the first rule is that the amendment must respect the section in the bill under consideration. In the bill that concerns us here, C-259, there is an amendment to section 5 of Schedule 1 to the Excise Tax Act. At that point, section 5 is open. It is not just paragraph 5(c). That is the first rule.

The second rule, as the Chair said and as you were saying—

He was referring to the member for Mississauga South:

—is that there is still the question of the scope of the bill. That is the second rule.

[The member for Vancouver Island North's] amendment is fully consistent with the first rule, in that it is an amendment to a section that is already open. There is no problem in that regard.

As for the whole question of the scope of the bill, excuse me for repeating myself again, and I know that you might not like this. I understand full well that the purpose of the bill is to do away with the excise tax on jewellery, but the definition of jewellery would have to be clear. That would enable us to determine precisely what the parameters of the scope of the bill are. But in this case, the definition is not at all clear, as far as I am concerned. An attempt was made to come up with a definition, but it could not be done. That is the conclusion I drew after a few consultations.

That states my case. The finance committee considered all the arguments and the committee chose to amend the bill and report it back to the House. The lack of clarity of the language of the Excise Tax Act, which is demonstrated by this discussion and point of order, is demonstrable of what is a nightmare for the industry also.

For example, three different Canada Customs and Revenue Agency audits of the same set of business activities by the same company have come up with three vastly different results. These results were a multi-million dollar reassessment or tax billing in the first instance, a revised tax assessment of about a half a million dollars in the second instance and a credit from the government in the third instance. This is a matter of public record.

Adoption of Bill C-259, as amended and reported to the House and up for report stage debate today, would terminate this confused state of affairs. The committee, by voting that the amended version of my bill was within the scope of the bill and was consistent with the advice of legislative counsel, has now placed the House of Commons in the same position. I cannot comprehend why this advice would be any different to the House of Commons than it was to the finance committee.

I ask the Speaker to reject the request by the Parliamentary Secretary to the Minister to Finance to rule Bill C-259 out of order. The bill is in order and I request the Speaker to so rule.

Supply

• (1525)

BILL C-259—EXCISE TAX ACT—SPEAKER'S RULING

The Speaker: Yesterday, as the hon. member for Vancouver Island North has said, a point of order was raised by the Parliamentary Secretary to the Minister of Finance relating to an amendment reported from the Standing Committee on Finance to Bill C-259, an act to amend the Excise Tax Act, elimination of excise tax on jewellery. Submissions on the matter were also made by the hon. member for Peace River and the hon. member for Mississauga South. Now we have the comments from the hon. member for Vancouver Island North for which I thank him.

The question raised is essentially whether the committee exceeded its authority in amending the bill by adopting changes which went beyond the scope of the bill.

As Marleau and Montpetit point out in *House of Commons Procedure and Practice*, at pages 661 and 662, any amendment made by a committee may be challenged, and I quote:

—on procedural grounds when the House resumes its consideration of the bill at report stage. The admissibility of the amendments is then considered by the Speaker of the House, whether in response to a point of order or on his or her own initiative.

In eliminating the excise tax on jewellery, Bill C-259 technically amended paragraph 5(c) of schedule I to the Excise Tax Act. That paragraph provided for taxation on:

—articles commonly or commercially known as jewellery, whether real or imitation, including diamonds and other precious or semi-precious stones for personal use or for adornment of the person, and goldsmiths' and silversmiths' products except gold-plated or silver-plated ware for the preparation of serving of food and drink...

There are two other parts to the section in question. They provided for taxation on other items such as clocks, watches, and articles made, in whole or in part, of semi-precious stones.

The amendment adopted by the committee combined together all the paragraphs of the same section, which is amended by the bill, but maintained the tax solely on clocks. The effect of this amendment was to exempt watches, articles made of semi-precious stones, and jewellery from the tax.

Did this amendment reach beyond the purpose of the bill or go beyond its scope?

In terms of our procedural rules, the amendment did not stray from the section of the act which was open to it. In terms of the subject matter, it appears to the Chair that the amendment respects items which are commonly considered to be jewellery. To highlight this, I note that the committee specifically did not include clocks as items of jewellery which could be exempted.

Therefore, it is my conclusion that the amendment adopted by the Standing Committee on Finance and reported to the House is indeed procedurally admissible.

GOVERNMENT ORDERS

[English]

SUPPLY

OPPOSITION MOTION—HEALTH

The House resumed consideration of the motion, and of the amendment.

Mr. Stockwell Day (Okanagan—Coquihalla, CPC): Mr. Speaker, I congratulate my colleague, the member for Charleswood St. James—Assiniboia. He has brought many significant initiatives to the House of Commons and to Parliament in his very early stages of being elected to the House. The initiatives related to health care and this particularly strategy reflect his ongoing vision and his passion to carry out that vision and to implement a strategy that would benefit all Canadians. I ask for support from all sides of the House for this initiative.

Cancer, which is the area of disease that I want to look at under this larger umbrella and discuss for a few moments today, continues to be one of the scourges of our time. Yes, it is true that gains have been made in cancer research. Certain types of cancer are now controllable and beatable and yet it remains that many areas of cancer continue to take their tragic, painful and awful toll upon society and upon people. I do not think any of us can think of anyone who has not been affected either directly or indirectly from this terrible disease.

The frustration that goes with this, the frustration that the disease continues to be a scourge, is the fact that we have a health care system which was intended initially to prevent people from being hit with the catastrophic effects of a disease like cancer.

We often talk, in great glowing terms, about Tommy Douglas as being one of the founders of our Canadian health care system. It was his intent that Canadians not suffer from the catastrophic effect of a disease or a tragic accident. Added to the frustration is the fact that today many people who are afflicted with cancer, in any of its various forms, are also saddled with the catastrophic costs that go with its treatment. We need to discuss these things today.

It is for that reason I will be sharing my time with my colleague, the member for Central Nova.

One of the approaches that can be taken to deal with this tragic irony of our health care system today is the development of a Canadian strategy for disease control in this particular approach. It is one of a number of strategies that need to be taken.

In this particular development to this stage, we are looking at something like over 700 volunteer experts, cancer survivors, allied health professionals and care givers who participated in the creation of this strategy. What is so positive is that this has not been developed at the bureaucratic level.

Too often we make derogatory remarks related to the bureaucrats but they are there to implement strategies. There is no pejorative intent in my comments. However what gives this strength and credibility is it has been developed by a variety of people across the broad spectrum, people who know the day to day realities of what we are talking about.

Supply

What we are asking for in terms of the cost of the strategy is \$50 million per year over five years, plus \$50 million for research. The priorities are that we would have national standards and guidelines.

Without information sharing, then the practices that are being implemented and the things that are being tried become devalued because only people in a small circle know whether they are successful or not. We have to find out what works, why it works and what does not work.

To put something in place and find out it does not work is not a loss, it is a gain. Other jurisdictions can learn from that and not apply resources to something they know does not work.

Primary prevention is something that has to be looked at so we can look at the best ways to reduce the exposure to cancer risks and increase the impact of the protection factors.

● (1530)

We need to look at rebalancing the focus. We consistently and constantly focus on in-hospital care or hospital-centric care. That is a mistake. Yes, of course some things have to happen within the context of a hospital but it is outside of the hospital where the needs continue to be great and where citizens afflicted by cancer, once they have moved outside of the hospital, are looking at ongoing treatments.

It is through ongoing treatments that they have to bear some of the most exorbitant costs, whether it be intravenous costs for certain drugs at home, which they would not have to pay for if they were staying in the hospital, or whether it is the costs naturally incumbent with the taking of various treatments in facilities not close to the patient's home.

I meet with constituents who are overwhelmed by all of the ancillary costs that go with treatment, whether it is a recuperative period or an ongoing treatment. This is supposed to be a health care system where people are shielded and sheltered from those costs.

It is about rebalancing this focus so that the needs of individuals and their families, the needs that often cannot be catalogued on an accountant's ledger, can also be met. We need to look at the research priorities so we can expand in the areas that are successful.

Canada is ideally suited for this type of a national cancer strategy. Health being a provincial jurisdiction, each province in itself can, in some cases, experiment and, in some cases, initiate certain practices, research, certain treatments, and other provinces can learn from that. Despite claims made by the Public Health Agency, there is in fact no national cancer strategy. That is an incredible state of affairs and one that is not acceptable.

We need to ensure that fewer Canadians develop cancer. We need to improve the treatment and care of all Canadians. We need to help them cover the costs that go with that and add greater efficiencies to health care delivery right across the provinces.

We do not want this to descend into a partisan dispute because the reality of cancer and how it affects lives, families and communities is too painful an item but we do need to acknowledge some political realities. The Liberals have had 12 years to implement a national strategy for cancer and yet it has not happened. They have shown a

profound lack of leadership and accountability on these issues. There is no way to track the money that has been spent and to determine its effectiveness.

I know the federal Liberals have a practice of not auditing in general. The Auditor General talks about that great omission on their part. However it is not acceptable. I am not trying to be political here. All I am saying is that it is one of the great failings of the Liberal government and it needs to be corrected.

The Liberals say that disease specific strategies are ineffective. That simply is not true. Disease specific strategies have worked very well in a number of countries. Britain, France and many other EU nations have funded national disease strategies. The strategies they have funded have not been implemented by their governments but, in a similar fashion to what we are proposing here, by expert groups across society who have experienced both the effects, the gains and the losses of cancer. These strategies are at the forefront of every government's health care policy.

Our Prime Minister and his government say that we cannot do this and yet national leaders, including French president Jacques Chirac, British prime minister Tony Blair, New Zealand prime minister Helen Clark and Australian prime minister John Howard, have publicly announced national disease strategies. Why can we not do it here in Canada? Simply put, we can. We just need the will to do it.

We heard a complaint and a disclaimer that due to the complexities of federal-provincial relations implementing a national disease strategy would be too difficult. However just the opposite is true. It is a great advantage that various provinces have tried various things that we can explore.

Cancer takes a terrible toll. Between 5.2 million and 6.6 million people will develop cancer over the next 30 years in Canada. The cost to the economy will be \$540 billion just in wage based productivity. There is no way to measure the human cost, the tragic effect on families and on communities, of this terrible disease. It is time for a national strategy.

● (1535)

It is time to put aside partisan differences and say to members, like my colleague, the member for Charleswood—St. James—Assiniboia, that it does not matter what political stripe one is, this is a good idea and it is something worth pursuing. This is something that could reduce the effect of cancer, provide breakthrough research and cover all of the costs that individuals face when they are stricken with this disease.

This is something that is worthy of support. Let us set aside partisan differences and move ahead in this fight against cancer and win it.

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, I congratulate my colleague from Okanagan—Coquihalla for his remarks and thank him for splitting his time with me on this very important debate.

He mentioned the need to bring about a national specific strategy which is very much the spirit of this particular motion put forward by our colleague from Manitoba. He also mentioned the fact that agencies and groups across the country dealing with heart and stroke, mental illness and cancer, which he spent the majority of his time talking about, completely and thoroughly embrace this initiative. They have been imploring the federal government for years to do this.

My colleague pointed out, very appropriately, that the government has had over 12 years to take action. There has been talk and all sorts of commitments and promises made on this and other subject matters, and yet it was the Conservative Party that brought the motion forward. Even now it is unclear whether the federal government is prepared to actually move in this direction.

He spoke to the need to be non-partisan, and I completely agree with that, and yet when one looks at the need for a disease specific strategy and one compares that with some of the other government initiatives, including a regional vote buying strategy, like we saw in the Liberal sponsorship scandal, oddly enough there is a comparable amount of money involved, as identified by the Auditor General, \$250 million in that case, spent over that same period of time of approximately 10 or 12 years. Think of the money that could have gone toward research, development or support programs for cancer victims and those afflicted with other illnesses envisioned by the motion.

Would my colleague comment further on the lost priorities of the government when we examine the actual spending initiatives it has taken, the horrific waste of money it has demonstrated in a number of programs and the undeniable need for cancer patients, their families and the cancer survivors to have this type of support network and long term commitment for this type of spending initiative?

• (1540)

Mr. Stockwell Day: Mr. Speaker, with his usual insight, the member for Central Nova has really zeroed in on something very important.

A finite number of dollars are available for any purpose. Some people think money grows on trees. As a matter of fact, one Liberal told me that it does grow on trees because it is made of paper so it should be spent because trees keep growing. This showed the limits of their fiscal understanding.

Various Auditors General have commented on the fact that the government does not properly audit its spending. It spends many times on impulse for the momentary satisfaction of appealing to a particular consumer group or an advocacy group just to placate their concerns for the moment but there is no sense of the order of the magnitude of the spending, where it went or what the results were.

My colleague mentioned other groups that are supportive of this type of strategy and share our concern. We applaud the leadership of the Canadian Mental Health Association, the Canadian Cancer Society, the Canadian Alliance on Mental Illness and Mental Health and the Heart and Stroke Foundation. These are not small groups or organizations. They are large groups and they know what it is to be good stewards of the money they are given.

Supply

Do members know when we see these people? We see many of the volunteers from these organizations in the evening when they knock on our doors to raise money. They take time out of their busy schedules, their businesses and from their families to raise money the hard way. They do not have the same ability, as the government does, to simply, by fiat, go into the pockets of taxpayers and extort the money. They must go house to house using a variety of fundraising avenues in our communities to raise every dollar. These organizations must monitor where the dollars go. They must show results to their volunteer boards.

I would suggest that the federal government look at how these agencies control their money and how they value every dollar and start to consider that every dollar it has taken it has taken it out of somebody's pocket. Somebody worked hard for that money. Somebody sweated to raise that money. It should be properly spent and audited, especially when we are talking about people's health.

Mr. Peter MacKay (Central Nova, CPC): Mr. Speaker, I am pleased to follow my colleague from British Columbia. I again congratulate my colleague from Charleswood—St. James—Assiniboia for his leadership and initiative in bringing the motion before the House, and his continued efforts to inspire through his actions and work in the House of Commons.

This debate is of critical importance. It is not only a positive and extremely forward looking issue, it is a compassionate issue. It is one that Canadians feel passionately about because it affects the lives of so many. We can talk about the quantifying of the money involved, the program spending and the way in which many of these strategies may be implemented when it comes to cancer, heart disease and mental illness, but it is the human impact that cannot be lost in the debate.

It is fair to say that just about everybody in the House, if not everyone, including the pages and other people who are working here today have had their lives touched by one of these horrible afflictions. They have had their lives or someone around them impacted by these afflictions.

With respect to cancer alone, on which I may spend a disproportionate amount of time, one in three Canadians is affected by cancer. There are members of the House who are currently affected by cancer. The human costs are staggering in any way we calculate it. It involves children, families, parents, brothers and sisters, all of whom may have lost their lives too early because of cancer.

If there is anything that could be relayed from this debate, I hope that Canadians will realize that despite the partisan din that emanates from within these walls, there are people here working in their interests and are trying to bring forward something positive as the days in the House grow to a close.

Last weekend in my riding of Central Nova in Nova Scotia, I attended a national cancer survivors day with Nova Scotia Premier John Hamm. The theme was "Celebrate Life", as a reminder that there is life after cancer, that there is an opportunity to celebrate those who continue to struggle with this illness.

Supply

It is fitting that the motion today calls on the government to fully fund and implement the Canadian strategy for cancer control in collaboration with provinces and stakeholders.

Nova Scotia Premier John Hamm just last week spoke before a gathered audience about the continued crisis in health care and specifically cancer as an area that is in need of attention, government support and funding. That sentiment is found in every province and at every level of government. When faced with an opportunity now to do something positive, there is hope that the federal government in its wisdom will support this initiative, but more important than that, that the government will actually follow through on a commitment. That is where it appears the government continually falls down. Although it may decide to vote for this motion this evening, there is great concern that this is disingenuous support as we have seen in the past from the federal Liberal government. It will vote for a motion or initiative, or promise it in one of its many campaign booklets as it did to abolish the GST or to get rid of free trade, and it did not happen.

This is a marker firmly placed in the ground calling upon the government to fully fund a cancer strategy, fully fund a strategy around mental illness, and heart and stroke. Those stakeholders watching now should be watching in the future very closely as to whether in fact the government does the necessary follow through.

To work on developing a national strategy with respect to cancer one has to look at previous efforts done by the agencies and the stakeholders. It goes back a number of years. In 1999 and again in 2002 a council was formed to lead the strategy development. The council was made up of more than 30 members including representatives of provincial and territorial cancer agencies, the Public Health Agency of Canada, the Canadian Cancer Society, National Cancer Institute of Canada, Canadian Association of Provincial Cancer Agencies, the Canadian Institutes of Health Research and the Canadian Cancer Advocacy Network. There are so many groups as my colleague referenced that have been doing incredible work in this regard and impacting on people's lives in a substantial way.

• (1545)

While there has been some meagre financial support from the federal government for this strategy, both federally and provincially, and from many individual Canadians who continually give generously, what I hear repeatedly is there is a lack of political will to put a strategy in place. The council itself said:

A lack of political commitment and significant dollars has severely hampered the ability of CSCC to put its ideas into action and to reduce cancer incidence in Canada, improve the treatment and care of Canadians living with cancer, and achieve greater efficiencies in health service delivery across provinces.

Today in the House we have an opportunity to demonstrate that that political will does exist. Today we can vote to support a strategy that will reduce this deadly disease, that will move toward a cure and that will, in a very real way, impact upon people's lives who continue to struggle. The often repeated phrase of hope that cancer can be beaten, embodied in the person of Terry Fox and other brave Canadians who continue to deal with this, could actually move toward fruition.

As I stated, I was at a dinner this past weekend and there was an individual there who was very inspiring, a man named John Hanna from Cape Breton who is currently battling cancer. He was an original six hockey player. He played for the New York Rangers at one time in his career. Having finished a life in hockey, in more recent years he has dedicated his life to working with children and community programs. I send to him and his family our personal best wishes as he continues that battle, the fight of his life.

Another speaker at the dinner, a friend of mine, Will Njoku, spoke of the need for spiritual health which is also an important aspect of a person's ability to fight and survive cancer.

I want to mention as well our colleague in the other place, Senator Mike Forrestall, who placed a private member's bill before the Senate, which calls upon the government similarly to develop a national research driven strategy around cancer control. I commend him for his ongoing efforts.

Although the statistics are there, it is again the human impact. Thirty years from now, between five and six million Canadians will develop cancer. Between 2.4 million and 3.2 million will die prematurely from the illness. Prevention, early detection, proper treatment, healthy living, anti-carcinogenic foods, drug strategies; is there anything in life more fundamental than health? Mr. Speaker, you know that, having done some training recently. Is there anything more basic than a quality of life when it comes to health?

The economic productivity at risk because of cancer is significant. Again there is a need to consider these aspects. Over the next 30 years the Canadian economy will lose approximately \$540 billion as a result of lost productivity due to cancer. Tax revenues to cancer are expected to be in the range of \$248 billion as a direct consequence of health costs and lost productivity.

Again I put those statistics on the record only to show that there is a huge economic impact as well. This is why it is such a meagre investment to be earmarking money at this point, knowing that it will be exponentially in favour of improving these economic impacts, but more important again, the life impact. It cannot be stated or repeated often enough. It cannot be quantified.

As envisioned by the Canadian Strategy for Cancer Control, there are three basic goals: first, to reduce the mortality of cancer through preventative measures including tobacco control, physical activity, healthy nutrition, increased surveillance and early testing; second, to improve access to health care by reducing waiting times for treatment; and third, to increase the quality of life for Canadians and their families living with cancer through reducing physical discomfort and emotional distress and improving pain and symptom control. All of these have added benefits for the patients' loved ones who suffer as well.

The strategy would accomplish these goals by setting up systems and processes that allow the stakeholders to tap into the best practices and techniques that have been used around the country. This information is shared between provinces.

The Canadian Cancer Society says that cancer is now the leading cause of premature death. Prostate cancer is one of the more common causes. On average, 394 Canadian men will be diagnosed with prostate cancer each week.

•(1550)

Members may recall there was a prostate cancer research initiative, an awareness day here on the Hill. Research is an important aspect to all of this, as are these preventative measures, including the need to have a PSA blood test done. Prostate cancer will actually surpass breast cancer as the leading type of cancer in Canada in very short order.

The dedicated work of many Canadians, including a citizen of my community, Darrell Rushton, and others makes a tremendous difference in the lives of those around them.

Breast cancer remains the leading cause. The Canadian Cancer Society predicts that this year an estimated 21,600 women will be diagnosed with breast cancer and over 5,300 will die. These statistics speak volumes. They speak for themselves.

We need to do more. This is an opportunity to do just that. This is an opportunity to perhaps restore some lost lustre and credibility in this place. More important, this is an opportunity to have an incredible impact on the cure for cancer and to assist in every way the lives of those Canadians who continue to struggle with this affliction.

[*Translation*]

Mr. Guy André (Berthier—Maskinongé, BQ): Mr. Speaker, I would like to react a little to the Conservative party motion.

First I would like to say that, before being a member of Parliament, I worked in the health sector for 18 years. I am therefore very sensitive to questions of cancer prevention, heart disease and mental illness.

In Quebec, as in the other provinces, we know that cancer, cardiovascular disease, mental health problems and other illnesses are posing ever greater problems. The needs in Quebec are also very great. However, all the infrastructure, programs and services exist to meet the needs of people living with illnesses such as those mentioned by the Conservatives.

We have hospitals, independent hospitals, research services, community organizations and CLSCs that provide prevention programs all across Quebec. We also have our own strategies for fighting cancer and our own mental health policy.

I have a question for my Conservative colleague. I was very surprised to see this motion introduced by the Conservatives because we had been hearing some talk recently about them wanting to respect provincial jurisdictions more.

Since we already have all the infrastructure and services we need in Quebec, what we want now is money. There are needs of course. But we already have the infrastructure, programs and services. We therefore want more health transfers for our province. I am surprised to see this motion introduced by the Conservatives because a strategy to fight cancer and other illnesses would duplicate what we are already doing in Quebec.

Supply

My question is therefore as follows. Does my Conservative friend not see a certain contradiction of the political progress they have made recently toward respecting the jurisdiction of the provinces and Quebec over health services?

•(1555)

Mr. Peter MacKay: Mr. Speaker, is there a contradiction? Not at all, absolutely not. Our party has enormous respect for provincial jurisdictions and for Quebec. It is not a partisan or regional question but a question of finding substantive solutions. It is also, of course, a matter of money. The purpose of this motion is to provide money for the cause and find a solution to this problem.

[*English*]

I am saddened to think that the Bloc or any party would try to somehow hive off a partisan interest and not see the greater good in this issue, not look to their communities, as I have to my own in New Glasgow, Nova Scotia, and see the tight-knit support network and caring communities that develop around persons suffering from cancer or mental illness or heart and stroke, along with the incredible effort that groups and survivors make every day in trying to cope with these afflictions.

I think of the Women Alike Abreast a River, a dragon boat team that has had incredible success not only in their races but, more important, in raising money and awareness in providing a focus to the efforts to combat cancer. I think every year of the numbers of Canadians who continue to struggle with this illness knowing that the government has it within its discretion and within its coffers, its banks, to fund programs that are going to have such a real and significant impact on their lives, yet chooses, through whatever reason, whatever misguided attempts it might make to just cling to power, not to fund a national strategy.

Do members know that this country will be hosting an international conference in October and we do not have a national strategy that we can point to? We will be going into that conference without the ability to say that we in this country are taking great strides to combat the afflictions of cancer.

I again salute these individuals and I salute organizations like the Aberdeen Hospital in New Glasgow and others. They continue to do their level best and inspire with their actions, words and deeds. I again call upon the government to similarly step up and fund a national strategy for cancer, mental illness and heart and stroke.

Hon. Keith Martin (Parliamentary Secretary to the Minister of National Defence, Lib.): Mr. Speaker, I will be sharing my time with the member for Dartmouth—Cole Harbour.

Supply

Let me say at the outset that I want to congratulate the member for bringing up this motion. There is not a family in this House, or indeed in Canada, that has not been touched by the savagery of cancer or mental illness. Both of these of the collection of diseases have an effect on our country, on individuals and families, that is beyond the pale. It is clear that we in this House and indeed the country have a commitment to put our best efforts forward to deal with these problems in an effective and cost effective way.

It is interesting to note, though, that the opposition has not mentioned much about what this government has been doing, which has been quite extensive and quite exciting for the last few years. We have worked with the provinces to develop a number of exciting initiatives that I am going to talk about.

Before I do that, let me preface what I am going to say by looking at the big picture. Research done by the World Health Organization clearly tells us that the burden on health care and on individuals in the future will largely be from chronic diseases, be they cardiovascular diseases, diabetes mellitus, both type 1 and type 2, or indeed that collection of diseases that we know are cancers. We know that cancers by and large are mutations in genes and we can have a hereditary predisposition for this, so our genetics are extremely important, but what is also important is that we can do a great deal to prevent a lot of the chronic diseases that are affecting us right now, all of that collection I mentioned.

It is the simple things. It is risk factors: high blood pressure, high cholesterol, inactivity, obesity, poor diet, smoking, and excessive alcohol consumption. These are a basket of behaviours which if modified would have a dramatic and profound effect upon individuals' lives, their health and indeed the bottom line for governments, the cost to the taxpayer in terms of health care.

When we look at that collection, that basket of behaviours, we can also see that some very simple interventions can be used to address them and, in doing so, address the problems that we are talking about today.

If we increase our activity and have moderate physical activity every day, if we eat properly, if we reduce our consumption of alcohol to moderate at best and if we do not smoke, if we do all of that, we will have a profound impact upon 90% of the chronic diseases that affect us.

Indeed, that is what the government is doing. We are working with the provinces, which are the primary managers of health care in our country, to try to address this. We have invested quite considerably in a number of initiatives.

The first I will be talking about is the Canadian Institutes of Health Research. If members ever have a chance, they should take a look at the work they do. The head of CIHR, Dr. Alan Bernstein, and his team do an extraordinary job. They fund some 442 research projects, representing 8,000 researchers across the country. Those projects are on the cutting edge of dealing with the cancers as well as an array of other diseases.

As I have said, we know that the cancers are by and large a collection of diseases that have at their root the mutation of genes. We have a hereditary predisposition for that. They can occur

singularly. They can occur sporadically. They can also occur through our activities and behaviours as individuals. It is a complex mix.

What is CIHR is doing with the funding that we have engaged in, which is over \$180 million? We are working with CIHR to work with researchers across the world to address and find cures for the cancers, and we have come a long way.

With respect to sequencing, which is done at Genome Canada, we are one of the world leaders in this area. In fact, Canada is one of the top five countries in the world for medical research. For example, Canada was the first country to sequence out the coronavirus that causes SARS. Our genetic capabilities are going to be extremely important to our ability to address the cancers.

However, we are also working with the provinces on how we can make people more active. This is particularly important for the kids. Our country has one of the greatest preponderances of child obesity in the world, which will have a profound impact in the future, not only on the lives of Canadians but also on our health care costs.

• (1600)

It is simple to do. When working with the provinces, what I would personally suggest is that the provincial health ministers and the ministers of education work with the school boards to make physical activity obligatory for kids up to the age of 11. This is critically important.

Another intervention we are doing with the provinces is the early learning program that the minister is sponsoring. So far, five provinces have signed on. Why? Because if we get kids early, in the first eight years of life, if we can ensure that they live in a loving, caring environment where they are subjected to reasonable discipline and have proper nutrition and the kind of environment where parents are actually engaged with their children, that has a profound impact upon the development of a child's brain, and particularly, as I have said, in the first eight years of life.

We know that in the first eight years of life the neuroconnections take place in a way that does not happen at any other time in an individual's life. If we subject a child to neglect, poor nutrition, sexual or physical abuse or violence, the neuroconnections do not take place very well, which has a profound impact upon the health of the child in later years. If we remove those factors and give the child loving care and a secure environment with the proper nutrition, as I mentioned, along with engagement, the child has the best chance of becoming a self-actualized, integrated member of society.

We know that there is a \$7 savings for every dollar invested in the head start type of programs. Kids stay in school longer. There is a 99% reduction in child abuse rates, a 60% reduction in youth crime and a 50% reduction in teen pregnancies in those programs. All of which is to say that this kind of simple, easy preventive measure has a profound impact upon health care and upon a range of health care problems, which is why our government is doing it.

Supply

I would also beseech those who are viewing this to please have regular health care checkups. Women should have mammograms and they should have colonoscopies to pick up on bowel cancers early. People should have their cholesterol and blood pressure checked. They should eat properly. They should see their family doctor about questions they may have in other areas. A few small changes can have a profound impact upon one's life. This is certainly about living longer, but it is also about living healthier and about the quality of life.

We have an exciting program in our province of British Columbia. The B.C. cancer agency has been a world leader in preventing a lot of problems and improving the health of Canadians. Indeed, in my province there is a 12% better outcome for those who are affected by cancer.

A case in point is smoking cessation and not smoking in the workplace. The city of Victoria in my riding was a national and indeed an international leader on the issue. The banning of smoking in the workplace and in other environments has had a profound impact on a range of cardiovascular and respiratory problems. It has had a dramatic effect on the health of British Columbians. I am happy to say that Health Canada has been an international leader on this issue as well. Not only are we doing things in Canada, but we are also exporting the knowledge around the world.

Lastly, to speak on the issue of mental health, this is a very difficult problem. Indeed, it is one that has vexed and challenged all of us. It will become a larger problem as time passes. The WHO did a very good analysis of this issue. It may come as a surprise to viewers that depression will be the second leading cause of morbidity in the world in the next 10 years. Also, the burden of dementias on our western world is going to be huge. There are some exciting things that can be done to prevent some of this. I am running out of time, but I will be happy to take any questions on this issue.

Canada has done exciting things. Our government is working with the provinces to deal with these very challenging issues. Can we do more? Yes. Will we do more? Absolutely.

•(1605)

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, the member talked about working with the provinces, but what about working with the stakeholders? The stakeholders in the cancer community, for example, have come up with a game plan. They have the expertise. They called for a Canadian strategy on cancer control, yet the government has refused to fund it. He talks about \$300 million for chronic care. The plan that we are talking about here will cost about \$260 million over five years.

On the one hand, we have some members saying that they would support it, then on the other hand, it is clear that the government has no intention of funding it. There is an intrinsic contradiction here. It is very sad that the government would try to mislead Canadians again on an issue that is so important. The member also spoke of national strategies but he does not recognize that disease specific strategies are the way to go in a situation such as cancer.

Will the government fully fund the cancer strategy as outlined in the motion and use it as a model for future initiatives?

•(1610)

Hon. Keith Martin: Mr. Speaker, I would challenge the hon. member on his disease specific approach to this because the cancers are a collection of diseases. Indeed, they have at their root cause some very interesting commonalities. It is not appropriate to deal with the cancers as individual cancers. They need to share their information because that is a more appropriate way of doing this.

In budget 2005 we put an initial investment for the Public Health Agency of Canada of about \$300 million over five years which is better than what the member has asked for. The purpose of this money is to promote healthy eating, encourage physical activity, healthy weight control, and to provide national strategies for the prevention and addressing chronic diseases, exactly what the member is asking for. In fact, we are actually going beyond this. We are going beyond what the member has asked for by a factor of two.

Mr. Brian Fitzpatrick (Prince Albert, CPC): Mr. Speaker, I was just looking at some of the outcomes of the strategy, one of which is over a 30 year period. Something like 420,000 lives would be saved if this strategy was implemented and the cost would be \$50 million or \$60 million a year which seems to me to be very good value for money if we are getting those kinds of results.

The member was a leadership candidate for the Canadian Alliance and I recall him talking about the dreadful gun registry and the terrible waste for this registry and how that money could be better spent. We spent \$2 billion on that. I remember Allan Rock, the minister of justice, saying that if it saved one life, it was worth the \$2 billion. It has cost us \$125 million a year to maintain the gun registry with no results to show for it. All the statistics would indicate that it has not saved one life. It is impossible to make that argument. This would save 426,000 lives.

I would ask the member opposite, with his great knowledge as a former Canadian Alliance leadership candidate, would the \$125 million a year that we are wasting on the gun registry not be better spent on a strategy like this which would save thousands upon thousands of lives if it were implemented?

Hon. Keith Martin: Mr. Speaker, whenever we talk about health care, I have an unbridled bias toward health care as a physician. The member knows full well that I am very supportive of putting more money into health care. However, it has to be done wisely and effectively. Indeed, we have actually gone beyond what the hon. member has asked for in terms of \$300 million for the types of chronic care and preventive initiatives.

Supply

I would strongly request that members look at these initiatives. If they have solutions as to how we could better allocate these moneys, we are all ears, but I also wanted to say that we are working with stakeholders in these areas. We are committed to dealing with the cancers as a collection of diseases. We are committed to dealing with mental health issues and we are committed to doing the relatively inexpensive and effective initiatives to address chronic disease problems. It does not take a great deal of money to address these problems. The prevention initiatives are relatively simple. They are cost effective. They are inexpensive and we are working to do that through the plan that we have articulated.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Mr. Speaker, I am pleased to take part in this debate which calls for a Canadian strategy for cancer control and mental health as well as tackling heart disease. These are all very important issues.

We have all been touched by cancer. I lost both of my parents to cancer about two years ago. They died very close in time to each other, one from stomach cancer and one from bowel cancer. Like most Canadians, I have been touched by cancer. I know the awful legacy that it leaves for families.

As a member of Parliament, I have had the chance to speak with a lot of people about it, people like Charlene Dill, who came to ask me to support funding for the strategy, and Barbara Thompson, who came to see me about the tremendous work that she is doing on breast cancer in Dartmouth—Cole Harbour. She has set up a support group for people who have breast cancer.

I want to talk a bit about the cardiovascular disease aspect of this motion. I was involved with the Heart and Stroke Foundation in Nova Scotia, both as president on the provincial board and on the national board for a number of years. Cardiovascular disease is the leading cause of death in Canada, accounting for at least 36% of all deaths, about 80,000 people a year. More than 450,000 Canadians are hospitalized for cardiovascular disease per year.

The most common problems are coronary artery disease, arrhythmia, valve disorders and heart muscle disease, including congestive heart failure. It is estimated that one in four Canadians or eight million people have some form of heart disease, disease of the blood vessels or are at risk for stroke. The economic cost is staggering, \$18.4 billion a year.

In this regard, I would like to compliment the hon. member for putting forward this motion, which I know was done with the best of intentions for Canadians, and a motion that I will support. The hon. member knows, as a colleague of mine on the health committee, of my interest in promoting a national wellness strategy, a way to get at the illness of Canadians hopefully before it strikes them, but also to look at the issues of home care, palliative care and support for people who are sick.

Today I want to talk not only about cardiovascular disease but specifically about cardiovascular research which is such a key part of the work that the Government of Canada is doing to promote heart research and develop a national approach to fighting this disease.

Harnessing Canadian investments in health research is the key to improving the health of our citizens by building sustainable, evidence based, leading edge health care and public health systems,

and developing the transformative new technologies of tomorrow. That is why the government created the CIHR, the Canadian Institutes of Health Research, in 2000.

Since that time, CIHR has led the transformation of the health research enterprise in Canada. Today CIHR is strengthening support for excellent research, expanding strategic research, training the next generation of health researchers, accelerating the transfer of knowledge into action, building capacity across Canada, attracting and retaining world class researchers and responding to emerging health threats.

With an annual budget of nearly \$700 million, CIHR is Canada's lead funder of health research, supporting the work of 10,000 researchers in universities, teaching hospitals and other institutions. Of this total, CIHR invested more than \$109 million in heart research last year. I am pleased to note that budget 2005 increased CIHR's budget by \$32 million, a clear signal of our continued support for health research.

I should also note that along with the CIHR the government has announced investments of more than \$13 billion for research and innovation since 1997. These have been extremely beneficial, creating the beginnings of an internationally competitive Canadian health research environment, something that we really needed.

The CIHR funding commitment to heart research is being leveraged through partnerships spearheaded by CIHR'S Institute of Circulatory and Respiratory Health, one of the CIHR's 13 vital institutes of health research. The institute, led by Dr. Bruce McManus, who is an international leader, supported by an advisory board comprising volunteers from all parts of the cardiovascular community, has been breaking new ground in developing a national heart research agenda for Canada.

Partnerships are integral to the vision of CIHR. By building partnerships among its stakeholders, those that have interest and a stake in health, the health system and health research, Canada will be better positioned to support stronger internationally competitive research initiatives that produce quality results more quickly for the benefit of Canadians.

● (1615)

CIHR partner organizations include other federal departments. They include provincial funding agencies and relevant provincial and territorial departments, health charities, non-government organizations and private industry.

Supply

Over the last several years the Institute of Circulatory and Respiratory Health has worked closely with its partners to develop its strategic plan and research initiatives. Much in the spirit of the motion that we are debating today, the institute's strategic plan builds on existing knowledge, fills gaps and maximizes Canadians' investment in health research by stressing cooperation and minimizing overlap.

A quick glance at the list of partners that the institute is working in conjunction with is very impressive. Among them are the Canadian Hypertension Society, Blood Pressure Canada, the Quebec Hypertension Society and the Heart and Stroke Foundation of Canada. I well recall being on the national board of the Heart and Stroke Foundation when CIHR was brought along and developed, replacing the old MRC. I can speak on behalf of the Heart and Stroke Foundation on how delighted we were with this incredible new funding agency, and the new avenues of research that had opened to the Heart and Stroke Foundation.

I want to talk about a couple of the returns on investment for which CIHR has been responsible. For example, Dr. Jafna Cox of Dalhousie who found that alternative medicines with prescription heart drugs can have deadly consequences for cardiac patients. Dr. Cox found that two-thirds of Nova Scotians with heart disease use at least one form of alternative therapy leading to potentially lethal interactions with prescription drugs. For instance, the blood thinner warfarin should not be used in conjunction with high doses of vitamin K, ephedra and ginseng, et cetera.

Dr. Luis Melo, from the University of Saskatchewan, used his CIHR support to discover a protein that is involved in regulating heart attacks. By understanding this protein he hopes to design a safe and efficient gene therapy strategy to protect the heart from damage due to heart attacks.

I would like to talk about Dr. Renée Lyons and Dr. Judy Guernsey who are doing CIHR funded research in Atlantic Canada looking at rural health, women's health and population health, and how to promote health in those areas that do not have huge hospitals. The question is, how do we get people to live more healthily, to not be sick, and how do we keep them well once they have been sick? There has been tremendous research done by Dr. Renée Lyons and Dr. Judy Guernsey.

These are just a few examples of CIHR funded research that are providing much needed hope for those suffering from heart disease or those who might otherwise suffer from heart disease.

I am pleased the Government of Canada created the Canadian Institutes of Health Research. CIHR is providing an integrated, coordinated, problem based and strategic approach to all of the health and disease challenges that face Canadians.

Through the efforts of CIHR and the leadership of its Institute of Circulatory and Respiratory Health, Canadians can be confident that their investments in heart research, both through their tax dollars and their generous support to heart health charities, are being spent in a coordinated and successful manner.

We do need a coordinated national strategy on cancer, on cardiovascular health, and we need one on mental health. This is not a partisan issue; this is a non-partisan issue. Last week I had the

opportunity to meet with TEAM Work Cooperative, a group in Halifax doing some tremendous work with mental health consumers. I was at the meeting with the members from Halifax. We discussed their needs and about ways that we could approach government together to make things better.

We all know the cost of cardiovascular disease, mental health challenges and cancers. Research is the key. The Canadian Institutes of Health Research is becoming a world leader in this area and it can be an important part of whatever strategy Canada needs to combat these diseases.

● (1620)

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Speaker, I am pleased we are having this debate in the House today. I believe this is a non-partisan issue because all of us have been affected by cancer.

My question for the hon. member is about the Liberal government's strategy which seems to be very much on making good lifestyle choices and focussing cancer as an issue of perhaps giving our children flags, skipping ropes and little eat right posters and we would be better off.

It seems to me that a broader issue has not been addressed. It reminds me of my background in the Timmins region, where we know a lot about cancer. When Ukrainian widows went to the compensation board because their husbands had died of brain cancer, they were told it was the east European diet that killed them. When women from Kirkland Lake, Red Lake, Timmins and Cobalt went to find out why their husbands had died of stomach cancer, or pancreatic cancer, or lung cancer and or throat cancer, they were told it was the bad air in their homes. It was always a lifestyle choice that killed these thousands of men in the mines across northern Ontario. What they were exposed to never did.

Today we are discussing this issue on a very important day, a day when we have heard about the smog deaths across Canada. I do not see anything in the strategies being put forward which deals with the environmental factors and the industrial pollutants. I hear nothing about moving forward, getting beyond the silly notion of voluntary standards and everyone will be happier because of that. I have heard nothing about dealing with the serious pollutants in the country who are releasing carcinogens into the atmosphere.

Could the hon. member explain to me how he sees a strategy that has some teeth to ensure that we deal with the main polluters that are creating carcinogens in our atmosphere?

● (1625)

Mr. Michael Savage: Mr. Speaker, I will speak to the health aspect of the question. I think what the member started off asking me was about disease specific areas as opposed to talking about keeping Canadians well.

Supply

I will make no bones about it. The number one issue I spoke about when I came to this place last year was the importance of a national wellness strategy, the importance of keeping Canadians healthy by promoting a healthy lifestyle and good nutrition choices and reducing smoking, obesity and stress.

I come from an area of the country that has the highest incidence of all those. Because of that, we have the highest incidence of a range of cancers, cardiovascular, cerebrovascular disease and diabetes is out of control.

We will have to look at all those diseases individually and provide support to them. It also is important that we look at the common cause together. If we are ever going to get out of this cycle of always dealing only with sick people and not promoting people to be well, we are not serving Canadians.

For now, the \$42 billion that we put into health care last year over 10 years strengthens health care so we can at least say that we will ensure that people who need that acute care get it because we cannot abandon them. However, we as a nation have to get out in front of that cycle of illness and promote wellness, and that should never be forgotten.

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, I note that the member spoke a lot about CIHR, but he did not speak to the motion at hand, which is the Canadian strategy for cancer control and beyond that the strategy for heart disease and mental illness.

However, cancer stakeholders have really set the bar as far as what they have been able to put together. I hope that other organizations like the Heart and Stroke Foundation of Canada and the Canadian Mental Health Association will be able to follow their lead.

Having said that, funding needs to be committed to ensure that the strategy is brought forward. The motion today is about that. We have yet to get a straight answer from any of the member's colleagues on when or even if this strategy will be fully funded to the \$260 million over five years.

Will the member, on behalf of the Liberal Party, tell us that, yes, the cancer strategy outlined in the motion will be fully funded?

Mr. Michael Savage: Mr. Speaker, I am sorry if I was not clear enough. I did indicate that I supported the motion and I think other members have as well.

If the member is speaking to the part in the motion that asks the House to call on the government to fully fund and implement the Canadian strategy for cancer control, I have a letter that I wrote to the Minister of Health and the Minister of Finance after meeting with Charlene Dill in Halifax prior to the budget. I asked the government to fully fund the Canadian strategy on cancer control.

When I speak in support of this motion, I do it looking back as well as forward. I also indicate that there is a part of the motion calling on a comprehensive national strategy on mental illness, mental health and heart disease. That was the specific part I spoke to and I stand by that for sure.

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, before I get too far into my remarks, I should note that I will be

splitting my time with the hon. member for South Surrey—White Rock—Cloverdale.

This is a broad topic as far as dealing with the health care needs and a national strategy on cancer, mental illness and cardiovascular disease. However, irrespective of where we come from on this, we all have a personal story. We all know someone in all three of these areas whom we want to remember and think about. I think personally of a friend who died two years ago, after having successfully beaten cancer once before, roughly 25 years earlier, only to succumb to it on its second pass through.

We all have relatives or friends who have passed away due to cardiovascular diseases. Unfortunately, as well we know people who suffer from depression and mental illness. I think in particular of a couple of my acquaintances whom I have known over the years.

This is very much an issue which speaks to the heart of why we are here as parliamentarians, to do something practical and positive for our constituents. This is also one area where Canadians have come together and worked as communities and as individuals. That is one reason why I am particularly happy to speak to the motion.

In particular, I want to note a couple of things that are being done in my riding to deal with cancer. I want to specifically congratulate some of the people of Saskatoon, survivors and others, for getting together last weekend to raise money for the Canadian Cancer Society. Saskatoon had a record turnout this year, with 792 teams and raised over \$185,000. I want to congratulate the people of my constituency who participated in that and for doing their part to fight cancer.

I also want to put on the record and congratulate the researchers who are working in the riding of Saskatoon—Humboldt, using the Canadian Light Source synchrotron to find cures for breast cancer. It is one of the leading edge areas of technology. I am proud we are taking that initiative in Saskatoon, with the support of the Government of Canada through its funding. All across the country various researchers are working on it. Some very practical things are being done.

I also wanted to congratulate the member for Charleswood—St. James—Assiniboia for bringing this to the attention of the House.

Why do we need a national strategy to deal with cancer specifically and also cardiovascular and mental health diseases? We spend tens of billions of dollars on health care in our country. We spend it on cancer. We spend it on general care. We spend it on emergency wards. Why specifically do we need a national strategy to deal with this problem?

In looking through the research and notes on the issue as to why we should deal with it, a few points came to mind as to why I will be voting in favour of this.

First, we need to maximize our assets across the country. We need to coordinate and think it through. We really cannot have a disjointed approach to dealing with any disease on any issue across the country. Looking through all the plans and so forth, there are many fine institutions and doctors. Various approaches and treatments are being tried across the country. We need to not only spend on these individual initiatives, we need to coordinate them so they all work functionally and effectively.

This is why the Canadian cancer strategy was brought together. Members of the House did not think of the idea. Nor did they wisely put it together. It was brought together by 700 experts and survivors, people who have a real vested interest and personal knowledge. This is not merely something that is done for one day's publicity or one day's thinking. This is something that has been developed through considerable, well thought out and thorough research by specialists who are experts on the matter.

● (1630)

Looking at the people who have decided to support this, gives me the confidence that the plan will work, that it will be functional.

Another reason why I think we need to support the initiative is it will set priorities. When we have an overall plan, we can coordinate to make what we already have work better. As I understand it now we do not have definite goals or priorities. We do not have definite targets or points of reference that we need when we are developing anything. A national cancer strategy as well as a national cardiovascular and mental health strategy would do this.

Another reason we need to support this strategy is because it will provide real results.

When I was researching the issue, I was struck by how important it was. It is estimated that 420,000 lives could be saved over 30 years with a national plan. By my calculations, that is 14,000 people per year. Other than the city of Saskatoon, one-third of my riding is rural. Fourteen thousand people works out to be three times the size of the next largest community in my riding. That is an immense number of people who could be saved every year for the next 30 years.

Other countries have developed cancer control strategies and have seen positive results. In the United Kingdom cancer deaths fell 10% in just four years. In Luxembourg mortality plummeted 24% by 2000. In Finland the numbers dropped to 17% and in Austria 15%. Just after a few years, Ireland dropped to 10%.

This strategy has real benefits for Canadians. It is practical and could be done.

Let me compare the cost of the initiative of \$300 million to other things on which the government has spent money. Other hon. members who have spoken today referenced the ad scam controversy. By the time the commission has finished, the government will have spent more money than what a five year cancer strategy would cost. Compare the results. We could save 14,000 people a year compared to a lot of corruption. Those are the choices.

The strategy is a wise place to put our revenues and our spending. For someone who has a hard time supporting any new spending

Supply

initiatives because they are worried about waste and corruption and various other things, this is one of the very few that would be a wise investment of taxpayer dollars. It would save lives and money.

There are many other reasons to have a strategy. We just need to look at the economics. Canadians would be healthier. The economy would be more productive. There are many other reasons to support the idea and the motion.

The final reason why I have decided to support it is a well thought out plan. This is not about giving more money and then figuring out what to do with it. This is a well developed, well thought out plan. They are working on a strategic cancer leadership platform. There are cancer targets, national standards, national clinical and practice guidelines and prevention systems. These things will not just provide publicity and then disappear. They will make a real difference.

I have concentrated mostly on dealing with the national cancer program because it is the one that is the most detailed and well thought out. Before I close my remarks, let me say something needs to be done for the national mental health strategy and the cardiovascular strategy as well.

One in five people will be affected by mental illness in their lifetime. Thousands of people commit suicide. The human stories that we all know compel us to act and to support the motion.

It is for those reasons that I will support the motion. I support the call for a national cancer strategy, for a national mental illness strategy and for real achievement on the national heart and stroke and cardiovascular strategy. These are good reasons. This is a good motion. I call on the House to be unanimous in its support of the motion.

● (1635)

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I want the hon. member from the Winnipeg area to know that he has our full support in this initiative.

I do not want to be too critical but sometimes a party's voting record comes back to haunt it. In March 2003, I introduced Bill C-206, which would have allowed caregivers the opportunity to take time off work to care for their loved ones under a palliative situation.

The hon. member was absolutely correct when he said that the motion was a wise investment of tax dollars and would be a saving in the long run. Those are the exact words I used in my motion in terms of allowing people the opportunity to leave their place of employment, care for their dying loved ones, collect employment insurance and have their job protected at the same time. It is the exact same benefits that a person would receive from maternity benefits.

Unfortunately, the previous leader of the Alliance Party, the current leader of the Conservative Party and the finance critic for that party voted against my bill. We cannot have a national strategy unless we deal with the caregivers concerned who deal with those people under the serious concerns of rehabilitative or palliative care.

Supply

My bill has been reintroduced as Bill C-256 and has had first reading. It has almost the exact wording as what was voted against by some members of his previous party.

Would the member support a strategy that would allow people who care for dying relatives the opportunity to stay at home, collect employment insurance, have their job protected and provide their relatives who are under palliative care the options that they deserve, which is the desire to be surrounded by their loved ones, to be surrounded in the setting of their choice and, of course, to be free of pain?

I wonder if the member who spoke so eloquently to this motion, which we support, would rise up and mention that.

• (1640)

Mr. Bradley Trost: Mr. Speaker, as the member knows, this issue has been referred to not only by members on his side of the House, for which I thank him, but also by the member for Langley who has had a specific constituent concern where I believe the sister of one of his constituents has taken time off to take care of her dying sister.

I have been very supportive of my colleague from Langley. He has raised this issue and has complete and total compassion, not only in the House and in front of the cameras, but behind them as well.

I am not fully aware of what the previous legislation was in March 2003 as I was not a member of the House at that time. However I will look at the new legislation.

I will say that as far as the general principle that the member for Langley and the member for Sackville—Eastern Shore have spoken to, I support the general principle that we should have flexibility in our social spending.

When we consider some of the other uses EI has been put toward, it would strike me as a much more reasonable approach to look at. Again, in principle, until I see the legislation I will not commit to vote for or against. However, in general, I would be supportive of the principle that people be allowed to take time off to look after loved ones who are in need of care in very serious incidences, such as parents looking after dying children or a sister looking after a sister.

My understanding was that it only took an administrative ruling by the minister, which is quicker than legislation. If that is not the case, I would be very interested in discussing it with the member. Perhaps he could educate me more, but in principle I support it.

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, I had a similar experience with a private member's motion that I had on environmental contaminants and human health. Amendments made by the Bloc were passed by the House with almost all party support. There were individual members, some from the Alliance at the time and some Liberals, who did not supporting it but the amendments passed.

The main motion had more Liberals and Alliance members vote against it. The motion looked at preventing some of the illnesses and included a lot of the debate we are having today. At that time the leader of the Alliance, now the Conservative Party, voted against that.

I would ask the hon. member a question similar to my colleague's question. Does he support the connection between environmental

contaminants and human health? What would he like to see happen to stop the illnesses from afflicting our citizens?

Mr. Bradley Trost: Mr. Speaker, having been elected not quite a year ago I cannot speak to the specifics of what the hon. member has said.

Let me lay out some general principles that I do deal with on environmental legislation and why I support it. I am talking about environmental legislation that would improve people's health.

Environmental pollutants, which get into the atmosphere and damage other people's water, land, health, et cetera, are, in principle, a violation of a person's inalienable rights to private property and rights to the person. That is why I as a Conservative, for philosophical reasons, will support the rule of law being applied on environmental issues to protect people's health and so forth.

As to the specifics of what the member is speaking to, I really cannot comment, not being in the House during that period.

• (1645)

Mr. Russ Hiebert (South Surrey—White Rock—Cloverdale, CPC): Mr. Speaker, it is my honour to participate in the debate. I thank my colleague from Charleswood St. James—Assiniboia for his courage in bringing this important issue to the floor of the House.

The motion reads:

That, given a national strategy is needed now to reduce the growing human and economic costs of cancer, heart disease and mental illness, the House call on the government to fully fund and implement the Canadian Strategy for Cancer Control in collaboration with the provinces and all stakeholders, and given that Canada is one of the few developed countries without a national action plan for effectively addressing mental illness and heart disease, the government should immediately develop and initiate a comprehensive national strategy on mental illness, mental health and heart disease.

There can be no mistaking the importance of these issues.

Cancer and heart disease are the leading causes of death among Canadians, claiming close to 150,000 victims every year. There is no doubt that everyone in the chamber and those watching at home have some loved one who has been affected by these diseases. My two aunts have bowel cancer.

In fact, as legislators we are not alone or immune. We have lost members of the House of Commons in recent years and colleagues and friends of ours are currently waging brave battles against these diseases. I think of my colleagues from the ridings of Athabasca and Okanagan—Shuswap in particular.

These issues are of particular importance to my riding of South Surrey—White Rock—Cloverdale. My riding has an excellent climate and fantastic views of both the ocean and mountains. We also have excellent health care facilities. Because my riding is such a fantastic place to live, many Canadians move there to enjoy their golden years. It is no wonder we have the fourth largest population of seniors in the country. Over 17% of the citizens in my riding are over 65 years of age. As such, health issues take on a special importance for me as a representative and my constituents.

Supply

I will turn now to cancer. According to the Terry Fox Foundation, an estimated 145,500 new cases of cancer and 68,000 deaths occurred in Canada in 2004. It would seem that we are beating the disease most of the time but it is still claiming far too many victims. Based on current incidence rates, 38% of women will develop cancer during their lifetimes and 43% of men. Cancer is the leading cause of premature death and early death in Canada.

Cancer is primarily a disease of older Canadians, particularly men. Among men, 82% of deaths due to cancer occur to those 60 years of age and older. Among women, 78% of cancer deaths occur to those 60 years of age and older. Heart disease is the leading cause of death by any disease in Canada. It kills 32% of all males and 34% of all females. In the latest year Statistics Canada has numbers for, which is 2002, cardiovascular diseases were the cause of almost 75,000 deaths.

Of course heart disease is better understood. There are several risk factors, some of which are controllable by a patient or potential sufferer. These include diet, exercise, smoking, obesity and air quality. In other words, although medical research is needed to better understand and treat this leading killer, there is much that can be achieved to prolong life through education and healthier living.

Mental illness in its many forms also takes a great toll on society in terms of lost productivity, lost income, damaged lives and broken relationships. It is often found at the root of serious societal problems, such as homelessness, poverty and crime. In extreme cases, mental illness can lead to violence, incarceration and even suicide.

Mental illness is perhaps the least understood of the medical conditions. It can affect patients as severely as other physical illnesses and yet display no physical symptoms at all. While some mental illness can be attributed to biochemical imbalances in the body, the cause of much mental illness is still poorly understood by medical science and yet still exacts a heavy toll on patients, their families and society.

According to the Coast Foundation, one-quarter of the 34 million hospital days used each year are used by patients suffering from a mental illness. According to the Canadian Psychiatric Association, 16% of health care budgets are used to treat those with psychiatric disorders. The cost of mental illness to our economy, as estimated in 1998 by Health Canada, was over \$14 billion and is undoubtedly much higher now.

Mental illness is present in at least 90% of those who commit suicide, according to the Harvard Medical School Guide, and we know suicide is the second leading cause of death among teenagers in Canada. That is horrific.

● (1650)

The teen suicide rate has more than quadrupled in Canada since the 1960s, with more than 300 teens killing themselves every year.

Given what is at stake with cancer, heart disease and mental illness, there is certainly a leadership role for the federal government to be playing.

We are all aware of provincial jurisdiction in the area of health care and we respect the rights of the provinces to deliver those

services as they see best. Indeed, the needs of tiny Prince Edward Island are far different than those of my own province, for example, and it makes sense to have the level of government that is in the best position to deliver certain services do so.

However that does not preclude a federal role in offering leadership on these issues by fostering cooperation between the provinces in the delivery of services and by collecting national statistics, particularly in the pursuit of research into these devastating diseases.

The federal government has a long history of conducting research itself and funding research, including research in provincial institutions through various granting agencies, including the Canadian Institutes of Health Research. The CIHR currently spends close to \$600 million a year, including large amounts on research into cancer and heart disease.

I want to spend a minute talking about the important advances being made in an area of research that CIHR is funding, the area of stem cell research. While much of our medical research over the past several decades has focused on pharmaceuticals, the groundbreaking research into stem cells is demonstrating that the body may well have the capacity to heal itself, even after the devastation of heart disease and cancer.

While the technology is still in its infancy, autologous stem cell therapy, drawing on the patient's own stem cells, is being used in a breathtaking variety of applications to replace or repair damaged tissues, including the heart or other organs damaged by cancers, that often lead to the full recovery of the patient.

The CIHR is funding research into stem cell technology and our party wants to encourage that. However, let us be clear, we want to see those limited dollars go where they will be most effective, and that is into autologous stem cell research, not embryonic stem cell experimentation.

The provinces and private foundations and charities contribute even more and Canadians are not alone in the fight against disease. Other western nations also spend billions of dollars annually in the race for a cure.

However it is the work that individual donors, volunteers, patients, doctors and researchers put into the fight that makes such a difference. I am proud of the effort that my own community puts into raising money to fight these diseases. For instance, our second annual White Rock Relay for Life, a fundraiser in support of the B.C. Cancer Society, raised \$127,000 for cancer research this year over the course of a 12 hour marathon. I was part of a team that raised almost \$4,500 of that total.

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Our excellent community services organizations, such as the Peace Arch Community Services or PACS, offers a wide variety of services to the vulnerable and needy in our community. Among those services are counselling and addiction treatment services. PACS is the helping hand that many suffering with mental health issues turn to. While PACS receives government subsidies, it also raises a significant portion of its budget from private sources and the wider community.

This past weekend, PACS held an information fair in my riding which included 45 organizations, many of which are dedicated to meeting the challenges of disease, including the White Rock/South Surrey Mental Health Care Centre, the Geriatric Psychiatry Services and the Prostate Cancer Support Groups of Surrey and White Rock.

Of course, British Columbians are very generous Canadians. This weekend, the B.C. Children's Hospital just set a North American record by raising over \$10 million through its annual 24 hour telethon.

It is clear to me that there is a will on the part of communities and provinces across Canada to beat cancer, heart disease and mental illness. However there is more that can be done at the federal level in offering national leadership. A national strategy can save time and limited resources and ensure that we are not duplicating efforts or running down rabbit trails in our own research.

The fact that the government has not fully funded the Canadian strategy for cancer control is unacceptable. The fact that we do not have a national strategy to combat the nation's number one killer, heart disease, is unacceptable. The fact that we have no national strategy for addressing mental illness, perhaps the most costly illness affecting the nation, is unacceptable.

• (1655)

I want to point out that the motion by the member for Charleswood—St. James—Assiniboia reflects the kind of leadership we could expect regularly if we had a Conservative health minister and a Conservative government. I would urge all members to support this motion.

Hon. Keith Martin (Parliamentary Secretary to the Minister of National Defence, Lib.): Mr. Speaker, I am glad that the hon. member brought up a salient difference between the Conservative Party and the Government of Canada. He brought up the issue of stem cell research and the notion that his party supports the use of stem cell research. He also said that he and his party support only the use of autologous stem cells.

I understand completely from where he is coming. He believes, as many do, and I fully understand and am very sympathetic toward it, that a fertilized egg is life. For ethical and philosophical reasons, they believe that the egg should not be affected in any way. I fully respect that. It is something rooted in religious beliefs, that life begins at the moment of conception. The individuals who believe that are fully able to hold that view and are respected for that.

However, the Conservative Party and a Conservative health minister would ban the use of embryonic stem cell research.

While I fully understand the rationale for why his party would prevent the use of embryonic stem cells, the fact of the matter is that

in other parts of the world embryonic stem cells are being used. The difference is that embryonic stem cells provide a degree of pluripotentiality that does not exist with autologous stem cells. Said another way, autologous stem cells do not have the ability to change into as many different types of cells as embryonic stem cells do.

His party and a Conservative health minister would prevent embryonic stem cell research from occurring and worse, would prevent the possibility of a cure for the very people we are talking about today, those who are struggling and dealing with the cancers and myriad other diseases.

Would the member and his party, if they were in government, prevent the use of embryonic stem cells and embryonic stem cell research?

Mr. Russ Hiebert: Mr. Speaker, I am neither the health critic nor an expert in autologous stem cell research.

The member opposite did start his comments by pointing out the differences between a Conservative government and a Liberal government with respect to health care. I want to point out that it is the Conservatives who are taking the lead on this issue, not the Liberals. In fact while the Liberals are up to their eyes in corruption and scandal and cover-ups, it is the Conservatives who have put together a plan for Canadians. We are the ones who care about the health and welfare of Canadians. We will not sacrifice these ideological principles for mere vote buying or political reasons. We are here to provide a logical, cohesive national strategy in which Canadians can have confidence.

Canadians are concerned about their families' needs and their own lives. Many people in my constituency who are facing these issues at the ends of their lives wonder what research is being done that might assist them in dealing with cancer, heart disease or mental illness. That is what they are concerned about. What we are talking about today is a national strategy that would provide exactly that, answers to their questions.

What we see is a government that talks one thing and does another. Just a week before the budget came out, the health minister said that he was going to commit \$26 million toward this kind of a national strategy. One week later the budget came out and not a penny was in the budget for a national health care strategy. Not a dime was there. The Liberals say one thing and they do another.

That is why we have taken the time today to move this motion, to draw attention to the fact that the Liberals are not standing up for Canadians with respect to health care, or with respect to cardiovascular disease in particular, or mental health. That is the point of today's motion. I think that point is becoming clear to Canadians as they watch from home or perhaps see this on the evening news. We are here as Conservatives who are putting together a plan. We are showing leadership. We are not worrying about how to buy votes and that sort of thing.

Supply

•(1700)

Mr. Nathan Cullen (Skeena—Bulkley Valley, NDP): Mr. Speaker, I have been looking forward to entering into this debate all day. I watched some of the debate on the parliamentary channel and realized that while the words were there from many of the hon. members gathered here today, the actual actions, if we look back through the records of Parliament, tell a different story.

As the environment critic for the NDP, it is important for me to more succinctly and concretely make the connection for Canadians of the importance between their environment and the health that they enjoy. The environment has become more and more intrinsic in the way we view our health care and the health care costs that seem to be mounting day after day. Unless we take a strong and purposeful move in the direction of environmental protection, such a motion as the one presented today is somewhat irrelevant. It does not speak to the actual sources of some of our health care concerns.

We have the beginning of smog days in the summer. Many Canadians who live in our cities choke on the fumes during smog days and do not have the choices that some people in society have to get away from it. Harmful diseases are being spread by what I would call an inefficient economy. It is an economy that has been allowed to persist because of a lack of will on the part of government to on the one hand make the regulations that are required for cleaner air and on the other hand to actually enforce the few regulations that we have.

The economic numbers are staggering. In Ontario alone the Ontario Medical Association estimates that we will lose \$1 billion a year due to the smog. This is just in Ontario. We can multiply those numbers for the cities in the rest of the country. On the economic balance sheet this is costing us an extraordinary amount of money, never mind on the human side.

On the human side Canadians and their families are suffering because of smog. The figures are staggering. In Toronto 822 people died this year due to smog; 818 in Montreal; 368 here in Ottawa; and 258 in Windsor. These are just sample cities that were taken as a test for across the country to understand the social impact on our communities and families due to something like smog; how much it costs us in health care terms and also how much it costs in real family terms, in terms of the pain and suffering caused by this pollution.

There was a previous motion by the member for Windsor West that was narrowly defeated by the members of the alliance, now the Conservative Party. This raises great concerns for me and my party in terms of the rhetoric used today and the importance of health and protecting health care. The motion was very straightforward and succinct and should have achieved success but it did not due to the voting habits of some of the members of the party which now has a different name, but which I would only imagine has the same philosophy. The motion stated that the House call upon the government to take the necessary regulatory measures, including drafting of legislation to prevent medical conditions and illnesses caused by exposure to identifiable environmental contaminants.

For the member for Windsor West this is a crucial issue in his riding. The cancer rates and negative health effects of industries past and present are being felt on the ground day to day.

One of the key and critical roles of government is to set up a structure in which all Canadians can participate in their day to day living in a healthy and safe way. We do not allow people to drive at unsafe speeds in school zones. We do not allow people to drive without wearing their seat belts. Both of those are regulatory in nature and are important for all Canadians to know that they are going to exist in a safe manner.

Yet when it comes to the environment, parties in the House voted against the motion in order to ensure its defeat. Liberals voted against it as well. They refused to realize the important connection between our environment, the pollutants we are allowing into the air and the connection back to the health of Canadians on a day to day basis.

Earlier in this Parliament the Conservative Party voted against a motion we presented on the removal of trans fats from our food system. We have been told by the health associations and the heart associations that in Canada trans fats are a huge cost both economically and socially.

•(1705)

The party bringing forward today's motion found a way to vote against something that all the health proponents found to be beneficial, as too was the case when we brought forward a motion to include mandatory regulations on emissions with respect to the auto sector. We realize there are serious costs attributed to what comes out of the tail pipes of our cars and vehicles. While California and other states within the United States have boldly gone forward and brought the car manufacturers more in line with efficiency standards over the last number of decades, and which they have been able to achieve with greater productivity and greater efficiency for their own markets, Canada simply falls behind in the wake left by the Americans.

Many Canadians would like to maintain the notion that on the environment file Canada is stronger than our U.S. partners, particularly our U.S. partner states. Nothing could be further from the truth, as we go file by file. On this one the Conservatives stood well arm in arm with those most backward thinkers when it comes to the environment and health costs in voting against the NDP motion.

Something very important finally did happen earlier. It is incredible for many Canadians to realize that up until this Parliament, corporations in Canada that committed environmental offences, that were found guilty and fined, were able to write off those fines. Most Canadians intuitively would find that wrong and unbelievable that we would allow that practice to persist for so many years. There are some very notable companies. Canada Steamship Lines was fined \$230,000 at one point. It was able to write off that environmental penalty against its taxes as if it had been for business lunches, as if it had actually made some investment in our economy as opposed to polluting our environment.

Supply

In Yukon we estimate that the federal government spends about 150 million taxpayer dollars a year on cleaning up old abandoned mine sites that are now polluting the waters, fish bearing waters primarily. That is \$150 million at a minimum which Canadians who work hard and pay their taxes are paying for the cleanup of what companies made a profit from previously. There is no longer the need to operate regimes in business or in any other part of the economy that allow this pollution to continue and contribute again and again to the deteriorating health of Canadians.

There is an important and virtuous link that must be identified. A sound regulatory environment with respect to good pollution standards creates a virtuous cycle within business. It encourages businesses to make the investments, to design their businesses in such a way as to contribute not only economically, but also environmentally. The old debate about jobs versus the economy must stop. We have seen from some of the figures I quoted earlier that a poor environment costs us economically.

Operating a business in Canada is not a right. It is a privilege that is sanctioned to the businesses by the government. The role of government is to provide a legislative framework, the rules of the game to allow those businesses to operate and conduct themselves in such a way as to be of benefit to society. We have seen the Liberal government go through the last decade with 11,000 and growing foreign acquisitions of Canadian companies, without one rejection that we are aware of. One of the stipulations of these acquisitions is that it must be to the benefit of Canada. We must have had an extraordinary streak of good luck that so many foreign hands have bought businesses on Canadian soil, some of them moving Canadian jobs to other markets, always at the benefit of Canada.

It is time for the government to assume the role that Canadians have elected us to the House of Commons to do, which is to represent them in a leadership capacity to realize that in the preventing of pollution, in the reduction of pollution, we increase the health and well-being of Canadians. In many cases, as we have seen in studying the climate change file these last number of months, businesses have been saying that when they have reduced their greenhouse gas emissions that go into the air and cause all sorts of detrimental effects to our environment, they have actually achieved better and more efficient businesses. Their bottom lines have improved as they have gone through the pollution reductions.

We can no longer stay in the old paradigm where it is jobs versus the environment. The Europeans are far ahead of us. Thirty-nine states have done more on their Kyoto file than Canada has and are close to achieving their own targets. We should no longer be laggards when we look at the connections between our environment and our health system.

• (1710)

There is another role of government and that is to provide incentives for the investments that we believe are good for our communities and our society. The recent NDP negotiation with the government saw millions of dollars going into an investment in the environment which we saw as principled and right. That is a sound investment. In this day and age we have the capacity and the technology available to us to create things that will help clean our air

while providing jobs for Canadians. This is no longer daydreaming. This is reality.

The witnesses who appeared before the environment committee described the advances that have been made in technology, particularly in energy production. We have the capacity if the investments are there. If the government were to set the regulatory framework and give positive signals to businesses to come onsite, this would make good sense for the economy and the environment.

Recently, the government saw its way to invest in research and development in the auto sector. That was a noble investment. The auto sector forms the foundation of the Ontario economy and thus the Canadian economy. However, nowhere in the agreement is there any stipulation on technology investments going toward improving our environment. There is no request on behalf of businesses involved to make improvements to the cars we need to decrease smog days. There is no stipulation that would lessen the economic and social costs of families showing up in our already over-crowded hospital wards with something that may be preventable.

I would like to give the House one more example and it succinctly brings together the issues around the economy, the environment and health. I am talking about what has been happening with the wild salmon on the west coast of British Columbia and the intrusion of more farm salmon. The front page of yesterday's *Vancouver Sun* states:

Farmed salmon in B.C. contain six times the level of cancer-causing PCBs, dioxins and furans as wild salmon, according to government tests obtained by The *Vancouver Sun*.

The *Vancouver Sun* and other newspapers have been requesting, through freedom of information, to get this information from Health Canada. They have been trying to find out whether the salmon we are selling in our markets and putting on our tables is safe for us to eat. One would think the reverse would be true. It is difficult to believe that information from Health Canada, with its mandate to protect Canadians, would have to be obtained through freedom of information. However, we saw what happened with Health Canada's mandate to protect Canadians with mad cow disease. That was a failure.

When I asked the Department of Fisheries and Oceans how much money was spent on the simple monitoring and promotion of this potentially dangerous form of farming, the numbers were not available. We simply do not know. We do not account for these things.

On the one hand, we need to drag out of the government what is safe for our families in this country to eat, and on the other hand, the government is subsidizing, sponsoring and monitoring the very same product. This duplicity cannot be allowed to continue.

While we applaud this motion, there is a certain request for consistency that is required when we start to look at the virtuous cycle between smart regulations that effectively promote a positive business cycle and an environment in which we can maintain our quality of life, and where we can provide jobs for our communities and create a profitable and healthy environment.

I would encourage the hon. member who brought the motion forward to apply greater strength from his caucus and colleagues. When we brought forward motions that we saw as strong for the environment and for the health of Canadians and were subsequently defeated, we felt the reason was because there was a lack of cohesion when it comes to these issues.

It was requested earlier that we not play politics with this issue because health care is important. When we brought the trans fat motion forward, the mandatory regulations for the auto sector, and when we pushed to no longer have write-offs with respect to pollution in Canada, the Conservatives found other ways to vote on those issues which was completely duplicitous and confusing to many Canadians.

We need to clean up our environment while allowing a productive and healthy economy to continue. The NDP will continue in this effort. I look forward to my colleagues bringing forward further motions.

• (1715)

[Translation]

The Deputy Speaker: It being 5:15 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the business of supply.

[English]

The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Deputy Speaker: Call in the members.

• (1750)

[Translation]

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

(Division No. 95)

YEAS

Members

Abbott
Adams
Allison
Anders
Anderson (Cypress Hills—Grasslands)
Augustine
Bains
Bélanger

Ablonczy
Alcock
Ambrose
Anderson (Victoria)
Angus
Bagnell
Bakopanos
Bell

Bennett
Bevilacqua
Blaikie
Boivin
Boshcoff
Bradshaw
Brison
Brown (Oakville)
Bulte
Cannis
Carrie
Casey
Catterall
Chan
Christopherson
Comuzzi
Crowder
Cullen (Etobicoke North)
D'Amours
Day
DeVillers
Dhalla
Dosanjh
Drouin
Duncan
Emerson
Eyking
Fitzpatrick
Folco
Forseth
Fry
Galloway
Godfrey
Goldring
Goodyear
Graham
Guarnieri
Hanger
Harris
Hiebert
Hinton
Hubbard
Jaffer
Jennings
Julian
Kamp (Pitt Meadows—Maple Ridge—Mission)
Karygiannis
Khan
Kramp (Prince Edward—Hastings)
Lauzon
LeBlanc
Longfield
Lunn
MacAulay
MacKenzie
Malhi
Mark
Martin (Esquimalt—Juan de Fuca)
Martin (Sault Ste. Marie)
Matthews
McDonough
McGuire
McLellan
Menzies
Miller
Minna
Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)
Murphy
Neville
O'Connor
Oda
Pacetti
Paradis
Penson
Pettigrew
Pickard (Chatham-Kent—Essex)
Powers
Preston
Rajotte
Redman
Reid
Richardson
Robillard

Supply

Benoit
Bezan
Blondin-Andrew
Bonin
Boudria
Breitkreuz
Broadbent
Brown (Leeds—Grenville)
Byrne
Carr
Carroll
Casson
Chamberlain
Chong
Comartin
Cotler
Cullen (Skeena—Bulkley Valley)
Cuzner
Davies
Desjarlais
Devolin
Dion
Doyle
Dryden
Easter
Epp
Finley
Fletcher
Fontana
Frulla
Gallant
Godbout
Godin
Goodale
Gouk
Grewal (Fleetwood—Port Kells)
Guergis
Harper
Harrison
Hill
Holland
Ianno
Jean
Johnston
Kadis
Karetak-Lindell
Kenney (Calgary Southeast)
Komarnicki
Lapierre (Outremont)
Layton
Lee
Lukiwski
Lunney
MacKay (Central Nova)
Macklin
Maloney
Marleau
Martin (Winnipeg Centre)
Masse
McCallum
McGuinty
McKay (Scarborough—Guildwood)
McTeague
Merrifield
Mills
Mitchell
Myers
Nicholson
Obhrai
Owen
Pallister
Patry
Peterson
Phinney
Poilievre
Prentice
Proulx
Ratansi
Regan
Reynolds
Ritz
Rodriguez

Supply

Rota	Russell
Saada	Savage
Savoy	Scarpaleggia
Scheer	Schellenberger
Schmidt (Kelowna—Lake Country)	Sgro
Siksay	Silva
Simard (Saint Boniface)	Simms
Skelton	Smith (Pontiac)
Solberg	Sorenson
St. Amand	St. Denis
Steckle	Stoffer
Stronach	Szabo
Telegdi	Temelkovski
Thibault (West Nova)	Thompson (Wild Rose)
Tilson	Toews
Tonks	Torsney
Trost	Tweed
Ur	Valeri
Valley	Van Loan
Vellacott	Volpe
Wappel	Warawa
Wasylcia-Leis	Watson
White	Wilfert
Williams	Wrzesnewskyj
Yelich — 231	

NAYS

Members

André	Asselin
Bachand	Bellavance
Bergeron	Bigras
Blais	Boire
Bonsant	Bouchard
Boulianne	Bourgeois
Brunelle	Cardin
Carrier	Clavet
Cleary	Côté
Crête	Demers
Deschamps	Desrochers
Duceppe	Faillie
Gagnon (Québec)	Gagnon (Saint-Maurice—Champlain)
Gagnon (Jonquière—Alma)	Gaudet
Gauthier	Guay
Guimond	Kotto
Laframboise	Lalonde
Lapierre (Lévis—Bellechasse)	Lavallée
Lemay	Lessard
Lévesque	Loubier
Marceau	Ménard (Hochelaga)
Ménard (Marc-Aurèle-Fortin)	Paquette
Perron	Picard (Drummond)
Plamondon	Poirier-Rivard
Roy	Simard (Beauport—Limoulo)
St-Hilaire	Thibault (Rimouski-Neigette—Témiscouata—Les
Basques)	
Vincent — 53	

PAIRED

Members

Efford	Sauvageau — 2
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The Speaker: I declare the amendment carried.

[*English*]

The next question is on the main motion, as amended.

[*Translation*]

Mr. Yvon Godin: Mr. Speaker, I rise on a point of order. The question that was just put was on the amendment moved by the NDP. It is customary for the members of the party moving the amendment to rise first.

I merely wanted to point this out for the record.

[*English*]

The Speaker: I must say I shared the hon. member's surprise. I have checked and since this was an opposition motion, the voting would normally start with the opposition party even though the amendment was moved by someone else. Accordingly, while I thought at the time the practice was unusual, I am told it is in accordance with our practice on opposition days.

Had it been an NDP opposition day and some other amendment, the voting would have started there. Of course, one never knows how the voting may turn out.

Hon. Karen Redman: Mr. Speaker, if the House would agree, I would propose that you seek unanimous consent that members who voted on the previous motion be recorded as having voted on the motion now before the House with Liberal members voting in favour, except for those members who would like to be registered as having voted otherwise.

The Speaker: Is there unanimous consent to apply the vote just taken to the motion now before the House?

Some hon. members: Agreed.

[*Translation*]

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

(*Division No. 96*)

YEAS

Members

Abbott	Ablonczy
Adams	Alcock
Allison	Ambrose
Anders	Anderson (Victoria)
Anderson (Cypress Hills—Grasslands)	Angus
Augustine	Bagnell
Bains	Bakopanos
Bélanger	Bell
Bennett	Benoit
Bevilacqua	Bezan
Blaikie	Blondin-Andrew
Boivin	Bonin
Boshcoff	Boudria
Bradshaw	Breitkreuz
Brisson	Broadbent
Brown (Oakville)	Brown (Leeds—Grenville)
Bulte	Byrne
Cannis	Carr
Carrie	Carroll
Casey	Casson
Catterall	Chamberlain
Chan	Chong
Christopherson	Comartin
Comuzzi	Cotler
Crowder	Cullen (Skeena—Bulkley Valley)
Cullen (Etobicoke North)	Cuzner
D'Amours	Davies
Day	Desjarlais
DeVillers	Devolin
Dhalla	Dion
Dosanjh	Doyle
Drouin	Dryden
Duncan	Easter
Emerson	Epp
Eyking	Finley
Fitzpatrick	Fletcher
Folco	Fontana
Forseth	Frulla
Fry	Gallant
Galloway	Godbout
Godfrey	Godin
Goldring	Goodale

Goodyear
Graham
Guarnieri
Hanger
Harris
Hiebert
Hinton
Hubbard
Jaffer
Jennings
Julian
Kamp (Pitt Meadows—Maple Ridge—Mission)
Karygiannis
Khan
Kramp (Prince Edward—Hastings)
Lauzon
LeBlanc
Longfield
Lunn
MacAulay
MacKenzie
Malhi
Mark
Martin (Esquimalt—Juan de Fuca)
Martin (Sault Ste. Marie)
Matthews
McDonough
McGuire
McLellan
Menzies
Miller
Minna
Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)
Murphy
Neville
O'Connor
Oda
Pacetti
Paradis
Penson
Pettigrew
Pickard (Chatham-Kent—Essex)
Powers
Preston
Rajotte
Redman
Reid
Richardson
Robillard
Rota
Saada
Savoy
Scheer
Schmidt (Kelowna—Lake Country)
Siksay
Simard (Saint Boniface)
Skelton
Solberg
St. Amand
Steckle
Stronach
Telegdi
Thibault (West Nova)
Tilson
Tonks
Trost
Ur
Valley
Vellacott
Wappel
Wasylcia-Leis
White
Williams
Yelich — 231

Gouk
Grewal (Fleetwood—Port Kells)
Guergis
Harper
Harrison
Hill
Holland
Ianno
Jean
Johnston
Kadis
Karetak-Lindell
Kenney (Calgary Southeast)
Komarnicki
Lapierre (Outremont)
Layton
Lee
Lukiwski
Lunney
MacKay (Central Nova)
Macklin
Maloney
Marleau
Martin (Winnipeg Centre)
Masse
McCallum
McGuinty
McKay (Scarborough—Guildwood)
McTeague
Merrifield
Mills
Mitchell

Myers
Nicholson
Obhrai
Owen
Pallister
Patry
Peterson
Phinney
Poilievre
Prentice
Proulx
Ratansi
Regan
Reynolds
Ritz
Rodriguez
Russell
Savage
Scarpaleggia
Schellenberger
Sgro
Silva
Simms
Smith (Pontiac)
Sorenson
St. Denis
Stoffer
Szabo
Temelkovski
Thompson (Wild Rose)
Toews
Torsney
Tweed
Valeri
Van Loan
Volpe
Warawa
Watson
Wilfert
Wrzesnewskyj

NAYS

Members

André
Bachand
Bergeron
Blais

Asselin
Bellavance
Bigas
Boire

Supply

Bonsant
Boulianne
Brunelle
Carrier
Cleary
Crête
Deschamps
Duceppe
Gagnon (Québec)
Gagnon (Jonquière—Alma)
Gauthier
Guimond
Laframboise
Lapierre (Lévis—Bellechasse)
Lemay
Lévesque
Marceau
Ménard (Marc-Aurèle-Fortin)
Perron
Plamondon
Roy
St-Hilaire
Basques)
Vincent — 53

Bouchard
Bourgeois
Cardin
Clavet
Côté
Demers
Desrochers
Faille
Gagnon (Saint-Maurice—Champlain)
Gaudet
Guay
Kotto
Lalonde
Lavallée
Lessard
Loubier
Ménard (Hochelaga)
Paquette
Picard (Drummond)
Poirier-Rivard
Simard (Beauport—Limoulu)
Thibault (Rimouski-Neigette—Témiscouata—Les

PAIRED

Members

Efford

Sauvageau — 2

The Speaker: I declare the motion carried.

[English]

OPPOSITION MOTION—EMPLOYMENT INSURANCE

The House resumed from June 2 consideration of the motion.

The Speaker: Pursuant to order made on Thursday, June 2, the House will now proceed to the taking of the deferred recorded division on the motion of the hon. member for Acadie—Bathurst relating to the business of supply.

• (1800)

[Translation]

(The House divided on the motion, which was negated on the following division:)

(Division No. 97)

YEAS

Members

André
Asselin
Bell
Bergeron
Bigas
Blais
Bonsant
Bouchard
Bourgeois
Brown (Leeds—Grenville)
Byrne
Carrie
Casey
Christopherson
Cleary
Côté
Crowder
Cuzner
Demers
Desjarlais
Doyle
Duceppe
Faille
Gagnon (Québec)
Gagnon (Jonquière—Alma)

Angus
Bachand
Bellavance
Bezan
Blaikie
Boire
Boshcoff
Boulianne
Broadbent
Brunelle
Cardin
Carrier
Chamberlain
Clavet
Comartin
Crête
Cullen (Skeena—Bulkley Valley)
Davies
Deschamps
Desrochers
Drouin
Eyking
Folco
Gagnon (Saint-Maurice—Champlain)
Galloway

Supply

Gaudet
 Godin
 Guimond
 Julian
 Khan
 Kramp (Prince Edward—Hastings)
 Lalonde
 Lavallée
 Lemay
 Lévesque
 Marceau
 Martin (Sault Ste. Marie)
 Matthews
 Ménard (Hochelaga)
 Minna
 Neville
 Paradis
 Perron
 Plamondon
 Rodrigue
 Roy
 Siksay
 Simms
 St-Hilaire
 Stoffer
 Basques)
 Thibault (West Nova)
 Vincent
 Watson— 105

Gauthier
 Guay
 Jennings
 Karetak-Lindell
 Kotto
 Laframboise
 Lapierre (Lévis—Bellechasse)
 Layton
 Lessard
 Loubier
 Martin (Winnipeg Centre)
 Masse
 McDonough
 Ménard (Marc-Aurèle-Fortin)
 Myers
 Paquette
 Patry
 Picard (Drummond)
 Poirier-Rivard
 Rota
 Russell
 Simard (Beauport—Limoilou)
 Smith (Pontiac)
 St. Amand
 Thibault (Rimouski-Neigette—Témiscouata—Les
 Tonks
 Wasylycia-Leis

McGuire
 McLellan
 Menzies
 Miller
 Mitchell
 Moore (Fundy Royal)
 Nicholson
 Obhrai
 Owen
 Pallister
 Peterson
 Phinney
 Poilievre
 Prentice
 Proulx
 Ratansi
 Regan
 Reynolds
 Ritz
 Saada
 Savoy
 Scheer
 Schmidt (Kelowna—Lake Country)
 Silva
 Skelton
 Sorenson
 Steckle
 Szabo
 Thompson (Wild Rose)
 Toews
 Trost
 Ur
 Valley
 Vellacott
 Wappel
 White
 Williams
 Yelich— 175

McKay (Scarborough—Guildwood)
 McTeague
 Merrifield
 Mills
 Moore (Port Moody—Westwood—Port Coquitlam)
 Murphy
 O'Connor
 Oda
 Pacetti
 Penson
 Pettigrew
 Pickard (Chatham-Kent—Essex)
 Powers
 Preston
 Rajotte
 Redman
 Reid
 Richardson
 Robillard
 Savage
 Scarpaleggia
 Schellenberger
 Sgro
 Simard (Saint Boniface)
 Solberg
 St. Denis
 Stronach
 Temelkovski
 Tilson
 Torsney
 Tweed
 Valeri
 Van Loan
 Volpe
 Warawa
 Wilfert
 Wrzesnewskyj

NAYS

Members

Abbott
 Adams
 Allison
 Anders
 Anderson (Cypress Hills—Grasslands)
 Bagnell
 Bakopanos
 Bennett
 Bevilacqua
 Boivin
 Boudria
 Breitreuz
 Brown (Oakville)
 Cannis
 Carroll
 Catterall
 Chong
 Cotler
 D'Amours
 DeVillers
 Dhalla
 Dosanjh
 Duncan
 Emerson
 Finley
 Fletcher
 Forseth
 Fry
 Godbout
 Goldring
 Goodyear
 Grewal (Fleetwood—Port Kells)
 Guergis
 Harper
 Harrison
 Hill
 Holland
 Ianno
 Jean
 Kadis
 Karygiannis
 Komarnicki
 Lauzon
 Lee
 Lunn
 MacKay (Central Nova)
 Macklin
 Maloney
 Marleau
 McCallum

Ablonczy
 Alcock
 Ambrose
 Anderson (Victoria)
 Augustine
 Bains
 Bélanger
 Benoit
 Blondin-Andrew
 Bonin
 Bradshaw
 Brison
 Bulte
 Carr
 Casson
 Chan
 Comuzzi
 Cullen (Etobicoke North)
 Day
 Devolin
 Dion
 Dryden
 Easter
 Epp
 Fitzpatrick
 Fontana
 Frulla
 Gallant
 Godfrey
 Goodale
 Graham
 Guarnieri
 Hanger
 Harris
 Hiebert
 Hinton
 Hubbard
 Jaffier
 Johnston
 Kamp (Pitt Meadows—Maple Ridge—Mission)
 Kenney (Calgary Southeast)
 Lapierre (Outremont)
 LeBlanc
 Lukiwski
 MacAulay
 MacKenzie
 Malhi
 Mark
 Martin (Esquimalt—Juan de Fuca)
 McGuinty

PAIRED

Members

Efford

Sauvageau— 2

The Speaker: I declare the motion lost.

[*English*]

Mr. Bill Casey: Mr. Speaker, I want to make that sure my vote is recorded as supporting the motion.

The Speaker: My recollection was that it did, but the hon. member will be able to check it in the blues tomorrow.

OPPOSITION MOTION—FEDERAL JUDICIARY APPOINTMENTS

The House resumed from June 3 consideration of the motion.

The Speaker: Pursuant to order made on Friday, June 3, the House will now proceed to the taking of the deferred recorded division on the motion of the member for Charlesbourg—Haute-Saint-Charles.

* * *

● (1815)

[*Translation*]

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

(Division No. 98)

YEAS

Members

Abbott
Allison
Anders
André
Bachand
Benoit
Bezan
Blaikie
Boire
Bouchard
Bourgeois
Broadbent
Brunelle
Carrie
Casey
Christopherson
Cleary
Côté
Crowder
Davies
Demers
Desjarlais
Devolin
Duceppe
Epp
Finley
Fletcher
Gagnon (Québec)
Gagnon (Jonquière—Alma)
Gaudet
Godin
Goodyear
Grewal (Fleetwood—Port Kells)
Gurgis
Hanger
Harris
Hiebert
Hinton
Jean
Julian
Kenney (Calgary Southeast)
Kotto
Laframboise
Lapierre (Lévis—Bellechasse)
Lavallée
Lemay
Lévesque
Lukiwski
Lunney
Marceau
Martin (Winnipeg Centre)
Masse
Ménard (Hochelega)
Menzies
Miller
Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)
Nicholson
Obhrai
Pallister
Penson
Picard (Drummond)
Poilievre
Prentice
Rajotte
Reynolds
Ritz
Scheer
Schmidt (Kelowna—Lake Country)
Simard (Beauport—Limoilou)
Solberg
St-Hilaire
Thibault (Rimouski-Neigette—Témiscouata—Les Basques)
Thompson (Wild Rose)
Tilson
Trost
Van Loan
Vincent

Ablonczy
Ambrose
Anderson (Cypress Hills—Grasslands)
Asselin
Bellavance
Bergeron
Bigras
Blais
Bonsant
Boulianne
Breitkreuz
Brown (Leeds—Grenville)
Cardin
Carrier
Casson
Clavet
Comartin
Crête
Cullen (Skeena—Bulkley Valley)
Day
Deschamps
Desrochers
Doyle
Duncan
Faille
Fitzpatrick
Forseth
Gagnon (Saint-Maurice—Champlain)
Gallant
Gauthier
Goldring
Gouk
Guay
Guimond
Harper
Harrison
Hill
Jaffer
Johnston
Kamp (Pitt Meadows—Maple Ridge—Mission)
Komarnicki
Kramp (Prince Edward—Hastings)
Lalonde
Lauzon
Layton
Lessard
Loubier
Lunn
MacKenzie
Mark
Martin (Sault Ste. Marie)
McDonough
Ménard (Marc-Aurèle-Fortin)
Merrifield
Mills
O'Connor
Oda
Paquette
Perron
Plamondon
Poirier-Rivard
Preston
Reid
Richardson
Roy
Schellenberger
Siksay
Skelton
Sorenson
Stoffer
Toews
Tweed
Vellacott
Warawa

Wasylycia-Leis
White
Yelich— 157

Adams
Anderson (Victoria)
Bagnell
Bakopanos
Bell
Bevilacqua
Boivin
Boshcoff
Bradshaw
Brown (Oakville)
Byrne
Carr
Catterall
Chan
Cotler
Cuzner
DeVillers
Dion
Drouin
Easter
Eyking
Fontana
Fry
Godbout
Goodale
Guarnieri
Hubbard
Jennings
Karetak-Lindell
Khan
LeBlanc
Longfield
Macklin
Maloney
Martin (Esquimalt—Juan de Fuca)
McCallum
McGuire
McLellan
Minna
Murphy
Neville
Pacetti
Patry
Pettigrew
Pickard (Chatham-Kent—Essex)
Proulx
Redman
Robillard
Rota
Saada
Savoy
Sgro
Simard (Saint Boniface)
Smith (Pontiac)
St. Denis
Stronach
Telegdi
Thibault (West Nova)
Torsney
Valeri
Volpe
Wilfert

Supply

Watson
Williams

NAYS

Members

Alcock
Augustine
Bains
Bélangier
Bennett
Blondin-Andrew
Bonin
Boudria
Brison
Bulte
Cannis
Carroll
Chamberlain
Comuzzi
Cullen (Etobicoke North)
D'Amours
Dhalla
Dosanjh
Dryden
Emerson
Folco
Frulla
Galloway
Godfrey
Graham
Holland
Iano
Kadis
Karygiannis
Lapierre (Outremont)
Lee
MacAulay
Malhi
Marleau
Matthews
McGuinty
McKay (Scarborough—Guildwood)
McTeague
Mitchell
Myers
Owen
Paradis
Peterson
Phinney
Powers
Ratansi
Regan
Rodriguez
Russell
Savage
Scarpaleggia
Silva
Simms
St. Amand
Steckle
Szabo
Temelkovski
Tonks
Ur
Valley
Wappel
Wrzesnewskij— 124

PAIRED

Members

Efford

Sauvageau— 2

The Speaker: I declare the motion carried.

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

[English]

FOREIGN CREDENTIAL RECOGNITION PROGRAM

The House resumed from June 6, consideration of the motion.

The Acting Speaker (Hon. Jean Augustine): Pursuant to order made on Monday, June 6, the House will now proceed to the taking of the deferred recorded division on Motion No. 195 under private members' business.

[Translation]

The question is on the motion.

• (1825)

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

*(Division No. 99)***YEAS**

Members

Abbott	Ablonczy
Adams	Alcock
Allison	Ambrose
Anders	Anderson (Victoria)
Anderson (Cypress Hills—Grasslands)	Angus
Bagnell	Bains
Bélanger	Bell
Bennett	Benoit
Bevilacqua	Bezan
Blaikie	Blondin-Andrew
Boivin	Bonin
Boshcoff	Boudria
Bradshaw	Breitkreuz
Brisson	Broadbent
Brown (Oakville)	Brown (Leeds—Grenville)
Bulte	Byrne
Cannis	Carr
Carrie	Carroll
Casey	Casson
Catterall	Chamberlain
Chan	Chong
Christopherson	Comartin
Comuzzi	Cotler
Crowder	Cullen (Skeena—Bulkley Valley)
Cullen (Etobicoke North)	Cuzner
D'Amours	Davies
Day	Desjarlais
Devolin	Dhalla
Dion	Dosanjh
Doyle	Drouin
Dryden	Duncan
Easter	Emerson
Epp	Eyking
Finley	Fitzpatrick
Fletcher	Fontana
Forseth	Frulla
Fry	Gallant
Galloway	Godbout
Godfrey	Godin
Goldring	Goodale
Goodyear	Gouk
Graham	Grewal (Fleetwood—Port Kells)
Guamieri	Guergis
Hanger	Harris
Harrison	Hiebert
Hill	Hinton
Holland	Hubbard
Ianno	Jaffer

Jean	Jennings
Johnston	Julian
Kadis	Kamp (Pitt Meadows—Maple Ridge—Mission)
Karetak-Lindell	Karygiannis
Kenney (Calgary Southeast)	Komarnicki
Kramp (Prince Edward—Hastings)	Lapierre (Outremont)
Lauzon	Layton
LeBlanc	Lee
Lukiwski	Lunn
Lunney	MacAulay
MacKenzie	Macklin
Malhi	Maloney
Mark	Marleau
Martin (Esquimalt—Juan de Fuca)	Martin (Winnipeg Centre)
Martin (Sault Ste. Marie)	Masse
Matthews	McCallum
McDonough	McGuinty
McGuire	McKay (Scarborough—Guildwood)
McLellan	McTeague
Merrifield	Miller
Mills	Minna
Mitchell	Moore (Port Moody—Westwood—Port Coquitlam)
Moore (Fundy Royal)	Myers
Neville	Nicholson
O'Connor	Obhrai
Oda	Owen
Pacetti	Pallister
Paradis	Patry
Penson	Peterson
Pettigrew	Phinney
Pickard (Chatham-Kent—Essex)	Poilievre
Powers	Prentice
Preston	Proulx
Rajotte	Ratansi
Redman	Regan
Reid	Reynolds
Richardson	Ritz
Robillard	Rodriguez
Rota	Russell
Saada	Savage
Savoy	Scarpaleggia
Scheer	Schellenberger
Schmidt (Kelowna—Lake Country)	Sgro
Siksay	Silva
Simard (Saint Boniface)	Simms
Skelton	Smith (Pontiac)
Solberg	Sorenson
St. Amand	St. Denis
Steckle	Stoffer
Stronach	Szabo
Temelkovski	Thibault (West Nova)
Thompson (Wild Rose)	Tilson
Toews	Tonks
Torsney	Trost
Tweed	Valeri
Valley	Van Loan
Vellacott	Volpe
Wappel	Warawa
Wasylycia-Leis	Watson
White	Wilfert
Williams	Wrzesniewsky
Yelich — 219	

NAYS

Members

Asselin
Bellavance
Bigras
Boire
Bouchard
Bourgeois
Cardin
Clavet
Côté
Demers
Desrochers
Faille
Gagnon (Québec)
Gagnon (Jonquière—Alma)
Gauthier
Guimond
Laframboise

Lalonde	Lapierre (Lévis—Bellechasse)
Lavallée	Lemay
Lessard	Lévesque
Loubier	Marceau
Ménard (Hochelaga)	Ménard (Marc-Aurèle-Fortin)
Paquette	Perron
Picard (Drummond)	Plamondon
Poirier-Rivard	Roy
Simard (Beauport—Limoilou)	St-Hilaire
Thibault (Rimouski-Neigette—Témiscouata—Les Basques)	
Vincent— 54	

PAIRED

Members

Efford

Sauvageau— 2

The Acting Speaker (Hon. Jean Augustine): I declare the motion carried.

[*English*]

It being 6:29 p.m. the House will now proceed to the consideration of private members' business as listed on today's order paper.

* * *

EXCISE TAX ACT

The House proceeded to the consideration of Bill C-259, an act to amend the Excise Tax Act (elimination of excise tax on jewellery), as reported (with amendment) from the committee.

Mr. John Duncan (Vancouver Island North, CPC) moved that the bill, as amended, be concurred in.

(Motion agreed to)

The Acting Speaker (Hon. Jean Augustine): When shall the bill be read a third time. By leave, now?

Some hon. members: Agreed.

● (1830)

Mr. John Duncan moved that the bill be read the third time and passed.

He said: Madam Speaker, it has taken a long time for the bill to get to this stage, but I want to thank members of this place for collapsing report stage and moving it on to third reading.

The bill was first introduced last year on November 3 and debated for the first time on November 26. The bill was then scheduled for a second hour of debate just before Christmas, but because the Christmas break was early, it was not until January that the bill was sent to the finance committee.

It might be worth noting that what we are dealing with here is section 5 of the Excise Tax Act, which under the current regulations is a three part clause giving effect to impose a hidden 10% tax on watches and clocks, on semi-precious metals and stones and on jewellery.

This has been a very controversial tax, which has been around as one of a suite of luxury taxes since 1918. It was a consequence of World War I, known as the great war at that time. This very tax was the impetus for the creation of the Canadian Jewellers Association which has been fighting this tax for decades. In fact, I talked to one jeweller who had his first meeting with the federal finance minister on this tax in 1947. This is a very heartfelt measure to finally try to

Private Members' Business

end the last vestige of these so-called luxury taxes dating back to 1918.

Consequent to the fact that the bill was sent to the finance committee in January, the federal budget was announced. Support by members of all parties for Bill C-259 was quite strong.

The government put a provision in the budget in February that this tax would be phased out over four years at 2% per year. This in a sense was welcomed, but in another sense there was further division because a bad tax was a bad idea so why not get rid of it in its entirety. Therefore, my sponsored bill continued in the process.

We are here today, still with industry solidarity and just a few months after the budget document, with a real chance to terminate this terrible tax.

Because the committee had already studied the issue several times, I was hopeful the bill would proceed rather quickly to a vote. Unfortunately, it took nearly the maximum allowable time period before the bill was approved. There were several unexplained cancellations and delays before I was able to appear before committee and during that time the February budget was announced.

I believe it was the strong support for Bill C-259 here in Parliament and among the public that prompted the government to include a provision in the budget to phase out the tax over four years. While I was pleased by that, my opinion then and my opinion today is that a counterproductive tax is a counterproductive tax, and so I have continued with the bill.

When I finally appeared before the committee on March 24, the Parliamentary Secretary to the Finance Minister suggested that the jewellery industry did not support my bill and he moved to dismiss it. There have been continuous attempts to undermine the bill at every stage since.

● (1835)

I am pleased to say that the parliamentary secretary was unsuccessful in doing so. I am also pleased to report that the industry is solidly behind the bill as it was ruled in order today by the Speaker in a very straightforward ruling consistent with all of the legal or legislative advice that I have received on the bill since it started its torturous travel through the committee process.

I was not pleased that the bill continued to be delayed. Despite only one outstanding request to appear before the committee, which was quickly withdrawn in an attempt to see the bill move through the committee without delay, the chair initiated a study which further delayed passage of the bill.

In May the Canadian Jewellers Association and the Quebec Jewellers' Corporation appeared as witnesses and strongly supported the bill and the immediate repeal of the excise tax on jewellery if they could be assured that watches and jewellery were both subject to the provisions of the bill.

Mr. André Marchand, president of the Quebec Jewellers' Corporation, testified at the committee that action was needed immediately rather than four years from now. He said:

Private Members' Business

If no positive action is taken, this may lead to the industry's imminent demise. The situation is critical and we, as retailers, manufacturers, importers and wholesalers are urging you to address this problem in order to once and for all put an end to this flagrant injustice which has gone on too long.

An immediate and complete scrapping of this provision [meaning the taxation] is therefore fully warranted. We would ask you to review your position, thereby enabling our industry to take back its rightful place despite increasingly tough competition.

The Canadian Jewellery Association also called for the immediate elimination of the tax. The president of the CJA, Carmen Rivet, said:

We have always asked for its immediate and total elimination. This is what we fought for and that is what we have always hoped for.

The testimony of the jewellery industry representatives prompted the committee to pass an amendment to the bill. Bill C-259 was amended to include watches, which I am told made up a significant part of a jeweller's business. I think this greatly strengthened the bill. There was some argument whether the amendment was within the scope of the bill but it was ruled, both at committee and again earlier today by the Speaker, that it certainly was in order.

The bill was passed as amended at the committee on May 19 bringing the bill where it is today before the House.

I believe the time has come to scrap this tax and I urge members of the House to pass Bill C-259.

At this time I would like to share with the House some of the numerous letters I have received in support of the bill and I will read some of the ones I received following the introduction of the federal budget as well.

This is from a jewellery retailer employee who said:

I can't emphasize enough how important it is to eliminate the Excise Tax all at once (instead of phasing it out). The administrative and logistics costs are enormous, and the thought of having to deal with the paperwork and meetings over and over for the next four to five years makes my head hurt.

Please do what you can to let your peers know how much time, effort, and money would be saved by taking care of this once and for all!

I have a letter from the Quebec Jewellers' Corporation dated April 6 of this year. It goes on to explain that:

A clause in this law exempted artisans from the excise tax if they manufactured a maximum of \$50,000 per year.

It then became easy and practical to shut down a company as soon as this amount was reached and open new ones as often as needed.

● (1840)

This is another way a bad tax has contributed to tax avoidance behaviour that has been very destructive and undermining of the industry.

Speaking on behalf of the corporation, the president went to say:

Reluctantly, we accepted to spread out the removal of this tax over a period of four years while being convinced that it would have been better to fully abolish this tax as soon as the budget was presented.

We would like to understand why the jewellery industry was dealt with in this fashion, when all other "luxury" industries that were subjected to this same tax benefited from the total repeal of the tax as soon as it was accepted.

In the name of all retail jewellers, manufacturers, importers and wholesalers that we represent, we enjoin you to correct the current situation and terminate once and for all this blatant injustice that has already lasted too long.

For those reasons, we fully support Bill C-259 and the immediate elimination of the excise tax on jewellery.

An immediate, total and complete repeal is fully justified and will allow our industry to reclaim its place despite an increasingly more constraining competition.

This will open the door to healthy competition and place us in a position to respond to a tax originating from emerging countries and the local industry.

I have another letter from Idar Bergseth Designs Inc. which reads:

It is very important for us, not due as much to the cost of the tax, as it is the punitive nature of administering it as craftspeople. It takes us several hours a month just to calculate the tax properly, tracking every piece of inventory, every stone, every finding, and knowing at what stage excise was paid on it.... It's an administrative nightmare.

One other thing that should be pointed out is that much of the slave made jewellery from Asia comes into the country with invoices that are not completely in agreement with the actual cost to the importer. As the goods are taxed at 10% of the value as stated on the invoice, this puts the honest Canadian manufacturers and craftspeople at a further disadvantage.

I have another letter from Pearls Katsuyama, a division of Paramount Trading Co. It states:

As a current member of the Canadian Jewellers Association in good standing, we fully support Bill C-259, in eliminating the unfair Excise Tax immediately.

We have been in the jewellery business for forty years and have supported the efforts of the Canadian Jewellery industry to repeal the tax for many years. It should have been eliminated when the GST legislation was put into place more than ten years ago. At that time, excise tax on all other luxury goods such as fur coats and high priced pleasure boats was eliminated. Only the jewellery industry was burdened with the tax. This affected the growth of our industry and encouraged unlawful import and sale of jewellery and watches. Even a fifty dollar jewellery item or a watch was and is still subject to the excise tax. A huge majority of all the jewellery business owners and those in control, including the presidents of two of the largest retail jewellery chains in Canada are in favour of the full repeal of the excise tax immediately. Eliminating the discriminatory tax on jewellery, watches and clocks will ensure a healthy and growing jewellery industry in Canada, producing new jobs and earning more taxes for our country.

I will finish with a small paragraph from another letter writer. It states:

Thank you for your support on abolishing the truly unfair tax on our industry. You have taken a great direction in terms of reducing smuggling/black-marketing and organized crime and real tax evasion which have festered under this ridiculous cash grab. This tax has caused me grief for thirty-three years [and has] prevented me from competing with smugglers who buy sell for cash.

● (1845)

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, I noticed in the member's comments that he talked about when this tax was imposed upon Canadians.

I am not exactly sure of the dates and the reasons and I was wondering if the member would be kind enough to give us a little more detail on why it was implemented and why it seems to have taken so long to be removed.

Mr. John Duncan: Mr. Speaker, there is a lot of speculation on that very front. We know the tax was imposed in 1918. We know that the Canadian Jewellers Association never existed prior to the imposition of the tax and that this became the motivator for jewellers to form themselves. Their mandate was to get rid of this tax which they saw as being unfair for at least the last 50 years.

Why has this tax been the last one to be removed or contemplated to be removed? It has been suggested that because the constituency is fairly small they did not have a lot of political clout.

Private Members' Business

It also has been suggested that by promising the jewellers that it would be eliminated but then not doing so, it would keep them on the hook as a potential political funding source, for lack of a better word.

If we were to resolve the problem then the jewellers would go back and be happy with doing business. We do not need political friends in the same way as we do when we are trying to get rid of a very discriminatory tax.

Every time I think I understand this whole file and this tax and deal with a few more people, I find out a few more things. That has sort of bubbled up to the surface as maybe being the rationale why this tax has hung in there for such a long time.

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Speaker, I am pleased to have the opportunity to deliver comments on private member's bill, Bill C-259, which asks hon. members to repeal the excise tax on jewellery upon royal assent.

I note that the preamble to Bill C-259 makes specific references to diamonds mined in Canada and I think that is a very good place to start.

[*Translation*]

I would like to discuss Canada's role as a diamond producer.

The rise of this industry in Canada is a very remarkable story. Thanks to more than \$1.5 billion in exploration expenditures over the last 10 years and the development of two world class mines in the Northwest Territories, Canada now accounts for about 15% of world diamond production and is in third place by value among the producing countries, after Russia and Botswana.

Canada has a long history in mining exploration and operations. Much important federal legislation has been crafted to recognize the unique way in which this industry operates.

These provisions include the write-off of capital costs and carry-over of resource deductions. Another important feature of the tax system as it applies to mines is the ability of exploration companies to make expenses eligible that investors could not otherwise deduct in the form of flow-through shares.

● (1850)

[*English*]

The government has also taken action to improve the taxation of the resource sector, including measures reducing the corporate tax rate on resource income, phasing in a new 10% tax credit for exploration and production expenses related to diamonds and other qualifying minerals, and phasing out the federal capital tax, an important measure for capital intensive industries such as mining.

For its part, it is important to note that the excise tax on jewellery that is the subject of Bill C-259 proposes no competitive disadvantage to the Canadian mining industry in domestic or international markets. The tax is neutral as between domestic and imported jewellery and gems, being imposed at the same rate on the sale price of domestic goods and the duty paid value of imports. Moreover, exports are not subject and do not suffer any competitive disadvantage on global markets. In sum, the mining taxation regime,

including the excise tax on jewellery, provides a very strong base for mining and exploration in Canada, including diamonds.

It is worth noting that the Ekati and Diavik diamond mines are the largest private employers in the Northwest Territories with some 1,300 direct employees. This is clearly a great boost for the north, an area where the government continues to make strategic investments to facilitate economic and social growth.

In addition to the provision of roughly \$2 billion per year in transfer payments, the federal government also provides funding initiatives that are tailored to meet specific needs in the north. These include: \$90 million over five years to support the northern economic development strategy, aimed at ensuring that economic opportunities are developed in partnership with northern Canadians; \$3.5 billion over 10 years to clean up contaminated sites, over 60% of which is expected to occur in the north, leading to jobs and economic development opportunities in the region; and \$50 million over 10 years to conduct seabed mapping of the Arctic continental shelf to help secure Canada's sovereignty in the high Arctic under the United Nations convention on the law of the sea.

As well, in the fall of 2003, the Government of Canada announced \$190 million for northern infrastructure investments and \$155 million for a national satellite initiative to provide high speed broadband Internet access services and to improve access to telehealth, e-business and distance learning services.

Finally, budget 2003 also included other measures that will benefit the north, including \$25 million over two years for the aboriginal skills and employment partnership program, \$20 million for Aboriginal Business Canada, and \$16 million for northern science. All of these measures will greatly facilitate economic and social progress in the north, including the development of skills and infrastructure that will support the mining and diamond industries.

The next point I would like to make concerns the importance of private members' bills. The proposals that are put forward by individual members represent an important link between Canadians, their elected representatives and the parliamentary process. Where private members' bills affect the taxation system, as in the case of Bill C-259, it is especially important that the government take careful note of the intentions that are being expressed.

In the present case, the idea is to repeal the excise tax on jewellery, a long-standing federal tax that raises in the order of \$85 million per year. The repeal of this tax has also been presented as a means of providing relief for the jewellery industry in Canada.

Private Members' Business

Make no mistake, this government supports business in Canada, including both small and large businesses, and continues to review measures to improve the environment for business to succeed. Indeed the suggestions from entrepreneurs and business representatives have formed an important part of the budget consultation process over recent years.

In order to assist the government in identifying the best options for future considerations from among the many competing priorities, the government requested in budget 2004 that the Standing Committee on Finance undertake the important role of assessing the merits of a number of measures proposed to support small businesses.

In October 2004 the finance committee delivered its report recommending that the 10% excise tax on jewellery be phased out over a five year period. I would like to quote to the House the recommendation of this report. It stated:

The federal government implement one of the following options: phase out of the federal excise tax on jewellery over five years; or increase, in increments over a five-year period, the thresholds at which the tax begins to be paid, eliminating the tax at the end of the period.

• (1855)

The finance committee then went on to make the following statement in its report:

As well, the Committee is mindful that the number of worthy proposals exceeds the ability of the federal government to finance them in a fiscally responsible manner. From this perspective, and reflecting on the current priorities of the Committee, we urge the federal government to take immediate action on the recommendation regarding the federal excise tax on jewellery—

As noted by the committee, there are a great range and breadth of requests for tax relief in Canada. It is incumbent on the government and all members of the House that addressing these requests be managed in the context of a comprehensive approach to tax policy and fiscal planning. That is, individual proposals must be evaluated through a process that carefully assesses them in terms of other competing priorities and with a view to preserving the fundamental principle of fiscal responsibility.

Indeed this is what the government understood the process of asking the finance committee to help it assess tax relief priorities was supposed to accomplish. Private member's Bill C-259 represents but one of many proposals for tax relief.

No matter how well intentioned these bills are, the government and members of the House must nevertheless be mindful of the cumulative fiscal impact of these measures and the inherent difficulties of considering these proposals on an ad hoc basis that does not provide an effective mechanism for assessing and evaluating competing fiscal priorities.

[*Translation*]

Over the last 10 years, the government has maintained an unflagging commitment to balanced budgets and fiscal prudence within an integrated financial policy and framework. This approach has resulted in impressive social and economic progress.

The government will keep its commitments to social and economic progress and will continue to assess all requests for tax relief with a view to preserving the integrity of the tax system and financial framework. All proposals must be evaluated in a

comprehensive way to ensure that the most pressing priorities of Canadians are taken into account and receive all due regard.

[*English*]

In fact, the appropriate prioritizing exercise has already been carried out by the government in the lead-up to budget 2005 and the announcement of the proposal to phase out the excise tax on jewellery over four years, consistent with the recommendation of the finance committee itself that was tabled in the House. For that reason and many others, I urge other members of the House not to support Bill C-259.

[*Translation*]

Mr. Guy Côté (Portneuf—Jacques-Cartier, BQ): Mr. Speaker, I am pleased to rise again today to speak to Bill C-259, an act to amend the Excise Tax Act, more specifically to eliminate the excise tax on jewellery.

Perhaps a bit of history is in order. First, as mentioned on a number of occasions in our various debates, this tax was introduced in 1916, at which time it applied to luxury goods. Understandably, in the early part of the 20th century, clocks, watches and jewellery in general were considered luxury goods.

Members will agree with me that the situation has changed considerably over almost a century. In many instances, goods that were indeed luxuries in 1916 are now commonly used. Who does not own a watch? How many women have earrings? These are items one can find in any dollar store.

Another case in point is the fact that the tax applied to various goods, including items made in whole or in part of natural shells. Once again, if we go back 100 years or so, we can understand that jewellery made with natural shells might have been less common. Transportation has evolved so much since 1916 that it is much easier now. Such items can no longer be considered luxury goods.

Many groups have opposed this tax from the beginning and called for its removal. Over the years and the decades, there has been a steady stream of representations and testimonies to the successive finance ministers. Basically, they all asked for the same thing: the removal of this tax which was viewed as a drag on industry.

During the 36th Parliament, the member for North Vancouver introduced a very similar bill to have this tax removed. Also, as part of the prebudget consultation process, many representations were made over the years to have this tax removed. In that context, both in 1996 and in 1997, the Bloc Québécois supported legislation to remove this tax.

I am tempted to say that, this year, in a spirit of conciliation, to try to lay the groundwork so that the minister would bow to the arguments of this industry, the Standing Committee on Finance recommended that the tax be abolished over a five-year period. This recommendation was accepted, almost in a spirit of negotiation. Indeed, the numerous previous finance ministers had always ignored these recommendations.

Private Members' Business

We thought that, instead of proposing to abolish the tax immediately we could suggest doing it over five years, in the hope that the government might listen. And, indeed, the 2005 budget plan includes this recommendation to eliminate the excise tax over a period of five years. However, let us be clear. This was not what the industry and the vast majority of stakeholders were asking for. Indeed, they wanted the tax to be abolished immediately.

When the committee reviewed Bill C-259, it heard a number of witnesses. It seemed there might be some benefits to eliminating this tax over five years. In order to find out, I asked these people point blank if five years was good enough, or if they wanted the tax to be immediately abolished. They made it very clear that the industry wanted the excise eliminated immediately.

● (1900)

So, this was a compromise, at least in the eyes of the Bloc Québécois members sitting on the Standing Committee on Finance. This compromise, which was agreed to by the Minister of Finance for the first time, did not exactly meet the industry's demands. It only partially met them. By contrast, Bill C-259 proposed by the hon. member for Vancouver Island North effectively meets the industry's demands by proposing the complete elimination of this excise tax.

In this regard, I want to briefly quote an excerpt from the 2005 budget plan. The budget plan may not have been worded with the immediate abolition of the excise tax in mind, but I think it provides some very good arguments in favour of such a measure.

The 2005 budget plan provides that, "Phasing out the excise tax on jewellery ensures equitable treatment of the Canadian jewellery industry and recognizes that jewellery is available at all price levels and enjoys widespread consumption among Canadian households".

Again, I realize that this wording was prepared with a phasing out period of five-year in mind. However, the case for the immediate elimination of this excise tax remains valid. Earlier, the Liberal member talked about the importance of ensuring that all the measures be taken in the context of all the other measures.

The excise tax would bring in approximately \$50 million. I will submit that, compared to last year's budget surplus of \$9.1 billion, the amount of \$50 million is—all things being relative—a rather small amount. As far as the administration of this tax is concerned, the various stakeholders do not completely agree on that.

According to the Minister of Finance, it will cost about \$1.5 million to administer, whereas several others have given figures of up to \$14 million to administer revenues of \$50 million. Based on that, I say that the cost to the government is no longer \$50 million but \$36 billion.

There are other reasons to be in favour of this bill. Now there is a variety of jewellery available at a broad range of prices, and the very large majority of people in Canada and Quebec buy it. There is a serious problem: the federal excise tax at present favours imports over jewellery made in Canada and Quebec.

Reference was made earlier to the importance of supporting various businesses and industries. It seems to me that maintaining this measure, even if for only five years, is not likely to encourage the growth of this type of industry.

We have also heard it said that the excise tax hindered job creation and the development of the Canadian jewellery market, and sometimes forced the industry to carry out some operations under the table or off-shore. If these situations can be put an end to as quickly as possible, I encourage my colleagues to move now and not wait five years. It seems to me that we need to find a way of putting an end to any measure that would in any way encourage the underground economy. I think that immediate elimination would do away with that problem.

My colleague from North Vancouver said that the growth of the Canadian diamond industry made it urgent to abolish a tax that he termed—and I totally agree with him on this—an anachronism, when Canada is the third-ranking producer of diamonds and might well, judging by various forecasts, jump to first by 2012.

I see I have but a minute left. I will therefore close by saying that the recommendations of the Standing Committee on Finance were made in a spirit of compromise, somewhat to our surprise. I must, however, thank the Minister of Finance for having retained those recommendations. The industry, however, is for the most part calling for the immediate abolition of the excise tax. We will be supporting this bill.

● (1905)

[English]

Hon. Raymond Simard (Parliamentary Secretary to the Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages and Minister responsible for Democratic Reform, Lib.): Mr. Speaker, this private member's bill, Bill C-259, asks parliamentarians to legislate the repeal of the excise tax on jewellery. I am very pleased to have the opportunity to further debate this proposal. It is an issue that I have been very active on and I was very pleased that we were able to have this tax removed over five years.

Given that Bill C-259 touches on the taxation system and has implications for the fiscal framework, let me begin by making reference to Canada's fiscal record over the past 10 years and the impressive social and economic progress that has followed.

This government has recorded eight consecutive surplus budgets and has reduced the federal debt by more than \$60 billion. At the same time, more than \$100 billion in cumulative tax cuts has been delivered since 1996, with a primary focus on middle and low income families, and more than \$200 billion has been invested in Canada's highest social and economic priorities: health care and equalization; the well-being of children and families; learning, skills and innovation; affordable housing, community infrastructure; and the environment.

We achieved these results through our unwavering commitment to budget balance and fiscal prudence. Indeed, the commitment to fiscal responsibility is a cornerstone of this government. Furthermore, the federal budget tabled in this House on February 23 projects balanced budgets or better in 2004-05 and in each of the next five fiscal years.

Private Members' Business

According to the Organisation for Economic Co-operation and Development, the OECD, Canada was the only group of seven, or G-7, country to record a total government budget surplus in 2004, for the third consecutive year, and is projected to be the only country in surplus again in 2005-06.

Against this backdrop I would like to turn now to discuss private members' bills, in particular those that affect the taxation system. It is worth noting that the number of such bills tabled in the current session is now approaching 20, all of which propose tax relief in specific circumstances and could collectively represent a total fiscal cost of as much as \$3 billion in annual tax relief measures.

Each of these private members' bills deals with a unique aspect of the taxation system. The measures that are proposed in these bills range from the income tax treatment of tools required by employment to deductions for public transportation costs and to the creation of a deduction for charity workers and volunteers.

There can be no doubt that these bills put forward by private members are done out of genuine concern for Canadians and their interaction with the taxation system. At the same time, it is important to remember that each and every one of these bills carries a cost for the fiscal framework.

For example, one private member's bill, Bill C-252, proposes a tax credit for fees pertaining to participation of an individual in physical activity or amateur sport. There can be little doubt as to the many benefits of physical activity and exercise, but with an estimated cost of over \$400 million per annum, it is plain that this proposal needs to be rigorously evaluated against other fiscal priorities, including both spending priorities and tax relief priorities. That is to say, we all may agree that encouraging physical activity is a good thing, but we need to consider whether it is the best way to spend over \$400 million per year or whether there are more pressing priorities.

This is one of the central points I would like to make: that no matter how laudable or defensible any given proposal might be on its own merits, it is imperative that we not lose sight of the broader implications for the integrity of the taxation system and fiscal framework.

For example, individual proposals, even those that are relatively inexpensive, may create unfairness relative to other taxpayers who then need to be considered as well. Bills may create difficult precedents, have unintended effects or even create opportunities for tax avoidance or evasion and hence end up costing more money. Indeed, the continued consideration of one-off measures may over time increase the complexity of the tax system and affect its overall operation.

Given these concerns, I would suggest that caution must be exercised when giving consideration to private members' bills affecting the taxation system. Rather than being considered on an ad hoc basis, what is required is that these proposals be managed in the context of an integrated policy and fiscal framework.

Indeed, this is precisely the type of approach that underlies the annual budget process, whereby the government consults with Canadians on their priorities for the next budget in order to help determine the important choices that must be made in a world of limited resources. It is this type of comprehensive approach to fiscal

planning that has not only preserved the robustness and integrity of the federal tax system, but has also facilitated Canada's impressive economic and social progress over the past decade.

• (1910)

This performance, which has required some difficult choices along the way, provides the foundation for the continued delivery of initiatives that matter most to Canadians, including announcements concerning additional funding for health care, improvements to the equalization system and new funds for community infrastructure across Canada.

These and other initiatives can only be addressed where our economy continues to thrive and it is rooted in a prudent and disciplined approach to fiscal and taxation policy. Within the context of a comprehensive approach to consultation and evaluation of budgetary proposals, I would like to draw the attention of members to the important role that is played by the House of Commons Standing Committee on Finance in advising the government on the initiative proposed in budget 2005 respecting the excise tax on jewellery.

Going back to the lead-up to budget 2005, it is noteworthy that budget 2004 referred to the importance of suggestions from entrepreneurs and small business as part of the budget consultation process. In order to assist the government in identifying the best options for future consideration among the broad range of competing priorities, the government indicated at that time that it would seek the advice of the Standing Committee on Finance.

This provided the finance committee with an opportunity to assess the merits of proposed small business tax relief measures and to advise the government on the relative priority that should be accorded to them, taking into account limited fiscal resources.

In fact, the finance committee delivered in October of 2004 its second report on small business tax measures, focusing on excise duties and taxes as they affect Canada's winemakers, small brewers and jewellers. The finance committee put forward as its priority recommendation two options for phasing out the excise tax on jewellery over five years, either by reducing the rate or increasing the threshold at which the tax applies.

In deciding between these options, the committee indicated that consideration should be given to which of the options would be the more expeditious and involve greater administrative simplicity for the jewellery sector.

The finance committee went on to note that there are many other small business sectors that would benefit from the implementation of appropriate tax changes and that the committee would welcome comments from these sectors during the next round of prebudget consultations. Significantly, the committee was also expressly mindful of the fact that the number of worthy tax relief proposals brought to its attention exceeded the ability of the government to finance them all in a fiscally responsible manner.

Private Members' Business

The government was very pleased to receive the report from the committee and gave careful attention to the views of the committee on these and other proposals for tax relief in the deliberations leading up to budget 2005. Indeed, the government followed the advice of the finance committee in budget 2005 and proposed that the excise tax on jewellery, clocks and watches and items made of semi-precious stones be phased out through a series of rate reductions over the next four years.

The budget stated that this phase-out would be accomplished by an immediate reduction in the rate of tax on jewellery to 8% from 10% and would then be reduced by an additional two percentage points in each of the next four years until the tax was eliminated. This proposal sets out a clear plan to remove the excise tax to benefit the Canadian jewellery industry in a manner that is entirely consistent with the report and recommendation from the finance committee and that also respects the need to develop and deliver tax policy in a comprehensive, integrated manner.

Bearing these facts in mind, I must admit that it is somewhat disconcerting and disappointing to see that the finance committee is no longer willing to follow its own advice to the House that the excise tax on jewellery should be phased out over a number of years. Instead, contrary to its own report and recommendation, the finance committee has chosen to endorse the private member's bill, Bill C-259, which would repeal the existing tax, although not on all items, on royal assent.

Accordingly, I would like to conclude by noting that the endorsement of Bill C-259 by the finance committee simply does not demonstrate the kind of fiscal prudence and financial responsibility that has allowed Canada to enjoy eight consecutive surplus budgets.

● (1915)

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, is it not ironic that we would hear a Liberal government talk about making rash decisions, when in the middle of the night in a dimly lit room, it committed \$4.6 billion of taxpayer money, overnight, in a heart beat? Now the Liberals are talking about a tax that has been imposed upon the Canadian public since 1918. All of a sudden they wake up and say that they cannot make this happen that fast. It is unbelievable the government has the conscience to even suggest that to the Canadian public.

I would like to congratulate my colleague, the member for Vancouver Island North. I know he has worked hard on the bill and I know this is not the first time it has been brought to the House. In the past the Liberals with their majorities voted against it. They had no intention of even moving on the bill had it not been brought forward by my hon. colleague and had it not been brought forward at a time when all members had an interest and concern about the tax. Then they decided to do something. I give my colleague great kudos for doing it and for having the perseverance to continue to present this in a way that Canadians expect and will appreciate when it receives royal assent.

This is termed a luxury tax and it is one area on which I would like to dwell.

It is interesting that we may go out and buy a piece of jewellery for ourselves or for our friends or family. Quite often at this time of

the year, with graduation rolling around, jewellery is one of the things we look at to present to our young graduates. It is interesting that if it is a \$10 piece of jewellery or a \$50 piece of jewellery, there is tax on it. If I had the wherewithal, I could out and buy a \$80,000 or \$100,000 vehicle and there would be no luxury tax on it. It is about the difference between what is a luxury and what is not. In today's world many of the things we are talking about under this bill are necessities. They are items that we like to own, use and share with our families.

One of the members opposite mentioned the ability to export and that it did not create an unfair competitive advantage. Yet we know that Canadian diamonds can be bought cheaper abroad than in Canada because of this tax. If that is not a disincentive for the diamond industry, I do not know what is. Who would want to set up in Canada and start to manufacture these types of goods. We know the Internet has made shopping much easier and a lot more accessible around the world. I have heard, and I believe it probably to be true, that often a way of avoiding taxes and duties is dealing through the Internet.

It is an unfair tax. At the time it was presented, it was presented as a benefit for all Canadians and I believed it served its purpose. However, how many years later do we continue to pay a tax on something at this level? This is beyond me. I know that this is not new to the government. It is something of which it has been made aware. It has been aware of the issue for the past several years. As my colleague mentioned, the Canadian Jewellers Association was formed on the sole principle of eliminating this tax. It had no other mandate except to eliminate the tax. That would suggest is something that is long overdue. I congratulate my colleague for bringing the bill forward.

● (1920)

As a new candidate in the last federal election, this was the issue at the first door on which I knocked. Having spoken to the person involved and having a better understanding of it, I encouraged my colleague to bring it forward. I offered all the support I could garner to him and I continue to do that today.

The jewellery industry in Canada has a pretty interesting group of people. They are mainly small businesses, a lot of times family owned and operated. There are approximately 5,000 jewellery businesses in Canada. We are not necessarily talking about a small group, but when we spread it across the broadness of Canada, there is the inability of these businesses to get together to develop policy and lobbying groups to bring to the government and advance some of their cases and issues.

We know the industry employs about 40,000 Canadians. I do not think any of us here would suggest that is not a substantial employee rate. It is a \$1.2 billion a year industry. Who would not want a piece of that in their constituencies across Canada?

Private Members' Business

I understand that when we get into the manufacturing side, it is an opportunity. I have been told by the jewellery industry and others that it has the potential to create a real second industry. I see it as an opportunity for remote and rural communities in Canada. It is probably an opportunity that we have as rural Canadians to entice an industry to come to our communities and set up shop. A lot of industries would look at the size of a community and suggest that it probably would not be feasible.

By eliminating this tax, the hope is that we will be a leading diamond producer. It will encourage domestic jewellery manufacturing to grow. In the future this would be very positive for Canadians.

I sat in on many of the debates around the tax itself. If people are retailers and they have this tax imposed upon them, it very quickly becomes a burden of doing business. Some of the debate was around whether we should eliminate the 10% immediately or whether we should do it over a period of time. It was suggested that it may be a hit for the industry to take the 10% right off the top, but people in the industry were prepared to do that because they knew it was the right thing to do.

If we are given only one choice, then we have to look at whatever is put in front of us. However, fortunately through the perseverance of the member for Vancouver Island North, this rose above the government's priorities and it was brought in by a private member's bill. We are very fortunate to have had the opportunity to debate this, and to continue to do so.

One of the issues that was discussed with me, and I know the member talked about it, was companies that would set up because of our tax system. Business people are business people, no matter where we go. If they can make the tax rules work for them, they do.

We have seen that in some of this industry where the plateaus are hit and companies are collapsed. Then they start out as a second company under a new name. That is probably not good for the business people who are doing it, although they are within the guidelines. They probably want to contribute in another way to the growth of Canada.

I recognize that my time is quickly closing, but I want to emphasize again to the government that it is important it move on this. There has been the argument that it is irrational decision making, that it is a cost that will impact the government. We have seen the way the government has acted in the last few months. Its members have run around the country spending money. The time has come for this tax to be removed and it should be removed immediately. I am very pleased to support my colleague, the member for Vancouver Island North, to eliminate the excise tax on jewellery.

●(1925)

Mr. Don Bell (North Vancouver, Lib.): Mr. Speaker, I would like to congratulate the member for Vancouver Island North on his initiative on this. I sit on the finance committee, and I was there when this item came forward for consideration. The history which has been given is correct with respect to this going back many years. The Canadian Jewellers Association was formed for the express purpose of having this excise tax removed. I believe this goes back to the time of the war effort when the tax was justified.

At committee we considered the proposal to remove the tax from watches, jewellery and clocks. The original proposal that came from the member for Vancouver Island North dealt with jewellery and the issue that watches had not been included. That was dealt with by virtue of a proposed amendment at the committee.

The main concern is, as diamond production grows in Canada, perhaps making us one of the largest diamond producers in the world, we want to ensure that jewellers and their business, particularly those located close to the border, are in a competitive position.

The primary discussion that we had at the committee with respect to the jewellery industry was whether it should be phased out in one move, as is proposed by the hon. member, or whether it should be phased out as proposed by the government. The previous committee was sympathetic and the government was agreeable with the minister that the tax should be removed.

I would point out that there are some 12 or 13 private members' bills, many of which are very well-intentioned and have good value, as is the bill of my colleague across the room. However, the our concern is that the cost of all these well-intentioned private members' bills is something like \$2.5 billion. In fact the lost revenue from this proposal alone would amount to \$85 million a year when phased out. Those were the issues that we had to consider.

We received delegations from the industry—

The Deputy Speaker: The time provided for the consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

Pursuant to order made Friday, June 3, the House shall now resolve itself into committee of the whole to consider Government Business No.14. I do now leave the Chair for the House to go into committee of the whole.

[For continuation of proceedings see Part B]

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OFFICIAL REPORT
(HANSARD)

Tuesday, June 7, 2005
Part B

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Tuesday, June 7, 2005

GOVERNMENT ORDERS

[English]

SUPPLY MANAGEMENT

[Continuation of proceedings from Part A]

(House in committee of the whole on Government Business No. 14, Mr. Strahl in the chair.)

Hon. Andy Mitchell (for the Minister for Internal Trade, Deputy Leader of the Government in the House of Commons, Minister responsible for Official Languages, and Associate Minister of National Defence) moved:

That this Committee take note of supply management.

He said: Mr. Chair, I appreciate the opportunity to rise in debate tonight in the House on the very important issue of supply management in Canada. Supply management, as I am sure the House is aware, is an important part of our agricultural industry. It represents 20% of our farm cash receipts nationally. In the province of Quebec it represents almost 40% of farm cash receipts. In fact, there are over 22,000 supply managed producers here in Canada, a very important part of the agricultural industry in Canada.

Let me say one thing at the beginning that I think is absolutely essential to make clear. The Government of Canada, the Liberal Party, supports supply management. In my view, it is clearly a system that works. It is one that provides consumers with a quality product, it provides an assurance of supply, and it allows for producers to get a reasonable return from the marketplace.

Over the years that support of supply management by the Liberal Party, by the government, has been a real support, one that has been there from the very beginning. In fact, we were there as a party when supply management was first developed and put into place, and that support has continued over the years.

We have defended supply management through a number of international negotiations. As recently as last July, when we were in Geneva and negotiated a framework agreement with our other WTO partners, we worked to achieve all of Canada's trade objectives, but at the same time we made sure we had a framework agreement that would allow Canadian producers to do what Canadian producers should have the right to do, and that is to choose the domestic marketing system they want.

I have met on a number of occasions since that time with representatives from countries in various forums across the world, and in all of those I have taken the opportunity to point out that Canada, in working to achieve its objectives in the WTO

negotiations, was determined to do so in a way that allowed Canadian producers to choose their domestic marketing regimes.

We have worked hard with the dairy industry on a number of issues. We have dealt with it on labelling issues and we intend to deal with it on a series of other issues, including standards. As I mentioned, we are committed to achieving a WTO agreement that respects and allows for the continuation of supply management.

I know there are some issues around the WTO negotiations and other issues in terms of how to approach the current situation. There have been suggestions made by many, including the Dairy Farmers of Canada. One of them is that we should proceed with an article XXVIII action immediately.

Let me make something clear. I am not ruling out taking an article XXVIII action, but I want to make one thing absolutely certain. My bottom-line objective, what I am trying to achieve, is to ensure that the outcome of the WTO negotiations is a favourable one in respect of maintaining and enhancing the supply managed industries here in Canada. I want to make sure that the steps and the approach I take lend themselves to achieving that objective. In my view, taking an article XXVIII action at this particular time does not assist in achieving that goal.

I should point out that by choosing not to do it at this moment in no way precludes the opportunity to use it at any point in time as we move down the road. It is our right to use article XXVIII, and we are determined to provide border protection for our supply managed industries. I understand as well that if we take an action next month or the month after or the month after that, there can potentially be some cost to the industry in delaying it for a period of time. But that needs to be clearly weighed against what cost there would be if we impair our ability to achieve our objectives under the WTO.

● (1935)

The issue of an article XXVIII is not one of substance. It is not one of trying to achieve what it is we want to achieve, and that is to have a strong supply managed system in this country. It is one of strategy. It is about the best strategic approach to take. It is important that we work on this issue on an ongoing basis.

To that end, we now have the agreement of the Canada Border Services Agency that it will provide to us on a monthly basis the actual imports that are taking place in those products the DFC has identified.

Government Orders

It is also my intent, and I have made this clear to the industry, that we will sit down on a monthly basis to examine exactly what is taking place in terms of imports on those particular products so that we can evaluate exactly what kind of action we should be taking on an ongoing basis.

Clearly, it is not something we are simply saying no to, but it is something we are saying we need to balance the appropriate time to take such action, and if we achieve what it is we want to achieve, which is the successful outcome of the WTO negotiations, then we may not need to use that tool whatsoever.

I have talked quite a bit about the WTO negotiations. Let us be clear. Supply management in and of itself is not something that is the subject of those negotiations. What is, is a number of issues within those negotiations that can have an impact on supply management.

From Canada's perspective, we are trying to achieve a number of important objectives and goals of the WTO. We want to see the elimination of export subsidies. We want to see the reduction of domestic supports. We do in fact want to see increased market access—a real increase of market access. But we also want to make sure that it is done in a way that allows Canadian producers, as I mentioned earlier, to make their choices about the type of domestic marketing system they want to have. So we need to deal with these issues.

Each one of these pillars in the WTO negotiations has a potential impact on supply management, whether it deals with export subsidies, which has an impact on our ability to sell our products abroad, or whether it deals with domestic supports. There are issues with domestic supports in terms of our administered pricing. Although that does not represent a cash outlay for the government, the amount does count against the total AMS, the total amount of domestic supports we are able to provide.

There are discussions that are taking place in terms of product-specific caps and the basis upon which those caps would be established, and that has the potential to impact in terms of supply management.

In market access there is a whole series of issues. It has to do with the whole issue of tariffs, with our over-quota tariffs, with the expansion of our quotas. Canada's position has been very clear; that is, as a government, as a country, we need to have the flexibility to achieve market access in a way that makes the best sense for us in Canada. That is an argument that we have taken forward in the WTO. It is an argument that I make on an ongoing basis with our trading partners. It is one that we believe is a sound approach for us to take. So there are critical issues for supply management that are at stake in these WTO negotiations.

I should mention that one of the things we have been determined to do, and that we continue to do, is to engage fully the industry in respect of our WTO negotiations. That is something that is very different between ourselves and other countries. When we go and negotiate, we are not there alone; the government is not there by itself. It is there with the industry. It is there with the supply-managed industries. It is there with other Canadian industries. We work with them, as well as consulting with members of the

opposition, which we did when we were in Geneva last year, and with the provinces to achieve our objectives.

I want there to be no illusion. There are significant challenges ahead that we need to address and that we need to meet. But we have dealt with this before. We have faced those challenges before, we have been successful in meeting them in the past, and we are determined to be successful in meeting them in the future.

• (1940)

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Chair, I appreciate the minister being here tonight to discuss this. He has been open to discussion with us in the past.

The question on which we want a little more clarity is that we have a promise from the government to monitor what is coming over the border. For nine years we have seen what has been coming over the border. We have lost 50% of our ice cream market and we have not seen any action.

Maybe this minister is a little more energetic than the last minister, but we want to have a real clear message to producers that if this trade appeal that is going before the CITT fails, the government will stand up and apply article XXVIII. That is the question, and we are hearing a very different message from the international trade minister, who cannot seem to think under what circumstances Canada would stand up and apply article XXVIII.

We are not saying tonight that we want the minister to stand up and immediately invoke article XXVIII. We recognize there have to be negotiations. However, we want a message to our producers and to the international markets that if we do not have action soon and if we do not have our way, then we will invoke it. It is not a question of just having it in the toolbox.

Will the minister commit tonight to ensure that the government will apply article XXVIII if we do not have a reasonable response within a reasonable length of time?

Hon. Andy Mitchell: Mr. Chair, let me try to reiterate some of the things I have said in response to this issue, particularly in terms of dealing with other countries.

One of the things I said clearly in dealing with countries like Australia and New Zealand, et cetera, was, look, on the one hand you cannot take action against us when we try to export; you cannot take action against us when we try to control our borders to protect our supply management industry, and do not expect that you will get a reaction from Canada, because you know what? You will. If you attack our producers, if you attack their opportunity to have a livelihood, then we will respond.

Clearly what I said, and I will reiterate, is that we are determined to make sure we get a WTO result that achieves those objectives in terms of domestic supports, in terms of export subsidies and market access, but we are also determined to do it in a way that preserves the ability of our producers to choose to market their products using their own domestic choices, which means protecting supply management.

Government Orders

I will use the set of tools that allow me the best opportunity to do that. To me, the primary way of doing that is to achieve the results we want in terms of the WTO negotiations. If we are unable to do that, then we are going to have to take a look at what other actions we can take, and I have made it clear that we have not ruled out that an article XXVIII action is one of those.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Mr. Chair, I want to put the faith of the farmer in this discussion.

I come from a riding, Nanaimo—Cowichan, where there are many small dairy farmers. When they met with us a couple of weeks ago, I thought I was a pretty aware consumer. Part of their concern is not only in protecting the family farms and the small farmers in our communities, who are the lifeblood of our communities, but it is also in protecting the consumer.

One of the reasons they are asking for supply management and some protection is something called modified milk products. They asked me to look at the next package of cheese I buy in the supermarket. At the very top of the list is a product called modified milk products. There is no listing of what is in that product. The farmers said that not only is it hurting them in terms of their production, in terms of their ability to compete in the market for ice cream, but they are also concerned about what is in that product and what consumers are actually being exposed to.

I wonder if the minister could comment on that specifically.

• (1945)

Hon. Andy Mitchell: Yes, Mr. Chair, the hon. member points out quite correctly that there is a series of issues beyond simply the WTO trade-related ones, and one of them has to do with labelling.

It is my understanding—and I have my parliamentary secretary right here—that during the discussions in committee, specifically on Bill C-27, amendments were put forward to deal with the issues of labelling. From what I have been able to see, those amendments make good sense. The agriculture committee is a hardworking group of individual MPs and they do excellent work. I may not always agree with all of the members all of the time, but I have to say that it is a hardworking group of men and women, dedicated to the well-being of producers and of the industry as a whole. They have taken steps in terms of amendments to Bill C-27 to deal with the issue of labelling, and I am pleased that the committee saw fit to do that. If I am correct, and I will ask the parliamentary secretary, that was unanimous in terms of the committee supporting those amendments.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Chair, I am sitting in on the Bill C-27 hearings and the New Democrats brought labelling issues forward, as did other members. We have been working on that. The question is, is it sufficient to start to win back the 50% of our ice cream market that we have lost? We are losing serious chunks of our yogourt and cheese markets because we have seen nine years of indifference on this file. The dairy farmers have been pushing for this for nine years on labelling issues and suddenly now we are getting action. Are we getting action because we have a minority government? I would think so.

Is this going to be sufficient? We have seen nothing in the past from the government on the issue of labelling and nothing from the

CFIA on labelling. It was just allowed to happen and all the while we saw our market share continue to erode. Is this a first step? Yes, it is, and it is a good first step, but are we actually going to see a second step? We have to look at the record of the government and it has been pretty poor on this file.

Hon. Andy Mitchell: Mr. Chair, a number of steps are taking place. The members in the New Democratic Party mentioned the labelling issue. As the hon. member for Timmins—James Bay mentioned, we have launched an appeal of the latest CITT decision. We have clearly said that we are going to monitor on a monthly basis and include the industry in that monitoring process. We have clearly stated what our objectives are in terms of the WTO result that we want to achieve.

We demonstrated it last July when we went to Geneva. We worked quite hard in terms of putting that framework agreement in a way that preserved our ability to continue negotiations along the lines we felt were important to take place. I believe that the labelling is one action but it is not the only one we have taken. We have worked hard to support supply management. We have not done it on our own. We have worked very much with the industry itself, with members from all sides of the House. That is something we are committed to continue to do as we go through a very critical point between now and when the negotiations are scheduled to come to the next milestone at the end of the year with the ministerial conference in Hong Kong.

Ms. Diane Finley (Haldimand—Norfolk, CPC): Mr. Chair, if over quota tariffs are lowered at the WTO negotiations, then one of the three pillars of supply management will be compromised. What are the minister's plans for the supply management industry should that happen?

Hon. Andy Mitchell: Mr. Chair, our plan is to pursue the negotiations in a way that allows us and all countries to achieve increased market access by using a combination of tools and allowing individual countries the flexibility to achieve it. I believe this is critically important. If a country has an over quota tariff, what is referred to as a great deal of water in it, and there are countries that have such over quota tariffs, they can go around and say they need this great big cut in an over quota tariff and that they are compliant, but the reality may be that in terms of increased market access, the result may be zero.

That is why we believe the more appropriate way to ensure that there is real increased market access, the quota itself should be expanded. That is the position we have clearly taken. We believe it is necessary in moving forward on these negotiations that individual countries such as Canada be given the flexibility in which to achieve the objective of increased market access. As I have said to many of our trading partners, be wary of some of the suggestions that purport to provide increased market access which in fact really do not.

• (1950)

Ms. Diane Finley (Haldimand—Norfolk, CPC): Mr. Chair, I rise in the House today to address supply managed agricultural production.

Government Orders

Canada's dairy, chicken, turkey and egg producers work hard to provide Canadians with safe and reliable food products. The supply management system is a domestic policy choice made by Canadian dairy and poultry producers. These industries are producer led and do not require government subsidies, but the government does have a very significant role to play in determining the future of these industries.

Outside of the farmer led production and marketing systems, producers are in need of competitive tax regimes, reduced red tape and representation of their interests at trade negotiations. This is the job of the federal government. It is up to the government to ensure that these industries can continue operating in the way that producers want and need them to.

Instead though, what the Liberal government has done is to pay lip service to supply management. Its policies say one thing but its actions say something entirely different. Conversely, the Conservative Party has an inherent respect for agriculture. Most important, we recognize that Canadian agriculture is diverse and that different sectors of the industry have different needs. We deem this so important that we have now enshrined this view in our agriculture policy.

At this point I would like to talk briefly about avian influenza and its effect on the poultry industry. I have spoken about this before in the House, but I want to make it absolutely clear that what happened in the Fraser Valley will not soon be forgotten. While CFIA officials were scrambling to contain the disease without a predetermined plan, marketing boards were at work ensuring that there would be very little market disruption in Canada's poultry supply and therefore market prices.

The supply management system has been credited for the effective market flow of poultry products during this crisis, but it must be remembered that it was the producer led structure of the industry that prevented market disruption and limited the effect of the crisis on the consumer.

Another issue that has affected supply management recently, and which is far from over of course, is BSE. When the U.S. border closed to Canadian cattle, dairy producers watched the market collapse for their veal calves, replacement heifers and cull cows. There has since been price recovery for some of these animals, but the problem of what to do with cull cows continues to plague dairy farmers. Over 30 month cattle are a real challenge because most of these animals were processed in the U.S. and meat production from these animals has very little foreign market access.

Prices for steers and heifers have rebounded from the lows of 2003, but prices for cull cows have remained depressed. The fact that a U.S. border opening for live cattle will not include over 30 month animals further reinforces the need to assist owners of these animals until increased capacity comes on line.

The Conservative Party of Canada has been calling on the government for a year and a half now to do something about the surplus of older animals in Canada. We have developed and communicated practical solutions to the government but our solutions to deal with BSE continue to be ignored.

As the livestock industry teetered on the edge of collapse, the Liberal Party chased its tail trying to find someone to blame for the BSE crisis. I know that international diplomacy is not a strong Liberal point, but instead of focusing on getting the border open, the government implemented poorly designed aid programs that failed to address concerns brought forward by producers that would be viable in the long run.

The 2003 cull animal program is a case in point. An obvious flaw in the program was the determination of cull rates. The cull animal program did not compensate producers on these full cull rates, rather program cull rates were determined by taking 60% of those values. This resulted in much criticism from all cattle producers, but particularly the dairy industry.

The average dairy cull rate of 25% is essential to the operating nature of supply management. The last program only allowed compensation of 16% of mature dairy animals.

●(1955)

Our suggestion to the government has been a cull cow program to compensate producers for all cull cows that have become a burden due to the lack of market access. A reduction of the national herd with compensation to farmers would serve three purposes. It would provide immediate direct cash to farmers. It would relieve farmers of the burden of feeding cattle. It would reduce the national herd size so that market prices could be maintained.

It was interesting that the agriculture minister's press secretary was quoted in the *Medicine Hat News* this past weekend regarding a possible total closure of the U.S. border to Canadian beef. Her comments sounded an awful lot like what Conservative Party people have been saying for over a year, and I quote her, "The Canadian cattle industry will look at a number of options, including a culling of older animals". It is nice to see that the agriculture minister is finally coming around to see that the Conservative Party has been right all along.

Obviously the biggest challenge that supply management faces is the international pressure to reduce tariffs on all agricultural commodities. Without tariffs, Canada's supply managed industries are not able to predict the amount of imports and the whole system is disturbed.

During this round of talks at the WTO, the Prime Minister and his Liberals are once again promising to protect supply management, but based on the Liberals' record and their complete lack of accountability as demonstrated by the sponsorship scandal, I wonder if Canadian dairy, poultry and egg producers can really trust them.

The last time around, the Liberals sold out Canada's farmers by signing away article XI, which protected the industry with quantitative import restrictions. These were replaced with tariffs which have proven to be a failure at protecting Canadian producers from international competition. A case in point: we are witnessing substitute products designed to get around the tariffs displacing Canadian dairy products in the production of ice cream.

The Liberals' utter failure to do something about the importation of butter-oil-sugar blends is just another example of the government's negligence in addressing issues that impact Canada's dairy farmers.

Government Orders

The Conservative Party of Canada recognizes the challenges facing the dairy industry as it pertains to the use of modified milk ingredients. We understand that dairy producers are concerned with the use of non-dairy substitutes in the production of products which are similar to ice cream and cheese but not actually processed with authentic dairy products.

We recognize that this is a complex trade issue that affects supply management producers on one side and food processors on the other. To this effect, the Conservative Party supports the comments of Peter Gould, general manager of the Dairy Farmers of Ontario, who just today expressed the need for dairy farmers and processors to get together and hash out possible solutions that can mutually benefit both dairy producers and the processors.

Another partial solution that the Conservative Party is considering supporting is truth in labelling legislation that would ensure that dairy terms referring to milk and milk products are used accurately in the description and presentation of food.

This truth in labelling legislation would allow consumers the freedom to make informed decisions as to what food products they wish to purchase and consume. I encourage the supply management industries to work with other representatives of Canadian agriculture, including the export dependent sectors, to develop solutions that will meet the needs of all Canadian agriculture and which will be accepted by our international trading partners.

I would like to assure Canadian dairy, poultry and egg producers that their next government, a Conservative government, will not bargain their domestic interests away. Rather than be part of the problem like the Liberals, we will continue to be part of the solutions.

• (2000)

Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.): Mr. Chair, I listened closely to the remarks by the member opposite. The member really tried to avoid saying much about the Conservative Party position on supply management. She talked about policies and actions.

I can tell that member this: it was the Liberal Party that brought in supply management and it is the Liberal Party that has stood behind supply management for 35 years.

Let us talk about the supply management policy of the Conservative Party. I will be really interested tonight to see if there are any former Alliance members not from Ontario who come here to speak on supply management, because I believe that the Alliance Party really controls that party over there.

We will look at its policy. I will read out the Conservative Party's policy statement of February 4 of last year and I ask members to listen closely:

A Conservative government will ensure that any agreement which impacts supply management gives our producers guaranteed access to foreign markets, and that there will be a significant transition period in any move towards a market-driven environment.

That, I believe, is the real agenda of that party over there, although it is trying to cover it up a bit with its new policy statement of this year, which really says that supply management remains viable and

it will support supply management and its goal “to deliver a high quality product to consumers for a fair price with a reasonable return to the producer”.

Does that party really stand behind the pillars of supply management? That is my question to the member opposite. Does she really stand behind the policies? Does she have the support of her leader in doing that? And which policy of the Conservative Party opposite really exists? I believe it is the one which will really mean at the end of the day that there will be a “significant transition period in any move toward a market-driven environment”, because that is the real objective.

I am really very interested in seeing if any of the former Alliance members who are not from Ontario will be speaking in support of supply management here tonight.

Ms. Diane Finley: Mr. Chair, I find it interesting that the member opposite disqualifies any of us who live in Ontario from having a viable opinion on this, because I was with the Canadian Alliance, I supported our policy and I have been taking a very strong lead role in developing the current policy, a policy which, I should point out, was almost unanimously endorsed by the over 3,000 members of our party and delegates who were at our convention.

An hon. member: It barely passed.

An hon. member: Yes, it barely passed.

Ms. Diane Finley: Mr. Chair, I beg to correct the members opposite. It was virtually unanimous, the support for this particular position at our convention. If those members would bother to take the time to read through the results of that convention and all of our policies, which, let us face it, are very strong—we have a much more broadly based and a much more comprehensive agriculture policy than the Liberal Party has ever developed—then they would see that this is a party that truly understands and respects agriculture and is prepared to act for it, not in spite of it.

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Chair, I am sorry, but the irony of hearing Liberal members talking about things that have barely passed after this government is surviving on the basis of a tie vote, the only government in Canadian history to survive on the basis of a tie vote decided by the Speaker, is just really laughable.

I was at the Montreal convention of our party. I actually was involved in a fairly controversial issue at that convention, so I know a little about things barely passing, and I can assure members that there was widespread support for the pillars of supply management, for the policy our party now has.

I want to point out as well that I am a former member of Parliament from the Canadian Alliance and I am very much in support of the policy put forward at that convention. It was our agriculture critic who led the charge on it. She herself is a member of Parliament from Ontario and a former Canadian Alliance member.

Government Orders

What this indicates to me, in the special way in which the member opposite chose to word his question, is that he is trying to design it so he can find some way of finding someone who does not support our policy. Then he can leave the impression out there that somehow, despite a clearly stated policy, we are wavering, when in fact his government's policy with regard to agriculture has been one of absolute neglect.

It has been one of absolute neglect and there was not one penny in the latest budget for agriculture, not one penny in the worst year in agriculture in Canadian history. That is the record of the Liberal government. The Liberals should hang their heads in shame. That member in particular should hang his head in shame for not giving the slightest amount of interest to the farmers who put him here in the first place.

My question is simply this. Going back to 2003, our party has taken quite a strong approach on cull cows and as well on increasing slaughter capacity, which is of no small interest to those producers, both supply managed and not, who have cull cows in their herds. I wonder if the critic could comment on plans to deal with slaughter capacity.

● (2005)

Ms. Diane Finley: Mr. Chair, I would like to thank my colleague for setting the record straight on the reality of what happened in Montreal.

It is interesting that we hear a lot of talk these days, as we have since September or longer, about the government's stated priority of increasing slaughter capacity for our cattle in this country. The Liberals said they would make it a priority for the CFIA to expedite the opening of additional capacity when in fact there was a facility in Salmon Arm, B.C., which was slated to be open in July of last year.

Interestingly enough, when the CFIA went in to give the final approval, the operators were told that they needed to fix just a couple of things and if they fixed them the CFIA would be back the next week. The next week the CFIA went back and, oops, there were a few more things that had not been noticed the first time. This went on for months. This is not how we expedite opening up the capacity.

In fact, our party raised the issue in the House in the fall, five months into the process, and that was when, 48 hours after that discussion, finally the slaughterhouse magically was granted its operational permit and was open for running. If that is the government's idea of opening, encouraging and expediting slaughterhouse capacity, I would hate to see what it would do if it was trying to drag its heels.

Any increase in slaughter capacity is desperately needed in this country. We have been pushing for it, with real progress, but instead, any increase that has come has been in spite of and certainly not because of any government programs.

The loan loss reserve program for all intents and purposes does not exist. The forms are not available. Finally, after the five banks would not sign on, the government talked its own agency, the FCC, into coming on board with this. There was a great announcement about it, except that two weeks later when I spoke to my local FCC rep, he told me he had never heard of the program. If he has not heard of it, how can he do any good with it?

I ask members, what kind of effectiveness is that? It does not make it happen. There is a lot of talk, but it is A for announcements and D for delivery.

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Chair, I appreciate the critic's comments. I have absolutely no doubt about her commitment to supply management. My question is about the fact that I have absolutely no belief that the member's leader has any commitment to supply management. As for any Canadians who fell for that, my God, what would they buy at the market? A cow with no legs?

The fact is that we have to look at the choices. Who did that leader choose for the international trade critic? A man who has been an avowed attacker of our supply management system at the WTO, a man who is on record as saying we slept through the WTO and how we had to stand up and make sure we would not do that anymore. That is who the international trade critic is. That is the man who is going to speak for the Conservatives at the WTO.

Let us look at the Wheat Board critic. The Wheat Board is one of the fundamentals of supply management. If we look at the website of the member for Cypress Hills—Grasslands, we will see that it is like a conspiracy theory; the black helicopters are coming.

He stood up in the House and made accusations about the farmer led Wheat Board being involved in illegal and corrupt activities. We had the national farmers union writing to the leader of that party demanding his removal because it was a disgrace, his treatment of and his lack of respect for one of Canada's great success stories, which is the Wheat Board. In fact, I will refer to the *Western Producer* of June 2, which talks about the sudden shift in the Conservative Party on supply management and which it suggests is being done so the party can win some votes in Ontario and Quebec.

I would find that the record on supply management support from that party has been almost entirely zero.

● (2010)

Ms. Diane Finley: Mr. Chair, I am not quite sure where to begin with all of that, because first of all there is an issue of credibility when the critic for agriculture for the New Democratic Party describes the Wheat Board as supply management. That is not the way it is. There are three colours to supply management and the Wheat Board ain't it.

Having started with that, let us establish where we are. First, the Wheat Board is not supply management. I would encourage the member opposite to understand that. Second, in terms of our international trade critic's credentials, let us remember one thing, that is, not all farmers in Canada are supply managed. Some 90% are not. Of our farmers in Canada, 90% are export oriented and international trade is very important to them.

In that critic's office is one of the greatest proponents of supply management in this country. It makes for a nice balance along with me; I am of the opinion that absolutely no sector of our Canadian agricultural groups wants to profit at the expense of another. We must take a balanced approach. We must not sacrifice one agricultural sector for another in any negotiations or in any progress.

Finally, just to clarify one thing, the leader of this party has been on record many times as saying that he supports supply management. He has signed the Dairy Farmers of Canada pledge, just as the leader of the fourth party did, so the fact is that he does support it. He has said so many times. He has met with them one on one many times. They understand his commitment even if the member opposite does not.

[*Translation*]

Ms. Denise Poirier-Rivard (Châteauguay—Saint-Constant, BQ): Mr. Chair, a little over a month ago, the Fédération des producteurs de lait du Québec launched a widespread campaign to raise awareness with MPs from Quebec about the importation of subsidized artificial milk ingredients. One after the other, federal MPs from Quebec were visited by local dairy producers, asking them to press the government to staunch the hemorrhage affecting their industry.

But what is the problem exactly? Why are dairy producers calling for firm action by the federal government at this time?

The dairy producers of Quebec and Canada want to raise public awareness of the fact that milk ingredients subsidized by foreign governments are coming through our borders. These ingredients are increasingly replacing milk in producing dairy products such as cheese and yogurt.

These modified milk ingredients, including casein, caseinates and butter oil with sugar, circumvent supply management regulations to compete with locally produced milk. In fact, this is a loophole in the free trade agreement that foreign producers take advantage of to invade our market in Quebec and Canada, which is supposedly supported by a supply management system.

What are the three gold standards for supply management? First is production planning, whereby production must be limited to what can be absorbed by the demand, ensuring that dairy producers produce 100% of what will be used, nothing more, nothing less.

Second is a pricing mechanism that ensures a fair market income, so that producers do not have to rely on government subsidies, as they still do in many countries, despite the free trade agreements.

Third is import control, not the closure of borders but control, so that the industry can know how much is imported and that local production can be planned accordingly.

In a nutshell, these three standards, these three pillars are interdependent, and should one fall, the entire supply management system would collapse.

It should be noted right off that the system of supply management provides a number of benefits. By correcting the imbalance in the forces of a market without subsidies, supply management enables producers to earn a fair income from a market that has the unfortunate tendency to treat producers unfavourably. Supply management thus saves taxpayers' money, since producers do not enjoy generous government subsidies. It also benefits consumers, who can find Quebec and Canadian dairy products on grocery shelves at some of the world's lowest prices.

It can therefore safely be said that a market operating under a supply management system is the model promoting healthy and

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responsible farming in which all participants, producers and consumers, come out ahead. It is a win-win situation.

Members know, as I do, that there is no stopping scientific advances. In recent years, new technologies have made it possible to fractionate milk, as milk producers themselves say, into a number of elements and milk proteins. The problem lies in the fact that the Liberal government in Ottawa did not include this modern technological development in the application of the law.

Indeed, while real milk imports were monitored, new milk proteins appeared and were not considered to be in the same category as real milk. The law was therefore unable to stop modified milk products from entering the Quebec and Canadian markets, which, it will be remembered, operate under the supply management system.

Milk processors, those who take milk and turn it into cheese and yogurt, for example, are no fools. In the face of these new proteins even less expensive than local milk, because they are subsidized outside the country, processors have no qualms about using them in the manufacture of their cheese and yogurt.

Where does this lead? In the dairy products everyone eats daily, there are fewer and fewer real dairy products and more and more artificial dairy substances subsidized by foreign countries.

In addition, the entry of the modified milk products into the Quebec and Canadian markets has lowered the demand by processors for real dairy products from Quebec and Canada.

● (2015)

Since domestic demand dropped, dairy producers either have to cut production or sell their milk at a loss. Either way, the supply management system is completely off kilter and has been jeopardized as a whole.

As a result, dairy producers have lost nearly 50% of the ice cream market due to butter oil-sugar blends, which the Liberal government decided not to include in the list of imported ingredients subject to supply management. Ice cream is just one of many examples. As a result of these imports violating the principle of supply management, actual annual losses are set at \$175 million for producers in Canada and nearly \$70 million for producers in Quebec. This does not take into account the \$100 million that dairy producers lost in 2004 alone due to fallout from the mad cow crisis. At that rate, given the many ingredients that slip through the overly generous loopholes, dairy producers estimate that their industry could lose up to 30% of the combined market share for all dairy ingredients. This is the real disaster they tried to warn us about by dumping no less than two tonnes of skim milk powder in the offices of 75 Quebec MPs to condemn the unacceptable inaction of this government.

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The worst part is that, at the end of the day, the imported modified milk products subsidized abroad do not even benefit consumers here. In some cases, cheese and yogurt made of modified milk products are more expensive. We are robbing Peter to pay Paul and benefiting the processors at the expense of the farmers, while ensuring that the foreign dairy substitute products is prospering at the expense of our industry.

Imports without restriction and unlimited dairy ingredients, including milk proteins, prevents the dairy industry in Quebec and Canada from predicting with certainty the demand for milk proteins, which contributes to knocking down the three pillars of supply management that I was talking about earlier.

There is an urgent need for the government to put an end to this quiet demolition of the supply management system. Some farmers I met with at my office in Châteauguay made a very good point. They said that the losses caused by the imports will never be recovered and can no longer be minimized. The only thing the Canadian government can do is prevent further losses. For that, the government has to set new tariff quotas on certain dairy ingredients in order to protect the balance needed in a system like ours that operates under supply management.

I do not understand, nor do the farmers, the Liberal government's stubborn refusal to do anything about this. It is completely legal, within the framework of the WTO rules, to invoke article XXVIII to stop the foreign influx that threatens a system like supply management, which does not contravene world trade rules.

The use of article XXVIII of the GATT would just allow one very beneficial thing to happen to the dairy industry, and that is to update our tariff quotas list by using the techniques developed over the past decade. It would only be fair to fix the cracks in the foundation of our supply management system.

• (2020)

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Chair, I want to thank the hon. member for her excellent remarks. The points she raised express concerns we have been hearing all over the country from everyone who produces any of these five supply managed products. I think that it is important.

As the hon. member suggested, we could look at applying article XXVIII to amend the list and its schedules.

I would like the hon. member to tell me something. She must have been extremely encouraged by what the minister told us about the many options the federal and provincial governments have on the international scene. What we want is a balanced market that allows us to export our products.

In my riding, I have seen producers lose domestic markets because of imports disproportionately subsidized at the production stage or the export stage, with which we cannot compete. It was therefore important to negotiate at the international level.

I think that it is a good idea to negotiate together, all the provinces and the federal government. This way, we can be a force to content with internationally when it comes to negotiating an acceptable system.

I was greatly encouraged by the minister's willingness to apply, if need be, article XXVIII to restore balance in order to protect supply management across the country, prevent the erosion of the market for products like ice cream, buttermilk and other dairy products that have been mentioned many times already.

I will ask the hon. member this. Was she not as encouraged as I was by the minister's remarks? Does she not agree that the best way to address on the international scene issues that are so important to all the provinces, producers and consumers—because supply management also protects our consumers—is to join forces? It is essential that all the provinces together and Canada negotiate on the international scene.

Ms. Denise Poirier-Rivard: Mr. Chair, I thank my colleague opposite for his question.

In fact, the Bloc Québécois cannot oppose negotiations on article XXVIII of the GATT, because we have always supported our producers and we are in favour of supply management.

Earlier, I had talked about this supply management. Are products subject to quotas subsidized? My answer is not one bit.

The market, not the government, provides milk, eggs and turkey. The United States and the European Union continue to hand out billions of dollars for their products. The consumer price index for poultry products continues to rise, while the farmers' share shrinks.

I want to give a few examples of the farmers' share of food products. We all go to restaurants on occasion for a meal. We do not often consider the producers who produce what we eat. Here are some typical prices. We pay \$14 for eggs Benedict, the producer gets 31¢. A medium-sized pizza costs \$13.50; the dairy producer gets 60¢. Grilled chicken on a bed of rice costs \$8.40, the chicken farmer gets 19¢. I could go on and on.

When it comes to supply management, I cannot oppose an overture by the government to help our producers in Quebec.

• (2025)

[English]

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Chair, it is a pleasure to speak tonight to this important issue. I thank my colleague from the Bloc for her knowledge of the issue. I know I, my party and definitely my leader support, unequivocally, supply management.

I think I am one of the few in the House, and very proud of it, who, as a farmer, has been on both sides of the issue, on the supply management side and as a beef producer on the other side of it.

I kind of chuckle to myself when I hear the hon. member across from Prince Edward Island who has been heckling for the last couple of minutes. Not only is he trying to make us all believe that the Liberals invented supply management in a few minutes, he will try to have us believe that they also invented potatoes.

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After reviewing the amendment to the budget by our new federal finance minister, the member for Davenport, could the member from the Bloc tell me how much money she has actually seen in the budget for agriculture? While she is at it, perhaps she could tell me how many pails the deputy finance minister from Timmins—James Bay has filled with milk over the years.

[*Translation*]

Ms. Denise Poirier-Rivard: Mr. Chair, I thank the hon. member. I too would like to understand. Indeed, I do not understand the question. However, I can talk about agriculture, as I am a farmer myself. Of course, the Bloc Québécois and I will always protect the interests of Quebec producers as regards supply management.

[*English*]

Ms. Jean Crowder: Mr. Chair, I want to come back to a question I asked earlier around modified milk products, the imported ingredients that are now showing up in our product. The member spoke quite eloquently about what these were doing to our producers.

Earlier, when I asked the minister that question he talked about it being a labelling issue that we are considering under Bill C-27.

However I clearly understand that these imports are actually not just about labelling. They are having a direct impact on our producers and their ability to make a living. My understanding is that 50% of the ice cream market has already been taken away by imported ingredients.

Knowing that my colleague is a farmer, I wonder if she could talk about what it means to farmers in our community when they are not able to sell their own products because they are being replaced by foreign ingredients and we do not even know what is in them.

[*Translation*]

Ms. Denise Poirier-Rivard: Mr. Chair, I thank the hon. member for her question.

The importation of milk substitutes has a huge impact on Quebec producers. Milk is being replaced by butter oil.

As I said earlier, producers suffered losses of 50%. If a dairy producer cannot sell his milk, he should be able to get compensation somewhere. We all know that cows have to be milked twice a day. It is not like turning on a tap and turning it off.

It is very important to stop these massive losses caused by the importation of milk substitutes, particularly in Quebec. Indeed, Quebec is known as a milk processor, producing the best milk in North America.

[*English*]

Mr. Charlie Angus (Timmins—James Bay, NDP): Mr. Chair, it is an honour to speak in the House. Every time I rise to speak I think of the people in my riding of Timmins—James Bay and I am very proud to be speaking here tonight. I am also proud to be speaking as the agriculture critic for the New Democratic Party.

Our party requested this debate because we believe that the issue of supply management is a fundamental issue that has to be addressed and the time to address it is now, particularly with the

issue of the flood of modified milk imports, our loss at the CITT and with the upcoming round at the WTO.

We asked for this debate because we in the New Democratic Party feel that we need to send a message to rural Canada. We have to rebuild trust as parliamentarians. We are here to work for the best of everyone in our country, not just to sit in this chamber and squabble about who gets to control power.

The issue we are discussing tonight is supply management and the question the New Democratic Party is asking is whether the government will invoke article XXVIII of the GATT to restore balance to our dairy markets. We have heard varying answers from the government and it is important to come out of tonight's debate with a clear message to our producers and to the international stage.

We are not talking about a complex issue. This is a question about whether Canada will send a message at the international level the we will stand and fight for our farmers. We want to tell our farmers and the world that we are committed to standing up and fighting for our farmers.

The question we are asking is a litmus test of resolve. Receiving different answers from the international trade minister and different possible scenarios from the agriculture minister does not address the fundamental question of whether we are willing to take a stand when the time comes.

We need to look at how article XXVIII plays out on the international stage. Other countries are always very clear. They fight for their farmers. Canada likes quiet negotiations. Quiet negotiations are fine, if they work, but the EU invoked article XXVIII against imports of wheat and barley. The U.S. invoked article XXVIII against Canadian wheat. Russia and Vietnam have shown their willingness to stand up for their domestic markets. Even the United States is making it clear now that it will start moving against modified milk products.

Why the silence from Canada? This silence says that we should trust the government, that it will work something out but that it does not yet have a plan in place so it is not willing to stand up for the farmers. We wonder why are we not willing to stand up and say that this is our line in the sand, this is where we begin our negotiations.

I believe we are at a crossroads in terms of the future of supply management. Since the issue of modified milk imports into Canada began nine years ago, what we have seen from the government is a record of inaction and a lack of response to the issues being raised. Meanwhile, we are losing up to \$182 million of our market every year to this flood of unregulated milk products. This is equivalent to the entire milk production of Manitoba. We have just given it away, lost it, left it out there.

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This is what has happened over the nine years since this issue was first raised by dairy farmers. At that time those farmers asked for action but they did not receive any. They were told the situation would be monitored. Now we have lost 50% of the ice cream market. We are losing serious chunks of yogurt, cheese and other dairy markets as well. Monitoring is not good enough because the plan in place has been a failure.

Should the dairy farmers of Canada trust the government to carry them through the woods into the promised land in this next round? That is the question. Let us look at the Liberal record. For nine years dairy farmers have been asking for action and in that time the market has steadily eroded.

In 2002 frustrated dairy producers crashed the Liberal retreat in Chicoutimi. To get action they had to embarrass the government. The government agreed to create a working group of stakeholders and government departments. That was the action it promised. That was some action because soon after the working group was struck the producers were kicked out. So much for Liberal promises on this.

● (2030)

When we look at the abysmal track record and the unwillingness of previous agriculture ministers to really get serious about the issues of labelling and serious on standards, we need to look at what recently happened with the CITT ruling and take this as a serious undermining of what we have right now in terms of our domestic dairy markets.

When the CITT ruled that Canada could not place promilk 872 B under the tariff line 0404, which allows us to apply the overquota tariff of 270%, it was not just that this case was lost but it made the further ruling that all the protein subjects that had been subjected to control since 1994 could not be placed in the overquota tariff line either. Therefore we are looking at what we have already lost, which is substantial chunks of our domestic market, and now we see that the floodgates have been opened.

The government has launched an appeal and we support it, but what if the appeal fails? Have we any trust that we will be able to turn back the clock, because at that point we do need plan B in place?

When we talk about what this is in terms of the dairy sector, the poultry sector, the ag sector versus other commodities that we export, it is not a question of Canadians not being able to compete. It is a question of whether we are going to stand back and do nothing in the face of heavily subsidized products that are being dumped into our markets.

We know, for example, that with casein production in the EU, the direct payments the EU pays for that production have heavily distorted the price. What we are seeing is a distorted trade practice where because of the EU subsidies, they are basically flooding our market. Is this the level playing field that Canada supports at the WTO? I do not think it is.

Speaking of the WTO, it needs to be pointed out that while our producers have been trying to get the government to send a clear signal, Tim Groser, the New Zealand ambassador to the WTO, has also been sending Canada a clear message. He is telling us not to stand up for dairy. He is warning us not to invoke article XXVIII. In

fact, he is saying that the government's response will send a message of Canada's credibility on the international stage. Mr. Groser and I do not agree about too much but we both agree on one thing: this is an issue of our credibility.

Unfortunately, we have different interpretations of what that credibility means. Let us put it this way. Canada is the fourth largest exporter of agriculture products in the world and maybe the fifth largest importer. The question we must ask is where are the trade minister and the agriculture minister getting their marching orders from: New Zealand or the farm families of Canada? We are not being partisan but the dairy farmers of Canada are fed up with what they call "Liberal stalling, ignoring and excuses" on this issue. They want action and they want it now. They know that with the upcoming round at WTO we need to make it really clear where are going to stand.

What is at stake if we allow this undermining of our ability to regulate our market? We are talking about the future of the most successful farmer operated system in the world. There is no parallel. Our farmers are not subsidized. They are able to compete and are able to compete in a market that not only brings fair, stable pricing to producers, it brings a great response for consumers.

The egg costs in Canada are at about \$2.04. They are over \$2.53 in most American cities. If we look at dairy costs in U.S. cities versus Canadian cities, we see that dairy costs in the U.S. are about 23% higher. Anyone out there selling this myth that we should get rid of supply management to open the market and consumers will have better choice, it is a lie. It is incumbent upon Parliament and the government to let Canadians know that we will stand up for supply management because what is attacking it is a lie.

● (2035)

I had the honour to attend, with some other agricultural members from all parties, a recent meeting with a trade delegation from New Zealand. The delegates seemed to give us the message that they would fight our over-subsidized dairy and supply market system. The message is not getting out internationally. We are not standing up and speaking out.

Why will we not invoke article XXVIII? Why will we not give the message very clearly that we are willing to invoke it now? It will buy us time. We will send a message at the WTO round to make it very clear that this is not on the negotiating table.

The New Democratic Party is committed to rural Canada. It is committed to supply management and to the principle that our domestic rural economy is something worth fighting for in the international stage. Right now being willing to stand up and invoke article XXVIII is a good way of showing that.

● (2040)

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Chair, the hon. member is always a passionate individual when he talks about agriculture and rural Canada.

In terms of supply management and support for our industry, what it can achieve and what we want it to achieve, from a substantive basis we are very much in line. However, there is a difference on one very important thing.

I am not particularly interested in some sort of symbolic act. I am not interested in making a grandiose announcement and getting whatever reaction there might be. My objective is very straightforward and simple. That is to achieve a result in the WTO negotiations that allows Canadian producers to make choices about their domestic marketing strategies, that is to choose, to participate and to pursue a supply managed system.

I believe it is incumbent upon me, as we pursue those negotiations, to do it in a way that is most likely to provide that result. That is what we intend to do. I accept the fact that the hon. member and I may disagree about the best way to go about that, that is why we have debates in the House. It is not about making some symbolic act. It is not about trying to make some sort of statement. It is about achieving a tangible, positive result. That is what we need to do. It is not about not having acted.

When we went to Geneva last year in July, we achieved a framework agreement that allowed us the ability to continue to negotiate in the way we wanted. The supply management organizations that were with us in Geneva, although not thrilled with the overall prospect of where we had to go, were satisfied that we had been able to maintain that.

We have taken trade action in the past and we have been successful. We were successful in respect of pork in the United States this past year. We have been successful in our latest NAFTA issue in respect of wheat. We have been quite willing to defend our agricultural industry in the international trade arena. The hon. member, in fairness, did point out quite clearly that we have appealed the CITT decision and we have dealt with the issue of labelling.

There are other issues we need to deal with and we will. However, at the end of the day it is not about symbols. It is about achieving a tangible result, and that is to reach a conclusion that allows for supply management to continue in our country and to allow for those 20,000 plus producers to pursue agriculture in a way that makes good sense for them, that works for our producers and consumers and works for the industry as a whole.

Mr. Charlie Angus: Mr. Chair, I appreciate the minister's comments. I do not believe article XXVIII is just a symbol. I do not think symbols will help us at this point. We are asking for a commitment.

We have not seen the road map of action or any of the criteria that the government will apply to ensure that not only we protect our market but that we start to take back some of the market we have lost over the nine years. We have not seen that, so article XXVIII is a tool to respond to the crisis in which we find ourselves.

The question in terms of the WTO is there continues to be concern among farm families in Canada about just how successful Canada will be at the WTO. That is why it is not a meaningless symbol. We have to send a message that we are clear. We look at what is on the table. The WTO is dropping the 5% de minimis, opening questions

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on our Wheat Board and promising action on over-quota tariffs. This is what we are discussing.

It is all very well and good to say that Canadian farmers should have the choice of the kind of marketing system they want to apply. However, if they do not have the proper supports in place to make that marketing system work, then supply management is meaningless. That is why we need action on article XXVIII and we need to send a very clear message that in the next round of WTO we will not give away anything more because we really have nothing left to give.

• (2045)

Mr. David Anderson (Cypress Hills—Grasslands, CPC): Mr. Chair, I was sitting in my office about three-quarters of an hour ago when the member for Timmins—James Bay attacked me personally. I felt it necessary to come here and correct some of the mistaken impressions he has left. I do want to thank him for directing people to my website. He seemed to be enthusiastic about that, so I would encourage them to go there as well. It is davidanderson.ca. If anyone wants to look it up, that would be good. It does have a lot to do with the Canadian Wheat Board.

The member said that the Wheat Board was one of the fundamentals of supply management. I think the supply management folks who are here know that that is not true. I want to point out a few ways that it is not true so he can understand it and hopefully he will not make the same mistake.

An hon. member: I thought he was an ag critic.

Mr. David Anderson: I thought he was an ag critic too. Those of us from western Canada know that the Canadian Wheat Board is a completely involuntary organization. If we grow wheat in western Canada, we have to be part of it whether we want to be or not. Supply management is voluntary. If people want to, they can buy into the quota.

The Wheat Board is primarily international. It has some domestic marketing as well, but its main purpose is to market wheat internationally for farmers. Supply management is domestic.

Fifty per cent plus of the farmers in western Canada want a change in the Canadian Wheat Board. They want out of it. The vast majority of people who participate in supply management are very happy with the system and it is supported by its participants.

I had a chance to go to the trade talks in Geneva in late April. One thing he needs to understand is that the Canadian Wheat Board has already been sacrificed by the government. I do not know if he knew that or not, but it gave away the financial guarantees. It gave away the initial price guarantees. It gave away any of the foreign programs to sell the grain. It gave it way without getting anything back.

The only thing left, which is the part that most western Canadians want rid of, is the monopoly. He needs to be aware that the Wheat Board has already been sacrificed. Supply management people need to be paying attention to what the government is doing and ensuring that they do not get caught in the same situation.

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Just to make the point again, western Canadians want the same choices that other farmers have such as in Ontario. We watched our grain sold for less money than we could get ourselves. We have watched our farmers go to jail because they wanted to sell their own grain.

If he would like, I am more than willing to sit down with him at some point and help him to understand this issue a little better. We have worked together at the agriculture committee. We have tried to help him there and I would like to continue to help him understand the agricultural issues, if I can do that.

He said that the NDP needs to send a message to rural Canada. No kidding. One of the reasons the NDP have such a hard time electing members in rural western Canada is because of the message he delivered tonight, which is one of anger and bitterness. Farmers do not want to hear that. They want a positive message such as we are bringing. They want choice. They want to get out there, do their business and be successful at it.

Mr. Charlie Angus: Mr. Chair, I would never want to be accused of being an angry and bitter man. I do not know any dairy producers in my area who can go and sell milk down the street to whomever they want. They are either part of a system or they are not. That is the fundamental pillar of how this thing works.

However, I would respond that it is nothing personal against him. I was asking the question about his leader's decision to make the hon. member the choice for the Wheat Board, when the National Farmers Union on May 16 accused the member of being either wilfully uninformed or conducting an ongoing smear campaign against the Canadian Wheat Board. That was not me. It was the National Farmers Union.

When I talk about sending a message to rural Canada, I am asking why the leader of that party decided to choose a man who has been completely dedicated to destroying the Wheat Board. The National Farmers Union has spoken up saying it is a disgrace to rural Canada. I have nothing to argue with the member's viewpoint. That is his viewpoint. However, the leader's choice sends a message and I think it sends a very clear message.

Mr. Gord Brown (Leeds—Grenville, CPC): Mr. Chair, as the member for Leeds—Grenville, I have a riding that is heavily dependent on supply management. We have the largest egg producer in Canada in our riding as well as many dairy farms. A lot of our economy in Leeds—Grenville is dependent upon supply management.

I just want to get it on the record that I am a former member of the Canadian Alliance and I was a strong member of the supply management system. I find it a little disingenuous from folks on the other side who seem to talk a lot about their support for supply management, but when the rubber hits the road, when they go to the trade negotiations, they do not instruct their trade negotiators to stand up for this system.

The farmers in my riding are always on edge that the system will disappear. There are concerns right now with the butter, sugar and oil blends and the imports of caseins and caseinates. The numbers now are having a major impact on our dairy industry in Canada.

Why does the member for Timmins—James Bay, my good friend, think his coalition partners on the other side are not standing up and asking for the invocation of article XXVIII? The minister told us that he is not interested in symbolism. However, when the rubber hits the road, when the negotiations are going on at the trade negotiations, Canada's interests are not being protected.

• (2050)

Mr. Charlie Angus: Mr. Chair, I have a lot of respect for the member for Leeds—Grenville. We sit in the heritage committee together and we have done some good. The question he asks is a good one. Dairy farmers want to know if there will be protection, if someone will stand up. I have tried to point out this evening that the record of the last nine years has been pretty woeful in terms of the government's willingness to stand up and act on it. It has not.

We finally are hearing now that maybe there is going to be some action on labelling. We are hearing there may be some action on standards. However, if we look at what has gone on up until now, there has been very little.

I would be worried if I were a producer. Our job from all parties is to ensure that the producers in all the agricultural sectors are heard in the House. Otherwise their issues will slip away and they will not be addressed. That is one of the reasons we are holding this debate tonight.

Mrs. Rose-Marie Ur (Lambton—Kent—Middlesex, Lib.): Mr. Chair, I am pleased to rise tonight to speak on the subject of supply management. Perhaps I will spend a few minutes to educate those who are watching as to what supply management is all about.

Canada's supply management system matches production to Canadian demand and allows farmers to receive a fair price from the marketplace without relying on taxpayer dollars.

Supply management eliminates major fluctuations in prices at the farm processing or distribution level and ensures an efficient and secure food supply that respects Canadian safety and health standards.

The dairy, poultry and egg industries are important to Canada as together they contribute a net \$12.3 billion to the GDP, generate \$6.8 billion in farm cash receipts, sustain more than \$39 billion of economic activity, and employ more than 215,000 Canadians throughout the country.

Supply management empowers farmers while benefiting processors, consumers, government and taxpayers. It exchanged the boom and bust cycles with a stable and orderly market, once again without costing the government or taxpayers a dime.

In Canada, pricing mechanisms are based on the farmers collectively negotiating minimum farm gate prices for milk, poultry and eggs. By acting together, farmers can negotiate a fair price for their food based on what it cost to produce that food.

Government Orders

In other countries without similar pricing mechanisms, an even smaller portion of the price paid by consumers is received by the farmers. For example, baskets of dairy products were surveyed in all cities in Canada versus cities in the United States by ACNielsen in June 2004. It was found that the cost on average in Canada was \$89.75 versus \$110.92 in the U.S. As a result, dairy products are approximately 23.6% cheaper in Canada than in the United States.

I would now like to speak specifically on issues related to Canada's dairy industry and the progress the government and the members of the Standing Committee on Agriculture and Agri-Food have made to address serious concerns facing dairy farmers.

The government has been working hard for some time to establish a fair and equitable regulatory regime for dairy product standards and the use of dairy terms. For the dairy producers there are two key issues: the definition of dairy products contained in the regulations; and the labels used to describe dairy products and food containing dairy ingredients. Both of these issues fall under the responsibility of the Minister of Agriculture and Agri-Food and the Canadian Food Inspection Agency, the CFIA.

Let me first discuss the need for clear regulatory definitions. There are some inconsistencies in the dairy products regulations' definition of milk product and the definition included in the food and drug regulations. The government wants to remove these inconsistencies, but we should do it in a manner that is transparent to all interested involved. That includes both dairy producers and dairy processors.

The second regulatory issue involves the labelling used to describe dairy products and non-dairy substitutes. The hon. member for Montcalm and his Bloc colleague have been working with the Dairy Farmers of Canada on product labelling. Liberal members have previously tabled amendments regarding labelling and the Conservative Party has brought forward private members' bills relating to this topic.

The issues are complex. To make informed choices, Canadians rely on the accuracy and the truthfulness of product information. The CFIA protects consumers and industry and promotes fair market practice by setting and enforcing standards related to the accuracy of product information appearing on food labels.

In fact, the Canadian Food Inspection Agency launched an extensive consultation on food labelling related to highlighted ingredients and flavours which include new rules for dairy terms. The stakeholders who participated in this consultation included producers, including the Dairy Farmers of Canada, processors, exporters, importers and consumers.

Producers and consumers were very much in favour of rules for clear food labelling. The issue has been before the Standing Committee on Agriculture and Agri-Food as it studies Bill C-27, the Canadian Food Inspection Agency Enforcement Act. I am sure that my hon. colleagues on both sides of the House applaud the breakthrough reached last week.

• (2055)

As hon. members may be aware, I brought forward an amendment that adds a clause dealing with the use of dairy terms. Under these

provisions, it will no longer be possible to market an agriculture product using a dairy term on the label unless the product contains the dairy ingredient represented by the dairy term. Nor will it be possible to market an agriculture product that has a dairy term on the label if the agriculture product is intended to substitute for a dairy product.

There are exceptions allowed. One exemption applies to products that have traditionally been used under a specific name. No one wants the term "peanut butter" to be disallowed simply because it is not a real dairy produced butter. The other exemptions deal mostly with the words that now must be added to clearly inform consumers that these are not real dairy products. On product labels we will see more terms such as "artificial flavour" or "simulated flavour". These words will tell consumers that the products do not contain actual dairy products.

It is through these measures that we have provided the solution to a problem that we have discussed and debated for some time now. I believe that this amendment and other approaches, such as making the regulatory definitions consistent, is the best way to address the issue.

It is important to note that the Dairy Farmers of Canada supports the amendment that I put forward, which was unanimously adopted by the committee. I wish to thank all hon. colleagues on the agriculture committee for their support.

In a recent letter sent to my office by the Dairy Farmers of Canada, it stated:

On behalf of the Dairy Farmers of Canada I am pleased to extend our gratitude for your contributions that resulted in the unanimous adoption of labelling amendments to Bill C-27.... These amendments are the culmination of several years of active lobbying to ensure that dairy terms are not misused or misleading. They will help to protect the integrity of dairy products.

We should be reassured by the progress that was achieved last week in the standing committee. We should continue to bring both sides together, the producers and processors, so that we can build a competitive agriculture and agri-food industry in Canada, one that maintains its worldwide reputation for quality.

To further this objective, the Minister of Agriculture and Agri-Food has offered to both processors and producers to establish a forum to discuss dairy issues and standards, to build a consensus on recommendations to him. We look forward to the results of these discussions.

Supply management is a valuable system that not only benefits Canadian farmers but also consumers throughout Canada. That is why the Government of Canada remains committed to defending the supply management framework and defending the ability of Canadian producers to choose how to market their products.

Government Orders

• (2100)

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Chair, it was interesting that three or four weeks ago there was a large demonstration in front of the Parliament Buildings by the dairy farmers from Ontario and mostly from Quebec. They put to the government the need to invoke article XXVIII. They acknowledged that the labelling might have some impact.

I have two questions for the member from the Liberal Party. One, does she really believe that other than somewhere between 2% and 3% of the market is going to be regained by labelling? Is it going to be any more than that at all? Two, where is the downside to invoking article XXVIII? Where does that hurt this industry in Canada? Where?

Mrs. Rose-Marie Ur: Mr. Chair, as to the member's first question, yes I really do believe that we can make a difference.

On the member's second question regarding article XXVIII, I can assure the member that I have never been so confident as I am today standing in the House speaking to this subject matter that the Minister of Agriculture and his parliamentary secretary have worked so diligently on this, that the minister stands up for the dairy farmers of Canada at negotiations. He has never indicated that he will not use article XXVIII, but there are other avenues at his disposal which he is using and one never goes into negotiations without some tools left in one's tool box. I think that is where the Minister of Agriculture sits.

Mr. Kevin Sorenson (Crowfoot, CPC): Mr. Chair, it is a pleasure to rise in the House again to speak to this very important topic this evening.

We have a crisis in agriculture, a crisis in rural Canada. I think all sectors are feeling the crunch of commodity prices and the crunch of a lot of things.

On the issue of supply management, I would like to take the time first of all to thank those in my constituency who approached me before and during the election. They recognized that I am a grain farmer and a beef producer. They took the time to sit down and ask me what my beliefs were and what was the policy in our party on supply management.

I have always appreciated that the supply management folks would not just fall for some of the fear tactics that some of the other parties have used even here tonight, but to question me on this issue. I think of one dairy producer whom we call the senator who milks 400 cows up by Wainwright, Charlie Rajotte and his family. We are always invited to their kitchen table to listen to the frustrations, the concerns, the advantages in supply management and also to voice our own policy and to satisfy him.

The member has served on the agriculture committee for a long time. As a member of the foreign affairs and international trade committee, today at our committee hearings we had the Minister of International Trade. When asked questions in regard to supply management and to article XXVIII, he indicated that the government would not be invoking article XXVIII and would not be supporting the use of article XXVIII. He went on to say that the agriculture minister has a number of options that he will use, that he will let us know about, which would help the supply management.

Many of the people who have been advocating protectionist supply management have talked about article XXVIII. What are these options of the Minister of International Trade? I see the agriculture minister explaining some of the options to the member. Could she relay some of the options that may be used to protect the supply management?

• (2105)

Mrs. Rose-Marie Ur: Mr. Chair, I hate to upset my hon. colleague after he asked that question by saying that there is no big secret as to what was divulged or what the trade minister had said. I was not present at that meeting, so I cannot respond to that. In the past when I have spoken to the Minister of International Trade he indicated to me without hesitation that we are there to defend supply management.

We have to understand that we are one of 148 countries at those hearings. Just to explain to my colleagues across the way, there was a delegation here from New Zealand not too long ago. They met with the all-party agriculture committee which I must add for the most part works very non-politically. We do have a good committee.

At that meeting with the New Zealand delegation, I was really pleased that I was at one end and they were at the other end, because the subject of supply management came up. A gentleman from New Zealand indicated to us that it is a government sponsored agency and that there are government dollars in supply management.

I took the floor and said "Absolutely not". This was a delegation that came to speak to the agriculture committee in Canada, uninformed or misinformed, I do not know which. When we have individuals coming from another country whom we are dealing with at negotiations and who do not understand the supply management system, we and our negotiators have a job to do. I have never had the opportunity to go to Geneva like some of my hon. colleagues across the way, but I think it is the duty of every one of us here to explain that the government has put in a framework, but there is not any government dollars in supply management. We have to understand that.

The process that needs to happen when we are over there is to certainly continue the fight that we have had with the negotiators and I do think they have done a good job, from what I hear. For those of us who go there, it is also our job to explain to other countries about supply management, and give them accurate information and not misinformation.

Mrs. Bev Desjarlais (Churchill, NDP): Thank you, Mr. Chair. My colleague, who I have known for a number of years now, will recognize that I have sat through a number of discussions related to crises in a number of different industries in which the government has often waited so long to respond and actually get anything done. In a number of cases, nothing has ever been done. We are still dealing with the issues and the crises in the softwood lumber and the BSE situations. What I have seen actually has been quite disappointing, from the perspective of a government standing up for farmers in Canada.

Government Orders

As my colleague from Timmins—James Bay was talking, and I was hearing different comments from the background, I actually was envisioning the government and the representatives of the government fighting for the farmers in Canada. We have all seen those inflatable bags that are filled with air and that have sand in the bottom, and when you bop them they pop back up again. Quite frankly, that is how I saw the government, as an inflatable bag of air, not doing anything for the farmers of Canada. They keep getting bopped from every country and they are doing nothing. They are getting back up, but they are staying in the same spot, up and down, up and down, and accomplishing nothing.

So my question to my colleague is, at what point does she take a different position? At what point does the government recognize that it cannot wait until the industry is totally dead before it stands up and does something for the farmers in Canada and for the dairy producers?

My colleague from Windsor—Tecumseh mentioned that the labelling will only affect 2% to 3%. We have to take other measures if we are going to really have an impact on the industry. At what point does she see that happening?

Mrs. Rose-Marie Ur: Mr. Chair, I thank my hon. colleague for her good agriculture question. Being a farmer in my previous life, whether it was this government or any government, I have never seen where the Liberal government did not stand up for farmers. Being a past producer, I can strongly defend the fact that we have always been there.

Just look at the pork situation and the countervail duties. We were out there. Do not tell me we were not fighting for our pork industry, and successfully, I might add.

With a severe decline in market dollars from the marketplace, the government was there with over \$4.2 billion, plus \$1 billion in March. The member says we have done nothing?

Regarding the BSE, we are the first country that has had a BSE case that has had the ability to ship boxed beef to the United States, with very little difference in the shipping of under-30-month beef since the BSE situation. The member says we have done nothing?

We have been out there first and foremost. I am sure we will always find dissenting concerns from some farmers, but for the greater part, I am sure they understand that the governments are doing what they can do and are capable of doing. But I thank the hon. member for her question.

• (2110)

Mr. Vic Toews (Provencher, CPC): Mr. Chair, I am pleased to take part in this take note debate on supply management in Canada. I know my Liberal colleagues are excited to hear me speak on this matter.

However, I want to start off on a very serious note. In my home province of Manitoba we are suffering quite a bit from a lot of rain. The fields are very wet and people have not been able to get their crops in. It is a very serious time. I know all members in the House want to express their concern about what is happening to farmers in southeast Manitoba and also to the west, where heavy rains have created a lot of damage. I want to urge both the provincial and federal governments to help our farmers in a significant way.

I invite the Minister of Agriculture and Agri-Food to tour that area. Farmers want to know that the people in Ottawa care about them. There is no better way of demonstrating that than having high-level officials, like the Minister of Agriculture and Agri-Food, tour that area and see what can be done. I leave that with the minister.

We have other pressures in agriculture. It is not just the weather. I know the Minister of the Environment, as much as we would like to blame a Liberal, is not responsible for the weather, but there are things the Liberals can be doing.

I want to state that the management of supply and the control of prices of dairy, poultry, and eggs are important elements in maintaining the economic strength of many parts of this country, particularly in my riding of Provencher in southeastern Manitoba. Indeed consumers, producers, and processors across Canada have all benefited from the implementation of supply management in these agricultural sectors.

I see it every day in my riding. People who have been involved in supply management have not only remained in supply management, but the capital at their disposal, because of being in supply management, has enabled them to get into other industries like hog production, which has taken off quite rapidly in the southeast corner of Manitoba.

Supply management has stabilized agriculture and has allowed farmers to expand into other areas without coming to the government. As a Conservative, I see that as a very important factor.

I know the members opposite were looking for a former Canadian Alliance member west of Ontario who actually supported supply management. They are not that rare a commodity in my area, and I am proud to say that I support supply management. I see the benefits that supply management has given to my community.

As the member of Parliament for Provencher, my constituents have consistently called for the protection of the interests of producers in supply managed agricultural sectors, because the facts demonstrate that supply management has benefited not only producers but also consumers and the economy generally. While the supply managed sectors also face difficult issues from time to time, they have faced those challenges without, as I have stated earlier, requiring a massive infusion of tax dollars.

Farmers, generally speaking, are proud to be independent, to pay their own way and to make their own living. This industry has demonstrated that with all the difficulties they have faced, they are the leaders in making their own way and enhancing the economy of this country. At the same time they have provided a fair return for producers, reasonable prices for consumers, and, above all, there have been no complaints about the quality of the products delivered by supply managed sectors.

I was very proud to see the new Conservative Party reaffirm the commitment the Canadian Alliance made to supply management. I know that was a matter of debate at the March policy convention, but I think the convention came down on the right side of that issue.

Government Orders

That policy states that the Conservative Party of Canada believes it is in the best interests of Canada and Canadian agriculture that the industries under the protection of supply management remain viable. A Conservative government will support supply management and its goal to deliver a high-quality product to consumers for a fair price with a reasonable return to the producers.

• (2115)

Canadian farmers are indeed hard working and independent, but I think it is demonstrated that in a world of competition that is crowding our Canadian farmer, cooperation among farmers is becoming increasingly important to make our producers competitive on global markets.

By organizing and developing supply managed systems, our producers are better able to better control their market supply and the prices they receive. That is why the Conservative Party calls upon the government to support farmer-led supply management systems. Governments must negotiate beneficial trade agreements, and when Canadian agriculture faces unfair trade challenges, Ottawa must go to bat for producers on the world stage with high-level delegations.

What is needed is a commitment that the supply managed sector will have input into the creation of a trade negotiating mandate. I want to say more and more of my supply managed farmers who traditionally used to vote Liberal do not vote Liberal anymore. I think they have seen the focus of the Liberal Party moving away from the agricultural areas of Canada and more focused on downtown Toronto. As important as downtown Toronto is, farmers feel neglected. They feel the party has left them behind, and not only do they simply say the party has left them, but with the industry having lost the attention of the government, we have seen mismanagement. Whether that is deliberate or neglect, I would suggest it is neglect. Simply speaking, the Liberal Party does not understand farmers generally and the supply managed sector.

Political pressure has caused the Liberal government lately to verbalize support for supply management. I think it is coming around and saying it has neglected the industry, and now it is starting to verbalize support, but unfortunately just talking does not help.

Some hon. members: Oh, oh!

Mr. Vic Toews: That is unfortunate. Just talking does not help. My Liberal colleagues laugh at me, but the point is that they are in the position to do something and they have failed to do it. That is why it is time for the Conservative Party to take government, so that not only we will be able to talk about it, but we will actually be able to help our producers, other than simply giving constructive criticism, as I am doing tonight.

The poor Liberal showing at the WTO negotiations and the political and economic pressures from the WTO are forcing Canada to reduce tariffs on all agricultural products, including those in the supply managed sector. What my farmers in the supply managed sector are asking is, what are we receiving in return? They say they are being sacrificed. They are being told they have to give this up, and yet they see no tangible benefits coming back to them as farmers.

Canadian farmers have suffered from poor ministerial representation at WTO negotiations, and I think the recent example—and

perhaps members have already mentioned it, but it has been mentioned to me—was the Liberals shirking their duties to Canadian farmers at the mini-ministerial conference in Kenya on March 2, 2005. At this meeting, member countries discussed their commitments to the Doha round, and the international trade minister and the agriculture and agrifood minister were not meeting because they were attending the Liberal convention.

I know that Liberal conventions are important. Politics is important. That is what makes this place go, but one would have thought they could have spared one minister to go there. I will say why it was so important to at least send one minister. Under the rules of the mini-ministerial, without a minister present no other representatives of that country are allowed to speak officially.

That is an example, I would suggest, of simply neglect, a poor choice of priorities. As important as the party might be to the minister, I think he could have sent another minister if he did not go himself. A minister should have been there speaking on behalf of our farmers.

• (2120)

I had some other points to make, but I know that the time for my remarks is coming to an end. One of my concerns about the recent NDP-Liberal budget was the fact that the NDP said it arranged \$4.6 billion more for big cities but not a dime for the agriculture industry.

I was disappointed that our agriculture industry was overlooked by the NDP. If that party is going to get into bed with the devil, it should at least help people who need help. That is a problem. The NDP has a lot to answer for by refusing to acknowledge the difficulties farmers are facing. Big cities are important, but what about the smaller family farms that we need to support in order for Canada to remain a strong independent nation?

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Mr. Chair, the member mentioned his concern in terms of moisture challenges in some parts of Canada. I would also add, as I know the hon. member next to me would, that this has been a difficulty in Nova Scotia this spring as well. We should not forget that area either.

I have concerns about some of the hon. member's comments. Clearly the Liberal Party did not suddenly arrive at a conclusion to support supply management at a policy conference three months ago, as the Conservative Party did. The reality is that the Liberal Party has been supporting supply management and it has been supporting it well by the fact that it exists and thrives today and has for some 35 years. I do not think that this should be forgotten.

The hon. member is wrong when he says that we have traded away tariff reductions. The WTO negotiations have not concluded. In fact, during the framework agreement that was signed last July and which we were part of negotiating, we insisted on putting in there that we allow some flexibility in terms of how we move forward. The issue is not tariffs per se and the hon. member should know that. It is the issue of over-quota tariffs that we are dealing with here, not general tariff reductions, and that distinction is important. It is important to understand that distinction as we move forward.

Government Orders

The hon. member talked about the mini-ministerial. It is interesting to note that he did not mention the mini-ministerial that took place in Paris for which his party refused to pair with a minister so that people could attend. I do not know why he did not mention that; I think it had something to do with an attempt to bring down a government or something like that.

Let me talk about the bottom line here. I say this to the member, the former minister, in all sincerity. I know that he, like all hon. members here, feels passionately about agriculture and its importance. This has to be an issue that in many respects transcends political partisanship. We are all going to be partisan from time to time.

An hon. member: Especially over there.

Hon. Andy Mitchell: I do not think people send us here with an expectation that we will not be partisan from time to time. That is why they send us here and we engage in these debates.

In terms of agriculture and general supply management in particular, I think it is important to understand that it is absolutely essential for all parties in the House to work together to achieve important results in the WTO negotiations. It is important for supply management. We have a number of folks from that industry here in the audience tonight and I am sure many are watching on TV. That is important for us to achieve.

There are also other broad issues in terms of those WTO negotiations that are important for agriculture in general. It is really going to be critical that members from all sides of the House work together to achieve those important results, because having a strong agricultural industry in this country is absolutely essential. Yes, it is important for rural Canada, but it is important for the nation as a whole.

Agriculture represents 8% of our gross domestic product. It is a large generator of wealth in this country. Regardless of whether one lives in the smallest of communities or the largest of cities, a viable agricultural industry is imperative. It is something that we have worked on as a government. We have had many successes in doing that and there are many challenges yet to be faced. Indeed, we will address them.

Let me stress for the hon. member the importance of working not in a non-partisan way, because we will be partisan from time to time, but in a way such that we achieve the important objective of sustaining a strong agricultural industry in this country.

• (2125)

Mr. Vic Toews: Mr. Chair, I appreciate the member's comments. My concern is that I have heard those kinds of comments for quite a while now. Living in an agricultural area, my constituents have heard those kinds of comments: that we need to work together and that we need to be non-partisan. They understand that.

Generally speaking, I think that as members we do work in a non-partisan fashion, especially in committees. I am on the justice committee and we have been able to get some very important bills through the justice committee by working in a non-partisan fashion.

Unfortunately, when I tell my constituents about things that have been happening in the justice area, many of them of course want to

know about farmers and what has happened for farmers, and quite frankly, they have not seen that kind of progress.

I am going to take the minister at his word that he is interested and working in a non-partisan fashion, but I think the time has come for the minister to demonstrate that he can actually produce results. I agree that on issues such as labelling it will help two or three per cent, but there need to be more substantive gains than that. It simply is not enough.

If the minister is actually looking for ideas, I know that my colleague, the agriculture critic, has made many suggestions, but they seem to fall on deaf ears. If the minister has a sleepless night, perhaps he could read the agriculture critic's comments and speeches. I am sure that will keep him going for a few hours in terms of positive suggestions. I mean that in all sincerity.

I want to thank the minister for being here tonight and for demonstrating that he is committed, verbally at least, to working together, but we want to see a little bit of action. Perhaps he should start by looking at some of the Conservative ideas. The Liberals have never been shy about stealing Conservative ideas when it promotes their political future, and quite frankly they should do it in terms of agriculture, even if it gets them a few more votes, if it helps our farmers.

Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.): Mr. Chair, the member for Provencher talked about there being no action. I really find it interesting to listen to the members opposite here tonight. Maybe if they rub shoulders with the Liberals long enough they will have a conversion, because we are seeing a conversion here tonight. They are beginning to see the light in terms of supply management.

I do have to take issue with the member opposite in terms of what he called lack of action and moving away from the farm community. Would the member really agree with his own statement when the fact is that in 2003 we had record payments of \$4.8 billion, between the federal and provincial governments, and \$4.9 billion in 2004? We recognized the farm crisis out there. That is action: putting money in farmers' pockets. During that whole time we have consistently stood with the supply management industry and have done so for 35 years.

I am pleased to see tonight that they are at least coming along a little bit. I do not quite trust them yet, I will admit that, but at least we are seeing a little conversion from members opposite. Rubbing shoulders with us long enough, maybe they will see the light and eventually really support us. Maybe we could even get the leader of the party to support supply management. That would be something.

• (2130)

Mr. Vic Toews: Mr. Chair, as much as I can stand here and say our leader does support supply management and he was crucial in putting together our party policy on that, I am not going to argue with the facts that the hon. member attempts to misrepresent.

Government Orders

I do agree with myself, without being schizophrenic in any way, that the Liberal Party has unfortunately neglected farmers. The member says action is putting money in farmers' pockets. The only action we have seen from this government about putting money in people's pockets is their friends in the sponsorship scandal. There were millions of dollars put into pockets very quickly.

I agree that putting taxpayers' dollars into the farmers' pockets in these worthwhile causes is action. Unfortunately, my farmers have not seen very much of that money, certainly not in the amounts that the member is saying the government has handed out. Whether it is getting lost somewhere between Ottawa and the farm gate, I do not know. Maybe there is an advertising company somewhere in the middle that is scooping it up.

Hon. Robert Thibault (Parliamentary Secretary to the Minister of Health, Lib.): Mr. Chair, I am pleased to be able to speak in debate about the government's commitment to our entire agrifood sector, including our supply managed producers and the length to which the government is going to defend their interests on the international stage.

[*Translation*]

To begin, I would like to remind the House about the ways in which this government has supported and defended our five supply managed industries.

As we all know, supply management is a uniquely Canadian agricultural commodity system. Created over three decades ago, it has offered real benefits to producers and consumers alike. It provides stability and prosperity to producers and processors, as well as higher quality, value-added food products for consumers.

Supply management has been the choice of dairy, poultry, and egg producers, and has been successful for these industries. This government firmly supports this choice and has repeatedly shown that it will defend the ability of producers to choose how to market their products.

• (2135)

[*English*]

Let us consider for a few minutes how this government has defended this choice for an orderly marketing system like supply management.

We know that other countries have tried to challenge elements of our supply management system through international dispute panels. In the mid-1990s, for example, the Government of Canada did everything it could to win a U.S. challenge to supply management in the NAFTA. Working extremely closely with the five supply managed industries and the provincial governments, this government successfully fought and won this case.

Similarly, this government launched a strong defence in a World Trade Organization dairy dispute in which the U.S. and New Zealand challenged some of the ways in which our dairy industry operates in export markets. This was a model of how the government continues to work so hard to defend our domestic policy choices, in close cooperation with industry and with provincial jurisdictions.

We also know that our supply management system is under pressure in the World Trade Organization's agriculture negotiations,

but Canada is fighting back. Our negotiators, led by the Minister of International Trade and the Minister of Agriculture and Agri-Food, are using every possible opportunity to promote Canada's objectives. They are seeking a fair and equitable result for all of Canada's producers, one that levels the playing field on which they compete.

At the same time, our negotiators are strongly defending the ability of Canadian producers to choose how they market their products.

[*Translation*]

Looking further, we know that imports of various milk proteins have been on the rise in the past while. This trend has our dairy producers very concerned, given the centrality of the import control pillar in our supply management system.

Indeed, this is why the Dairy Farmers of Canada has called on this government to initiate GATT article XXVIII negotiations on their behalf. If successful, a GATT article XXVIII action would allow Canada to negotiate the creation of new tariff rate quotas on specified products. In this case, the products would include casein, caseinates, butteroil-sugar blends, and milk protein isolates, based on the Dairy Farmers of Canada's request.

I want to assure all members that the government has clearly and honestly discussed this request with the Dairy Farmers of Canada. The government has explained its view that this is not the best time to initiate an article XXVIII action, and I will speak more to the government's reasoning in a few minutes.

Through all these challenges to supply management, this government has acted and responded in the best interests of Canadian producers. As we all know, supply management is a critical element of our domestic agricultural policy, and something that must be supported and defended domestically and internationally.

But I also think that it is important to take time in this debate to recognize that the government's steadfast support for supply management by no means diminishes our support for other Canadian producers who are more outward-looking or export-oriented in focus.

[*English*]

We all know that Canada is a trading nation and the same is true for many of our agrifood producers. This reality means that the government must strategically reflect the needs of all producers to achieve Canada's overall objective on the international stage.

Once again, I would like to look at the government's effort in the World Trade Organization agriculture negotiations to demonstrate how Canada is doing just that.

In 1999 the government announced Canada's initial negotiating position for the WTO agriculture negotiations. The position was developed in close consultation with the provincial governments and the full range of agrifood stakeholders.

Canada's primary objective is to level the international playing field. Canada is seeking a big ambitious result in the negotiations through the elimination of export subsidies, substantial reductions in trade distorting subsidies and significant market access improvements for all agrifood products.

Achieving these objectives will go a long way toward removing the unfairly high levels of support and protection offered by just a small handful of countries. At the same time, Canada will continue to defend the ability of our producers to choose how to market their products.

[Translation]

Canadian producers support Canada's overall objectives. While they may have different views about how to achieve these objectives for specific issues, they agree that clearer, fairer and more equitable global trading rules are truly in all of their interests.

Since the WTO negotiations began in 2000, the government has been working extremely closely with all Canadian producers. The provincial governments and agri-food stakeholders have been kept fully engaged at each step of the way in the negotiations. Ministers and officials have been meeting extensively with stakeholders to listen to their perspectives on the issues under negotiation.

Likewise, they have strongly supported and facilitated the efforts of agri-food industry representatives to travel abroad and meet with foreign governments and their industry counterparts around the world to present their views on the agriculture negotiations.

For example, just a few weeks ago, over 65 representatives of our agri-food sector were in Geneva to take part in the WTO's annual public symposium. That kind of cooperation between producers, agricultural organizations and the Government of Canada not only builds trust and a strong relationship between Canadian interests at the WTO negotiations, it contributes to a strong Canadian position at those negotiations.

• (2140)

[English]

Yes, there is still a long way to go in the negotiations and there are very real challenges that Canada must face along the way. However I assure the House that Canada will continue to capitalize on our credibility and influence to keep fighting for positive results for all our producers.

As I had the opportunity to mention a few moments ago, I was very encouraged by the words of the Minister of Agriculture this evening in this debate indicating that he would not hesitate at the proper time to use article XXVIII should that be necessary. I think it is the proper thing to do and the responsible thing to do.

We have to look at all our producers. I represent part of the Annapolis Valley. We have a multitude of producers, some in commodities who do not benefit from supply management and others in the supply management. We have seen production facilities

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close down because they could not compete with unfair imports that are subsidized and productions that are subsidized. It is important that the level playing field be there. I believe the producers in our country can compete with anyone anywhere under the same regulations, under the same rules and under the same support.

If we want to support our whole industry, we must encourage the minister to negotiate a level playing field. I understand from the minister and other ministers that perhaps using article XXVIII at this time would not benefit that process.

I take the minister at his word because I have known him for a long time and I know him to be an honest man and a man of integrity. What I would ask of the minister, as someone mentioned, is a line in the sand. I think it is important that producers understand under what conditions we may have to do that and what the milestones are.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Chair, my colleague talked about the Annapolis Valley. I like to think the best valley in Nova Scotia is the Musquodoboit Valley, but that is another point.

Before I start with him, I just want to reiterate some of the concerns I have with my Conservative colleagues on their conversion to the road to Damascus. Their current leader, between 1993 and 1997, voted for every cut to agriculture that was brought forward by the Liberals, supported by the Reform Party at that time and the current leader at that time. The former leader of the Saskatchewan Party, Elwin Hermanson, voted for every cut to agriculture that the Liberals presented, supported at that time by the Reform Party. They cut the Crow rate. The grain elevator reductions and everything the Liberals brought through for cuts in agriculture was supported by the Reform Party.

In fact we do not have to go far back. In 1997, in their platform book they advocated further cuts to the agriculture department of Canada. That was not the NDP. That was the Reform Party and the Conservatives of today.

When their senior trade critic was the president of the Canadian Agri-Food Trade Alliance, he denounced, not in these words, but criticized supply management and did not want farmers to be protectionist. Now CAFTA is complaining that the Conservatives, like the Liberals, are too afraid of losing dairy votes to stand up to a strong market access position that promises to break down all trade barriers including Canadian high tariff protection for the dairy, poultry and egg industries. Are the Conservatives afraid of CAFTA or are they afraid of the National Farmers Union?

They now have the member for Cypress Hills—Grasslands who said in this House that the Wheat Board was engaged in illegal and corrupt activities. The Wheat Board is a debatable thing. I understand the Conservatives have their view and we in the NDP have ours, but if a member of the Conservative Party is going to say that the Wheat Board is engaging in illegal and corrupt activities, that member should have the courage to stand outside beyond the curtain of immunity and say that outside in the lobby. Otherwise, it is a bunch of bunk, which is what we get from the Conservatives a lot of time.

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They stand and complain that the \$4.6 billion deal that the NDP made with the Liberal government did not have agriculture in it. I have represented many farms in Musquodoboit Valley. I grew up in western Canada, as the member may know, or he does not care to listen, but the fact is that farmers care about the environment, they care about educating their students and they care about homelessness.

We are going to work on agriculture. If they give us time that will be there as well. However the reality is that every morning when we have breakfast we should be thanking the farmers who get up and do the hard work that they do. We know that farming is one of the most dangerous occupations in the world today and for it not to be supported in any way, shape or form by any member of Parliament of any party is disrespectful and disgraceful.

The Liberal Party has been in government since 1993. A few years ago, when we had a farm lobby attend the NDP caucus, I spoke to a 12 year old boy outside of Prince Albert. I asked him if he would be a farmer and he said, "Absolutely not". I asked him how many kids in his class of 23 students will take up agriculture as a livelihood. He said none. Why the hell would anyone get involved in that industry today? That is a shame.

We have lost thousands and thousands of farm families across the country, very similar, as the member from Digby knows quite well, to how many fishing families we have lost throughout the country. The agricultural and the fishing aspects of our rural parts of Canada are under severe attack and it is time the government, along with all members of Parliament from all parties, understand the serious nature that these people are in. They work every day to feed us and we should be doing everything in our power to be looking after them.

My only question to my hon. colleague from the great Annapolis Valley is this. Will he now tell the minister that if he is thinking about article XXVIII, that he should not think anymore, that he should stand and tell the farmers who are watching this debate that he will indeed invoke article XXVIII in order to say to the WTO and the rest of the world that Canada is serious about protecting the interests of its farmers and its families?

• (2145)

[*Translation*]

Hon. Robert Thibault: Mr. Chair, as you can see, the hon. member raises several important points with this simple question.

[*English*]

I do not know how to cover everything that he mentioned but I will start by saying that the best managed supply in this country might be the supporters of supply management within the Conservative Party. If it has managed to bring that into the party position I am very glad. I am glad that all parties support supply management within this country.

One of the elements in Bill C-48 is the question of foreign aid. I think foreign aid has a great benefit to our agriculture because we have to build the trading partners across the world, as well as the system, so we can benefit from that trade.

Finally, the member brings parallels between agriculture and fisheries and I think that is important at many levels. I know and the member knows that the fishery is at an all time high in Canada in terms of the amount of exports but not at an all time high with regard to the amount of jobs because with modernization there has been a change.

I see the same thing in agriculture. I see it in my riding. The dairy farms are buying quota from one another, like fishermen buy quota from one another. Dairy farms being a little bigger they need more cows to earn the money or build the capital assets they want for their families or for retirement. The *Canadian Almanac* has long since disappeared from the kitchen of the farms and the computer has replaced it. They are family farm businesses, small businesses run by small business people.

I regret that the 12 year old boy does not have the ambition to go into farming. I hope we have a next generation. As in fisheries, that is a challenge because the capital cost for the next generation to go into the business is very high.

On the international side there are parallels also. On the question of supply management, we manage the supply that is produced, the price at which it is produced and the distribution methods. It works quite well. In the fisheries we manage the quota but the quota is based on the stocks. The stocks are negotiated internationally and sometimes there are chances for abuse.

We have to be strong in our negotiations and we have to be balanced. We know that sometimes we need to have some give and take. If we get there with a sledge hammer immediately, protecting one sector of the industry, which I would like to see because I have a lot of supply managed farms in my riding, we would risk the negotiations that will help the other side of the agricultural industry, which is the export side that wants a level playing field internationally.

It is not very easy for the Minister of Agriculture and Agri-Food nor for the Minister of International Trade. Some people suggested that the Minister of International Trade would have a problem in using article XXVIII, should it ever be done. The Minister of Agriculture who is from a rural area will understand the expression very well when I suggest to him that if the time comes for that, he should bring the Minister of International Trade behind the barn.

Mr. Michael Chong (Wellington—Halton Hills, CPC): Mr. Chair, there is a lot of hot air going around this chamber about farming, especially from the NDP. I wonder if my colleagues in the NDP have ever driven a tractor, disked a field, packed a field or seeded it. I wonder if they know what a seed drill is or if they have birthed a calf.

I find it highly ironic that certain members of their caucus pontificate large about farming and farming needs, when many of them do not have farming backgrounds. The opposite is true in my caucus. Many of the members of the Conservative caucus have either grown up on farms or currently have farms.

It highly ironic that there is a lot of hot air coming out certain members from the NDP caucus, when they have no experience in agriculture.

• (2150)

Mr. Tony Martin: That is pretty arrogant of you to say we have no experience. I grew up on a farm.

Mr. Michael Chong: Mr. Chair, the member who just spoke I do not think worked on a farm. Yet he seemed to think that he knew everything about farming.

I grew up working on a farm. I worked for a farmer by the name of Jack Gilchrist who was a good Liberal. He had the International Plowing Match on his farm in 1968.

We have a farm in Wellington county just a mile down the road from where I grew up. In my riding of Wellington—Halton Hills the first Herefords were introduced to Canada in the 1860s in Puslinch township. The first square bailer was used in Canada, the first Angus cattle were introduced. We have the world famous University of Guelph research farms in Arkell and the Elora research station.

However, farming, and by farming I mean traditional agricultural, is in real trouble in our country. When I was growing up, the bank barns were full, the fences were up and the livestock were in the barns. Every barn was full and every field was full.

Now when I drive through my riding, half the barns are either falling apart or have been torn down. The fences are falling apart. The family farm is literally dying. As a matter of fact, for the first time fields are fallow this spring. Cash crop farmers are not even putting their crops in certain cases. This is the first time I have ever seen that in my lifetime.

Corn is at approximately \$2.80 a bushel. It costs more to produce corn than they are selling it for. Do not rely on me for this anecdotal information. The statistics bear it out.

Between 1993 and 2004 farm income fell 18% in real terms. Between 1994 and 2000 the population of our country rose 10%. The government's agriculture policy is not working. The number of farms in Ontario has declined 10% in the last 10 or 12 years. Farming is not working in this province.

The only thing that is working in traditional agriculture and the only thing protecting the family farm is supply management.

In Wellington county we have 26,000 dairy cows. We have about 500 dairy farms. This is industry works. There are no billion dollar bailouts. There is insulation from the severe shocks that we have seen in non-supply managed industries.

Why is the government selling out supply management? It has had 10 years to deal with the issues of butter oils being used to circumvent the rules. It has had 10 years to deal with the issue of over quotas. The government is using the over quota issue to sell out the supply management industry. The time has come for us to get the Liberal government to come clean on this. Liberals are selling out this industry by stealth, little by little, not in one fell swoop. Would the parliamentary secretary care to comment on that?

Hon. Robert Thibault: Mr. Chair, first, it is unfair to say that because we are not farmers that we do not care about agriculture or about farmers.

I grew up next to a mixed farm. My family was in the mink business. I was never in mink farming. I was not in farming. My

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father was a school teacher. That does not make me a professor. The farmers in my riding educate me about agriculture.

I was very pleased when the minister came to my riding to meet with a group of farmers from all sectors of agriculture in my riding. It was not a public relations exercise, nothing was advertised in the media, nothing was said first. He sat with them for over two hours and heard their concerns and suggestions. He answered them very honestly about what he could do and could not do to assist.

He did not leave them with false promises and false hopes. He left the farmers very confident, as I am, that there was a minister of agriculture who was honestly doing his best to advance their cause and advance their industry so they could feed their families and invest in their families' futures.

There have been changes in the numbers of farms and in my riding also. There used to be a dairy in every little village. Now there are very few dairies. There is a cooperative that is run by the farmers. The last one I think owned by a family I think was Cook's Dairy out of Yarmouth. Incidentally, it produced the best milk in the country. Their logo used to be "You might be able to whip our cream, but you can't beat our milk". I thought that was very good.

This has changed and the number of farms in the area have changed. The farms tend to be bigger businesses and less of them. This is unfortunate in a way, but it is a natural progression of the market.

What we have to ensure is that they survive and that there is a future for rural Canada and a future for the agricultural business.

• (2155)

[*Translation*]

Mr. André Bellavance (Richmond—Arthabaska, BQ): Mr. Chair, I have to say from the outset that I am here by obligation. Do not get me wrong. It is not because my whip, my parliamentary leader or my party leader forced me to be here. Rather, it is an obligation because of the Liberal government's lack of results regarding supply management. This is why I insisted on taking part in this take note debate on supply management this evening.

As I have already said repeatedly whenever we talk about agriculture, I am myself the grandson of farmers, of dairy producers. My riding is adjacent to two large administrative regions. There are no less than 1,400 supply managed farms in the Centre-du-Québec region and about 760 in the Eastern Townships. It is very important for me and for producers back home that we can talk once again about supply management in a take note debate in the House.

So, if I am here by obligation, it is not because I do not want to or because I am forced to be here. It is because this issue has been dragging on and producers are again calling for help. The response to their call is disappointing to say the least.

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For example, there is the Minister of International Trade, who rejected the demand of dairy producers, who had given the federal government until May 25—this is very recent—to invoke article XXVIII before the WTO. I have with me a newspaper called *La Terre de chez nous*, which is read by many people in the region and all across Quebec. I want to read a short excerpt. This is from an article published on Thursday, June 2, 2005. It reads as follows:

The federal Minister of International Trade is afraid he might jeopardize supply management if he takes the measures that dairy producers want him to take to end the uncontrolled trade of milk derivatives.

...

The Quebec federation of dairy producers is hardly enthused by the minister's timidity.

This is from the producers themselves. They are very concerned by the lack of firmness of two ministers, namely the Minister of International Trade and the Minister of Agriculture and Agri-Food, regarding supply management.

According to that newspaper, the Minister of International Trade is afraid to upset his allies, even though the latter do not hesitate to challenge our supply management system to protect their own agriculture industry. As for us, we are always afraid. We have that holier than thou attitude. This is what is happening with this issue.

The minister is sending dairy product manufacturers a very damaging message, namely that they can continue to use the derivatives currently used in dairy products. These include butteroils, about which a lot was said this evening, caseins, and protein isolates. I will not list them all. These byproducts are exempt from any tariff control. Such ingredients literally replace milk in products such as ice cream, yogourt and cheese.

I come from a major cheese producing region. Just think of Lactantia or Fromage Côté, recently acquired by Saputo. We have large businesses, as well as smaller ones producing cheese more like a cottage industry. The producers end up with tons of unsold milk powder because of the increasing use of milk byproducts.

Like the other 74 federal MPs from Quebec, I received a bag of milk powder, which I took to the Minister of Agriculture and Agri-Food on April 27, with several of my colleagues from the Bloc Québécois. The minister was not in his office, but we were let in anyway, which was already something. We were able to leave our bags of milk powder.

Obviously, this was a symbolic gesture, both on the part of the farm producers who brought the bags to our offices and on our part when we took them to the minister's office. It may have been symbolic, but it reflected the crisis faced by our dairy producers, who are increasingly worried.

For example, dairy producers in Quebec are losing \$70 million annually—across Canada losses total \$175 million—because of imported milk byproducts. These are revealing numbers. They are pretty impressive. These same producers lost 50% of the ice cream market, just because of the use of butteroil. It can only get worse, if the Liberal government keeps sitting on its hands. It is also important to know that imports are on the rise. We are talking about \$2 million a month. This is definitely not a passing phenomenon, far from it.

These milk byproducts are coming from countries, mostly in the European Union, which massively subsidize their farm production and exports. As we know, our producers do not receive any such subsidies. I call that unfair competition, plain and simple.

• (2200)

In addition, consumers do not even benefit. If, at least, consumers paid less for one kind of ice cream because of certain products in it, it might be said that consumers were the winners. It would be unfortunate for farm producers, but there would be one winner at least. But that is not even the case.

The processors are the only winners. The ingredients cost less, it is true, than the real milk products. However, the cost of ice cream made with butteroil, for example, rose at the same rate as that of the good ice cream made with milk or cream only.

I encourage consumers to read labels carefully when they buy dairy products. If you see the word “milk” or “cream”, you have a high quality dairy product and you are helping dairy producers in your region, regardless of where you live in Canada. When you read the label, you will sometimes see the words “modified milk ingredients”. These are magic words appearing on the labels of cheese, yogurt and ice cream. This shows that substitute products were used. These products come from the European Union and the United States.

I encourage consumers to make enlightened choices. If you want to help farm producers, buy products made with milk and cream. You will be helping people here. The government can also help them, and that is what is lacking.

The future of the supply management system is in peril. The Liberal government, as I mentioned earlier, remains nervous about the course of action to take. However, I remind it that it supported a motion by the Bloc Québécois, Motion M-163, which I had the pleasure of speaking to on April 15 in order to defend supply management. This motion called on the federal government to make no concessions in present and future WTO negotiations that would weaken the system. The motion was passed unanimously in this House. Perhaps the government should be reminded.

The Government of Quebec has also called on the federal government to do what is necessary to remedy the situation by preventing substitute products from circumventing tariff controls.

The supply management system is not complicated. It provides a minimum salary to producers by avoiding distortion in world market prices. There is consensus on it in Quebec. Ottawa has never been vigorous enough in its defence in international negotiations.

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Consider, for example, what happened in Cancun in 2003. We almost lost supply management. African nations ultimately rallied around Canada in order to save supply management. We were very concerned at the time. We can go back even further. We were also very concerned in Marrakesh in 1994, because the government gave up article XI of the GATT. This article provided some protection, but I will not go into detail. One thing is clear, however. We had not listened to producers, 40,000 of whom had come here to Parliament Hill two years earlier in 1992 in order to ask the government to save supply management.

I do not know if other major protests are needed, such as those held recently where bags of skim milk powder were distributed and then passed on to the minister. If we need 40,000 of our dairy producers again, I will be happy to tell them there will be another major protest, in order to make this government think.

The only remaining protection is article XXVIII of the GATT, which the Minister of International Trade refuses to invoke. I read this earlier in a June 2 article in *La Terre de chez nous*.

Who will defend the industry if the ministers of International Trade and Agriculture and Agri-foods refuse to do so? Unfortunately, the Bloc Québécois is unable to sit at the WTO negotiating table. So, we are defending it here, along with the other opposition parties, of course. Sometimes this works, because we did succeed in unanimously passing Motion M-163. Also, the Liberal Party and some of its members are making interesting speeches. However, there is often a big difference between what people say and what they do.

As far as we are concerned, Quebec would be best placed to do this. However, we will have to become a nation in order to have a seat at the WTO. All in good time. Obviously not everyone agrees, but the situation requires immediate action. And right now, it is up to Canada to defend supply management. We respect this for now, but the time has come to step up to the plate and take action.

I will close by saying that if the government truly wants to defend supply management, it must immediately invoke article XXVIII of the GATT, before the WTO, in order to introduce new tariff quotas and maintain these imports at current levels up to a maximum of 10%. This must be done. Thank you for your attention.

• (2205)

[English]

Hon. Wayne Easter (Parliamentary Secretary to the Minister of Agriculture and Agri-Food (Rural Development), Lib.): Madam Chair, I am pleased to see the member for the Bloc this evening. I am glad he is supportive of the Canadian national supply management system, which has done so much for the province of Quebec.

Supply management alone for the province grosses \$2.277 billion, so it is a major economic driver in the province of Quebec, and we know that producers are strongly supportive of it.

I find it remarkably strange why the party opposite, though, wants to continue to talk about separation when the whole system itself is

based on a national system of supply management, which is so productive for Quebec producers.

My question really relates to the point the member made on article XXVIII. I do not know whether the member heard the minister speak earlier. The Minister of Agriculture certainly has not ruled out article XXVIII. He said clearly that we have to look at utilizing that article strategically. We do not want to use it in a way as to jeopardize the benefit to the total industry as a whole, including beef producers in Quebec, potato producers in Quebec, and producers of other commodities.

Would the member not agree that it is important to not just use threats but to be strategic in terms of how we use the various tools that are available to us in our talks at the World Trade Organization?

I do not think he would be suggesting that we utilize article XXVIII too soon so as really to jeopardize our total position at the talks. I would hope that would not be his position.

[Translation]

Mr. André Bellavance: Madam Chair, I know we must not comment on the presence or absence of members of this House, but I am pleased that the parliamentary secretary to the minister and the minister himself have heard my speech.

What I said is a reflection of what I have heard from the agricultural and dairy producers in my region. The parliamentary secretary has just said that we must not be too hasty, that care must be taken with article XXVIII and we must be careful not to do just anything. I can understand that certain strategies need to be adopted. Can he nevertheless understand on his side that the agricultural producers who come under the supply management system have been begging for help for ages? He is well placed to realize that all manner of awful problems have been cropping up. Agriculture is in crisis at this time.

What we are asking this government to do is to use a protective measure that all countries can use. Article XXVIII can be used right now to face up to the WTO. That is what the agricultural producers are calling for. I do not see why we need to wait. These people are begging for help. Action must be taken now.

The parliamentary secretary has said that the Minister of Agriculture and Agri-Food said he did not exclude the possibility of recourse to XXVIII. As far as I am concerned, things are not going either far enough or fast enough.

Returning to the article I have been holding in my hand from the start, from the June 2, 2005 *La Terre de chez nous*, which bears the title “Milk ingredient imports—Canada will not invoke article XXVIII”, that is the crux of the matter. What we are asking the minister is to invoke article XXVIII, it is as simple as that.

In an independent Quebec, the supply management system would be far better defended than at present. In Quebec we hold it dear to our hearts. Such is not the case for the Liberal government. We have proof of that in the examples it gives us. People are still on a tightrope; the supply management system is still fragile.

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• (2210)

Ms. Diane Finley (Haldimand—Norfolk, CPC): Madam Chair, I understand the hon. member is supporting the supply management system, just as we do. I would just have one question to put to him.

Would the hon. member recommend that the minister leave the negotiating table if the supply management system were threatened?

Mr. André Bellavance: Madam Chair, we would have to ask the minister if that would be doable and profitable under those circumstances.

I certainly do not believe that leaving the negotiating table at a time when the supply management system is threatened is a good approach. Who will defend the supply management system, if the minister has left the table? We have to be present but firm. The same is true of members of Parliament; we have to be present in the House. If I am not in my seat, I cannot speak on behalf of the dairy producers in my region.

My position is just the opposite of what the hon. member suggested. The minister has to be at the table. Both the Minister of International Trade and the Minister of Agriculture and Agri-Food have to be firm in these negotiations. This does not mean flouting WTO rules. It means using those means available to us to defend our supply management system and our agriculture. The supply management system does not benefit only Quebec, it also benefits the other provinces across Canada.

I do not understand why the ministers are so timid, when they have a tool to negotiate. We gave up article XI of the GATT in 1994; now is not the time to give up those tools we have left. By applying article XXVIII, the farm producers' wishes could be met, and our system would truly be defended.

[*English*]

Mr. Tony Martin (Sault Ste. Marie, NDP): Madam Chair, I just wanted to say to the member from Quebec that I appreciate his position on supply management, and over the time that I have been here, many of his colleagues have stood and defended supply management. I also appreciate his anxiety around the minister's reluctance to use article XXVIII.

We know that our American neighbours, for example, never fail to take an opportunity to call on any article to defend their industry. I know that on the softwood lumber file, for example, even when they lose, they call the article again and again, because they feel so strongly about defending their industry.

I would like to ask the member if he could give me some sense of the impact on farming in Quebec if in fact this goes ahead and this article is not used by the minister.

[*Translation*]

Mr. André Bellavance: Madam Chair, I thank the hon. member for his relevant question and for supporting supply management.

As I said earlier, the use of milk substitutes alone results in an annual shortfall of \$70 million for Quebec dairy producers, and of \$175 million for Canadian producers. This is a very concrete, current and unfortunate impact.

The hon. member gave a good example, namely the softwood lumber issue, regarding which some countries, that is the United States, do not hesitate to apply protectionist measures to protect their industry. Of course, in the case of softwood lumber, we and just about everyone else, including American consumers, think that the United States used what could be termed as delaying tactics. It is possible to apply some measures without completely closing the borders.

Back home, we just witnessed something very sad. A furniture manufacturing plant just shut down. Over a period of a few months, 175 workers have lost their jobs. As we know, the furniture and textile industries are two sectors that are experiencing problems and for which it would be possible to apply some protectionist measures to protect them from the Asian competition, without totally closing our markets.

Therefore, I do not see why, in the agriculture sector, which is faring a lot better than some others, we would not use the measures available to us to protect our supply management system.

• (2215)

[*English*]

Mr. Paul Steckle (Huron—Bruce, Lib.): Madam Chair, it is a pleasure for me to take part in this important debate about supply management tonight.

As other speakers have addressed the importance of the supply management system and the government's commitment to the entire agrifood sector, I would like particularly to focus on the efforts this government has made to promote a successful outcome at the WTO Doha negotiations, which hold out the promise of a more level playing field for our producers and exporters.

Above all, the WTO is a tool for domestic prosperity, ensuring that our exporters have secure access to markets around the world, a stable and predictable business environment, and a level playing field for our producers.

The WTO has also ensured that our importers can source product from the most efficient sources in the world, providing cheaper inputs that boost productivity and provide better choices for consumers.

The WTO sets the rules for global trade. These multilateral trade rules underpin Canada's commercial relations with the WTO's 147 other members.

It is through the WTO that Canada seeks to secure and expand access to both our established trading partners, such as the U.S., the EU, and Japan, as well as to emerging markets of the developing world, such as China, Brazil, and India.

The WTO also helps Canada manage disputes with the U.S. and our other global trading partners on the basis of rules and not simply on the basis of power.

In short, the WTO ensures the openness of the world to Canada.

As a medium-sized trade-dependent nation, Canada knows the importance of clear and enforceable rules and effective dispute settlement mechanisms to ensure that power politics do not impair the way agrifood products are traded around the world.

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Canada has consistently worked with a wide range of countries to build a trading system in which all countries, regardless of their political or economic power in the world, can compete upon a level international playing field governed by multilaterally agreed upon rules.

It is our belief that the WTO negotiations represent the best opportunity to deliver real economic benefits for growth and development to both developed and developing countries. This is why Canada remains committed to aggressively pursuing an ambitious and balanced outcome to the current round of WTO negotiations. This is also why Canada's international policy statement, "A Role of Pride and Influence in the World", recognizes that a successful outcome to the current round of WTO negotiations under the Doha development agenda would be a significant boost to Canada's international commerce strategy and to the development prospects of most WTO members.

I would like to take a few moments now to explain what Canada is seeking in an ambitious outcome to the Doha negotiations, one that is in the interests of all Canadians.

We are seeking to level the playing field upon which Canadian agrifood producers and processors compete; improve market access for goods and services providers to developed and developing countries; strengthen trade rules on antidumping, countervail duties, and subsidies; facilitate trade by cutting red tape at the border; and better integrate developing countries into the world trading system.

The WTO agricultural negotiations are critical for Canada as a whole and for the agrifood sector in particular because these negotiations offer us the best opportunity to work with other countries to level the playing field by addressing foreign subsidies and tariff barriers that hinder our ability to compete fairly in foreign markets.

Before the agriculture negotiations began in 2000, the government consulted extensively with provincial governments and the entire agrifood sector to develop Canada's negotiating objectives. Canada's primary objective is to level the playing field. More specifically, we are seeking the elimination of export subsidies as quickly as possible, substantial reductions of trade-distorting domestic support, and real and significant market access improvements for all agriculture and agrifood products.

Our negotiating position has enabled Canada to put forward strong, credible ideas and approaches throughout the negotiation.

I am proud to say that Canada is a very effective, active, and influential player in these negotiations. Our negotiators have been working with a wide range of countries, developed and developing, to put forward creative and practical approaches that advance our objectives across all areas of these negotiations.

Canada has been playing a very effective broker role between divergent points of view, building on our current alliances and forging new ones. This approach has been very successful for Canada. Many of our ideas and approaches have been reflected in negotiating texts to date and, most important, in the framework agreement that WTO members reached in July 2004.

● (2220)

The framework agreement continues to guide the negotiations. It clearly points the way toward a more level international playing field, and moves in the direction of righting some of the imbalances that have faced our producers since the Uruguay round. The framework provides scope for Canada to continue pursuing our negotiating objectives, and reflects many of the key ideas that Canada has been putting forward since the negotiations began.

As the framework was being negotiated in July 2004, Canada's negotiating team left no stone unturned to advance our negotiating objectives and to work toward a framework in the interests of the entire agri-food sector, including the five supply managed industries and the Canadian Wheat Board.

I would like to applaud the Minister of International Trade and the Minister of Agriculture and Agri-Food for the amount of time and energy they and their officials have devoted to working with stakeholders over the course of these negotiations.

With the framework that we now have in place, Canada can continue to work toward achieving our negotiating objectives that were developed in close consultation with the provinces and a full range of agri-food stakeholders. It is true that Canada will continue to face growing pressure on our domestic sensitivities, but we are ready. Canada will continue to consult closely with our stakeholders to achieve a positive outcome for the entire agri-food sector.

The government needs to continue to strongly press Canada's position in these negotiations: that all of our producers need a rules based trading system in which to do business; that our producers need a level playing field in which to compete fairly and effectively; that Canada will continue to defend the right of producers to choose how to market their products, including through orderly marketing structures like supply management and the Canadian Wheat Board; and that the Canadian Wheat Board is a fair trader, as clearly upheld by a WTO panel and appellate body in August 2004.

We welcomed the momentum the July 2004 package provided to the negotiations. We were pleased to see that the July package integrated many Canadian ideas. While negotiations continue to build in intensity and momentum, there remains much hard work to be done if we are to move the negotiations forward toward a successful sixth WTO ministerial conference in Hong Kong, China, December 13 to 18, 2005. Canada will be at the forefront of these efforts.

We need to make every effort to advance the interests of our agri-food sector. We need to continue to support Canadian agriculture which depends heavily on exports, a predictable trading system, supply management and the Canadian Wheat Board.

As a trading nation with almost 40% of our GDP depending on trade, a predictable multilateral trading system is vital to Canada's interests. Therefore, Canada must be in a position to engage in the negotiations and exert influence in order to ensure our interests are articulated and achieved in all aspects of the negotiations.

Government Orders

Mr. James Bezan (Selkirk—Interlake, CPC): Madam Chair, I appreciate the opportunity to intervene in this important debate tonight. I want to thank the hon. member opposite for chairing our agriculture committee and for the most part the non-partisan work. We do important work at that committee.

It is unfortunate in tonight's debate that there have been some angry meanspirited comments about politics on such an important issue. Here we are again having a take note debate on an agricultural issue. As a farmer, as someone who gleaned part of my earnings from the supply management industry as a cattle buyer and livestock exporter, it is unfortunate that we are discussing the future of supply management and the economic injury it is facing now. I thought the supply management industry was our safest bastion in agriculture.

Farm families are currently facing a lot of stress. The BSE crisis is hurting our livestock producers, including the dairy sector. The grain industry has experienced some very difficult growing and harvesting over the last couple of years. There are depressed commodity prices because of international trade injury. It is unfortunate that we find ourselves here today discussing the supply management commodities and the injuries faced there, not just because of BSE but because of some of the unfortunate competition being faced domestically from other products. We are also talking about the competition that is going to possibly take place because of negotiations happening at the WTO.

I can appreciate the difficult situation for the government in negotiating the new round and trying to get the best deal possible for all Canadian producers. It is important that we get a position that does not trade off one industry against the other. I do not think there is a single agriculture producer in the country who wants to see one sector disadvantaged because of another sector that we have in domestic production.

I want to find out from the hon. member, the chairman of the Standing Committee on Agriculture and Agri-Food, exactly what tools are available to us to protect supply management. More and more products are coming in under derivatives as combination food products. They are slipping in underneath the tariff rate quotas that are in place to protect the industry. The TRQs of course are in place to protect all our agricultural commodities, and other industries as well, but under the current levels that we have negotiated, definitely we are seeing losses. We have already been talking about caseins and caseinates and some of the other products, the butter oils and blends. How are we going to protect the industry so that we do not see a complete erosion of the domestic market for our supply management industries?

• (2225)

Mr. Paul Steckle: Madam Chair, I want to thank my hon. colleague for the great work he does in our committee along with his other colleagues from other parties as well. We work very well together. Because of the non-partisan kind of work we do, we have been able to achieve a great number of things.

My hon. colleague asked what tools we have. The greatest tool we have is the tool of educating people in what supply management is all about. If Canada has failed in any area, it has probably been in this area. Perhaps some of that fault lies with the sectors of the

supply management communities by basically not having explained it to our friends.

As was recently mentioned, we met with our New Zealand counterparts and those people did not understand. They thought supply management was an arm of government, that somehow supply management was a great plan of government that allowed us to function in that way. That is not the case. The belief that there are huge subsidy dollars going into the supply management sector is another fallacy.

A lot needs to be done. For those partners that we have at WTO, and there are 147 other countries involved in this partnership, we should not, as has been already mentioned, be trading one sector against another.

Tonight we have talked a great deal about article XXVIII. It should be pointed out for all who are listening and watching the debate this evening that article XXVIII is only wished by the groups supporting supply management in the dairy sector. Those in other sectors of the SM5 do not support article XXVIII being used at this time.

We have to be very careful that not only do we trade other aspects of agriculture, but that we also not trade one aspect of the supply management sector against the other. There is very great danger in that as well.

The greatest tool we have is education. I was at the round in Cancun, where I saw in our own Canadian delegation of about 150 people, on one side of the room the group representing the trading groups, the grains and oilseeds, and on the other side of the room the supply management sector. It was a very divided group. It was divided not only in terms of where they sat in the room where the discussions were going on, but they were divided in their opinion of what we should be doing at the round.

We have a lot of educating to do. If we clearly understood and if people in other parts of the world and our other partners understood in the round what this is all about, that this is the fairest way, basically we could have a lot more countries supporting us in our efforts to achieve what we want at the WTO.

• (2230)

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Madam Chair, I was a bit taken aback by the last comments by my colleague on the Liberal side when he said we cannot trade off one against the other. Is it not in fact exactly what Canada is doing at this point?

He in effect said that it is okay for the dairy sector to lose 50% of the ice cream business in this country, to have significant drops, large percentage drops, in the cheese sector and the yogourt sector. Those are going. In fact they are increasing in percentage losses that we are suffering right now.

When he said that we should not be pitting one side against the other, I think that is exactly what the government is doing. The Liberals' decision is not to use article XXVIII, which is there to protect. The United States has used it, Russia has used it and any number of countries have used it to protect sectors within their agriculture sectors.

Government Orders

We are prepared to say that maybe the grain and oilseeds want something else. They are not losing anything in this decision. By not invoking article XXVIII, we are in effect sacrificing the dairy industry in this country, or at least a big chunk of it.

It is ongoing. The member was on Parliament Hill a month ago. He heard the dairy farmers. He heard their plea for assistance from the government. Where are we? Why are we not helping them? Why was the choice made to say, "Sorry, we are prepared to sacrifice you"? The Minister of Agriculture or the Minister of International Trade did not say that to them, but that seems to be the reality at this point. I would like to know why the decision was made to not support that sector and to not go to bat for it.

Mr. Paul Steckle: Madam Chair, the question is a fair one. Obviously the answer that I am going to give is probably one that he may or may not believe or may not want to understand totally, and I am not sure that I understand all the implications of the invoking of article XXVIII, but I must say this.

He made reference to the Americans and other countries using article XXVIII. It is there for a purpose, just as article XI was. Article XI was lost. The argument is being made that because we lost on article XI we may also lose on this one and therefore we should use article XXVIII before we lose it. It is not a case of losing it, and I am not talking about trading off one aspect of supply management against the other. I am simply saying there are those communities in the supply managed sector that do not want article XXVIII invoked because they realize there could be consequences.

If we shut the door totally to negotiations for the supply managed sector because at this juncture of the negotiations we have invoked article XXVIII prematurely, then we have in fact sold out all of supply management. That is not what we want to do. I think the judgment is being made that if in fact we find we need to invoke article XXVIII at a later time, then we will do that. We have the assurances of the minister.

I realize that this is perhaps not a real consolation to some people, but I will tell members that if we use article XXVIII at this particular juncture and it ends up that, as we had feared, we lose the ability for further negotiation on behalf of supply management, I am sure none of the other supply managed sectors would come forward to thank the dairy sector, nor would they thank us as a government. I am sure the opposition—

The Assistant Deputy Chair: Resuming debate, the hon. member for Simcoe—Grey.

• (2235)

Ms. Helena Guergis (Simcoe—Grey, CPC): Madam Chair, it is a pleasure to speak this evening on this very important matter of supply management.

Those members who have had the opportunity to visit my beautiful riding of Simcoe—Grey know that a major source of employment is the agricultural industry. Agriculture is the key economic sector of our country and farming provides benefits to the communities that surround it. Rural Canada contributes 15% of Canada's GDP, which benefits all Canadians.

Within my riding of Simcoe—Grey, agricultural and agrifood businesses generate over \$150 million. Twenty-seven per cent of

goods-producing jobs are actually agrifood jobs. The result is safe, secure and affordable food that is produced close to home.

However, it is important that producers and governments work together to make agriculture sustainable. Our farmers are hard-working and independent, but cooperation is becoming increasingly important to make our producers competitive in global markets.

A Conservative government will support supply management and its goal to deliver a high quality product to consumers for a fair price with a reasonable return to the producer. This is common sense. However, it was only because of political pressures that the Liberal government even considered supporting supply management. This is not enough.

Canadian farmers are suffering because of poor ministerial representation by the government at World Trade Organization negotiations. In 2003, for example, the Liberals attempted to restart WTO negotiations by offering to reduce tariff levels on egg, poultry and dairy imports by 5%. In effect, what they are doing is playing the interests of different Canadian farmers against each other to achieve their objectives. This is wrong.

Then, in the 2004 WTO negotiations, this government signed an agreement that threatened supply management in the egg, dairy and poultry sectors. The 2004 agreement commits Canada to reducing tariffs in proportion to reductions made by other countries. This is shameful.

This government has failed to achieve real protection for Canada's supply management sectors. Instead, the Minister of Agriculture and the Minister of International Trade have bargained away tariffs in these sectors piece by piece. Because the government does not stand up for Canadian farmers, it has not been honest with them about the ramifications of these negotiations.

The Conservative Party believes that government must support farmer-led supply management systems and the government must negotiate beneficial trade agreements.

When Canadian agriculture faces unfair trade challenges, Ottawa must go to bat for producers on the world stage with high level delegations. We need a commitment from the government that this supply managed sector will have input into the creation of a trade negotiation mandate, but we have been waiting 12 years for this. It has been 12 years and all we have seen from the government is mismanagement and neglect.

Let us not think for a minute that Canadians farmers are not aware of the lack of support from the government. During the past year I have travelled extensively throughout my riding. I have spoken to hundreds of farmers at community events, on the farm, on the sidewalk, at their doorsteps and at Terry Dowdell's coffee shop at Baxter corners.

Government Orders

Their message to me was clear: they no longer respect politicians. They say their trust has been continuously violated over the past 12 years and they have had enough. They have heard Liberal promises, put their faith in the government over and over again and waited for action, only to see the Liberals continue to break promises, ignore Canadians and further demean elected office in the eyes of the Canadian taxpayer. Promises made, promises broken.

Government, minority or otherwise, brings not only the privilege of the fancy seats on the other side of this chamber but also the responsibility of governing on behalf of Canadians. However, this government has become so arrogant that it no longer represents the needs of Canadians.

It is not just the farmers who are fed up with this Liberal government. The conflicting Liberal messages are a factor contributing to Canada's isolation at WTO negotiations. Major countries such as the U.S.A., the European Union, Australia, Brazil and India are playing an increasingly important role in WTO negotiations, whereas Canada is being sidelined.

• (2240)

Much like Canada, the European Union and the U.S.A. are net agricultural exporters. They went to the table last July with strong, developed plans to achieve their goals and domestic interests. Canada has no plan. Canada has not defended its agricultural producers and has become a spectator rather than a participant in influencing the agriculture agreement.

The Liberals will tell us that they sought consensus of the industry through stakeholder consultations, convincing producers that they had sufficient input to proceed with trade negotiations. However, the Liberals have violated their trust. The government has abdicated its responsibility to live up to its own negotiating mandate.

Canadian farmers want and need a government that will listen to them, a government that will work to support and protect the agriculture industry, a government for Canadians.

Keith Currie, president of the Simcoe County Federation of Agriculture and also a local farmer in my riding, was very clear with respect to supply management. He said that supply management works and it would be a shame if the government were to let it fall between the cracks.

He said that supply management provides a good return on investment for farmers and allows them to contribute their profits back into the economy, not only for new equipment but to purchase items such as furniture for their homes and schooling for their children. Furthermore, farmers pay taxes on their profits. It is therefore a win-win for all parties involved, he said. I could not agree more.

Mr. Currie went on to say that the federal government needs a long term plan for agriculture and that Canadians must know that a country with a stable food supply will remain economically stable. We cannot lose that.

Mr. Bill Mitchell, assistant director of communications and planning for the Dairy Farmers of Ontario, made it very clear that the

dairy industry wants the Canadian government to take a strong stance in the upcoming trade negotiations. He also indicated that the dairy industry has had substantial losses due to subsidized imports that are coming in through trade loopholes and dairy farmers want the government to act now and stop the damage.

I will explain the loophole in plain language with the following example. If we take butter oil and sugar and mix them together, they are then tariff free. This is because the two items together create a new mixture not picked up in trade negotiations. Since the new mixture was not part of the trade negotiations, it is tariff free.

Mr. Mitchell said that Canada should be protecting its agriculture industries by stopping loopholes that create losses for our farmers. He said that one way to do this is to improve product standards and labelling regulations.

Canadian farmers involved in the supply managed industries are very committed, hard-working individuals who watch intently what we do here on Parliament Hill. They watch because they want the government to finally step up to the plate and put Canada first with respect to WTO negotiations.

I am proud that I can stand in front of them and in this House and say that I support supply management, my party supports supply management and my leader supports supply management. I am proud to stand up for Canadian farmers. Our party is proud to stand up for Canadian farmers.

Just this past summer, the leader of our strong and united Conservative Party, the leader of the official opposition, the member for Calgary Southwest, expressed his strong support for supply management by signing a declaration.

Our party is on record as supporting supply management and also supports the three pillars of supply management as expressed in the declaration:

—the Canadian supply management system...is based on planning production to match demand, on producer pricing that reflects production costs, as well as on control of imports...

The Conservative Party will ensure that Canada's agricultural producers are first on the list when it comes to trade negotiations. The Conservative Party of Canada will stand up for Canadian farmers.

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Madam Chair, I appreciate the opportunity to intervene in the debate at this point. I thank the hon. member for her intervention although I believe there needs to be somewhat of a reality check based on some of her comments.

First, we should understand and all Canadians should understand, that if she gives a litany events that have occurred prior to this year, that at the time those events were occurring and prior to the March convention of the hon. member's party, the position of that party was not to support supply management. That is the reality and I will have my hon. parliamentary secretary read it. It is fair enough to change their policy, but they should admit to the fact that they have changed it and their approach.

Government Orders

Second, in the first part of her speech she is critical of the government for not having a particular approach. Then later on in her speech, she criticizes that approach. There is an inconsistency there. On the one hand she cannot criticize the government for not having an approach and then later criticize the approach.

The negotiating mandate that we are pursuing is one that was developed over time in consultation with the industry. That is the reality. The member said that Canada was on the sidelines. I was in Geneva in 2004. We sat through the night, we sat through the day and we sat through the next night. Canada was not unrepresented. Canada was at that table. I think if she spoke to the 40 or so industry representatives who were with us in Geneva at that time, they would say that the framework agreement achieved in that process was one that provided us with an opportunity to pursue the negotiation in a way that would allow us to move toward protecting supply management and toward what our objective clearly is.

To suggest for a moment that Canada was not at the table, that Canada was not aggressively defending the interests of supply management and other producers in this country and that we were not there with the industry is simply not accurate. It represents misinformation being put forward.

We clearly support the supply management sector in our country and we have since its inception. We have given that support for 35 years. We are negotiating in the WTO to achieve important objectives for all Canadian agriculture in elimination of export subsidies, in the reduction of domestic supports and to provide new market access. However, we do it in a way that continues to provide Canadian producers choices about domestic marketing regimes, including supply management.

The actions and the position we take and the process that we pursue is one that has as its objective the long term sustainability of supply management in Canada. The decisions we are taking are designed to achieve just that. There may be disagreements about the strategic approach in which we pursue these objectives and that is fair enough. Part of the debate in the House should be about that. However, I stress that there is not a disagreement about the importance and the willingness of the government to support supply management in all its forms in Canada.

• (2245)

Ms. Helena Guergis: Madam Chair, honestly, I will not agree with the majority of what the minister said.

I would like to point out that during the last election I campaigned supporting supply management, enforcing that our party's platform was to support supply management. Nothing has changed since that date.

The minister has raised the issue about not having the government at the table, which is something I spoke to in my remarks earlier. I would like to elaborate a little bit more on the WTO negotiations and point out some facts so those listening at home have a full understanding as to what I am speaking about here.

I would like to remind the minister again that political pressure is what caused the Liberal government to verbalize its support for supply management.

However, this verbal support has been just that. When the rubber hits the road at the WTO negotiations, the Liberal government has failed to adequately represent all agricultural producers, including those in the supply managed sectors.

One of the members earlier, I believe it was the member for Provencher, pointed out that Canadian farmers had suffered from poor ministerial representation at WTO negotiations. A recent example of the Liberals shirking their duties to Canadian farmers was the absence of the Minister of International Trade and the Minister of Agriculture and Agri-food at the ministerial meeting in Kenya on March 2 to 4.

At this meeting member countries discussed their commitments to the Doha round. The international trade minister and the agriculture and agri-food minister were not at the meeting because they were attending the Liberal convention. Under the rules of the ministerial without a minister present, no other representatives of that country are allowed to speak officially. It is a shame that they did not have anyone there representing Canada.

The Liberals have clearly done a very poor job of showing other countries that Canada's supply managed sectors ought to be exempt from WTO negotiations. Instead they have used tariffs in the supply managed sectors as bargaining chips in the WTO negotiations.

The poor showing by these ministers at the WTO imperils the livelihood of all farmers. Canada is the third largest agriculture exporter in the world. Given that the two ministers have given mixed messages to the WTO and member countries, it is not surprising that Canada is losing credibility among the WTO countries.

• (2250)

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Madam Chair, in making my comments, I would like to return to something the minister of agriculture raised.

The minister mentioned, which I guess is another Liberal talking point, that our party's strengthening commitment to supply management somehow suggests that what occurred in the past is the relevant policy to look at. He stated incorrectly that we did not support supply management prior to the March convention.

What he did infer, which is correct, is that our supply management commitment has grown and did grow at the March convention. That was the result of the fact that there were a number of people, myself included and the hon. member who spoke earlier, who worked very hard to ensure that our commitment to supply management was strengthened. It is a real commitment, not the kind of make believe commitment we see from a government over there that did not give one penny for the support of agriculture in its last budget. This is despite the fact that we have had the worst agricultural year in the history of our country.

That is the record of the government. The fact that its members are squawking over there right now shows just how upset they are when the facts are laid in front of them.

Government Orders

The Liberal government has committed not a penny. Would a Conservative government and would she work to ensure that a Conservative government ensures, first, that there would be some commitment of resources to the agricultural sector in a Conservative budget?

Hon. Wayne Easter: Madam Chair, I rise on a point of order. Obviously we are talking history. If he cannot read his own policy statement, he obviously cannot read the budget either because he does not know what it says.

The Assistant Deputy Chair: The member for Lanark—Frontenac—Lennox and Addington can continue.

Mr. Scott Reid: Madam Chair, I will be very quick because I do want to hear what the hon. member has to say in response to my question.

Would a Conservative government and would she work to ensure a Conservative government ensures there are some resources devoted to the agricultural sector in Canada? In particular, would some resources be devoted to expanding slaughter and processing capacity to which again the government has contributed nothing?

Ms. Helena Guergis: Madam Chair, I must admit I had great difficulty hearing the member's question with all the yelling going on back and forth in here.

I believe the question was about whether we would increase slaughter capacity. That is very important to the Conservative Party. We have been saying for quite some time now that we would like to see the Liberals increase slaughter capacity. They have been making promises to increase this capacity, but we are still waiting for it. Why?

The only time we seem to see any action or see the delays stop with respect to slaughter capacity is when the Conservative Party raises it in the House and then the Liberals step up to the table. That is the only time we seem to see slaughter capacity increased. It is extremely important, especially for cull cows, and we do support it.

Hon. Larry Bagnell (Parliamentary Secretary to the Minister of Natural Resources, Lib.): Madam Chair, before I begin I would like to congratulate Yukon farmers for the tremendous work they do and the diversity and quality of their products. I am very proud every year to open the agricultural fair where these products are displayed. They are quite unique compared to what people might think of this area. This area is actually growing in production because of global warming and the opportunities to have a wide variety of very high quality products.

Seeing as the minister is here this evening, I would like to thank him and the department for the tremendous support that our agricultural community receives. It makes it a very exciting sector in our economy.

I am pleased to take part in this important debate this evening and to reaffirm the government's strong commitment to our supply management system, which we have been seeing for years. Supply management has been the choice of dairy, poultry and egg producers over the past three decades and has proven to be a very successful choice for these industries. It is one of the hallmarks of Canada's domestic agricultural policy and something of which this government is very proud.

Supply management is a uniquely Canadian agricultural commodity system and its benefits are many. It offers market stability and predictability to producers and consumers alike. It enables producers to secure a fair return in the marketplace in exchange for supplying higher quality, value added products to consumers.

Nevertheless, our supply management system is not without its share of challenges. Indeed, supply managed producers and dairy producers, in particular, are facing some very real and difficult challenges from a number of different sources. Some are domestic in origin, such as technological developments in the dairy sector, high quota values and limited growth potential in domestic markets.

Others are international in scope, including the fact that the low cost global competitors are looking to enter the domestic market in spite of current tariff levels. Still others stem from the very real pressures that Canada is facing in the World Trade Organization's agricultural negotiations. For example, in the area of market access our overquota tariffs are under pressure as all other WTO members are calling for tariff reductions on all tariff lines.

On domestic support, disciplines on product specific support will constrain Canada's approach to market price support for the dairy sector. In the area of export competition, the elimination of export subsidies will almost completely bar dairy producers from entering export markets. Taken together, we are facing the possibility of a smaller supply managed industry with lower returns for our dairy, poultry and egg producers.

Our supply managed producers are very aware of these challenges and the impacts they could have on their operations and on their future bottom lines. One of the key pillars of Canada's supply management system is the management of domestic supply through import controls. Regulated levels of imports enable governments to predict future demand and then ensure that domestic production levels satisfy most of that demand.

However, given the domestic and international challenges I have just outlined, supply managed producers, especially dairy producers, are becoming increasingly concerned about what they deem "to be the erosion of supply management's important control pillar". In response, they have pressed the government hard to protect their interests. The Dairy Farmers of Canada have been pressing the government to initiate a GATT article XXVIII action which, if successful, would allow Canada to negotiate the creation of new tariff quotas or TRQs on specified products.

Specifically, the Dairy Farmers of Canada has called for the negotiation of new TRQs on four specific dairy ingredients: casein, caseinates, butter oil-sugar blends and milk protein isolates. Given the increased levels of these imports, they have affected almost 50% of the ice cream market and 20% of the cheese market.

Government Orders

Supply managed producers have also been calling for fairness and equity in the rules that define the global trading system. For too long they and many other Canadian producers have been disadvantaged by inequities that were entrenched in the WTO agreement on agriculture and the unfairly high levels of support and protection offered by a small handful of other countries.

• (2255)

I want to stress to the House that the Government of Canada has been listening to the concerns of supply managed producers. Indeed, we have been doing more than just listening. The government has been working hand in hand with Canadian producers to address these challenges and to begin considering possible short and long term approaches to sustain their prosperity going into the future.

It is true that the government has informed the dairy farmers of Canada that from a strategic perspective this is not the right time to take an article XVIII action given the intensity of the WTO agriculture negotiations and the fact that the shape of the potential outcome is not yet clear.

It is the government's view that Canada can best defend the interests of dairy producers and therefore work to minimize the pressures that they are facing by retaining our credibility and influence in the negotiations.

Other key WTO members have warned Canada that initiating an article XVIII action at this juncture in the negotiations would seriously undermine our credibility and influence. The government position on this matter has been personally conveyed on a number of occasions to the dairy farmers by the Minister of International Trade, the Minister of Finance and the Minister of Agriculture and Agri-Food.

At the same time, the DFC has been assured that the government will continue to assess its requests in light of ongoing developments in the WTO negotiations as well as other domestic and international factors related to this issue.

That said, the government has been doing other things to address the concerns of the dairy farmers of Canada. For example, the government will appeal the Canadian International Trade Tribunal's ruling on tariff classification of a milk protein isolate to address concerns with increased imports of milk proteins in various forms.

The government will also make efforts to monitor the level of imports of similar milk protein products to assess any possible trends and we will work with the Canadian Dairy Commission to carefully monitor any increase in the size of the skim milk powder surplus. Furthermore, the government has been working with the dairy farmers to address their concerns with labelling regulations and regulatory standards.

In regard to the WTO agriculture negotiations, the government has been working very closely with all Canadian producers to press hard to achieve a more level international playing field, one characterized by clear, fair and more equitable trading rules. A more level playing field is truly in the interests of all Canadian producers as it will help them to do business effectively in an increasingly globalized economy.

At the same time, we will continue to strongly defend the ability of producers to choose how to market their products through orderly marketing structures like supply management.

Canada is a real player in the WTO agriculture negotiations. We are working with a wide range of countries to position our ideas as the most effective means to achieve fairness and equity in the global trading system.

We have been recognized for our ability to bring practical and credible ideas to the table to move the negotiations forward and have been doing so in a way that aims to achieve a positive outcome for the entire agrifood sector.

I am proud to tell the House that many of Canada's key ideas and approaches are guiding the way in which the negotiations are unfolding. For example, Canada's idea that those countries that subsidize the most should make the largest reductions has been embraced by all WTO members and is now guiding the discussions on how to reduce trade distorting domestic support.

The July 2004 framework on agriculture, which is the road map for the negotiations, also reflects Canada's proposal that market access improvements for sensitive products, like our supply managed products, should be made through combinations of tariff reductions and tariff quota expansion to offer flexibility for countries to accommodate their respective domestic policy approaches.

We can see that the negotiations are pointing in the direction of a more level playing field and moving in the direction of clear and fairer rules that address some of the inequities that our producers have faced since the Uruguay round.

In closing, I want to reiterate that the government fully recognizes the seriousness of the challenges facing our supply managed producers. More important, I want to stress that the government will continue to do all it can to respond to them. The government has and will continue to partner with our producers to seek short and long term solutions to ensure the viability and sustained prosperity of our supply management system.

• (2300)

Mr. Leon Benoit (Vegreville—Wainwright, CPC): Madam Chair, I listened carefully to the member opposite as he made his presentation, as I have listened to most of the people who have spoken tonight.

One would think, on an issue as important as this one is to the country and to Canadian farmers, that partisanship would be set aside and that all members of Parliament would be looking for a solution together to some of the serious problems that agriculture faces.

Sadly, we have heard from many members from the Liberal Party and especially from some members of the New Democratic Party a shameful partisanship, comments that are just way overboard and that, quite frankly, are not productive in arriving at some solutions to the problems.

Now the member who just spoke is not one of those people who has made the partisan comments.

Government Orders

Tonight we have heard several Liberal members and New Democratic members say that Conservatives were somehow the worst enemy of farmers. I would like to ask the member opposite why it is that a vast majority of farmers across the country voted for and elected Conservative members of Parliament. If Conservatives are not standing up for farmers in a way that is truly helpful to farmers, then why is it that a vast majority of farmers voted to support Conservative members of Parliament and elected Conservative members of Parliament across the country? How does the member explain that contradiction between what the Liberals and the New Democratic members say about Conservatives and farmers and the reality of what happens at election time?

• (2305)

Hon. Larry Bagnell: Madam Chair, I would like stay on the positive side here. I agree with the member's opening comments that we should try to remain non-partisan in take note debates in general. I think if officials are listening to good suggestions that come out of take note debates that is one of the benefits of them.

However I am not sure that it is fair for him to raise that. The speaker, two speakers before him, from the Conservative Party was very fair and non-partisan and made a very good speech. However the speaker after that just gave a whole list of very partisan misinformation, so that probably should not be the member raising that issue.

In relation to the second question, I do not want to comment on those who are criticizing Conservatives for not representing farmers.

I would just like to say that we are representing farmers. We supported supply management in the budget. We recently added \$1 billion to our support for farmers. We are trying to do whatever we can. As I mentioned in my speech, four or five initiatives were taken specifically for dairy farmers until we can finish this round of negotiations in which I have a whole list of things, if someone wants to ask me, that we are trying to achieve for the farming sector, dairy farmers and other farmers, because of the damage that subsidies in other countries can do to us and indeed in other sectors. I am just trying to remain on the positive side.

It is good that a lot of the parties are supporting the farmers and, hopefully, together we can come up with the best way to support them and have a strong, united front in the negotiations. At the end of the negotiations, we still have remedies that we can use but let us maintain our credibility and leadership through these negotiations and still try to achieve as much as we can with these irritants that are hurting our trade.

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Madam Chair, I do appreciate the speech from the hon. member. In having some comments directed at him, he sort of opened himself up to that question in respect of wanting to talk about some of the good things in agriculture. We have heard a little bit of what I would say are inaccuracies in some of the comments that have been made.

I would ask the hon. member about a couple of things. First of all, he mentioned the \$1 billion we put into agriculture. I know that if he had had an opportunity he would have mentioned that in the budget we put in money to expand the spring and fall advance programs and we gave the Canadian Grain Commission some additional resources.

I know he would want to mention that slaughter capacity has actually increased by 30% in Canada, that we have two new plants coming on line, the benefits of the loan loss reserve program, that we have put investments in the P.E.I. plant, and that we have other plants that have expanded.

I think he would want to mention that we have been able to regain access to 14 new international markets. Certainly even today the fact is that we have concentrated on the appeal to the ruling in the U.S. in the California court. Canada's standing at that court was accepted by the court today. That is something we have done. I think that is a positive side.

I think it is important that we do have a fulsome display of the facts on the public record here and that we do understand what was done in the budget, what additional support was provided after the budget and the progress we are making. That is not for a moment to suggest that there are no other important issues to deal with. Obviously supply management is one, as is our WTO negotiations.

The hon. member indicated the importance of talking about some of the positives in agriculture. Would he agree that some of these I have mentioned are positives? Perhaps he has some others that he would want to enunciate.

• (2310)

Hon. Larry Bagnell: Madam Chair, I do not really want to answer that question, but I will say I agree that it is great to have all those items of our agricultural support on the record. I would have loved to say all those things, but they have now been said.

I would say, though, that we are a trading nation. I think everyone in the House will agree that as a very small country that is very dependent on trade it is important for us to move ahead. We need to move forward in trade. As an example, we have woken up and noticed that the huge emerging markets will have a huge effect on Canada, so we have strategically started targeting increasing our trade, not only with the United States but with Brazil, China and India, the coming markets in the world.

Our time tonight may be running out, but to be more helpful to tonight's debate, I will try to list quickly some of the things we are trying to achieve at the negotiations, because we do not want to reduce our credibility by any rash action. We will try to achieve these before December. At that point we can make our alterations, but in the midst of these very heated negotiations, when we have a lot to win and a lot to lose, I think we want to just push forward. We want to try to achieve a level playing field for the agrifood sector. We want some increased market access for goods and services. We want rules on trade remedies and trade facilitation. We want better integration of developing countries.

Government Orders

In agriculture, we are seeking the complete elimination of all forms of export subsidies, the substantial reduction of trade distorting domestic support, and real and significant improvements in market access for all agrifood products. At the same time, of course, we want to continue to support our producers on supply management in whatever way they want to market their products. We remain a long way from the final outcome, but there are many gains that we could make in sectors like agriculture, manufacturing and services.

Let us keep our credibility and not make any rash, protectionist movements at this time. Let us stand up for supply management, stand up for our various sectors and try to make as much as we can in all these areas. We should remember that all these areas are at risk in the WTO, not just one. At the end of it, we will do what we have to do to adjust to help our dairy farmers.

Mr. Tony Martin (Sault Ste. Marie, NDP): Madam Chair, I appreciate the opportunity tonight to put a few thoughts on the record on this really important issue. I want to say at the outset that it is really not as complicated as the government would present. It is actually rather simple, particularly when we sit down and talk with farmers, as I did last weekend in my constituency office, and they share with us what it is they want the government to do.

They want the government to stand up for them. They want to know they have an ally. They want to know they have a friend. They want to know that the government has the backbone to stand up to other jurisdictions and say we will protect our industry, because they have seen over the last eight or nine months agriculture attacked by the U.S., by BSE, and now in this instance by other jurisdictions, by the WTO taking away from us our ability to grow an industry to serve our own needs and to export into the larger world.

They do not see, in the minister here tonight and the government, somebody, a government, that is willing to stand with them shoulder to shoulder in these battles. They feel like they have been let down. They feel like they are alone out there. They feel like no one understands the impact this is having on them and their livelihood, on their way of life.

I am here tonight to say that it is time to live up to the promises the Liberals made during the last federal election, things the Prime Minister said. He is on the record as saying that he supports the maintenance of supply management, a fair agricultural model, and that he will personally get involved, so that at the end of the WTO negotiations, producers under supply management can continue to meet the needs of Canadian consumers and obtain all their revenue from the marketplace based on their costs of production, including a fair return on their labour and capital. That is what he said during the election.

That was a good statement, except, as with everything else, when you guys are out on the hustings campaigning and looking for power, you will say anything to get elected—

• (2315)

The Assistant Deputy Chair: The hon. member for Sault Ste. Marie will please address his remarks to the Chair and not to members.

Mr. Tony Martin: Madam Chair, it takes the New Democratic Party, 19 of us in the corner over here, to stand up and call them to

task, keep their feet to the fire, because every time we turn around they drop another—

Mr. Leon Benoit: And you really did that in that new budget. You didn't even mention it there.

Mr. Tony Martin: Well, let's talk about the budget. If it was not for that budget, if it was not for the agreement that the leader of the NDP was able to make with the Prime Minister at the last hour, as you hung on by your fingernails to power, hoping to stay as the government for a little while longer, and gave \$4.6 billion to the people of this country, it just would not have happened, would it?

You went out on the hustings and promised affordable housing, support for students who are suffering under a heavy tuition load, you promised—

The Assistant Deputy Chair: The member for Sault Ste. Marie is an experienced parliamentarian and knows he has to address the Chair. Please address the Chair.

Mr. Tony Martin: I have a passion about this issue, Madam Chair, and I know that the farmers who are here and the farmers in my own constituency want me to speak for them, through you, Madam Chair, to this government and tell them to stand up and be counted on this issue. Do not drop the ball, because there is too much at stake.

We know when the Liberals were looking for power on the hustings they made all kinds of promises on all kinds of fronts. In their Speech from the Throne there was a lot of stuff that all of a sudden was missing, but particularly when they came down with the budget there was nothing there.

I hear the Conservatives yapping off here to my right. When the first budget came down there was not a thing in it for agriculture. What did we hear from the farmers in the Conservative caucus? What did we hear from the Conservative caucus? They said they supported the budget. When it came to a vote on the budget, where were they? They were sitting on their hands. Then when the budget was voted on, they voted for it in principle.

Talk about talking out of both sides of one's mouth. There is no room here for the high ground, either with the government or with the Conservatives.

What the farmers are looking for tonight is someone to stand up and say, "We will be with you; we will be there fighting for you. We will put it all out there on the floor. We will take the risk. We will invoke article XXVIII." We know and the farmers know other countries have done so. Other countries have invoked article XXVIII, and they did not suffer any penalty from the WTO or other countries. No. They were seen to be speaking from a position of strength.

Government Orders

That is what the farmers want. They want their government to stand with them and speak from a position of strength in front of these countries that want to take away our share of the market, and to act in a manner that bespeaks the history and the track record of the country, as we have gone to war year after year over in Europe with those same countries, to protect their interests and their freedom. They want their government to go to war with them to protect their industry, their interest in their industry, their future, and what they have given their lifeblood to build up, their farms for their families, and that is not happening. That is really sad, because the farmers had bigger expectations from the government in that.

The European Union used article XXVIII to stem the imports of wheat and barley. The United States invoked article XXVIII against Canadian wheat. Russia and Vietnam have stood up for their domestic markets. The U.S. is now moving against modified milk products, and the list goes on and on. Other countries stood shoulder to shoulder with our farmers to protect their interests against outside countries that want to come in and take a whole lot of our market.

This is I think the fifth time I have stood in the House to speak in a debate on agriculture in the last nine months. That is because of the importance of farming to my constituency.

I sat down with one of my farmers the other day, and he shared with me that the impact of this ruling by the WTO going through is very significant for him and for his neighbours. I think he was talking about an impact of some \$35,000 of equity, a significant reduction in his market share.

An economic impact study was done on the importance of farming in the Algoma-Manitoulin region. In April 2004, agri-related sales were \$86.2 million, with total jobs of 2,827. That is like another Algoma Steel.

If Algoma Steel was threatened in Sault Ste. Marie, we would all be up in arms. The provincial government would be up in arms, the federal government would be up in arms, and the city would be up in arms. We would be going to war to protect Algoma Steel.

But for our farmers, there are 2,827 jobs, which is similar to Algoma Steel, and the government is up against it. The WTO makes a ruling. The government could invoke article XXVIII, and what does it do? Nothing. It is silent on the issue. It is silent on an industry that has as much impact on my area as the closing of Algoma Steel would have if the government does not do something.

I tell the House the farmers are being hammered by BSE and the result of that, the closing of the border, and now they are being hammered by this WTO ruling. They are very disappointed that the government is not doing anything.

• (2320)

On the one hand I suppose we can be grateful for this take note debate and the prominence given to agriculture and our farmers and to their important issues such as supply management. On the other hand it begs the question of why there are so many debates and why so little action.

If we are to have yet another take note debate on agriculture, the question is, is anyone taking note? Is anyone noticing the real live

impact on the farmers at home in their ridings of actions such as this and the inaction of the government?

Mr. Michael Chong (Wellington—Halton Hills, CPC): Madam Chair, there is a sense of urgency here. The government's record on agriculture is poor. According to Statistics Canada, in 1993 net farm incomes were 18% lower than they were for 2004. That is on an inflation adjusted basis. Last year was one of the best years that the agricultural sector had in the last five or six years in this country.

The government's record on agriculture has been poor. However, supply management has been the one bright light in agriculture. I support supply management. We have 500 dairy farmers in Wellington County. As a matter of fact, I went to the Wellington County dairy producers' annual general meeting a number of months ago. I listened to the concerns they had and the investments they were making in their industry.

I support supply management because supply management works. We do not have billion dollar bailouts of this industry. There have not been any disruptive trade shocks domestically or internationally. It provides stable incomes and allows the hard-working family farms, hard-working dairy producers and poultry producers to make a decent living. That is very important.

There are three pillars to supply management. Supply management is like a three-legged stool. There are production quotas, pricing controls and import controls. Those are the three elements that are important to supply management. Those are the three legs to the three-legged stool. If one of the three legs gets knocked out, the stool falls over.

What is happening is that the government is undermining one of the three legs on the stool. It is slowly selling out supply management by selling out one of the three pillars, over quota tariffs, or in other words, import controls. I would be surprised if one of the fathers, so to speak, of supply management, Eugene Whelan, who would have sat opposite me in this House, would approve of what the government is doing by selling out one of the three pillars.

Why is the government, why is the minister, why is the international trade minister trading away at the WTO one of the three pillars, one of the three legs, in supply management? In doing so, it is going to destroy supply management.

Why is the government slowly trading away the pillar of import controls or over quota tariffs for supply management?

• (2325)

Mr. Tony Martin: Madam Chair, that is a good question and I guess the same question could be asked of the Conservatives. When they had a chance in committee to actually bring something forward for agriculture as they debated the budget, they did not get around to that either.

I am here tonight saying to the government that it needs to take action. It needs to stand shoulder to shoulder with the farmers of this country in one of their more difficult times and to understand that talk is cheap. We need to act.

Government Orders

Hon. Andy Mitchell (Minister of Agriculture and Agri-Food, Lib.): Madam Chair, I see that we are just about out of time for this debate and I just want to take a moment to thank members on all sides of the House for participating tonight. I am certainly appreciative of the time and energy put in by all members in preparing for this debate and putting their ideas forward. It is important that that be done tonight.

I want to express my personal appreciation to all members, to you, Madam Chair, to your table officers, as well as to all of the parliamentary individuals who have been part of this debate tonight. It is nearly 11:30 p.m. and I thank them for the work they have done here tonight.

Although I am not supposed to do this, I want to thank members of the industry who have been watching this debate here in person all night long. I thank them for their attention here tonight and for the hard work that they have done in respect of all of these issues, working with the government and with other members of Parliament.

Let me close by thanking all the folks and of course Canadians who have tuned in and have had an opportunity to watch this debate, including producers from coast to coast to coast.

Mr. Tony Martin: Madam Chair, I am disappointed in the way the government has come forward tonight with no real clear indication that it is actually going to do anything. The minister just wrapped this up as if it was not really important.

We are here today because of what the member for Timmins—James Bay has coined a “political walk away” from rural Canada. In the May 2 edition of *The Hill Times* he stated:

For the last dozen or so years, farmers have been left on their own to compete and to cope in the face of increasingly growing international and domestic obstacles. Farmers have adapted. They've grown more efficient, and have moved towards increasing economies of scale. The fact is, they've hit the wall and there just doesn't seem to be any political inclination on the part of the ruling Liberals to find a new way forward.

The Assistant Deputy Chair: It being 11:30 p.m., pursuant to Standing Order 53.1 the committee will rise and I will leave the chair.

● (2330)

The Acting Speaker (Hon. Jean Augustine): The House stands adjourned until tomorrow at 1 p.m. pursuant to Standing Order 128.

(The House adjourned at 11:30 p.m.)

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