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OFFICIAL REPORT
(HANSARD)

Thursday, March 29, 2007

—

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Thursday, March 29, 2007

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

•(1005)
[English]

MAIN ESTIMATES, 2007-08

Hon. Vic Toews (President of the Treasury Board, CPC): Mr. Speaker, I have the honour to table, on behalf of my colleagues, part 3 of the estimates, consisting of 91 departmental reports on plans and priorities.

These documents will be distributed to members of the standing committees to assist in their consideration of the spending authorities already sought in part 2 of the estimates.

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GOVERNMENT RESPONSE TO PETITIONS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to six petitions.

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BUDGET IMPLEMENTATION ACT, 2007

Hon. Carol Skelton (for the Minister of Finance) moved for leave to introduce Bill C-52, An Act to implement certain provisions of the budget tabled in Parliament on March 19, 2007.

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

* * *

BATTLE OF VIMY RIDGE

Hon. Greg Thompson (Minister of Veterans Affairs, CPC): Mr. Speaker, the world has long known that it can count on Canada. Wherever there is danger, wherever there is need, Canada has earned an international reputation for generosity and compassion. Wherever peace is threatened, Canada's men and women in uniform have earned the reputation for courage and action.

We are a nation devoted to freedom, to democracy, to human rights and to the rule of law, and we see it today in Afghanistan and Canada's many other peacekeeping and military operations around the world.

On the eve of the 90th anniversary of the Battle of Vimy Ridge, we are reminded of where this proud tradition was forged. It was on a treacherous, sodden battlefield in the north of France that a young Canada came of age as a nation.

Every time I rise in this House I cannot help but mention that we only serve in this place because our veterans served our country with great courage and at great cost.

Such is the story of Lieutenant Colonel Sam Sharpe who was a parliamentarian. He sat in this chamber and, like all of us in the House of Commons, he earned his privilege to sit here. He took his seat as an elected member of Parliament but he was also a soldier, a soldier who served on that battlefield that the French came to call "the graveyard of France".

He witnessed death and destruction on a scale that none of us can imagine: 800,000 casualties and 200,000 dead on the heavily fortified slopes of Vimy Ridge alone.

Lieutenant Colonel Sharpe knew what he was facing when arrived with his own troops just weeks before the battle began on a cold and miserable Easter Monday morning.

He felt "a sacred trust" to bring his men home alive, and he knew exactly how difficult it would be to honour that trust.

Writing to his wife, Mabel, he said:

We have very little protection there and I may not pull through. If it should be my fate to be among those who fall, I wish to say I have no regrets to offer. I have done my duty.

Seven months later, while still serving on the battlefields of Europe, the fields of France, he was re-elected to this House of Commons for the third time.

However, even in such victory, Lieutenant Colonel Sharpe was already succumbing to the ravages of war. He never returned to this House. His life ended tragically, shattered by what he had seen. He had survived the bullets and the bombs but, sadly, he died at a Montreal hospital in May 1918 of complete mental and physical exhaustion. He was heartbroken by the loss of so many young men placed in his sacred trust.

We must never forget our Sam Sharpes or the Woods family of Winnipeg, in fact, Mrs. C.S. Woods, the Silver Cross mother who lost eight sons in that great war.

Routine Proceedings

When we speak to such families that have paid the ultimate price, they often tell us that they were only answering their call to duty.

We need to cherish and honour them and we need to cherish and honour our last living links to what has been called our “greatest generation”. We need to celebrate men like John Babcock and Dwight Wilson who represent our last known surviving Canadian veterans of the first world war, two remarkable men who remain as proud of Canada today as when they wore the uniform back then.

Their stories are of great sacrifice and great achievement. They remind us of who we are and where we are from. And they remind us of the great debt we continue to owe.

• (1010)

British Prime Minister, David Lloyd George, explained it very simply in a speech he gave just days after the great war had ended when he said, “What is our task? To make Britain a fit country for our heroes to live in?”

I know all of us here are committed to this challenge and we accept this responsibility. I see it every day in this House and I am always comforted by it. When the passions and rhetoric of question period have subsided, members from every side of this House, from all parties, approach me, as Minister of Veterans Affairs, not for political advantage or personal gain, but on behalf of their constituents, their veterans, Canada's veterans.

All of us want Canada to do the right thing for our veterans. It speaks highly of all members in this House. And so, this is what we will honour next month in France, in Ottawa and in every region of this country.

Canadians of all ages will come together in our largest cities and our smallest villages to pay tribute to our veterans' heroic efforts and to remember: to remember that our victory at Vimy Ridge came with a steep price. More than 10,600 Canadian soldiers were wounded in the fighting. Among them were 3,600 Canadians who made the ultimate sacrifice for our country, for freedom and for peace.

Their names are inscribed on the beautifully restored Canadian National Vimy Memorial, the same memorial that Queen Elizabeth II, the Prime Minister and thousands of ordinary Canadians will rededicate next month. There are 11,285 names etched on this powerful monument, a lasting tribute to the Canadian soldiers who died in France and a lasting tribute to the 600,000 Canadians who stepped forward to serve our country in the war to end all wars.

With 5,000 students travelling to France next month, we will ensure that those Canadians from our past are remembered for generations to come and that they are remembered for more than just numbers or finely etched names.

They were fathers, sons, brothers and uncles who answered the call of duty, the call of their country in its greatest need.

They were soldiers cut down in their prime before they could realize their own dreams. They sacrificed what they could have been so we could know a better tomorrow. It is the most unselfish act we can ever know. These soldiers remain a source of pride and inspiration today.

We know that soldiers, in moments of reflection, often wonder why they were spared and not their fallen comrades. They wonder, in moments of silence and solitude, why fate chose their comrades. They often struggle with the question of why they were allowed to return home to their loved ones while other brave Canadians were laid to rest in foreign soil.

That is why I am so honoured and so privileged to be leading a Veterans Affairs contingent to Vimy next month to join some of our traditional wartime veterans and special guests on a six day pilgrimage to France.

We will pay tribute to those men who accomplished, through courage and ingenuity, what other allied forces could not: to capture and hold Vimy Ridge.

We will mark the true birth of a nation when the four divisions of the Canadian Corps joined together for the first time on April 9, 1917, and began what was termed “months of unending triumph”.

But more than anything, we will be going back to France to keep the promise of those who returned home, the promise of those who vowed never to forget their fallen comrades.

I am sure that in the silence of our solemn ceremonies, our veterans from all generations will hear the voices of those they left behind. Those voices will be saying, “Thank you. Thank you for today. Thank you for your gift of Remembrance”.

• (1015)

Hon. Albina Guarnieri (Mississauga East—Cooksville, Lib.):
Mr. Speaker:

There they stood on Vimy Ridge on the ninth day of April 1917, men from Quebec stood shoulder to shoulder with men from British Columbia and Alberta and there was forged a nation tempered by fires of sacrifice and hammered on the anvil of high adventure.

These were the words of General Byng, the commander at Vimy Ridge, who led Canadians from every province and every background in a battle that changed our nation like no other. It was a battle for more than a summit, for more than even the summit of military achievement. Vimy was the triumph of a new nation united at home and respected abroad.

It was at Vimy that all Canadian units in the war would fight together and it was at Vimy that Canada stood alone in victory for the first time.

[*Translation*]

Their victory kindled our national pride and earned them a place of honour at the peace table at the end of the war.

The heritage of Vimy would see the Canadian Forces take part in World War II, the Korean war, the Gulf war and all our peacekeeping missions around the world. Every Canadian has to be aware of the magnetic power of Vimy.

[*English*]

It is a legacy and a history that each successive government has inherited, preserved and honoured with ever greater care and even higher purpose.

Routine Proceedings

I commend the Department of Veterans Affairs for continuing that tradition by connecting many more Canadian children to perhaps our most inspiring source of national pride, identity and confidence.

At Vimy, these young Canadians will walk through the trenches, the tunnels, and stand on the summit where the most outstanding Canadian work of art reaches for the sky in the very place where thousands of Canadians fell to earth.

Perhaps they will visit the town of Arras, very near Vimy itself, where there is one of the most stunning signatures of Canadian soldiers preserving their memory for later generations to find.

A restaurant constructed in recent years has sub-basements that go down several stories. At the base is a small dugout and on the stone is etched a single word "Toronto". No one knows who was there or whether they survived.

But what does survive is a message from the soldier of the day. A message that I am Canadian and I want the world to know that Canadians were here, and we made our mark.

The young Canadians on this month's journey will learn that at Vimy, Canada fought as one, French, English, aboriginal, Canadians of every origin. They will learn that what mattered at Vimy was backbone, not background.

On April 9, aboriginal soldiers emerged from the trenches alongside thousands of other Canadians. They stood devoted to each other with a unity welded in battle.

Private George McLean was one of the soldiers who scaled the walls of history that day. He was a rancher from the Head of the Lake Band in British Columbia. At Vimy, he would earn a distinguished conduct medal for launching a solo attack against a group of enemy soldiers, thus saving a large number of casualties. Private McLean was far from the only aboriginal soldier whose valour is part of the history of the soil at Vimy Ridge.

Henry Louis Norwest, a Métis marksman would become one of the most famous Canadian snipers in the first world war. He earned the military medal in 1917 at a peak on Vimy Ridge dubbed "the Pimple". Henry Norwest would never again know peacetime. He was killed by a sniper's bullet just three months before the war ended.

On the memorial at Vimy are engraved the names of other aboriginal veterans who would never make the journey home, but whose journey into history would change their homes forever.

Their courage and the courage of thousands more at Vimy caused Canadians of all origins to look at each other with greater respect, greater promise and far less distance.

That is the reason so many historians look back at Vimy as a defining and unifying moment in our history.

Our nation captured a key summit, a Canadian stamp had been placed on world history, and Canada had earned a separate signature on the Treaty of Versailles, a right reserved for only the great powers, the most powerful nations on earth.

● (1020)

[*Translation*]

The identity of every nation is shaped by the great battles that marked its history. For the Canadians, Vimy Ridge stands as a monumental achievement, a place where Canadians have left their mark for eternity.

[*English*]

The victory at Vimy may have forged a nation out of the mettle of our men in arms, but it came at a terrible price.

When the machine guns were finally stilled three days into the battle, over 3,500 would lie forever still on French soil. The total casualty count for Canadians at Vimy in the months leading up to the final battle approached 20,000.

The scaling of Vimy Ridge, the scale of the victory, and the scale of the sacrifice would bond Canadians together like never before.

Just a decade later, visionaries of the day transported the original Vimy memorial back to Winnipeg to honour the men of the 44th Battalion. They knew that what was achieved and what was sacrificed at Vimy was a memory worth casting in stone for centuries to come.

Long before the great memorial was officially dedicated, Prime Minister Arthur Meighen stood at Vimy and made a promise to the men who died yards away. He said:

Across the leagues of the Atlantic the heartstrings of our Canadian nation will reach through all time to these graves in France...we shall never let pass away the spirit bequeathed to us by those who fell.

That is the promise we keep today in this House. We cannot know all the great feats and awful fates that are kept secret under the soil at Vimy. We cannot know all the missions accomplished or the futures lost.

But we do know that each of these Canadians rests in the peace they earned for a grateful nation. We will forever struggle to be worthy of their sacrifice.

● (1025)

[*Translation*]

Mr. Gilles-A. Perron (Rivière-des-Mille-Îles, BQ): Mr. Speaker, it is with emotion and sadness that I rise this morning. I could talk for two hours or more, but sadly, I have to deliver my speech within ten minutes. Sadly, it will focus on history.

Sadly also, many of us do not remember World War I. Let us remember that, in midsummer 1914, our adversaries—I will not use the word "enemy" because it is against my religion—namely the Germans, the Austrians and the Italians, declared war.

Moments after war was declared, the French, the British and the Russians engaged our adversaries. What was our adversaries' strategy? To fight on three fronts.

The first one, known as the northern front, allowed them to move through the north of Belgium and France to seize the seaports in Panne-Adinkerke, Dunkirk and Calais to make it easy to go across and invade the mother country at the time: England.

Routine Proceedings

The second front, the central front, included Pas-de-Calais, South-Pas-de-Calais, North-Pas-de-Calais and the Somme, which ran from Germany through the middle of France, to seize the ports of Boulogne-sur-Mer and Le Havre.

The third front ran from Germany to Paris and was designed to bring about the surrender of France and win the first world war. Such were our adversaries' plans.

Unfortunately, the allies woke up a little too late. Shortly before the end of 1914, the Germans were 94 km from Paris. The Germans and our adversaries had almost a free run at crossing Belgium, which was neutral at the time. The English declared war because a neutral country had been invaded. What did the English colony—since it was a colony—do to help England and France prevail and preserve democracy, freedom of speech and liberty? Our ancestors went to war.

Let us now look at Vimy, through the eyes of the first commander of the 22nd French-Canadian Battalion, commander Thomas-Louis Tremblay, a little guy from back home, a little guy from Chicoutimi. Commander Thomas-Louis Tremblay went to university in Kingston and became a military engineer.

I would like to provide some background on the 22nd French-Canadian Battalion. Toward the end of 1914, few Quebeckers were enlisting in the army and people were trying to figure out why.

● (1030)

There are three reasons. First, remember that in spring 1917, an Ontario law prohibited French from being taught in school. Second, the majority, if not all, of the combatants or residents of Quebec did not speak English. The only pocket of anglophones was in the Montreal area. The militia, which existed throughout the country, was very limited in Quebec since orders were given in English and Quebeckers did not understand English. I am telling this story not as a Quebecker of 2007, but as a Quebecker of 1917. Third—and this is the main reason—contrary to the people from Upper Canada or English Canada, for Quebeckers, the mother country was France.

Dr. Mignault, a wealthy doctor from Montreal, invested some \$50,000 of his own money to create, with approval from this House, a francophone battalion called the 22nd French-Canadian Battalion, under the command of Thomas-Louis Tremblay. The 22nd Battalion was part of the 5th Brigade, which consisted of the 23rd, 25th, and 26th Battalions. These battalions were mostly francophone, since they came from the same region as my friend from Nova Scotia, from New Brunswick, and from the Ottawa area, where most of the soldiers were francophone.

This 22nd Battalion, or the 5th Brigade, should I say, landed in France on September 15, 1915. Their first mission was to stop the adversaries in Ypres, in northern Belgium. The route ran through Panne-Adinkerke, Dunkirk and Calais, the seaports, because the adversaries wanted to stick close to the coast of the English Channel so as to be able to easily cross to England and invade it. Our men vigorously defended Ypres. Brave soldiers were needed.

I would like to lighten things up a little this morning. Did you know that the most popular battalion in France was the 22nd French-Canadian Battalion? They were known to the French as the beavers, because their emblem was just that—a beaver. Also, because they

were fighting under the British flag, the French wondered why these soldiers were speaking a kind of French they were not familiar with, but that they understood just the same. From then on, the French—from France—took a liking to and respected the 5th Brigade, which included the 22nd Battalion.

Things were heating up. The 5th Brigade started to march. It left Ypres, returned to Boulogne, and followed the Atlantic down to defend Vimy.

I am being signalled that my time is running out. I will try to go faster, or I will ask for unanimous consent to continue my speech for another five minutes if people are interested. Do I have unanimous consent to continue for another five minutes?

● (1035)

The Speaker: Does House consent to the hon. member continuing his speech for an additional five minutes?

Some hon. members: Agreed.

Mr. Gilles-A. Perron: Mr. Speaker, I thank my friends.

This brings us to Vimy. Vimy had been taken by our adversaries, early in the war, in 1914. Both the French and the English, the imperial troops of the British Empire as they were known at the time, had lost a lot of men as they tried, again and again, to retake Vimy, but with no success.

But General Currie, who was in charge of the army, had decided to change the way the war was fought. It was that new approach that led to the 5th Brigade, which was entirely on the right, setting off from the little village of Thelus at the foot of the south side of the hill, the one that could be seen in front of the mountain, on April 9, 1917, Easter morning. They moved out and they engaged in a new kind of warfare.

Since April 18, the 5th Brigade had drilled using sketches. They took aerial photographs. Every soldier was therefore familiar with the lie of the land, and every battalion, or rather every platoon, because a battalion was divided into four platoons, A, B, C and D, had specific objectives.

We must remember that throughout the war, the 22nd Battalion had only once failed to take its objective, and that was in the battle of Regina Trench. The 5th Brigade, I should say, to be more honest, never failed to take another objective throughout the entire war, from 1915 to 1918. This demonstrates the strength of those soldiers, people from our hometowns in New Brunswick, Nova Scotia and Quebec, as I mentioned.

So they left Thelus on Sunday about five in the morning. The first small problem they encountered was the village of Farbus. It cost them dearly. There were 40 dead and 90 wounded in the 22nd Battalion. As an aside, in 1920, a year after the war, the battalion was made into a regiment. The following year, King George V allowed the 22nd Battalion to call itself the Royal 22nd Regiment, which is where the name of our 22nd Regiment comes from. The soldiers of today's Royal 22nd Regiment should be very proud of their forebears.

Routine Proceedings

To come back to my account, they arrived at Farbus and used the same tactic. They fired, they launched, they bombarded all of the barbed-wire emplacements and all of the defences on the other side of the no man's land, and they pounded the trenches on the other side with shells. While their adversaries stayed in their trenches, the soldiers swarmed out, like ants, moving to the next trench and hiding in shell craters. And so they moved up, gradually, and on the evening of April 9, Easter Sunday, they reached the crest of Vimy Ridge. The soldiers of the 5th Brigade were the first to reach the top of the ridge.

I have spent over 200 hours reading about the first world war. To me and to historians, Vimy was the turning point of the war. Our enemies' morale was crushed. Beginning on April 10, 1917, we advanced again and again, and we drove our adversaries back with incredible speed. And finally, on November 11, at the 11th hour, in Mons, the 5th Brigade was there when the Armistice was sounded. This was a tremendous achievement by men.

•(1040)

I am very proud of the 5th Brigade and also of the Royal 22nd Regiment. I wish them good luck; my heart goes with them.

[*English*]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, the words Juno Beach and Dieppe conjure up images of brave battles in World War II, but before those battles there was the Battle of Vimy Ridge where, it is known, Canada became a nation and came out of its infancy at that battle of Easter 1917. Thirty-six hundred Canadians paid the ultimate sacrifice. Thousands of other Canadians were casualties through either mental or physical disabilities suffered in the Battle of Vimy Ridge.

What made Canadian soldiers leave the fish plants, the farms, the factories, the small towns and the larger towns of Canada to go overseas and fight an enemy they knew very little about? What drove young Canadians to lie about their age to get into the service to risk their lives for king and country?

When the sirens of war were echoing throughout the world, Canadians from coast to coast to coast signed up. There were no distinctions among English Canadians, French Canadians or aboriginal Canadians. They were all Canadians. They all fought as brothers in arms to protect the integrity of the free world.

When our allies valiantly did everything they could to free Vimy Ridge from the clutches of our enemies, the leaders of that day said, "Send in the Canadians and see what they can do". The Canadians went and they were successful, but at a very heavy price. It is that price that we honour here today and every day.

On Remembrance Day on November 11 we gather at cenotaphs and in halls across the country to pay tribute to those who paid the ultimate sacrifice and to those who have served. To the families of those who lost their sons and daughters in conflicts and wars, especially at Vimy Ridge, Remembrance Day is every day for them. For their descendants who are here today, many of whom will be travelling next week to Vimy Ridge, they will be paying an honourable tribute to those who have fallen.

As the hon. Minister of Veterans Affairs has said so often in the House, we will be hearing the echoes of thanks from those who passed the torch to us. Ninety years later, Canadian soldiers are still

serving in conflicts around the world, doing what the premise of Vimy Ridge was, which was to free people, to free them from the tyranny of aggressors and to sacrifice their own lives so that future generations can know the freedoms that we know in this country.

The beauty of April 9, which is coming up, is that so many young people from this country will be going over there so that they in turn can understand, feel and see what Vimy Ridge is like, so that they can touch the monument and understand why it is there and in turn can pass on to their children and their children's children many years from now the continued legacy of honouring the bravest of them all, those who have paid the ultimate sacrifice.

It goes without saying that this has nothing to do with politics. These brave young men and women from all backgrounds left this country to serve. We can imagine them sitting in a trench on a cold, muddy day, sharing a cigarette with a comrade or maybe the last can of bully beef, something they detested, and borrowing a pencil to write that last letter home. We can imagine a young soldier writing to his mom and saying that he did not know if he was coming back, but that he was there to serve and he was praying he would get through it, and if he did not, he was asking his mother to please keep his memory alive.

That is exactly what we are doing here today. It is exactly what a contingent of thousands of Canadians will be doing very soon.

With that, I say on behalf of all of us in the House of Commons to all of those families who remain, who remember the ultimate sacrifice that was paid, that it is a tribute to them that we are able to serve in the House of Commons and pay the ultimate homage to their sacrifice with regard to a tribute that they so rightfully deserve.

We pray for a safe voyage for all those who travel to Vimy. We also pray for their safe return. We pray for all the Canadian military personnel around the world who are doing what their government has asked them to do: serving their country in the noble effort of freeing the world from tyranny and aggression.

•(1045)

Those who have had the opportunity to travel to Vimy Ridge know this, and in the Railway Room here, we have a beautiful picture called *Ghosts of Vimy Ridge*, so I encourage all of us to once again reflect upon that picture and understand the artist's rendition of what it must have felt like when our soldiers were there. On behalf of our party, the residents of my particular riding and Canadians right across the country, and for those of us who came to Canada as immigrants and call this country home, I can only say that it is because of their sacrifice that we now live in what we call the greatest country in the world.

We make the pledge to always honour all of those who have paid the ultimate sacrifice and all of those who are willing to risk everything to serve our country. May God bless their memory and may God bless our current military personnel.

Routine Proceedings

The Deputy Speaker: If I might be permitted a personal note, I would like to thank hon. members for their statements today in tribute to the Vimy vets and the great battle that happened on April 9. I would like to say how grateful I am for these statements in tribute to the generation of my Grandfather Blaikie, who fought at Vimy Ridge with the 1st Canadian Mounted Rifles, a regiment raised in Manitoba and Saskatchewan.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, I have the honour today to present the 39th report from the Standing Committee on Procedure and House Affairs, which was submitted by the Subcommittee on Private Members' Business.

Pursuant to Standing Order 91.1(2), this report contains an item added to the order of precedence under private members' business that should not be designated non-votable.

● (1050)

The Deputy Speaker: Pursuant to Standing Order 91.1(2), the report is deemed adopted.

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Mr. Bob Mills (Red Deer, CPC): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Environment and Sustainable Development in relation to requesting an extension of 30 sitting days under Standing Order 97.1(1) to consider Bill C-298, An Act to add perfluorooctane sulfonate (PFOS) to the Virtual Elimination List under the Canadian Environmental Protection Act, 1999.

The Deputy Speaker: Pursuant to Standing Order 97.1(3)(a), a motion to concur in the report is deemed moved, the question deemed put, and a recorded division deemed demanded and deferred until Wednesday, April 18, immediately before the time provided for private members' business.

Mr. Bob Mills (Red Deer, CPC): Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Environment and Sustainable Development in relation to requesting an extension of 30 sitting days under Standing Order 97.1(1), to consider Bill C-307, An Act to prohibit the use of benzyl butyl phthalate (BBP), dibutyl phthalate (DBP) and di(2-ethylhexyl)phthalate (DEHP) in certain products and to amend the Canadian Environmental Protection Act, 1999.

[Translation]

The Deputy Speaker: Pursuant to Standing Order 97.1(3)(a), a motion to concur in the report is deemed moved, the question deemed put, and a recorded division deemed demanded and deferred to Wednesday, April 18, immediately before the time provided for private members' business.

[English]

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

Mr. Colin Mayes (Okanagan—Shuswap, CPC): Mr. Speaker, I have the honour to present, in both official languages, the seventh report of the Standing Committee on Aboriginal Affairs and Northern Development regarding aboriginal housing.

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

* * *

STATUTORY PROGRAMS EVALUATION ACT

Mr. John Williams (Edmonton—St. Albert, CPC) moved for leave to introduce Bill C-421, An Act to provide for the evaluation of statutory programs.

He said: Mr. Speaker, it is my privilege to lay before Parliament, the fifth Parliament before which I have laid this bill, a bill calling for a managerial review of the programs of the Government of Canada to bring some order and efficiency, if possible, to these programs. I think we will find that this government is more amenable to adopting this kind of approach than previous governments.

The bill basically calls for each program to be evaluated on cyclical basis and asks the following. First, what is a program designed to do for Canadians? Once we know that, how well is the program delivering what it is supposed to do for Canadians? Third, is it doing so efficiently and effectively? Fourth, is there a better way to achieve the same results? It is good management and I hope this government follows through.

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

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PARLIAMENTARY EMPLOYMENT AND STAFF RELATIONS ACT

Ms. Jean Crowder (Nanaimo—Cowichan, NDP) moved for leave to introduce Bill C-422, An Act to amend the Parliamentary Employment and Staff Relations Act (members' staff).

She said: Mr. Speaker, I am pleased to introduce this bill to amend the Parliamentary Employment and Staff Relations Act. I want to acknowledge the member for Halifax who has introduced such a bill in the House on a number of other occasions. It is a bill that will allow staff of members of the House of Commons, who serve members in their capacity as member, leader, House leader or whip, to enjoy the benefits, if they so choose, of organizing a union, belonging to a union and enjoying the benefits of collective bargaining. I look forward to speaking further on the bill in the future.

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

* * *

•(1055)

COMMITTEES OF THE HOUSE

CANADIAN HERITAGE

Hon. Jay Hill (Secretary of State and Chief Government Whip, CPC): Mr. Speaker, there have been discussions among all the parties and I think you would find unanimous consent for the following motion. I move:

That, in relation to its study on the role of a public broadcaster in the 21st century, six members of the Standing Committee on Canadian Heritage be authorized to travel to Winnipeg and to Toronto in April 2007, from April 11 to 20, and that the necessary staff accompany the committee.

(Motion agreed to)

* * *

BUSINESS OF THE HOUSE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I rise on a point of order. Before we get to petitions, I wonder if I might ask the Chief Government Whip about the government's plans with respect to Bill C-16.

It arrived back from the Senate last evening, I believe, with one technical amendment. Since there is already a royal assent scheduled for later today, I wonder if the government would consider moving Bill C-16 through to its final conclusion in the House quickly, before the time of the royal assent, so that Bill C-16 could be included on the list for royal assent today. It is my understanding that the amendment is a very technical one that probably can be agreed to very quickly. I just wonder if the government has that issue under advisement.

Hon. Jay Hill (Secretary of State and Chief Government Whip, CPC): Mr. Speaker, I appreciate the question and the mood of cooperation from the opposition House leader on this issue. I will certainly take it up with the other parties to see if we can reach agreement to move that bill forward expeditiously and have it included.

* * *

PETITIONS

HUMAN TRAFFICKING

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, I have three petitions to present this morning on the same subject.

The petitioners encourage the government to continue its work to combat the trafficking of persons worldwide. A couple of days ago the UN called upon Canada to take a leadership role on this issue.

There are close to 500 names of Canadians on these petitions. These Canadians are very aware of the problem and they want some action taken on this issue.

[Translation]

SUMMER CAREER PLACEMENT PROGRAM

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Mr. Speaker, I would like to table a petition from people in my riding who belong

Government Orders

to an organization called Correspondances d'Eastman and from youth centres in Sutton.

The 76 signatories are asking that the summer career placement program, which is now called Canada Summer Jobs, be maintained according to the same standards as before and that the funds allocated be the same as before.

* * *

BUSINESS OF THE HOUSE

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, we would be pleased to support the Leader of the Opposition's proposal with respect to Bill C-16.

* * *

[English]

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, if Question No. 171 could be made an order for return, the return would be tabled immediately.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[English]

Question No. 171—**Ms. Dawn Black:**

With regard to processing formal requests under the Access to Information Act, for each institution subject to the Act, what are, for each of the past five years, (i) the number of requests received, (ii) the number of requests by institution that were subject to an extension notice, (iii) the reasons for requests for an extension enumerated?

(Return tabled)

[English]

Mr. Tom Lukiwski: Mr. Speaker, I ask that all remaining questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

The Deputy Speaker: I wish to inform the House that because of the ministerial statement government orders will be extended by 41 minutes.

GOVERNMENT ORDERS

•(1100)

[English]

NATIONAL DEFENCE ACT

Hon. Josée Verner (for the Minister of National Defence) moved that Bill S-3, An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act, be read the second time and referred to a committee.

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Mr. Russ Hiebert (Parliamentary Secretary to the Minister of National Defence, CPC): Mr. Speaker, I am very pleased to speak in support of Bill S-3, An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act.

When this government took office, we promised to deliver on five key priorities. Those priorities were: first, to clean up government by passing the federal Accountability Act; second, to provide tax relief to working families by cutting the GST; third, to make our streets and communities safer by cracking down on crime; fourth, to help parents with the cost of raising their children; and fifth, to work with the provinces to establish a patient wait times guarantee.

I am proud to note that we have made progress on all five of these priorities, and we are moving ahead in other areas to improve the lives of Canadians. We are working toward building a stronger, safer and better Canada.

The bill we are debating today is directly related to one of our top five priorities, and that is cracking down on crime.

The existing Sex Offender Information Registration Act, or SOIRA, is an important tool for law enforcement. It provides police with rapid access to information regarding convicted sex offenders, which assists them in investigating crimes of a sexual nature.

The bill we have before us would bring the military justice system in line with the civilian criminal justice system through the SOIRA. During my time today, I want to explain how the bill would do just that.

[Translation]

I fully support this bill and I encourage my honourable colleagues to do the same. This is a complicated issue, so I hope to make it as clear as possible for my honourable colleagues.

[English]

I think we can benefit from looking at the current system for a moment.

In December 2004 the sex offender database was established under the Sex Offender Information Registration Act. The sex offender database is maintained by the RCMP. It assists police in investigating crimes of a sexual nature by providing them with rapid access to information regarding convicted sex offenders.

I emphasize that the obligation to register pursuant to the SOIRA is not intended to be a tool to prevent sexual offences. Nor is it meant to be an additional punishment for a person who has been convicted of a sexual offence. The sole purpose of the database is to provide law enforcement officials with an up-to-date investigative tool for offences of a sexual nature.

Let me give the House an example of how this works. If an alleged sexual offence occurs in Ottawa, the local police investigating the offence here can quickly access the database to determine what sex offenders reside in this area. When necessary, the police can interview such individuals to aid in their investigation.

[Translation]

I would like to emphasize that police officers cannot access the national sex offender registry for just any reason.

Police officers can only access the database if they are investigating a sexual offence. The national sex offender registry is therefore an effective tool designed to help police officers who are investigating sex crimes. However, when the sex offender database was created in 2004, it did not include people convicted in the military justice system. That is what Bill S-3 seeks to change.

[English]

Under Bill S-3, a court martial could order a convicted sexual offender to register in the sex offender database. The bill would maintain Canadian legal norms with regard to the SOIRA. It simply would ensure that convictions for sexual offences pursuant to the National Defence Act would have the same effect as in the civilian criminal justice system for the purposes of the national sex offender database. This means that if a Canadian Forces member is convicted of a sexual offence by a court martial, he or she could be required to register pursuant to SOIRA, just like a sexual offender convicted in a civilian court.

Although the amendments to the National Defence Act are designed to harmonize the military justice system with the civilian criminal justice system, they are not an exact copy of the provisions contained in the Criminal Code.

Under the SOIRA, offenders who leave Canada must provide notice and specify the dates of their departure and return. This system may work well for offenders convicted under the civilian criminal justice system. However, it poses potential problems in the case of military personnel, given the unique nature of the military operational environment.

Some Canadian Forces member can, for example, be deployed from their home base with very little advance notice. This can occur, for instance, in response to a domestic emergency or for a deployment overseas. Depending on the nature of the operation, the release of the member's date of departure could put in peril the security of our armed forces and our allies.

Bill S-3 recognizes this fact and a certain amount of flexibility is therefore built into the bill. The bill would provide authority to the governor in council to designate registration centres for the Canadian Forces that could be located both inside and outside of Canada. As well, the bill would allow the Chief of the Defence Staff to determine how a sex offender could fulfill the reporting requirements and exercise the rights established under the SOIRA. I will explain these rights in more detail later in my speech.

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First, if an offender's operational obligations prevent him or her from exercising their legal rights or for meeting some of the SOIRA requirements, the bill would address the situation. The key to this authority is that it would be only used to remedy a situation involving two conflicting legal obligation. This authority would allow Canadian Forces members to exercise their rights or satisfy their obligation under the SOIRA once their operational obligations have been completed. Ultimately, the offender would be required to fully comply with the SOIRA requirements.

Second, the bill would allow certain information to be excluded from the database when the Chief of the Defence Staff determined the release of this information could jeopardize national security, international relations or certain types of operations. However, the Chief of the Defence Staff would not exercise the authority granted under Bill S-3 for just any reason. The Chief of the Defence Staff could only exercise this authority when a registered offender could not comply with his or her reporting obligation for operational reasons. We do not expect that this authority would be exercised very often.

In essence, this important provision would allow a sex offender to report under the SOIRA while ensuring that information which could jeopardize national security, international relations or operational security would not be disclosed.

To summarize, Bill S-3 would extend the registration scheme of the SOIRA to individuals convicted of sexual offenders under the National Defence Act. This would bring the military justice system in line with the civilian criminal justice system, while taking into consideration the unique operational requirements of the Canadian Forces.

Bill S-3 would also ensure that the military justice system would continue to reflect the same legal norms that exist within the civilian justice system.

• (1105)

[*Translation*]

Bill S-3 is a step forward in terms of the government's efforts to fight crime. This government has given the police more tools and resources to fight crime.

[*English*]

The Sex Offender Information Registration Act is a valuable tool for police to investigate crimes of a sexual nature. This is why we want to extend the SOIRA registration scheme to individuals convicted of sexual offences under the National Defence Act.

I am thankful for the cooperation of all members who have allowed this worthy bill to go forward.

[*Translation*]

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Mr. Speaker, I am pleased to speak today in the debate on Bill S-3, An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act.

First, it is important to clarify at the very beginning that this bill in no way seeks to discredit our Canadian Forces. On the contrary, they inspire pride and honour in us all. As we well know, our Canadian armed forces are now representing Canada overseas,

whether in Afghanistan or in other countries. Some of our men and women have already made many sacrifices and some have paid with their lives to defend our great democratic values. In that respect, in particular, we must pay tribute to them.

Above all, we must not forget that they are also proud ambassadors of Canadian values. In addition, it is important to ensure that they properly represent the values that they are defending abroad. We must also ensure that the actions of these ambassadors respect the values that are enshrined in our own legal system. That is perfectly normal and consistent.

It must be understood that the bill we are discussing today refers to exceptionally rare circumstances. It must also be admitted that the provisions included in Bill S-3 are only rarely applied.

Nevertheless, the bill is an important legislative measure intended to ensure that the military justice system will continue to reflect Canadian legal standards. It ensures that the Canadian military justice system is integrated with the national sex offender registry, while taking into account military operational requirements.

Bill S-3 is almost identical to a bill in the last Parliament, Bill S-39, which was supported by all parties and I am especially pleased that we are proceeding with second reading of this bill today. While the name has been changed and there are slight amendments, it is essentially the same. I hope that it will receive the support of all parties in this House again today.

To properly understand the objective of this bill, we must first look at the current system.

In 2004, when the Sex Offender Information Registration Act was proclaimed and certain provisions were included in the Criminal Code, a registry was created of persons who had been convicted of certain sexual offences.

As part of this system, a criminal court judge can order a person convicted of an offence of a sexual nature to report to a police station on a regular basis in order to provide specific personal information. That information is then entered into a national database. The process can also be applied to persons convicted of a sexual offence who were serving a sentence at the time the act came into force.

I would like to underscore that the principal objective of the registry is to provide the various police forces with another tool to help in their investigations of sex offences, to identify potential suspects.

In that vein, I am sure everyone in this House will agree that it is in the public interest to ensure that military courts martial hand down the same sentences for sexual offences as do civilian tribunals.

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I must also point out that members of the Canadian Forces who are required to participate in the National Sex Offender Registry may continue to serve in the military after a conviction. This will be possible by providing mechanisms to allow them to fulfill their reporting requirements from within the military operational environment.

As we all know, the remarkable work performed by the men and women of the Canadian Forces sometimes requires that information be withheld for security reasons. This is why subsection 227.16(1) was proposed.

It reads:

The Chief of the Defence Staff may determine that the communication, under section 6 of the *Sex Offender Information Registration Act*, of information that relates to an operation could jeopardize national security, international relations or the security of an operation that is within a class of operations designated by a regulation made under paragraph 227.2(b).

• (1110)

However, there are measures to ensure that police forces can obtain information required for an investigation.

I already see some honourable members frowning and questioning the transparency of the above clause. I would like to reassure them. There are provisions in place governing the use of this clause and providing for the transfer of the information to the Department of National Defence which, in turn, must report to the two houses of this Parliament. The provisions are found in section 221.171, which reads as follows:

227.171 (1) The Chief of the Defence Staff shall, within 30 days after the end of each year, submit a report to the Minister on the operation of sections 227.15 and 227.16 for that year that includes

(a) the number of determinations made under each of paragraphs 227.15(a) to (d) and the duration of the suspension resulting from each determination; and

(b) the number of determinations made under subsection 227.16(1) and the number of persons exempted under subsection 227.16(4) as a result of each determination.

(2) The Minister shall cause a copy of the report to be laid before each House of Parliament on any of the first 15 days on which that House is sitting after the Minister receives the report.

I believe that this provision provides sufficient reassurance as it clearly indicates that decisions made by the Chief of the Defence Staff with regard to this act will not remain internal untraceable decisions.

I would like to add one more thing to help us understand the pertinence of this matter. Individuals charge with such offences are rarely found guilty; when they are, they are discharged from the armed forces most of the time. If they do remain in the armed forces, they must undergo counselling and are placed on probation in order to help them.

This bill ensures that the military judicial system reflects the same values and rights as our civil judicial system and, consequently, guarantees that the systems are equitable. Thus, it is with pleasure that I move that this bill be adopted and I strongly urge my colleagues in this House to support it.

• (1115)

Mr. Claude Bachand (Saint-Jean, BQ): Speaker, it is a pleasure for me to rise today on Bill S-3, which is before us today.

This bill is not very complicated. In December 2004 the House of Commons passed a series of measures requiring sex offenders to be listed in a registry. After this legislation passed and came into force on December 15, 2004, if memory serves, people realized that the military justice system did not have a similar provision.

I think it is important to explain for a few minutes what the difference is between civil justice and military justice. Some people will want to know whether this means that military personnel are treated differently in the military system than we are in the civil system. We have a typical example of this in the bill before us today.

When advances are made in the civil justice system, it is important for them to be incorporated into the military system as well. Some of the people watching us today may well wonder whether military system can be more permissive than the civil system. The answer is no. It is important, though, to have a military justice system and for it to be distinct from the civil system, even though it follows this system and adapts to it. The military environment is very distinctive. It has codes of honour. I have had the opportunity to attend courts martial and can assure the people watching us today that the application of the law in the military system is just as valid as in the civil system.

Everything needed for a valid justice system is there. There is a court, called a court martial. There is a judge, who listens to the case, and there are military defence attorneys and military Crown prosecutors who present the evidence. Then the judge decides. As I said, it is distinctive. It is true that it seems different because we are accustomed to seeing large provincial, federal and even municipal courts, and that is not the case at a court martial. For example, there are regular courts martial at the base in Saint-Jean. The trappings may be a little different, but when it comes to the gist of the matter, justice is done.

This bill just ensures, therefore, that Bill C-16 will apply and the military justice system will reflect the goals and objectives of that legislation.

The current Minister of National Defence, who was formerly the Conservative defence critic, stated something that was a bit different, though, back in 2005. He slightly criticized the forerunner of this bill, that is to say Bill C-16, saying that military personnel found guilty of sex offences should be taken out of the Canadian armed forces because the military is set up so that everyone can be replaced in every operation.

We must not confuse the sentence with the registry. The problem now is that the sentences are carried out. For example, someone from the Canadian Forces who was sentenced for a sexual offence before the implementation of Bill S-3 could receive a sentence, could actually be discharged from the armed forces for a serious offence, but they did not have to enter their name in a registry that already exists for civilians.

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The bill before us simply opens up the possibility that, from now on, a convicted member of the military who has received a sentence, whether or not they are discharged from the armed forces, will have to register their name. As several of my colleagues have said, there will be registration offices here and there throughout Canada for people to register and the measures will be pretty strict. I think that is a good thing. In fact, I get the impression that is why Bill S-3 before us is being fast-tracked, that is, that one representative for each political party will speak to the bill and then it will be deemed to have been adopted at all stages. We must not think that the matter is extremely complicated. It is simply an adjustment.

I also said a while ago that military justice is just as valid as civil justice, but it must be recalled that it operates in a very different context.

● (1120)

There are some exceptions in the bill. For example, someone could be sentenced in a sensitive theatre of operations. The example is often given of the special forces, whose numbers are not known and who operate in a theatre in an unknown location. If someone is convicted of a sexual offence in a court martial, obviously the event cannot be given a lot of coverage. The chief of staff can even say that, although there are time limits in the act for registering, he will have to exceed these limits because he is in a specific theatre of operations and national security requires him not to reveal where he is. We must understand that this is an exception. We acknowledge this.

Furthermore in the bill before us there are provisions that ensure that this is not a loophole. Not only will the person convicted of a sexual offence be sentenced, but they will also have to register their name. It was said earlier: these are tools that will help the police forces carry out their investigations. The person must register their name in any case. There are even provisions for revisiting a case every 15 days and determining whether the exemption on grounds of national security is still valid. I think that this is something important in the bill.

People must not get the idea that anyone is trying to get away with something or that someone in the military who is charged with a sexual offence, and convicted, is to be exempt from the law. We do not want people to get the idea someone can get away with something, or avoid their obligations. That is not the purpose of the law, or of this provision. It is not to allow someone to evade the law. In circumstances in which military operations are underway, it is important that there be allowance for taking the theatre of operations into account, and for sentencing the guilty person when it is over. The person will have to serve a sentence, and may even be expelled from the army, but in any event will have to register. The law did not provide for that, and now it does.

We are pleased to support this bill. We believe that this is simply a matter of consistency with Bill C-16. There will no longer be any exceptions in society. Even though we have a military justice system parallel to the civilian justice system, there must still be some logic in how they apply, and previously there was not.

In fact I believe that the Senate realized this. I should say, rather, that the other house realized there was a problem. That is why it decided to send the bill to the House of Commons.

I think they have done a good job. I do not believe that we need an exhaustive study of this matter. We may have made mistakes at certain times, for example on the question of the Veterans Charter. At the time, we thought that an election was coming and that the bill had to be passed at top speed, skipping some stages. We may have made mistakes, because not only was the bill longer, but it also had more impact on veterans as a group.

This bill, however, is not particularly long, and it really does not have many consequences, apart, as I said, from updating the law to be consistent with what was done in Bill C-16.

I do not think that there will be any national outcry if we say today that we go along with Bill C-16, that we will fast-track it through the stages, as we have decided to do and as the House leaders have also decided to do.

In conclusion, I would like to reassure the public. The military justice system will now be as effective and as stringent, in dealing with sexual offenders, as the civilian justice system is. Those people will not be able to avoid their obligations. They will have to be registered in the database like everyone else.

I therefore believe that there will be unanimous agreement in this House, at least from the Bloc Québécois. I have heard my colleagues say that they support the bill. The Bloc Québécois also supports Bill S-3.

● (1125)

[*English*]

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, I rise to support Bill S-3.

I have supported the sex offender registry for a very long period of time, going back to before it was initiated and I certainly support this bill as well. The armed forces is a profession, and this would bring the armed forces into line with what we used to see in many other professions.

In our communities the issue of sexual offences is very top of mind for many people, partly because our media provides information to people so quickly. It is a subject which causes fairly high anxiety certainly in the constituency that I represent. Any tools that are available to help provide some level of assuredness to people are very positive steps forward.

What we have seen in the past, probably with the armed forces and certainly with other professions, is that offences have been committed and as there has been no registry there was no registration of the offence on a national registry. Therefore, the individual in practising a particular profession would simply move to another area and commit another offence. Parents and others in the public would ask how it could happen that someone with a history of sexually offences was hired.

The sexual offence registry ensured that there was a national database. Employers do a criminal records check and the police could use the national database registry.

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The New Democratic Party has laid out three streams of justice policies, which are prevention, policing and punishment. This change, while simple in text, is really quite profound. It speaks to prevention and provides another tool for policing and ensures there is a database that is indeed complete.

One reason this is so important is that people in the armed forces are seen as being in a position of trust. I do not know if it is idealism, but a special respect is accorded to people in the armed forces or people who previously served in the armed forces. They are even more likely to be offered positions of trust. Given that they may be even more likely to be offered positions of trust, it is even more important that this registry be put into place.

When I talk to parents and other adults in the community, they tell me that they believe that because there is a sexual offender registry or criminal records checks they can relax a bit more. This is a very good tool and I absolutely support it, so it is not about this piece of legislation, but I always tell people that we as adults and parents or grandparents have to remain continuously alert. We must teach our children what they need to do to be safe and to report when they feel uncomfortable. Adults need to know what to do if they are uncomfortable or where they can go for help. When somebody is charged with a sexual offence, it is highly unlikely that it was the first time the person committed a sexual offence.

• (1130)

When a new tool is put in place, I do not want people to think that they can relax or be less alert. It is a very good tool but people still have to be very alert in their communities.

According to DND, within the last six years 20 people have been charged and convicted of sexual offences. It does not really matter to me if the number is 20 or it is two, as one is too many. I consider this small grammatical change to be a change with profound impact and matters as much as any number would matter. As I say, one offence would be too many. Anyone who has ever worked with victims of sexual offenders or have family members who have been victims of sexual offenders, and that would probably include most of us in the House, know that it affects the victim sometimes for the person's lifetime, and indeed the person's family and family dynamics. Any additional tool that will be available to the police is an important one.

The forces will deal with this as they see appropriate within the forces and in concurrence with the regulations in the armed forces. When that occurs, we must know that whatever consequences are handed out within the forces are reflected in a national database to which the police will have access.

I do not know how many times police officers have said that they wished they had known that a specific person had a history of sexually offending because they could have found the person earlier and they could have prevented future attacks and maybe even have done some prevention. This is a regulation that will allow that to happen.

• (1135)

The Deputy Speaker: Pursuant to order made on Wednesday, March 28, 2007, Bill S-3 is deemed read a second time and referred to a committee of the whole, deemed considered in committee of the

whole, deemed reported without amendment, deemed concurred in at report stage and deemed read a third time and passed.

(Bill deemed read the second time, considered in committee of the whole, reported, concurred in, read the third time and passed)

* * *

[*Translation*]

ROYAL ASSENT

The Deputy Speaker: Order, please. I have the honour to inform the House that a communication has been received as follows:

Rideau Hall

Ottawa

March 29, 2007

Mr. Speaker,

I have the honour to inform you that the Right Honourable Michaëlle Jean, Governor General of Canada, will proceed to the Senate chamber today, the 29th day of March, 2007, at 5:30 p.m., for the purpose of giving royal assent to certain bills of law.

Yours sincerely,

Sheila-Marie Cook

Secretary to the Governor General

GOVERNMENT ORDERS

[*English*]

QUARANTINE ACT

The House resumed from March 28 consideration of the motion that Bill C-42, An Act to amend the Quarantine Act, be read the second time and referred to a committee.

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, as the member of Parliament for Renfrew—Nipissing—Pembroke, the home for over 50 years of Canada's Emergency Preparedness College, I am pleased to participate in this debate about modernizing the Quarantine Act.

The Quarantine Act is one of Canada's oldest pieces of legislation. The original act was first adopted in Parliament in 1872. It is the only federal statute concerned with preventing and controlling the introduction and spread of communicable disease. The new Quarantine Act received royal assent in 2005 and is now in force. This legislative renewal initiative was a direct outcome of our Canadian experience with SARS.

As a member of the 37th Parliament, I had the privilege of representing the Ontario riding of Renfrew—Nipissing—Pembroke during the SARS crisis. What I remember most about the debates in the House of Commons surrounding the SARS crisis, was the almost total lack of accountability from the Ontario Liberal MPs during that crisis and from the administration and the minister they were defending.

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While I have certainly been pleasantly surprised by the concerns raised by Liberal MPs who are now in opposition, my question is, where were they during the 2003 SARS crisis? The purpose of a quarantine act is to be prepared for an emergency. This is the same reason we have anti-terrorism legislation, to be prepared. Canada witnessed what happens when government is not prepared. This was evident during the SARS crisis. Let us not make the same mistake twice. Our government is getting the job done.

The official opposition was irresponsible when it made the decision to go soft on terrorism. Canadians can only hope that lives will not be lost as a consequence. The bottom line in this discussion is saving lives, protecting the health of Canadians. It was the inability of the former minister for emergency preparedness in the old government who had the statutory authority but lacked a grasp of the importance of the portfolio that led to the travel advisory being issued against Toronto during the SARS episode.

Information was not communicated to the World Health Organization in a timely fashion. The leadership role that the minister in the old government was intended to assume never materialized. The minister responsible for emergency preparedness claimed it was the minister of health's responsibility to call the World Health Organization. The minister of health figured that in an emergency the minister for emergency preparedness was in charge. In the inevitable passing of the buck, Ottawa twiddled its thumbs as Canadians became ill.

It is shocking to hear MPs who are members of the old government now admit just how unprepared Canada was and how disorganized the government was to communicate accurate information to an alarmed populace for an epidemic of any kind, let alone SARS.

I listened carefully as alarmed Canadians were told to turn to no less than 17 sites on the Internet for information on SARS. This information was incomplete and the sites conflicted with one another. Given this kind of experience with a crisis, it is incredible that opposition members would want Canadians to be unprepared for a terrorism act when they voted down their own terrorism legislation. It is all about being prepared.

Canadians listening to this debate will know that it is partisan posturing to suggest that amendments to the Quarantine Act should have been our new Conservative government's first order of business when in fact Bill C-2, our new government's showcase anti-corruption legislation had to be the first order of business.

● (1140)

The people of my riding of Renfrew—Nipissing—Pembroke and more specifically the people of Arnprior know firsthand the actions of a corrupt government when the Emergency Preparedness College, which had been located in Arnprior for over 50 years, was shut down. It was wrong to close the Emergency Preparedness College in Arnprior and, as events turned out, it was not only the people of Arnprior who suffered because of that bad decision.

In the case of SARS, the cost to the tourism industry in Toronto and the rest of the province of Ontario was in the hundreds of millions of dollars. The SARS fiasco was the culmination of a whole series of missteps by the old regime that began with the political

decision to discard over 50 years of tradition and teaching excellence when the politically motivated decision was made to close down the Emergency Preparedness College in Arnprior.

With the college in turmoil, the people who were supposed to be advising the government were ill-equipped to react even if the legislation tools such as we are discussing here today were in place. What is truly unfortunate about that wrong headed decision by the scandal ridden old government to close the Emergency Preparedness College in Arnprior was the price Canadians had to pay when it came time to act during the SARS crisis.

While taxpayers' dollars were made available to large urban centres like Toronto to deal with the drop in tourism as a result of the travel advisory issued against Toronto, the effect of that travel advisory warning by the World Health Organization rippled throughout the province of Ontario. Many businesses, including small businesses involved in the tourism industry located in my riding of Renfrew—Nipissing—Pembroke were adversely affected.

The old administration refused to take responsibility for the situation with SARS and it is to the credit of the former member of the House, long forgotten by his own party and frustrated by inaction, that a concert was organized to let the world know that it was safe to be in Toronto and a safe travel destination as well. It is with this background that I participate in the debate regarding Bill C-42.

The modernization of the quarantine legislation was a first step in a series of legislative initiatives, along with the establishment of the Public Health Agency of Canada and the appointment of the new Chief Public Health Officer to help strengthen Canada's public health system. Bill C-42 is a minor amendment to the new Quarantine Act. It proposes new wording to section 34.

This amendment to the Quarantine Act is a minor and technical one. It does not change the policy objective but corrects the current language used in section 34. Section 34 is a provision that supports advance notification of very important health information to federal officials. It requires conveyance operators to report in advance before arrival in Canada if there is an illness, a public health concern or death on board a conveyance.

This provision enables quarantine officers, nurses and medical practitioners designated by the minister to coordinate an efficient response and to mobilize other key health and emergency responders.

In the event of a large scale outbreak and if necessary, this provision would allow the Minister of Health to better assess whether to order the diversion of a carrier to an alternate landing site in Canada to protect the health and safety of Canadians.

In its current form, section 34 would not satisfy its intended purpose. The problem was discovered when attempting to draft a supporting regulation which was necessary to make section 34 functionally proper.

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• (1145)

Unfortunately, this issue created a barrier for bringing the new Quarantine Act into force swiftly and a newly worded section 34 is necessary from a technical point of view.

Today, I stand before members with this bill to be forwarded to the appropriate committee for review.

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, I would ask the hon. member, in view of the fact that there was this technical problem that rendered the bill inoperable and that was identified probably 14 months ago, why has it taken the government this long to make this small technical change that would actually make the bill operable?

At the same time I would like to ask the member to actually fact check her remarks in terms of a so-called previous minister for emergency preparedness in terms of the fact that indeed that was the health minister and the fact that it was indeed the Conservative premier of Ontario standing outside, where there was absolutely no risk of SARS, with a mask around his chin. These kinds of optics actually created the kind of alarm and fearmongering that was very dilatorious to my city of Toronto.

In fact, long before the travel advisories, we knew that the Chinese restaurants in Montreal were empty, that there was a real problem in being able to get the information out that this indeed was a disease that one would have to break into a hospital room in order to get the disease. The problem indeed was that we did not have the science of the incubation period, the mode of transmission, or any of those things at that time when the science was lacking.

I guess I also want to know how the member can stand there when indeed the problem was a lack of communication between the Ontario government and the federal government in terms of whether that was one patient who had gone to two hospitals or two patients who had gone to two hospitals. We were faced with the issue of interference and whether or not data sets would be shared because of somebody worrying about whether they would be the principle investigator on a study. This was a huge problem as we learned from the Naylor report.

We, as the Liberal government, took every recommendation of the Naylor report very seriously. We put in place the Public Health Agency of Canada. We appointed David Butler-Jones as the first ever Chief Public Health Officer. We put in a Minister of State for Public Health. We supervised the first public health network for Canada in which 13 jurisdictions in the country would plan public health together in terms of chief public health officers from all of the jurisdictions, knowing that germs do not respect borders and that we did learn the lessons from SARS.

If we learned the lessons from SARS, put all of these things in place, could the member opposite tell us why it took 14 months for the government to fix this tiny technicality that has rendered this whole bill inoperable?

• (1150)

Mrs. Cheryl Gallant: Mr. Speaker, I will begin by first answering the question on why it took so long. The first order of business for the government was to put in place legislation so that confidence in government would be restored. We had gone through 13 years of a

corrupt government and to this day we still have not found the \$40 million that disappeared during the adscam scandal.

Furthermore, with the Hewlett Packard incident at the Department of National Defence, we are still not told what happened to the \$100 million. That is why it was so important to have the Federal Accountability Act put in place.

To underscore my comments that the old government of the day was confused was further underscored by the statement that there was no minister of emergency preparedness. Under the Minister of National Defence at the time, the Ontario office of critical infrastructure and emergency preparedness was under the defence department.

Recognizing now that they did not even know there was a minister in charge—

The Deputy Speaker: Order, order.

Hon. Carolyn Bennett: There was no federal minister.

The Deputy Speaker: Order, order. I would remind members on this side of the House that there is a question and answer period. People on this side listen while people on the other side are speaking.

Hon. Carolyn Bennett: I don't expect nonsense like that from you.

The Deputy Speaker: Order, order. If the member for St. Paul's wants to rise again and ask a question of the member, that is perfectly in order, but let us have a little order here and stop the yelling.

Mrs. Cheryl Gallant: Mr. Speaker, as a consequence of the failure of the minister responsible for emergency preparedness federally, the OCIPEP was completely dismantled and a new department was created, the one we have right now for public safety. That is largely as a consequence of the inaction and confusion that happened during SARS.

Many people never knew that the defence minister was in charge of emergency preparedness. These comments further exemplify that and they were successful, apparently, in whitewashing that over.

In terms of SARS itself, it was our current Minister of Health, the hon. member for Parry Sound—Muskoka, who was able to contain the situation in the province of Ontario. As a consequence of his daily conferences with every public health organization and hospital every morning during that crisis, we were able to contain the situation and stop the spread of this disease.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I was absolutely staggered and flabbergasted by the comments from the member opposite.

People in this House, I hope, do not usually tend to speak the opposite of the truth intentionally, and I hope that was not her motivation in doing this, but I have to ask the hon. member to check her facts.

Government Orders

I do not know if the public is aware of what happened when the Liberals were in power, when we had threats such as SARS, but I am going to correct the hon. member's comments right now. We have an emergency preparedness system across this country. We have a 24 hour op centre that exists. We have provincial counterparts across this country. We deploy mobile hospitals across this country, not only in the event of a biological disaster, such as what she was referring to, but for other disasters that may occur as well. These beds can be mobilized anywhere in the country on very short notice. They are deployed right now.

We were and are a world leader as a result of the work that we did with respect to challenges such as SARS, so much so that Canada was chosen to host a world symposium on dealing with issues such as SARS and international emergencies such as this.

Why was Canada chosen? It was because we were and are the world leader in this as a result of the work that we did, so much so that we were asked to go to Southeast Asia, which is the epicentre of these types of zoonotic diseases that skip the species barrier, with our scientists, with our early warning system, and with our diagnostics to help them deal with their problems.

Why was Canada chosen? It was because we are the best, and we are the best because we put those elements in place that we have here at home and we share that all across the world.

Those are the facts and I want to at least give the hon. member the opportunity to acknowledge all of that work that I just mentioned, and which my colleague from Toronto just mentioned, who is also a physician and who was very intimately involved in this. Will she at least acknowledge that what we have said actually did occur and that these things are in place for the safety of our citizens in our great country?

• (1155)

Mrs. Cheryl Gallant: Mr. Speaker, I would like to thank the member opposite for acknowledging the fact that SARS was a biological disaster, something his other colleague disputed in this House.

This is about saving lives. It is about the health and safety of Canadians. I would ask all members of the House to support this important legislation, Bill C-42.

Hon. Keith Martin (Esquimalt—Juan de Fuca, Lib.): Mr. Speaker, I do not want to reiterate what was said, but, in the interests of the public, I hope they look at the facts on what occurred when we dealt with the big challenge of SARS and how we will deal with it and other similar diseases that may cross the species barrier in the future that can have profound pandemic effects causing a great loss of life and illness among our citizenry and those of the world.

I encourage people to look at the work that has already been done in the country, because a lot has been done, and, thankfully, we are a world leader in this. Does that mean that we need to rest on our laurels? Absolutely not. However, it does mean that we need to be vigilant.

Bill C-42 updates the Quarantine Act by providing new provisions to manage public health threats. I will go through some of those and perhaps go through some of the elements of SARS because there is a lot of misinformation out there.

Interestingly enough, if we go back in history we know that SARS is a result of a virus that actually starts to reside in birds. Those birds that are living with people in unclean environments at some point in time, that particular virus can jump the species barrier to humans. When it really becomes bad is when we are able to pass that bug on between ourselves.

If we go back in history, every 20 to 25 years a pandemic occurs with a great loss of life, which is why large amounts of public moneys have been invested in early warning systems, in prevention and in the manufacture of a vaccine. I neglected to say to the member that Canada is one of only two countries in the world that has the domestic capacity to produce the vaccine, such as the influenza vaccine.

The influenza vaccine is a difficult vaccine to produce because the type of virus we are dealing with is a very clever virus. It is a simple but lethal virus that can change itself very quickly. In doing so, we need to play catch-up to ensure that what we are doing and what we are producing will deal with the particular viruses that we are trying to protect against.

Our scientists are always playing catch-up and that is a challenge for them. However, we are one of only two countries in the world that have that domestic capacity. We are able to work quickly, effectively and provide that to Canadians.

We also stockpile Tamiflu which is a drug to prevent the symptoms from occurring and prevent infection. It is not something people would want to take regularly or something that should be widely dispensed in a preventative fashion because viruses can cause resistance. We do not want to cause resistance to a drug in case of a pandemic occurring.

As my colleague said, germs know no boundaries and that is a fact. This is an international problem. Where it is rooted as its epicentre is in Southeast Asia. It is very important for us to maintain relations with countries so we can work together to address the problem.

I hope the government works with Taiwan, China and other countries in Southeast Asia so we can be vigilant in preventing a situation where the virus skips a species boundary and people begin infecting each other which causes the virus to spread widely.

The only way we can do that is to have a competent early warning system. Unfortunately, the government has actually cancelled consulates around the world, which is a huge mistake on Canada's part. We have done this in St. Petersburg, in Japan and in other parts of the world.

We have contracted our foreign policy away from other parts of the world. It is good to focus but, while focusing on specific areas, it does not mean to say that it precludes us from having our fingers on the pulse of what is occurring in other parts of the world. A failure to do this means that we fail to address the problems that know no boundaries.

Government Orders

I say to the government that it has made a huge error in closing these consulates and, in doing so, contracted away our foreign policy so that it really deals with only two issues, Afghanistan and Canada-U.S. relations.

• (1200)

Interestingly enough, Afghanistan is not even one of our priorities. However, because of events that superceded, we have chosen Afghanistan which is now taking the lion's share of our CIDA investments and the bulk of our work in defence and in foreign affairs. It is consuming just about everything at the expense of our ability to deal with the challenges of other parts of the world that do affect Canada and Canadians. It is a huge error for the government to contract our foreign policy, CIDA and our defence involvement down to basically two issues. I agree with focus but there are ways to ensure we have a finger in other areas that are in the best interests of Canadians.

On the issues of SARS, HIV and other diseases, we know that HIV is a disease that started in primates in Africa and that probably 30 or more other deadly viruses are harboured in primates in that part of the world.

In the development that is occurring in the jungles of the Democratic Republic of the Congo and in formerly difficult to reach areas in Central Africa, logging trucks have gone into the areas to exploit the logs and natural resources. A byproduct of that is that humans are now coming in very close contact to areas that were formerly not exposed to humans. Part of that involves humans killing animals for the bush meat trade, which is resulting in the destruction of many species in those parts of the world. They are being driven to the brink of extinction and will become extinct unless something is done about it.

It has also opened up the trafficking in exotic pets. Does the House know that the trafficking in endangered species is the third leading area of contraband trade in the world, behind drugs and weapons? We should think about that. It is a \$25 billion trade in endangered species and it is resulting in endangered species being driven to the brink of extinction. Various forms of rhino: the Indian rhino, the Javan rhinoceros and black rhino. Various species of tiger: the Bengal tiger, the Sumatran tiger and the snow leopard. If we name it, there is a trade in it: the orangutan, low land gorillas, bonobos, chimpanzees, all of which are being driven to extinction, including, of course, elephants, which we thought were in good shape, but now we see there is a dramatic upsurge in the poaching of elephant.

We saw destruction in Chad, in the Central African Republic, in the Congo and in other areas. This, of course, is driven by primarily domestic wants, not needs, in the developing world.

We are guilty of importing these animals and animal products, which is driving these species to extinction. I do not think the Canadian public would be proud to know that our country is one of the top destinations in the trafficking of endangered species. That is absolutely appalling but have we heard anything from the government to address the problem? We have heard nothing.

What does it mean? If we look at what happens to these birds, amphibians and mammals, these creatures are packed into appalling

circumstances and 80% of them die somewhere along the route under terrible situations: dehydration, starvation, disease, abuse, killed or die of shock. The 20% that survive come to our borders as pets.

People can buy, for example, a pink macaw in Brazil for \$15 and sell it in Italy for \$2,500. The mark-up is huge. Those so-called pets are actually taken by people who have no idea how to deal with them. Little pets that were formerly small become big and difficult to manage and sometimes they fall into terrible circumstances.

We can stop some of those things and I am advocating that the government should do the following: first, anyone wanting to import a wild animal should have an import and export permit and must have the import permit before they can acquire an export permit; second, only designated entry points should be used so that trained specialists would be available to examine the species; third, rescue centres must be identified so that species that are coming in that should not be here or that are ill can go to these rescue centres and receive the care they require; fourth, individual traders should be licensed and they should be the only ones able to bring these species into the country. This is important with respect to our obligation under the Convention on International Trade in Endangered Species. Lastly, our Canadian wildlife service officers should have the resources to do the job.

• (1205)

Unfortunately, the government is utterly neglecting this area. It sounds small but it is important with respect to the bill because, if we connect the dots back to where I started, these species can be traced back to the diseases that are brought into our country and affect humans.

As I said before, there are 20 to 30 HIV-like viruses residing in mammals but primarily primates in Africa that will some day cross the species barrier from primates into humans and, in doing so, we will have a virus that can then jump the species barrier as the human immunodeficiency virus has done with devastating results.

As a country it is important that we deal with our area of responsibility. As I mentioned, if we continue to allow people to bring in endangered species, we are allowing destruction at the other end of the chain in countries that can ill-afford to do this. The outfall of this is the destruction of environments, which results in the destruction of species and the destruction of biodiversity. We all lose.

How can we address this? I have proposed in the past that CIDA should be involved in developing sustainable environmental protection. What Canada should be doing in sub-Saharan Africa and also in South America where this is a big problem, is ensuring that these countries protect their biodiversity and that it is done in such a way that the people who live in the surrounding areas will benefit. I will give some examples.

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I used to do a fair bit of work in conservation in South Africa, particularly in the area of KwaZulu-Natal in Zululand. At the beginning of the 19th century that part of South Africa had the second largest land mammal in the world, the white rhino: 6,000 pounds, six feet at the shoulder for a male, and 1,500 pounds less for a female. Only 60 of those animals, the largest land mammal in the world behind the elephant, were left in the whole world and they resided in one place, Hluhluwe Umfolozi Park.

What did the South African government do? It realized that it had a priceless treasure and it wanted to do everything it could to protect the mammal. It also said that it would protect the area so the animals could thrive and produce but it also recognized that humans needed to benefit from it too. We cannot just protect an area of habitat without ensuring the people in the surrounding areas also benefit from that protected habitat.

The South African government was very clever. It developed a system so people in the surrounding areas could benefit from the protected game reserves. What did people do? If poachers went into the area, the people warned the authorities because they knew that if the poachers were allowed to go in they would kill species and that would affect their future.

The reserves are also used to generate funds through low impact environmental ecotourism, which can generate a lot of money. In doing so, these moneys can be used for primary health care, primary education and water and food security for the people who live around the reserves.

I do not understand at all why CIDA has not caught on to this and used this as a way by which we can all benefit and preserve critical habitat. We could also use those habitats as a way of generating resources that could benefit people living in the surrounding area. In doing so, the critical habitat could be expanded and the people would benefit in terms of primary health care, primary education and so on. Human needs and species' needs would both be met.

• (1210)

Unless we can benefit people, wild spaces cannot be protected. Alternatively, if we do not protect our wild spaces and species' biodiversity, we negatively affect our future as one of the species on this planet.

As part of its agency, CIDA would be very wise to work with other countries like the Democratic Republic of Congo and Botswana, which has done an excellent job, Zambia, Uganda, Tanzania and others to help them preserve their wild spaces, their incredible biodiversity. This would generate a grassroots economic advantage for the people who live in these areas. By doing that, we would preserve forevermore these species, areas and biodiversity, which are a part of the future of all of us and our collective history.

The alternative is not to do this. If we do that, we will see what has happened now. I will use the Democratic Republic of Congo as an example. We have seen widespread destruction of habitat, lowland gorillas, bonobos and other primates for the bushmeat trade and plant life, the benefits of which we do not know because we have lost them. The destruction of critical habitat, including trees, will result in a wasteland that will not benefit the people of the Congo who desperately need it.

In essence, in a country like that, of which there are many in the developing world, its vast natural resources are being destroyed for short term gain, benefiting countries primarily in the west, many in Europe. The people on the ground are losing their future, their heritage and their hope.

Some of the developing countries in Europe, which include Norway and to a lesser extent DFID and Great Britain, have adopted this in a small way. What if we as a country were to be the champion of this? If we were, we could do something that no one else has done before. Canada would be the intersection between sustainable development and human development. It is something that we can do.

Canadians are disturbed by the destruction of the environment, by the loss of biodiversity and by the loss of species. They want to ensure that we can preserve them not only here at home but also abroad. This is a collective part of our common heritage.

I encourage the government to do this, not only for the benefit from a health care perspective but also from a development perspective. A friend of mine, Mike Fay, who is the National Geographic Society explorer in residence in New York, has written some excellent pieces on the destruction of endangered species. He and others are fighting hard to preserve these areas, not only abroad and in Africa but also North America.

We have great a opportunity in the west, in my province of British Columbia, to have a consistent area between Canada and the U.S. In Southern Africa it is called a peace parks process. This process could occur, connecting wildlife habitat from Canada all the way through the United States so species would have a contiguous area of protection and for ranging. In doing this, we would do things that would preserve their future.

We have great opportunities. Unfortunately, the government has not chosen to embrace those opportunities at a time of great surpluses. Because of that it makes itself less than what it could be and it makes Canada less than what it could be.

I encourage the government to seize the day, *carpe diem*, and adopt some solutions that could have a huge impact on the lives of our fellow citizens here at home as well as those who live far away. We live on one planet, which, in essence, is a borderless planet. What happens half a world away affects us. For these reasons, the government should have a much broader, holistic and wider view and exercise its responsibility to act as a leader.

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•(1215)

Mr. Steven Fletcher (Parliamentary Secretary to the Minister of Health, CPC): Mr. Speaker, before giving direction to the government, the member should really focus on the debate at hand, and that is Bill C-42. I just heard for the last 20 minutes, which seemed like a lifetime, about primates, habitat and so on. We are talking about Bill C-42, the Quarantine Act, with a minor technical amendment, which we need to move forward on, and the member started talking about things that have nothing to do with the issue at hand.

The issues he raise are important, but I encourage him to raise them at a time that is appropriate. I also encourage him to participate in the debate on the issue at hand and prepare for the debate on the topic that we are supposed to discuss.

There have been some questions from members on the opposite side, who were prepared for this discussion, dealing with conveyances and the duties to report coming over land. I want to reassure the members that there are two provisions in the act that allow operators moving vis-à-vis land. They are subsection 15(2) and section 38 in the act. Also, subsection 34(2) in the act allows for any kind of conveyance to be dealt with in an appropriate manner when entering the country if a quarantine issue is in play.

I also will put on record that there is a portal on the government website. It is pandemic.gc.ca. Perhaps the member could visit that website and find out more about Bill C-42 and the implications?

In the future could the member please talk about, or even pretend to talk about, the issue at hand, which is Bill C-42. This is an important issue, we want to get on with it and the member is delaying us.

Will the member confirm that his party is supporting Bill C-42?

•(1220)

Hon. Keith Martin: Mr. Speaker, what I was giving the hon. member and his government is something called leadership.

It should be embarrassing on the part of the government that it has chosen to take up the time of the House on Bill C-42, which we support. To use the member's own words, it is a minor technical amendment.

The Canadian public should be asking themselves why on earth the government is using a bill and all this time in the House on a minor technical amendment rather than implementing solutions and bringing them to the House, solution of a much larger nature that would affect more people in a bigger way, in a positive way.

Why I brought up the issue of primates is the bill deals with significant public health risks, including SARS, as the member I hope knows. I also brought up the issue of HIV and primates. Why? Because human immunodeficiency virus, of which we are all aware, has been the single most devastating pandemic ever to affect our species. It is one of many viruses that are harboured in primates in Central Africa. HIV came from there. That is why I brought this up.

This is why I have asked the government to do something more than deal with a minor technical amendment. Rather it should deal with something more substantive, something that should and would have a greater impact upon the lives of our Canadians at home.

Canadian taxpayers should ask why the government did not take the type of leadership role, as we did when we were in government, to do such things as the 24 hour op centre, the development of regional op centres in every province, the development, the production and the deployment of portable hospitals, mobile hospitals, across the country in case of an outbreak of SARS or some other emergency.

I could go on about all the things we did. Those, I would argue, are substantive things; they are not a technical amendment.

Mr. Steven Fletcher: Mr. Speaker, if the member is so keen on moving the debate forward, he could have stood and said that his party supported Bill C-42 and end his speech there. That way we could move on to more important issues.

The member brought up HIV and AIDS. This government has done a huge amount in this area. We had the announcement with the Bill Gates Foundation a few weeks ago. It is partnering with expertise in Canada, with my university, the University of Manitoba, and with David Butler-Jones and Dr. Frank Plummer. This will be revolutionary for AIDS prevention and hopefully a vaccine. This government did that. We are also partnering with international leaders in the field. This government is very proud of the tremendous amount of work that we have done in the area of AIDS research.

We are here to talk about Bill C-42, a technical amendment. The member is complaining. Why does he not encourage his party to pass this bill as soon as possible, perhaps through unanimous consent, in the next little while? I am sure we can arrange it with the House leaders office to do that. Will the member do that?

Hon. Keith Martin: Mr. Speaker, the member is obviously suffering from suspense with respect to the bill. I inform him, with great pleasure, that we support the bill. However, I find it almost laughable that the member had the audacity to say in the House that the government has done things for HIV-AIDS.

I am so angry about what the government has done to the Insite safe injection site in Vancouver. The Insite safe injection site is part of a system that saves lives. Even the police, the mayor, the premier and the medical personnel want it in Vancouver. It reduces crime, saves lives and money and reduces health care costs. Why do we know this? Because it has been peer reviewed and published in *The Lancet* and the *New England Journal of Medicine*, not once but several times.

What do the Prime Minister and the Minister of Health say about that? They say "we don't have the evidence, we don't know if this works". That is bunk and it is nonsense. If the government has an ideological approach to saving the lives of people who have substance abuse problems, it should come right out and say it, rather than trying to maintain some sort of fiction that it cares about these people.

If the government were interested in these people, who live in east Vancouver and across our country and who have substance abuse problems, in particular injectable drug problems, and if the government wants to reduce the incidence of death, mortality, morbidity, HIV, hepatitis C, hepatitis B rates and other problems in this population, then why does it not extend for five years the Insite safe injection site?

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Why do the Conservatives not put this in as part of an integrated harm reduction policy across the country and work with other cities that want to have this? Why did they close it down? Why did they not support the access health care system in my city of Victoria, British Columbia? Why did they not give the \$150,000 to a program to deal with the inner city problem in Victoria and with a situation that affects individuals who live on the street, have psychiatric problems, substance abuse problems, brain injury problems and others? The provincial government of British Columbia has given a couple of million dollars to it.

Why did the government not put a pathetic \$150,000 aside to help these people in an access health care system that does not have a safe injection site involved in it? We have a huge problem in Victoria of people living on the street, people who have substance abuse problems, people who are homeless, people who are brain injured, people who have psychiatric problems. It is an embarrassment that the government rejected this. I ask that Conservatives change their mind and invest in this and support the Insite safe injection program.

• (1225)

Mr. Alan Tonks (York South—Weston, Lib.): Mr. Speaker, I am going to address the Quarantine Act within the context of both its urgency and its relevance in terms of the concerns of Canadians.

I do not see this as just a normal technical amendment. I think that Canadians view their members of this House as their last bastion of support when it comes to protecting them against the kinds of epidemics that are global in nature, pandemics that are possible at any time, and against the magnitude and enormity of the issue with respect to possible pandemics and how they would affect our society. I think it is important that from time to time we assure Canadians that we do not take this trust for granted.

To give this a little context, it has been my experience in the House that nothing is self-evident. I remember when, in the name of making our electoral system more accountable and more secure in terms of those who might abuse it, we had a huge debate here when amendments were made to that electoral system as to whether it was a right to privacy to have one's age kept secret. We spent many hours on that. That was in looking at our basic democratic process of a vote in making sure it was secure against those who would abuse the franchise. We spent hours on whether it was an invasion of privacy for age to be one of the necessary requirements in order to make the system secure.

I do not mean to digress, but that was an example of where we spent a great deal of time on what could have appeared to be a technicality. That was to protect the right to privacy of individual Canadians.

However, this particular amendment is much more than just elementary and technical in nature. What it does is that if there was not an accountable regime in place it could place at risk our whole concept of human rights, the rights under the charter. With respect to border security where challenges are made, there could be a period of time, whereby under the old Quarantine Act a great deal of harm may have been done while legal technicalities, not medical ones, were being used as the parameters for assessment. That might be critical in terms of the potential harm that might be done at a border crossing.

To give a little context for those who may be listening, the objective of the bill is to create at the border two new classes of officials: inspection, so to speak, and two new classes of officials: environmental health officers and screening officers. These officials, along with quarantine officers, would make the decisions based on total information that is available to them as to whether someone should be detained and in fact put in quarantine because of a possible risk to society. That is a very incisive and deep intrusion into what we have been used to having in terms of the flexibility to move across borders and within the global community. It has become a more urgent matter to deal with.

The amendments that are being provided have a history. When the SARS epidemic occurred, the government of the day saw fit to bring together the best health specialists in the country. In 2003 we established the National Advisory Committee on SARS and Public Health. That was placed under chairmanship of an esteemed Canadian, Dr. David Naylor.

• (1230)

That particular committee made some recommendations. One of the fundamental ones is what provides the root of the government's amendments today, that is, to set in place these two classes of health officials and to work in close concert with provincial public health officials in order to tighten up the Quarantine Act and in order to take immediate action and not get embedded in technical, legal and more immigration related issues.

It is hard to believe that back in 2003 Dr. Naylor and his associates and colleagues were reviewing an act that had not had any substantive amendment since 1872 or 1873. I am sure that Canadians are going to be extremely surprised with respect to that, especially if they draw the broad context of how much medical challenges have changed from 1873 to 2007 and the experiences we have had with respect to pandemics.

If this were characterized in terrorist terms, and we indeed have been more shocked in terms of our susceptibility to acts of bacteriological terrorism and so on, if that were the issue, there would not be anybody who would apologize for standing up in this House and talking about that particular threat and having a substantive debate on the views that would be put forward by this government or any other government. All parties would be interested in that.

This is another aspect of what could constitute not terrorism but an international and global threat, whereby we have to bring our institutions up to date and have the capacity to respond to a very wide variety of threats. My colleague has expanded the debate to some extent. I do understand the concerns that he has raised and I do not think this debate is finished. There will be many other opportunities to expand the nature of the Quarantine Act in keeping with what Canadians' expectations are of us.

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I would also just like to mention that I heard one of the speakers suggesting that to some extent we are violating provincial authority and so on. Canada, the federal government, has absolute responsibility at borders. We have heard a great deal of debate with respect to new security measures that our American friends are bringing in, but I have to say that here in the province of Ontario there is a major initiative to update our public health card to include a picture and the necessary information in keeping with the complexity of health care, health related issues and so on.

Therefore, it should not be any surprise that, while this matter of provincial jurisdiction and public health is important to keep in mind, it is important to strengthen the bridge of federal cooperation with provincial public health authorities in terms of the whole matter of quarantine.

That is important, because it would seem to me that in the regime that clicks in at the border when there is a detention because of issues related to health risk, provincial authorities are going to be extremely important in the health care system in terms of the follow-up that takes place with respect to those who are coming from other countries who may be returning to Canada, those people who have visited other countries and who may have been exposed to a health related risk. It is the total health care system, not just the federal Quarantine Act, that is being integrated by this amendment to the Quarantine Act.

●(1235)

I would like to close by saying that Canadians expect us, as a matter of accountability and responsibility, to make sure that there is no part of health care or the international regime that is loose and open, and that it is totally tight and coordinated with respect to global threats that may come as a result of health implications.

I think the government should be congratulated for bringing Bill C-42 forward, because it maintains the continuity that was established by a previous government, and this is not a partisan issue. Every single Canadian would agree that it is in our higher interest, in the common interest and the public interest, that on matters of health we work closely together and make sure that Canadians can rest in the notion that we are doing the job they want us to do with respect to health and the possibility of pandemics in this country.

The Acting Speaker (Mr. Andrew Scheer): Is the House ready for the question?

Some hon. members: Question.

[Translation]

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

Some hon. members: Agreed.

[English]

The Acting Speaker (Mr. Andrew Scheer): I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Health.

(Motion agreed to, bill read the second time and referred to a committee)

●(1240)

HAZARDOUS MATERIALS INFORMATION REVIEW ACT

The House proceeded to the consideration of Bill S-2, An Act to amend the Hazardous Materials Information Review Act, as reported (without amendment) from the committee.

Hon. Jason Kenney (for the Minister of Health) moved that the bill be concurred in.

(Motion agreed to)

Hon. Jason Kenney moved that the bill be read a third time and passed.

Mr. Rick Dykstra (St. Catharines, CPC): Mr. Speaker, it is a pleasure to support Bill S-2, An Act to amend the Hazardous Materials Information Review Act.

The Hazardous Materials Information Review Commission which operates under the act being amended is part of a joint effort of the federal government, the provinces, the territories, industry and organized labour to protect the health and safety of those who are going to be working with hazardous materials. The primary objective of these amendments is to speed up the process of getting the information needed to handle hazardous materials safely into the hands of workers. This will of course enhance the protection of their health and their safety.

There have been extensive consultations on these amendments with all stakeholders, including organized labour, employers using hazardous materials in their operations, suppliers of hazardous materials and finally, all provincial and territorial governments. I can assure you, Mr. Speaker, that they are all in full support of the legislation.

The commission is part of the workplace hazardous materials information system, WHMIS. The system was set up in the early 1980s to establish an integrated mechanism to provide workers with the information they need when they use hazardous materials safely. It is supported by industry, by organized labour, by the federal government, and by all provincial and territorial governments.

When WHMIS was established, industry had a concern that there would be circumstances in which the full disclosure of all information on the hazardous ingredients in a product would betray a trade secret. That is a fair point because this would result in a potential loss of competitive advantage to the company holding the trade secret and either a financial loss to that company or a potential financial gain to its competitors.

In order to address this issue, the Hazardous Materials Information Review Commission was established under the Hazardous Materials Information Review Act. The commission is a unique agency in several ways.

First, it is the only organization that has the authority to provide an exemption from disclosure of trade secret information related to hazardous materials used in the workplace.

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The second part of its mandate is that it balances its function of protecting trade secrets with a direct responsibility to ensure that complete and accurate information is provided to employers using these products because the workers are actually going to be handling these materials.

Third, the act establishes an independent appeals process through which the decisions of the commission can be challenged.

Finally, the commission carries out its responsibilities for the protection of trade secrets and just as important, ensures that workers have the health and safety information they need, on behalf of the federal, provincial and territorial governments to do their work.

The commission's authority for carrying out these responsibilities on behalf of provincial and territorial jurisdictions derives from the fact that the Hazardous Materials Information Review Act has been incorporated by reference into the occupational health and safety legislation of all provinces and territories.

This means simply that any supplier of hazardous material who wishes to sell the product in this country and who wishes to conceal the information on the product as a trade secret, must first make application to the Hazardous Materials Information Review Commission to do so.

The application discloses to the commission the information considered to be a trade secret. It is accompanied by the information specifying the measures that the claimant has taken to protect the information from public disclosure. Documentation supporting the application must clearly show the value of the information to the claimant.

The commission first reviews the economic documentation provided in support of the claim for the exemption from disclosure and then determines whether the information meets the specifications for trade secrets as set out in the regulations.

● (1245)

If the application meets all aspects of the regulation, the exemption is granted and the information is then protected. If the requirements are not met, the claimant must reveal the information for which the exemption was sought or stop selling the product here in Canada.

The commission's experience had been that industry has been conscientious in all its claims for trade secret protection. I am happy to report that nearly all have been found to be valid.

The second mandate of the commission is a review of the health and safety information to be provided to workers so that it ensures it is in full compliance with the relevant federal, provincial and territorial governments.

If the health and safety information is not in compliance, the commission issues an order requiring that the information be corrected within a specified period of time. So that all potentially affected parties are aware of the corrections that have been ordered, the compliance order is published in the *Canada Gazette*. It is at this point that the claimant has the option to make the corrections, appeal the decision, or simply withdraw the product from sale in Canada.

It is important to note that the track record of claimants with respect to providing accurate and complete health and safety information has not been as favourable as that for the economic justification of their trade secrets.

While the commission requires that all information be in compliance before it finalizes its deliberations, roughly 95% of the applications include health and safety information which must be corrected before there is full compliance. Appeals by the claimant or by any other affected party are heard by an independent appeal board made up of three individuals representing organized labour, industry and of course government.

In response to the concerns of stakeholders, the commission undertook a renewal program with the objective that would make the commission more effective, more efficient and more client oriented. It is also going to be more focused on early compliance with respect to health and safety legislation.

The renewal program was again a tripartite effort with the lead role played by the commission's council of governors. I would like to overview the council itself. It is an oversight body which provides strategic advice and guidance. Its membership includes representatives of organized labour, industry and of course all orders of government.

While the council focused on a number of changes which have already been implemented through administrative or regulatory means, the council of governors also unanimously recommended to the Minister of Health that the renewal exercise be completed by enacting the amendments which are set out in Bill S-2.

There are three amendments. The first relates to the economic justification in support of claims for the exemption from disclosure of trade secrets. The second relates to the correction of health and safety information. The third relates to the facilitation of the appeals process.

The first amendment will permit claimants to make a declaration that the information for which they are seeking an exemption from disclosure is indeed a trade secret as set out in the regulations and further, that documentation in support of that claim is fully available and that this documentation will be provided upon request.

This amendment will ease the administrative burden on claimants and the commission, thereby starting the process of ensuring accurate health and safety information are in the hands of employees and workers.

Administrative measures will be put into place so as to ensure the integrity of the process, but the track record of industry suggests that problems are highly unlikely.

It is also important to stress that this amendment deals specifically with the economic documentation in support of trade secret claims and has no impact on the evaluation of the health and safety information to be provided to workers and employees.

The second amendment will permit claimants to enter into undertakings with the commission. The purpose of these undertakings will ensure that the necessary corrections to the health and safety information will be provided to workers without the issuing of a formal compliance order.

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This simply acknowledges industry's concerns that formal orders reflect negatively on its commitment to workers' health and their safety. More important, complete and accurate health and safety information will be in the hands of workers much sooner than is now the case.

• (1250)

The third and final amendment will allow the commission to provide appeal boards with clarification of records at the request of those boards or at the request of the parties to an appeal. This is something that the appeal boards have been seeking, but is not permitted under the act as it stands currently. This change will expedite the appeals process and again ensure early delivery of accurate health and safety information to workers.

These are the amendments to the Hazardous Materials Information Review Act set out in Bill S-2. Members can be assured that the amendments have the unanimous approval of all stakeholders: organized labour, industry, all provincial and territorial governments and the federal government.

The net result of these amendments will be earlier worker access to complete and accurate information on the safe handling of hazardous materials in the workplace. This can only be a positive step for workers' health and safety.

To that end I would like to comment on one of the commitments in the government's 2007 budget, which complements this legislation in a very real and tangible way.

Budget 2007 provides \$1 million over two years to the Canadian arm of the International Association of Fire Fighters to help implement the hazardous materials training program. This program will be available to all first responders to an accident or a potential attack. This training and preparation complements this bill.

Firefighters in my riding came to Ottawa to tell me and the finance committee why this program made sense for them as first responders. It is a request that they have been making for over seven years. When it comes down to dealing with hazardous materials, the finance minister, the Minister of the Environment, the Prime Minister and this government listened and with the passage of this bill, we will continue to listen.

All around, it is clear this bill is a good one and is supported further by this government's focus on dealing with this important issue.

Mr. Anthony Rota (Nipissing—Timiskaming, Lib.): Mr. Speaker, if you seek it, I believe you will find consent that I split my time with the hon. member for Oakville.

The Acting Speaker (Mr. Andrew Scheer): Does the hon. member have the unanimous consent to split his time with the member for Oakville?

Some hon. members: Agreed.

Mr. Anthony Rota: Mr. Speaker, Bill S-2 originated in the last session of Parliament under the sponsorship of the Liberal leader of the Senate. It was passed by the Senate, but had only received first reading in the House when Parliament was dissolved.

The bill seeks to change the process by which the manufacturers of hazardous materials can become exempt from providing full disclosure of the composition and characteristics of their products in order to avoid economic harm that would result from the publication of trade secrets during the disclosure process.

At the centre of this process is the Hazardous Materials Information Review Commission, the body that grants the exemptions to full disclosure. The amendments to the act have been requested by the commission itself, which has been restructuring over the past three years to allow it to perform its work more effectively and more efficiently.

The Workplace Hazardous Materials Information System was set up in 1987 as a collaborative effort among labour, industry, the federal, provincial and territorial governments. It was designed to facilitate the disclosure and appropriate handling of hazardous materials in the workplace. It requires product labels and safety documentation to include identification of hazardous ingredients in a chemical product, the specific hazards posed by the product, the precautions to be taken when handling the product, and the first aid measures to be applied in the event of exposure to this product.

However, full disclosure of the chemical composition of products does not have to take place if revealing such proprietary information would likely cause economic loss to the claimant or economic gain to the competitors.

As I have mentioned, the Hazardous Materials Information Review Commission was created to review such claims against full disclosure. It reviews the health and safety documentation of those products, issues compliance orders, and provides appeal mechanisms under federal, provincial and territorial legislation. The operations of the commission are overseen by a council, consisting of 17 members who represent organized labour, industry, each provincial and territorial government and the federal government.

When the commission receives a claim, it must determine if the information to be concealed is indeed proprietary and whether disclosure would indeed be economically determined to be detrimental to the claimant. If the trade secrets claims is not upheld, then the ingredients must be disclosed, otherwise the product cannot be sold in Canada.

The commission also ensure that the health and safety information supplied to employers and workers accurately and completely describes the hazards of the product and its ingredients. In the event of a claimant or any affected party challenging a decision of the commission, an appeal is begun and is heard by an independent board made up of representatives from government, labour and industry.

Bill S-2 makes three amendments to the current process. The first amendment is aimed at reducing the administrative burden on claimants who currently must gather and present substantial supporting documentation, and on the commission that must review each detailed submission.

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In the 17 years that the commission has been in place, no claims have ever been deemed invalid by the commission and only one in 500 claims have been found to be non-compliant.

Under this amendment, a claimant's declaration will be deemed valid and the production of supporting documentation will only be required if requested by the commission, or if a claim is challenged by an affected party. This will lighten the administration burdens of both the claimant and the commission, allowing the commission to focus its resources on the dissemination of health and safety information to workers and employees.

The second amendment in Bill S-2 shortens the time to get health and safety information out to workers and employers. Currently, when claimants are found to have inaccuracies in their safety documentation, a compliance order is issued and published in the *Canada Gazette*. This amendment allows claimants to undertake to correct these inaccuracies without having a compliance order issued. This will reduce the delay in dissemination of corrected information to employers and workers.

The final amendment with Bill S-2 is also aimed at increasing the efficiency of the claims process, this time with respect to appeals. With the amendment the commission will be permitted to respond to requests by appeal boards for clarification of the record. Current legislation prohibits the commission from providing input at this stage, even for the purpose of clarifying what are often scientifically complicated details. By permitting the commission to assist, when needed, the appeals process will be expedited.

•(1255)

All affected groups, including industry, labour groups and the regulators support the changes to the Hazardous Materials Information Review Commission's process contained in this bill.

More specifically, the amendments would reduce the documentation required to apply for an exemption, would reduce the delay in disseminating accurate health and safety information to those workers who use the product, and would enable a prompt appeals process by allowing the commission to respond to requests by appeal boards for clarifications of the record.

For these reasons, I will be happy to support Bill S-2.

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, I am pleased to say a few words today on Bill S-2, concerning certain aspects of the disclosure and handling of hazardous materials in the workplace.

The bill sets out how confidential business information or trade secrets are to be accommodated under the Workplace Hazardous Materials Information System. This system is used nationwide to inform employers and employees about hazardous materials in the workplace.

The bill before us today proposes to change the Hazardous Materials Information Review Act in three main areas.

The information system was jointly developed by industry, labour, federal, provincial and territorial governments. It was enacted through several pieces of federal legislation and in the provinces through their occupational health and safety legislation.

This system requires the manufacturers, importers and distributors of hazardous materials to provide information on the risks associated with these problems. They must also provide those who work with controlled products with instructions on handling the products in a variety of areas, including their usage, storage, transportation and disposal.

It also provides instructions about the appropriate course of first aid treatment in the event that contamination occurs.

This information is placed on a product's mandatory material safety data sheet or label. The data sheets are used in required workplace safety training programs for the employees and the sheets must be updated every three years or when a change occurs.

As all members of the House would agree, the safety of individuals in the workplace is of prime concern. It is also important to uphold the right of manufacturers to protect the confidentiality of their proprietary chemical formulas from their competitors.

The current process, under the Hazardous Materials Information Review Act, provides a process by which manufacturers can prove their compliance with the law and make safety information available to workers while, at the same time, protecting the privacy of their business information.

Under the current system, suppliers and employers may file a claim, under the Hazardous Materials Information Review Commission, to exempt the disclosure of a chemical's identity, to exempt the concentration of an ingredient of a controlled product, and to exempt the name of a study which identifies any ingredient of a controlled product. The commission then decides if the claim is valid.

Bill S-2 seeks to amend the existing legislation in three main areas. First, it would change the information that must be provided by a manufacturer or an employer to substantiate a disclosure exemption claim. Currently, claimants must provide a full economic justification for such claims based on their private business information.

This bill would change the legislation to state that an exemption claim can contain a declaration stating that the information provided is confidential business information and that it will be provided upon request. An exemption claim must also contain a summary of the information supporting that claim and it must be accompanied by a material safety data sheet.

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A screening officer with the Hazardous Materials Information Review Commission may ask the claimant to provide the information if an affected party makes a written representation relating to the claim or if the information must be verified.

The second amendment would add a new section to this act to deal with the authority of screening officers and what are known as undertakings. If a screening officer determines that a material safety data sheet related to an exemption claim does not comply with the Hazardous Products Act, or even with the Canada Labour Code, he or she may send an undertaking to the claimant. It would set out the measures required for compliance, within a specific period of time, without requiring that the claimant disclose its confidential business information.

The bill lays out the specific procedure to be followed if the claimant agrees to follow the measures that would enable it to comply with the law. However, if the screening officer is not satisfied that the claimant has taken the necessary measures, within the specified time period, he or she may issue an order to comply with the Hazardous Products Act or the Canada Labour Code.

● (1300)

The chief screening officer publishes decisions and orders relating to the exemption claims and compliance orders in the *Canada Gazette*.

Third, this bill would change the act to allow claimants and affected parties to appeal these decisions and appeal these compliance orders. The current legislation does not allow any participation by the commission in the appeals process. A screening officer's record of the undertaking and any clarifications made by the commission would be added to the basis upon which an appeal board will hear an appeal. An appeal board may dispose of an appeal either by dismissing it or by allowing it with an appropriate order.

The changes to the act contemplated in this bill have the support of business, labour and the regulatory authorities. It seems to be a sensible approach to streamlining the process while safeguarding the interests of workers and the producers of hazardous materials.

I believe the bill has the support of all parties in the House and I too am pleased to offer my endorsement.

● (1305)

[*Translation*]

Mr. Robert Carrier (Alfred-Pellan, BQ): Mr. Speaker, I listened to my colleague's presentation on the bill. I would like her to tell me whether, during the work of the committee, amendments were proposed in order to improve the bill prior to third reading.

[*English*]

Ms. Bonnie Brown: Mr. Speaker, my usual response to anyone suggesting that there could be improvements to a bill is to say that my party and I will always consider any amendments that would be brought forward, and would evaluate them as to whether or not they would improve the bill.

We are an open party. We know we are in a minority Parliament and I believe it requires the cooperation of all four parties in the House to listen to each other to ensure that every piece of legislation is the very best piece of legislation we can possibly come up with. If

his party is wishing to offer amendments at report stage, we will certainly consider them.

[*Translation*]

Mr. Luc Malo (Verchères—Les Patriotes, BQ): Mr. Speaker, without a doubt, our societies' greatest strength, the driving force behind our economies and the factor that sets them apart, is the human capital we can rely on. This driving force is varied, dynamic and rich. We have a wealth of people whose abilities are maximized by the favourable environment we can foster and even shape thanks to the concerted contributions of individuals. When I think of the human capital we have here, I see business leaders who are tuned into small shifts and global trends and who adapt their strategies and develop the kind of clear vision that enables them to seize opportunities and use those opportunities to advance all of our communities. I think of researchers who apply their advanced knowledge to their ongoing search for better and newer ideas, thus enabling all of our fellow humans to live a better life and to dream of always living a better life. I remember those who, every morning, leave their homes to do a job that we ask them to dedicate themselves to, and make the most of their skills to do better. These people, who do their very best every day, are the ones who enable us, as a community, to aspire to a better life.

That is why I am so pleased to rise in this House to address the Senate's Bill S-2, an Act to amend the Hazardous Materials Information Review Act. Needless to say, my party supports the principle underlying this bill because its reason for being is quality of life. Indeed, the Bloc Québécois believes that when it comes to hazardous materials, it is vital to keep in mind worker safety and to base all decisions on that imperative.

Mr. Speaker, you are probably not surprised to hear me say that. The members of the Bloc Québécois feel a profound desire to respect, listen to and protect workers, and we have intervened on many occasions in this House, as well as in the various ridings in Quebec and across Canada, to ensure that the rights of workers are respected.

Thus, for the benefit of my colleagues and our viewers, I would like to remind the House about a number of bills we have brought forward and defended in recent years, always driven by this desire to serve our fellow citizens and defend their interests.

First of all, I would like to mention Bill C-257, to ban the use of replacement workers in businesses under federal jurisdiction. Had it not been for the mysterious flip-flop by the current leader of the Liberal Party of Canada, this bill would have passed the report stage by now.

Members may recall that, when the Liberal Party leadership race was in full swing, my colleagues, the hon. member for Gatineau and the hon. member for Saint-Bruno—Saint-Hubert, had obtained the consent of a majority of the members of this House, thus allowing the bill to pass second reading and be referred to committee. As demonstrated by this favourable vote at second reading, a majority of my colleagues are in favour of the underlying principle of this bill. Therefore, I am thoroughly convinced that we will see the fruits of this important contribution from Bloc Québécois in the very near future. Perseverance and hard work are our trademark, as you know.

Additionally, looking at the Order Paper, we see a bill concerning preventive withdrawal, the purpose of which is to provide pregnant women in Quebec who work in companies under federal jurisdiction with the same benefits of preventive withdrawal as other working women in Quebec. This is a matter of fairness.

● (1310)

The purpose of this bill is to allow these workers to make better choices for their families by having the same options similar workers already have.

There is also Bill C-269 to improve the employment insurance system. It is disgusting that the Government of Canada—whether Liberal or Conservative, it makes no difference—is as stingy as it is when it comes to this insurance program. The government does not inject anything into this program, not a dollar, not one red cent, but it collects surpluses from the contributions paid by the employers, who earn profits on their investment, and by the employees, who earn salaries from their hard work.

I would also quickly like to talk about how the Bloc Québécois has been fighting on behalf of workers aged 55, 60, or 63, who are victims of the mass layoffs that have been plaguing Quebec for the past few years, in order that these workers can reach retirement with dignity.

Including an income support program for older workers in the last throne speech, following pressure from my colleagues and me, is the start of recognizing that these workers deserve respect and, I would hope, the beginning of the end of a crazy idea held by certain Conservative ministers. According to them, it is easy for a 56-year-old worker with very little education who has worked with his hands his whole life, to go back to school to receive training in order to work in another area of activity until he is 65. Providing one-size-fits-all training is a big mistake, not to mention disrespectful of the people who have contributed to building our society.

Thus, we believe, since we always put our fellow citizens at the centre of our thoughts, our actions and our decision making, that it is essential to use the best possible framework for managing the use of hazardous materials. It seems redundant to say so, since it is so obvious that handling hazardous materials should be done following the most specific, rigorous and comprehensive parameters, both in their wording and application. Nonetheless, I think it is important to provide a few clarifications on how hazardous materials are currently managed in Canada.

The use of hazardous materials is governed by the Workplace Hazardous Materials Information System (WHMIS). WHMIS is a combination of laws, regulations and procedures to protect workers by warning them about illnesses and injuries that could result from using hazardous chemical products in the workplace.

Quebec, the federal, provincial and territorial governments work together to implement the system.

The Hazardous Materials Information Review Commission (HMIRC) states that:

Under WHMIS, manufacturers and distributors of controlled (hazardous) products must provide information on the health and safety risks associated with their products, together with instructions for safe handling, storage, transportation,

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disposal and first-aid treatment. This information is conveyed by the product's mandatory Material Safety Data Sheet (MSDS) and label—

Each product's material safety data sheet must contain certain elements: it must list all hazardous ingredients in the product, its toxicological properties, as well as any safety precautions to be taken when the product is used. The material safety data sheet must also indicate first-aid treatment required in case of exposure to the product.

If any information required for the material safety data sheet deals with trade secrets, and revealing them would have serious consequences, there is a mechanism in place to determine the relevance of not posting all the information, and also to protect the rights of workers.

● (1315)

That mechanism is the Hazardous Materials Information Review Commission.

Having said that, in reference to Bill S-2, it seems clear to us that the amendments to the act have been requested by the main stakeholders and, as a result, they should be adopted. These amendments have been unanimously endorsed by the members of the Hazardous Materials Information Review Commission, also known as HMIRC. The commission includes representatives of workers, suppliers, employers, and the federal, provincial and territorial governments; in other words, all the parties who are affected by this legislative measure.

Since I have started to speak about HMIRC, I will very briefly describe the commission before dealing with the substance of the bill.

The Hazardous Materials Information Review Commission was established in 1987 under the Hazardous Materials Information Review Act as part of the Workplace Hazardous Materials Information System, also known as WHMIS.

HMIRC is an independent agency that is accountable to the Parliament of Canada, through the Minister of Health. Its mandate is “to help safeguard both workers and trade secrets in Canada's chemical industry”. It evaluates request from companies to withhold publication of some substances in certain products in order to protect trade secrets.

As a result, when a company wishes to obtain an exemption from the general obligation to disclose because it wishes to safeguard a trade secret—that might be the nature or the concentration of a harmful ingredient in a product that it manufactures—it must submit a request for exemption to HMIRC. The request is recorded by HMIRC, which determines whether the request for exemption is appropriate.

The mandate of the Hazardous Materials Information Review Commission is also to evaluate material safety data sheets and labels on hazardous materials to ensure compliance with the act.

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As part of its mandate, in the fall of 2002, the council of governors of the commission formally and unanimously recommended to the then minister of health the amendments that are the subject of Bill S-2. These amendments are intended to correct shortcomings in three areas: the complexity of information of a commercial nature, the lack of a voluntary procedure for modification of a material safety data sheet, and finally, a lack of flexibility in the exchange of information between the commission and an independent board in an appeal process.

In seeking to improve the current process, Bill S-2 thus aims to achieve three distinct objectives.

First, it allows companies seeking an exemption from the general rules concerning the listing of hazardous ingredients to make a declaration that information in respect of which an exemption is claimed is confidential business information and that information substantiating the claim is available and will be provided on request, instead of de facto providing all the information.

Second, it allows the companies to give a voluntary undertaking to the Hazardous Materials Information Review Commission to make changes to a material safety data sheet or label listing hazardous ingredients to bring it into compliance with the Hazardous Products Act or the Canada Labour Code.

Finally, it allows the limited participation of the commission before an appeal board.

• (1320)

To address these three shortcomings identified by the HMIRC, which are—it might be a good idea to mention them again—the complexity of economic information, the absence of a voluntary data sheet correction process, and the lack of flexibility in the exchange of information between the commission and the independent boards during the appeal process, it is proposed to make three changes to the current legislation.

First, clauses 1, 2 and 8 of the bill change the requirements under subsection 11(4) of the Hazardous Materials Information Review Act, to specify that, in their claims for exemption, companies do not have to provide all the documentation previously required. The purpose of this change is to reduce the complexity of the applications, especially when the information does not help the HMIRC make a decision on the economic considerations involved.

At present, companies seeking an exemption have to submit detailed documentation on the steps they have taken to protect confidentiality with respect to the ingredients used in their products and on the potential financial implications of disclosure.

In her testimony given to the Standing Senate Committee on Social Affairs, Science and Technology on May 17, 2006, Sharon Watts, vice-president of the Hazardous Materials Information Review Commission, indicated when HMIRC would require full documentation:

The commission will require full documentation to support a claim for exemption from disclosure when an affected party challenges a claim or when a claim is selected through a verification scheme that we will set up to discourage false or frivolous claims.

Clauses 3 and 4 of the bill amend articles 16 and 17 of the Hazardous Materials Information Review Act in order to establish a

new mechanism for having companies voluntarily amend the material safety data sheet. With this new mechanism, when a company requests an exemption, a screening officer may “send an undertaking to the claimant setting out the measures that are required to be taken for the purpose of compliance” with those provisions governing dangerous goods contained in the Hazardous Products Act and the Canada Labour Code.

The purpose of this amendment is twofold: to ensure that changes to material safety data sheets and labels are made more quickly and to ensure that companies acting in good faith will not be issued an order by HMIRC, as this can imply that they are reluctant to fulfill their responsibilities.

In comparison, current legislation requires the Hazardous Materials Information Review Commission to issue a formal order for compliance, even if the company that requests an exemption is ready to respect its obligations and to make the necessary changes after being served notice.

The process, under the present legislation, is time consuming and strict. Thus, when a breach is reported, an order is sent to the company that requested the exemption.

I see I only have one minute left, so I will conclude by saying that this order must be published in the *Canada Gazette* and is not enforceable until 75 days after publication. There are further delays to allow the company to appeal the order, or to comply with the order and produce a new data sheet.

According to members of the HMIRC, the new procedure introduced by Bill S-2 would speed up the amendment process considerably, but existing rules would still allow orders to be issued to uncooperative companies in cases of non-compliance with the rules and in the absence of a final undertaking.

If I may, I would like to skip over the third proposed amendment, and simply point out that, for all the reasons previously outlined, my colleagues of the Bloc Québécois and I support the principle of Bill S-2.

• (1325)

We urge the other members of this House to do the same, in the interest of workers and—

The Acting Speaker (Mr. Andrew Scheer): The hon. member for Oakville for questions or comments.

[*English*]

Ms. Bonnie Brown (Oakville, Lib.): Mr. Speaker, I compliment my colleague for his remarks on Bill S-2 and assure him that we agree with him on several of his points, one of which was about the primary nature of the safety of every worker in Canada, and I believe that most if not all members of the House agree.

We also believe in the dignity of all work, which leads to his idea, stated rather well, that the efforts of all workers, no matter how high or low their station, pool together in a richness that improves the quality of life for all.

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I will disagree with his interpretation of the history of Bill C-257, though. He knows very well that most members in the House were in favour of the principle of the bill, but testimony at committee suggested that it was unworkable in the form it was in. In order to support the principle of the bill and get around the unworkability, the Liberal critic at committee presented a series of amendments. Unfortunately, those amendments were ruled out of order as being beyond the scope of the bill and therefore Liberal members had to vote against the bill when it came back to the House.

However, as proof of our commitment to the principle of Bill C-257, the Liberal member for Davenport tabled another bill the next day with the same principle, but with a more solid underpinning of detail that would make the bill workable, and therefore we would achieve the principle desired.

The member also said that on EI reform it makes no difference whether the government is Liberal or Conservative. I am not sure where he was last night, but just last evening we voted on a private member's bill put forward by the member for Acadie—Bathurst, an NDP member, and he could have seen the split in the House on that. The Liberals all voted in favour and the Conservatives voted against, so his rolling together of the two parties in his description was proven untrue only last night.

In his questions earlier in this debate, the member raised the possibility of amendments at report stage, and he asked me whether my party would consider them, but I did not hear any suggestions in his speech. At this time I would like to ask him if he is planning to present amendments at report stage. If so, would he like to describe one or two of them?

• (1330)

[*Translation*]

Mr. Luc Malo: Mr. Speaker, I believe my colleague mistook me for my colleague from Alfred-Pellan, who asked a question about the amendments his party might want to put forward during the committee review.

I would just like to emphasize that in my speech, I said that the vote on second reading of Bill C-257 led me to believe that most of the members of this House agree with the principle of the bill, and that I welcome the idea of passing a bill to that effect. I believe that my colleague and I agree that we will soon see a private member's bill to abolish the use of replacement workers for employees and employers under federal jurisdiction. However, I do not agree at all with what my colleague said about improving the employment insurance regime.

Need I remind my Liberal colleague that it was the Liberal government that slashed this program so drastically and ruthlessly? The Liberals are the reason we are now forced to do whatever we can to improve the program. For many years now, the Bloc Québécois has been asking for the creation of an independent employment insurance fund that would enable employers and employees to manage their contributions to the program themselves.

I would like the member to say that she would support a bill to create an independent employment insurance fund. I am very eager to hear her say it. All of my Bloc Québécois colleagues are very eager for the Liberal Party of Canada to finally decide to hand over

complete control of contributions to employers and employees in order to help workers who need help when they lose their jobs.

[*English*]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, it is a great pleasure for me, on behalf of the NDP caucus, to enter into the debate on Bill S-2, An Act to amend the Hazardous Materials Information Review Act.

As always when a bill is introduced by the Senate, I feel obligated to point out that we object to bills that are introduced into this elected House of Commons from the other place, the unelected, undemocratic Senate. We believe that legislation dealing on behalf of the people of Canada should be put forward by the elected representatives of the people of Canada. However, having said that, we find the bill on our table today and we will do our due diligence and debate it as per the rules.

I am very interested in the subject of Bill S-2 and WHMIS, the workplace hazardous materials information system. I notice that my colleague from Surrey North, as a former minister of health for the province of British Columbia, is nodding her head. As well, my colleague from Vancouver Island North, coming from the labour movement, would appreciate the struggle that it was to introduce WHMIS legislation into the Canadian industrial workplace.

It was a long battle, the argument being quite simple: that workers have a right to know what they are being exposed to and they have the right to refuse unsafe work if they find, based on the information given to them, that they are not willing to put their personal health at risk in handling some of these products.

That is the fundamental premise and it was the groundwork that led to WHMIS as we know it. It was many more years before it became mandatory, before it became the law of the land that all workers have to be trained in the workplace hazardous materials information system and that all workplaces must have material safety data sheets listing as clearly as humanly possible in plain language exactly what chemicals or what combinations of chemicals the workplace may expose a worker to.

It was a hard-won battle. It ranks up there as one of the victories of the Canadian labour movement in Canadian industrial history. It is an issue dear to my heart. It is an issue that I am proud of. I am proud that the labour movement and the NDP played a role in putting it into effect in this country.

However, it is also something about which I have great concerns and some hesitation. In the context of doing research for this particular speech, I was shocked to learn that roughly 95% of all the material safety data sheets reviewed by the Hazardous Materials Information Review Commission had been found to be non-compliant with the legislation. It was a random survey, but a scientific random survey.

Government Orders

The fact that 95% were non-compliant should cause us great concern in this era of greater awareness about chemical exposure and the accumulation of otherwise moderate amounts of chemicals in our systems. Chemical *a* may not in and of itself do us harm and chemical *b* may not in and of itself do us harm, but when those two chemicals are mixed together within our bodily organs, where they remain for many years, they can form chemical *c*, which may itself be a carcinogen or do us great grievous harm.

These shortcomings in the data sheets were not minor in terms of misspelling the names of a chemical or something. They were gross violations. They were missing either elements or products absolutely. As for the shortcomings in the data sheet system as we know it, and that very confidence we are trying to achieve that the best interests of workers are being addressed by WHMIS, perhaps we are not quite as excited about it today.

In my mind, one of the most obvious oversights in this country in terms of exposing workers to hazards comes from the toxic substances list, which was updated as of December 27, 2006. I do not think the substances are in any priority of hazards, but perhaps they are. Number six on that list is asbestos.

• (1335)

Asbestos is the greatest industrial killer the world has ever known. We believe that Canada should hang its head in shame with its treatment of the asbestos industry and the way it fails to protect Canadians to the hazards of exposure to asbestos. Even greater is the way we are exposing third world countries and underdeveloped nations to this hazard. It is absolutely indefensible in many ways.

Not only has Canada not banned asbestos and not only are we allowed to use it in the most alarming ways, but Canada is still the second largest producer and exporter of asbestos in the world. We export 220,000 tonnes into underdeveloped nations, often third world countries, because none of the developed nations will buy it.

Developed nations are banning asbestos in all its forms. We cannot sell asbestos to the European Union, Japan and Australia any more because they will not have the stuff in their countries. Yet Canada keeps pushing it and dumping it into developing nations. It is spending millions of tax dollars subsidizing the industry and trying to prevent other countries from banning asbestos.

When France tried to ban it, Canada sent teams of lawyers to the WTO to file complaints that we would lose our opportunity to sell the product in France and it would be an unfair trade issue if France did the right thing to protect its citizens from this hazardous carcinogen, number six on our list of toxic carcinogens in the country. Fortunately for the people of France, Canada lost its appeal. France did ban asbestos, yet we continue to produce it and sell it.

When Bill S-2 was going through the various stages of debate beginning in the Senate, clearing the Senate and coming to the House of Commons, at that very same time of confluence, a real irony, the Government of Canada was passing new regulations under the same act, the hazardous materials act, which cited places it recommended asbestos may be used. This is the real irony. It was almost as if the left hand did not know what the right hand was doing.

On the one hand, we have both Houses of Parliament engaged in writing legislation to protect workers from hazardous materials, such as number six on this list. On the other hand, they are passing new regulations not banning asbestos, number six on the list, but citing places where it is okay to be used. Guess what some of these places are? This was shocking to me, as a journeyman carpenter, as a tradesman.

One of the places asbestos can be used, and it is cited clearly in the new regulations, put into effect in November 11, 2006, is in drywall mud, drywall joint compound that every tradesman slathers on the wall between sheets of drywall. That mud has to be sanded. The sanding process makes the asbestos airborne. The workers in the field, even in commercial unionized jobs, wear no more than a paper mask, which does not stop the asbestos fibre. Because they are so microscopic, they take eight hours to drop from the ceiling to the floor.

This is stupidity. Every tradesman in the country knows we do not put asbestos in drywall mud. Why then does the Government of Canada pass new regulations that say it is okay to put asbestos in drywall mud? I think the Conservatives are trying to make a point. They are trying to say that asbestos is benign, not bad for us, yet on their list of toxic substances, it is number six.

Another place listed in the new regulations, where asbestos could be used, shocked me and motivated the NDP to take action. Recently, my colleague from Vancouver Island North and I had a press conference to illustrate how insane this was. It is okay to put asbestos in children's toys. Now that is smart. What kind of brainwave, bright light came up with that idea to put number six on the toxic carcinogens list of our toxic materials hazardous information system in children's toys?

• (1340)

I am almost speechless. A person would not have to be stupid to put asbestos in children's toys. A person would have to be fundamentally evil to put asbestos in children's toys. I cannot imagine anyone being that ignorant. However, the Conservatives are trying to be provocative. They are trying to stand up against the anti-asbestos lobby, the international global ban on asbestos, which has now succeeded in 40 developed nations. They are trying to say that asbestos is safe as long as people do not breathe it, eat it or be exposed to it.

We fought like crazy to get asbestos out of Crayola crayons. It took us 10 years. Finally, we managed to do that. It took us years to get the asbestos out of plasticine modelling clay. Finally, reason prevailed and we succeeded.

Now the Government of Canada, as of November 11, 2006, says that it is okay to put it in children's toys and learning products. I do not know what that means, school supplies maybe. There is this irrational, bizarre affinity that Canada has to asbestos.

We spend millions of dollars as globe-trotting propagandists for the asbestos industry. We hosted 140 conferences and seminars in 60 different countries, paid for by the federal government and our embassies, to invite other countries to buy more asbestos, to push more asbestos around the world.

I point this out to illustrate what a bizarre contradiction it seems to be for us to be debating today WHMIS, Workplace Hazardous Materials Information System, for the protection of workers. We are dumping asbestos all over the world, creating a legacy of health problems. It is like exporting a thousand Bhopals every year when this terribly legacy goes on.

Tomorrow I am going to the Drexel College of Medicine in Philadelphia to address a ban asbestos conference. Leading workplace safety and health doctors from around the world will be there. It is their third annual conference. Last year I went to the Mount Sinai School of Medicine in New York City to address a similar conference. The world wants to ban asbestos and Canada is playing an active role to block it.

Bill S-2 is talking about the Canadian legislation, WHMIS, the workplace hazardous information list. The international WHMIS list is called the Rotterdam convention.

Only a few months ago Canada sent another team of Department of Justice lawyers to Geneva, where COPS was meeting for the Rotterdam convention, the Conference of the Parties to the Rotterdam Convention. Once again, they were going to oppose that asbestos be listed on that Rotterdam convention list of hazardous materials. It only meets every two years, so every two years Canada trots out its Department of Justice lawyers who rush to the COPS Rotterdam convention meeting to ensure that asbestos is not on the list of hazardous materials.

I do not know what goes on behind the scenes, but this time the chairman of the committee cited Canada for being rude in not only blocking the motion to list asbestos. The chair had not even finished introducing the subject. He was just about to ask for arguments why asbestos should be on the Rotterdam convention list, when the Canadian delegation interrupted him at the microphones on a point of order and said that it was unnecessary, that it could save time, that it vetoed it because it did not want asbestos on the list. All countries have a right to veto in this consensus exercise.

I wonder if Canadians realize that we are paying these industry propagandists, the Department of Justice lawyers, to act as apologists for the asbestos industry. The asbestos industry is the tobacco industry's evil twin. For 100 years it has been relying on tainted research, lies and cover-up. This is the most reprehensible form of questionable wacky science to keep asbestos in the marketplace. The Government of Canada is playing an active role in this.

●(1345)

I used to work in the asbestos mines as a young man. I am particularly sensitive to this. They were lying to us about the health effects of asbestos then, just as they are lying to us about it today.

In the context of Bill S-2, in case you are concerned about me wondering off topic, Mr. Speaker, I think it is entirely relevant to speak about one of the greatest hazards, the greatest industrial killer the world has ever known.

Government Orders

A lot of people do not realize that more people die from asbestos than all other industrial causes combined, and we have not reached the peak of the bell curve. The peak production and use of asbestos was in the 1970s and 1980s. The incubation period is 20 to 40 years. We have not seen the peak. It is not just the leading industrial occupation death. It is that all the other causes combined do not add up to the number of asbestos related deaths.

The people of Quebec say that somehow Quebec asbestos is benign. The National Institute of Public Health in Quebec, not the Canadian government Institute of Public Health, just published a study. They are finally facing reality.

Let me put it this way. Quebec men have the fourth highest rate of mesothelioma in the world. Quebec women have the highest rate of mesothelioma in the world. The only type of asbestos they mine in Quebec is chrysotile. Chrysotile asbestos causes mesothelioma. Mesothelioma is only caused by asbestos.

Finally, we can put to rest this myth that Quebec asbestos is okay, it is all that other bad asbestos that is hurting people. Quebec asbestos kills, just like the asbestos at the mine I worked at or the mines in Newfoundland and Labrador.

All those mines closed because of natural market forces. We cannot give this stuff away any more because it kills people. We keep supporting the Chrysotile Institute with government funding. We spend millions, not only supporting the industry, not only pushing it into third world countries, but undermining other countries' efforts to protect themselves, such as at the Rotterdam Convention.

When South Korea wanted to put warning labels on Canadian asbestos, Canada intervened and stopped it. It would not let it do so, again, as a trade issue. Canada said that Korea could not put a warning label on bags of asbestos because it could not prove that it was bad for people. It is not even on the Rotterdam convention lists of prior informed consent. Rotterdam does not even say ban asbestos. All Rotterdam does is say that there has to be prior informed consent of the end user. In other words, we have to inform the end users that what we are selling them could kill them. They have to take precautions. They have to use some measures of protection.

I get very frustrated. When I go to Philadelphia tomorrow, I do not know what I will tell the people there because we have made no progress. When I spoke to the Mount Sinai School of Medicine, I was hanging my head in shame for what the Government of Canada was doing. Since then, it has passed these new regulations which contemplate putting asbestos in children's toys. We are actually going backward.

Government Orders

I know why. There is a rat in the woodpile, I do not mind saying that. The current Minister of Natural Resources hired as his assistant deputy minister a man named Gary Nash. Guess where Gary Nash came from? He was the founder and first CEO of the Asbestos Institute. He is an apologist for the asbestos industry. He is filling the minister's head with a bunch of pro-asbestos propaganda that completely flies in the face of all the empirical evidence and scientific research which says asbestos kills.

This is the problem we have. Reason and logic are not driving this. Science is not driving this. What is driving this is some fear of offending what is left of this dying industry in the region of Quebec, which has the highest rate of mesothelioma in the world for women. This is the kind of thing that is driving this.

I take this opportunity to serve notice that we will not let this issue go. We intend to continue our fight. We have a motion on the books to ban asbestos in all its forms, calling on the government to increase its diagnostics and treatment abilities. As the world's leading exporter and producer of asbestos, surely we have an obligation to provide some of the remedies and some of the solutions as well. As everyone who has been exposed to or is dealing with mesothelioma in the country knows, they have to leave Canada to get treated effective for it. They all wind up in Michigan or California for advanced treatments.

● (1350)

Hon. Carolyn Bennett (St. Paul's, Lib.): Mr. Speaker, the hon. member seems very knowledgeable, particularly about the issue of asbestos. In the bill before the House, Bill S-2, one of the amendments would speed up the process of getting health and safety information into the hands of workers to use the products.

I would like to ask the member, particularly in the area of asbestos or any others, whether or not he feels that this health and safety information is getting to the workers? Is he comfortable with how that health and safety information is determined, whether it is science-based, and whether there is anything that he feels should be improved in terms of the quality of the health and safety information getting to the workers in Canada?

Mr. Pat Martin: Mr. Speaker, I know my colleague is concerned with these issues and I have heard her speak very passionately on the issue of public health as a former minister herself, so I know her concern is genuine.

I did introduce my remarks by saying that WHMIS is one of the greatest achievements in industrial occupational health and safety in this country, and we are proud of it. However, I also point out that in a survey done by the Hazardous Materials Information Review Commission, roughly 95% of all the material safety data sheets reviewed by the commission had been found to be non-compliant with the legislation.

There are two great concerns that I have with the actual practical aspects of WHMIS. I am not sure workers are being trained, first of all. In the industry that I come from, very few non-union workplaces bother with the mandatory eight hour WHMIS information class. It is a cost factor. In the unionized shops we mandate it. We negotiate it. We make sure it happens.

The other thing I am not comfortable with is this. If the workers do know where to find material safety data sheets, will they in fact be adequate and will they list all of the materials that the employee should be aware of?

One of the positive elements in Bill S-2 will allow a claimant to give an undertaking to the Hazardous Materials Information Review Commission to bring a safety data sheet or a label into compliance with the provisions of the Hazardous Products Act. I would only ask, who is going to do that? How many rank and file blue collar workers on a job site are going to undertake to followthrough and ensure that some non-compliant data sheet goes through that detailed process?

● (1355)

[*Translation*]

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, I would like to speak to the issue of hazardous goods.

In my riding, people are very concerned about the storage of hazardous goods in railway cars. In Pointe Saint-Charles, in southwest Montreal, an entire area has a railway line running through it with a high volume of freight train traffic. Marshalling also occurs in this sector. Often trains stop in the marshalling yards for many hours and sometimes even for days.

A good number of these trains have tanker cars that store hazardous goods. Residents are very concerned because railway companies are no longer storing these tankers only at the far end of their marshalling yards. They are being seen increasingly at a standstill on tracks in the middle of residential neighbourhoods. Citizens in my riding are very worried by the fact that they probably contain toxic, explosive and other hazardous goods and that they are left for prolonged periods in the middle of residential neighbourhoods.

Does my colleague not think that this is a risk that we should deal with as quickly as possible?

[*English*]

Mr. Pat Martin: Mr. Speaker, I am sympathetic to the local situation that my colleague finds himself in. I note that recently there was a private member's initiative that dealt with labelling of train cars for more rapid identification by the first responders who may come across an incident where a rail car has derailed or in a case like my colleague pointed out where there are simply a number of vehicles that may have offensive materials stored in them.

The main thing we have to come back to is the point that I opened my arguments with. Workers and people generally have a right to know what they are exposed to. Conversely, or in the same vein, workers have a right to refuse unsafe work once they have been made aware that there is a hazard in their workplace.

In the case of the first responders who may have to deal with a rail incident, for years the International Association of Fire Fighters has lobbied Ottawa to make an information system more obvious and plain, so that a lay person or the first responder of any kind can be fully aware of what hazardous material is inside and how to handle that material in the event of an incident.

STATEMENTS BY MEMBERS

[English]

CHAMPION CHILDREN

Mr. Rob Merrifield (Yellowhead, CPC): Mr. Speaker, today Canada's Champion Children are here in Ottawa to share the message of their lives and to share with Canada that children's hospitals across the country are saving their lives and those of countless others.

I would especially like to welcome Braden Mole to Ottawa. Braden lives in my riding of Yellowhead and is the Champion Child for the Stollery Children's Hospital located in Edmonton.

Despite his numerous surgeries and hospital visits, Braden is a bright, intelligent and witty young man. He has a maturity that is beyond his years and is determined to raise funds for the hospital that helped save his life. To date, Braden has raised over \$180,000.

I believe special things happen to special people for special reasons. He has captured the hearts of the people of Yellowhead and the country.

These children are all Canada's champions. We honour their courage, their strength and, above all, their determination.

* * *

•(1400)

BATTLE OF VIMY RIDGE

Mr. Brent St. Denis (Algoma—Manitoulin—Kapuskasing, Lib.): Mr. Speaker, 90 years ago on April 9, 1917, during World War I at Vimy Ridge, 100,000 Canadian soldiers fought shoulder to shoulder for the first time in international battle under the Canadian flag and under a Canadian commander.

Canadians representing all of Canada's regions fought together and prevailed together. On that day, Canada truly became a nation; indeed, earning a signature on the Treaty of Versailles.

That Canadian victory was historic, given that over the previous three years 200,000 allied soldiers died in failed attempts to take the strategic Vimy Ridge.

By their extraordinary planning and execution, the Canadian corps took the Ridge but, sadly, nearly 4,000 Canadian soldiers lost their lives and thousands more were wounded. This battle is now seen as a turning point in the first world war.

Today's military men and women serve us with tremendous honour and distinction. We are proud of them as we are of all our veterans of both war and peacetime.

Statements by Members

As of 2003, April 9 became an official military heritage date in Canada after the enactment of my former Bill C-227. This coming Easter Monday, April 9—

The Speaker: The hon. member for Rimouski-Neigette—Témiscouata—Les Basques.

* * *

[Translation]

ESPRIT-SAINT DEVELOPMENT CORPORATION

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Mr. Speaker, the Minister of the Economic Development Agency of Canada for the Regions of Quebec has refused to provide financial support to the Esprit-Saint development corporation for the establishment of a development centre for Opérations Dignité.

It is widely agreed that this centre will act as a catalyst allowing the municipality of Esprit-Saint and surrounding municipalities to foster and enhance stable economic development. This initiative of citizens of Haut-Pays-de-la-Neigette does not, however, appear to be meeting the economic development criteria put forward by that agency.

This is an innovative strategy which has the unconditional support of the public, the UQAR and the different jurisdictions in our great region. For the people of Haut-Pays, this approach reflects the vital force of their community.

The will of the people and the institutions has been clearly expressed, and the government should respect that will. However, the minister seems to continue to turn a blind eye and a deaf ear to this style of development. Community builders ought to get the support they deserve from the government.

* * *

[English]

SUMMER CAREER PLACEMENT PROGRAM

Ms. Penny Priddy (Surrey North, NDP): Mr. Speaker, each summer in Surrey North hundreds of students hit the streets looking for a job. For these young people summer employment is key to fulfilling their goals.

Most families in Surrey North do not make a lot of money. Without a summer job, many students could not afford the cost of tuition.

The summer career placement program helped young people pay for their education, until last year when the Conservatives slashed \$55 million from its budget.

Because of funding cuts and criteria restrictions, more students in my community will have a harder time paying their tuition. More families will have a harder time making ends meet, while helping their sons and daughters.

Without this program, many Surrey businesses may not be able to hire summer students at all. The summer career placement program was an important way of helping people make ends meet.

Once again, the Conservatives have failed Surrey North.

Statements by Members

At a time of huge budget surpluses, we should be investing in people and communities, instead of giving away billions of dollars in corporate tax cuts.

* * *

CANADIAN CANCER SOCIETY

Mr. Steven Fletcher (Charleswood—St. James—Assiniboia, CPC): Mr. Speaker, April 1 marks the beginning of two major annual fundraising campaigns for the Canadian Cancer Society: the Residential Campaign and Daffodil Month.

Volunteers across the country will be knocking on the doors of Canadians, inviting them to participate in the fight against cancer. The Canadian Cancer Society will be selling bright yellow daffodils across Canada to raise money in the fight against cancer.

Almost one in every two Canadians will be affected in some manner by this terrible disease in their lifetime. Today, 59% of people diagnosed with cancer will survive the disease compared to only one in three in the 1960s.

Thanks to society-funded research, the treatment and the quality of life during the treatment has dramatically improved in the past 20 years.

I am pleased to offer the support of the federal government for the outstanding work of the Canadian Cancer Society and to recognize the invaluable contribution of thousands of volunteers.

I encourage everyone to actively participate and to donate generously.

* * *

•(1405)

STREET RACING

Mr. Lloyd St. Amand (Brant, Lib.): Mr. Speaker, a very fine young man, Matthew Power, was killed in November 2006 in a street racing incident. He was much loved by his family and his many friends.

Matthew's mother, Adrienne Seggie, arrived today in Ottawa with her daughter and surviving son, the three of them having walked, with two of Matthew's friends, from Hamilton to Ottawa in 16 days. Matthew's life inspired them each step of the way.

Adrienne wanted to pay tribute to her son and wanted also to draw attention to the completely reckless fashion in which automobiles are operated by certain individuals. Matthew was the innocent victim of a person who drove much too quickly on a busy street.

Adrienne has walked the 500 kilometres in the hope that judges will see fit to appropriately penalize wrongdoers who put their own immature desire for a thrill over their responsibility to operate a vehicle in a safe, careful fashion.

Adrienne has ensured that her son has not died in vain but that his death will be the focus of permanent and effective changes to the justice system. We console her in her profound loss, but we congratulate her for her dedication to her son's memory.

[*Translation*]

RINO LÉVESQUE

Mr. Luc Harvey (Louis-Hébert, CPC): Mr. Speaker, the riding of Louis-Hébert has a story worth sharing with Parliament.

Before Mr. Lévesque arrived at the École-des-Coeurs-Vaillants, the school was riddled with drug and dropout problems, a sad record for an elementary school.

Thanks to Rino Lévesque's dynamic leadership, the outlook has drastically changed.

Now, the school is running at full capacity, the drug problems have been resolved, and parents are proud to send their children to this school.

Under his direction, the teachers have developed outstanding teamwork and synergy, which they enthusiastically put to work for children and parents.

Rino Lévesque's work deserves to be acknowledged, encouraged and even held up as an example.

We want Mr. Lévesque and the entire team at the École-des-Coeurs-Vaillants to know that they have earned our utmost respect, and we thank them.

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DANIEL TURCOTTE

Mr. Christian Ouellet (Brome—Missisquoi, BQ): Mr. Speaker, in Cowansville, the second-largest city in my riding, Daniel Turcotte opened a new bookstore some eight years ago. While it was once a very small bookstore on South Street, it has since been expanded in order to serve its growing and increasingly diverse clientele. Mr. Turcotte recently opened a second bookstore in Bromont, also in my riding.

On March 19, 2007, Mr. Turcotte was awarded the 2007 Order of Merit for retail business, to highlight his tremendous economic and cultural contribution to the region. This honour also extends to the publishing and marketing of books.

I would like to use national book week as an opportunity to remind the House that the GST should not apply to books.

On behalf of the Bloc Québécois, I commend Mr. Turcotte and wish him continued success with his bookstores.

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[*English*]

YORKTON AGRICULTURE FORUM

Mr. Garry Breitkreuz (Yorkton—Melville, CPC): Mr. Speaker, last Friday, March 23, I held my annual agriculture forum in Yorkton, Saskatchewan.

I want to thank all the speakers who made the day such a huge success. They provided valuable information to the 300 participants about biofuels, alternative land use, own use imports, environmental farm plans and the Canadian Wheat Board.

Statements by Members

I especially want to thank the Minister of Agriculture and Agri-Food for once again taking the time out of his busy schedule to explain our new government's funding, services, programs and future plans.

I also want to thank the hon. member for Malpeque, Prince Edward Island, the agriculture critic for the official opposition, for coming to the forum. His attendance showed that support for our Canadian farmers transcends partisan politics.

The day's proceedings will be broadcast on CPAC, providing an opportunity for all Canadians, urban and rural, to understand the challenges faced by today's farmers and the need to support our agriculture industry.

I encourage all members, both rural and urban, to ask their constituents to tune in to the CPAC broadcast to learn more about the importance of agriculture to all Canadians.

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[Translation]

PREMIO AWARDS

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, on March 17, 2007, the Montreal chapter of the Canadian Italian Business and Professional Association held its biennial Premio Awards ceremony in Montreal. I had the honour of attending as the member for Saint-Léonard—Saint-Michel.

The Premio is awarded to individuals of Italian origin who distinguish themselves in the business community, humanitarian work or creative endeavour, and have had great success in their respective fields.

I want to congratulate the recipients of the Premio: Jean G. Gattuso, president and CEO of A. Lassonde Inc., winner of the award for business; Luigi Liberatore, president of Investissement Elmag, winner of the award for humanitarian work; and Umberto Bruni, painter and sculptor, winner of the award for creativity.

These remarkable people and their accomplishments in our society, whether social, economic or political, are a testament to the exceptional contribution of the members of the Italian community here in Canada.

* * *

● (1410)

[English]

THE BUDGET

Mr. Andrew Scheer (Regina—Qu'Appelle, CPC): Mr. Speaker, people in Saskatchewan are still talking about what a great deal we got in last week's budget.

Not only have non-renewable resources been removed from the equalization formula, ensuring that \$226 million in equalization money will flow to the province, but over \$1 billion in other new funding will make its way to Saskatchewan.

Per capita, Saskatchewan will see a \$230 per person increase in equalization. This compares to \$90 per person for Quebec and \$100 for Manitoba.

In addition to this new fair deal, Saskatchewan will see \$756 million under the Canada health transfer, another \$342 million through the Canada social transfer for post-secondary education, and a whopping \$75 million for infrastructure.

The only person upset at this budget is Premier Lorne Calvert. He cannot take yes for an answer.

He wanted non-renewable resources out of the formula and it is out. He wanted \$800 million in new funding for the province and he got it.

Lorne Calvert will just have to take yes for an answer and try to find something else to distract voters in Saskatchewan from his horrible record as premier.

* * *

MINING INDUSTRY

Ms. Alexa McDonough (Halifax, NDP): Mr. Speaker, under the leadership of the Hon. Ed Broadbent, the Subcommittee on International Human Rights and the Standing Committee on Foreign Affairs made strong recommendations for improving the government's role in preventing and addressing human rights and environmental abuses by Canadian corporations operating overseas.

Today, civil society and industry stood together to release the findings of their follow-up report, with recommendations for an ombudsman's office to deal with complaints about the activities of Canadian extractive companies overseas and for strong mechanisms for holding offending companies to account.

Canadian mining companies invest \$50 billion in mining operations around the world. Canadians want to know that our companies are improving the lives of people, not ruining their livelihoods and trampling on their human rights.

When corporate leaders and industry watchdogs sit down together and can come up with a single vision of how our companies should act, there is reason to celebrate.

Today I urge the government to adopt the recommendations of this report. Civil society and industry agree on the steps that must be taken, and we simply ask, why would the government ever say no?

* * *

THE BUDGET

Ms. Ruby Dhalla (Brampton—Springdale, Lib.): Mr. Speaker, the Conservative government continues to fail Canadians and my constituents of Brampton—Springdale. It has shown absolutely no leadership and no vision in moving Canada forward.

Oral Questions

The government is failing one of Canada's fastest growing cities. Its broken promises have resulted in Bramptonians having to wait for important health care services. Bramptonian families are having to struggle to find good quality child care programs because the government has not created a single child care space. Its broken promise on income tax trusts has resulted in Brampton seniors losing their hard-earned life savings.

The Conservative government has turned its back on students by failing to invest in post-secondary education. It has failed new Canadians with its failure to create a foreign credential recognition agency.

The people of Brampton deserve a federal government that is caring and compassionate. They deserve a government that is dedicated and committed to working on behalf of all Canadians for a richer, fairer and greener Canada.

* * *

[Translation]

COATICOOK FARMERS

Ms. France Bonsant (Compton—Stanstead, BQ): Mr. Speaker, for many years, residents of the Regional County Municipality of Coaticook have been demonstrating their agricultural know-how.

The Coaticook dairy, maple syrup products, production of fruits and vegetables and such events as the country flavour weekend and dairy festival are proof of the agricultural dynamism of the region.

Once again the Coaticook RCM is setting an example, this time in terms of the next generation of farmers. According to recent data provided by the Quebec ministry of agriculture, fisheries and agri-food for the Eastern Townships region, the number of farmers has been rising since 1993. A total of 159 individuals have been identified as new farmers, with those under 30 years of age accounting for 80% and women representing 21%.

I would like to point out the contribution of local players, particularly from CRIFA, the regional agricultural training and initiatives centre, who have played a major role in training and retaining new farmers in our region.

I hope that this government will now encourage these young people by responding to their expectations regarding supply management and agricultural income.

* * *

●(1415)

[English]

CANADIAN INSTITUTES OF HEALTH RESEARCH

Hon. Maurizio Bevilacqua (Vaughan, Lib.): Mr. Speaker, the 2006 budget left the research community in Canada disappointed. The 2007 budget built onto that disappointment.

Allocated to the Canadian Institutes of Health Research were \$34 million in 2006 and \$37 million in 2007, a far cry from the \$175 million that had been committed by our Liberal government in economic fiscal update 2005.

The Conservative government's lack of attention to the CIHR has shown a lack of interest unprecedented in a generation.

The investment made by Canadians in research through the CIHR has led to remarkable progress in defining the molecular processes that lead to Alzheimer's disease, in rediscovering an inexpensive drug that shrinks cancerous tumours, and in developing treatments that reduce the personal and financial burdens of diseases such as diabetes, AIDS and arthritis.

A failure to invest in research jeopardizes the well-being and prosperity of all Canadians. The Conservative government's last two budgets have put in peril the national research strategy that took two generations to build.

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BATTLE OF VIMY RIDGE

Mr. Brian Storseth (Westlock—St. Paul, CPC): Mr. Speaker, April 9, 2007, will mark the 90th anniversary of Vimy Ridge. On this date in 1917, 30,000 Canadian soldiers stood in the line of fire to defend and protect our great nation. Attacking at dawn, Canadians had taken Vimy Ridge by noon.

A mission tried and failed by many, this was the first time in Canadian history that four Canadian divisions fought simultaneously. In fact, on April 12, 1917, Canadians controlled the entire ridge.

This victory is one that Canadians hold dear to their hearts and has helped shed the yoke of British imperialism.

The price: 3,598 men were killed while 7,104 were wounded.

The outcome: freedom, democracy and rule of law, to say the least.

The words of Brigadier General A.E. Ross say it best: "In those few minutes I witnessed the birth of a nation".

Let us all remember these brave souls, as well as the brave men and women of today's Canadian Forces, who carry on with the same courage and honour as their brothers who fought at Vimy Ridge.

ORAL QUESTIONS

[English]

ROYAL CANADIAN MOUNTED POLICE

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, yesterday we heard shocking testimony from senior RCMP officers appearing before the public accounts committee. The turbulence and chaos at the top of this Canadian icon of criminal justice is very unsettling to Canadians.

An investigation of the kind such as that announced by the Minister of Public Safety is simply not enough by itself.

Why will the government not call a full public judicial inquiry?

Oral Questions

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, we all agree that the revelations yesterday are shocking and quite disturbing. That is why the acting commissioner of the RCMP has acted. It is why the Minister of Public Safety has announced today that the government will proceed with a full independent investigation which will report back very quickly and publicly.

As we know, these events occurred between 2000 and 2003, so I hope that the hon. leader of the Liberal Party and his colleagues will cooperate fully with whatever they know.

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, one of Canada's most loved and respected institutions is in crisis. Both a full public inquiry and the unfettered work of the public accounts committee are required. Speaking about collaboration, why will the Prime Minister not commit fully to both?

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, we want answers immediately. Canadians want answers immediately. We know that a full public inquiry can take a long time to get to those answers, as effective as an inquiry can be.

I also indicated today that is the person who heads up this investigation at any time finds that there are those who are resisting bringing forward evidence or testimony, including former previous Liberal cabinet ministers, he can come to us and he will immediately be given all the powers he deems that he needs, including up to a full public inquiry.

• (1420)

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, why will the government not rise to the occasion for once?

[*Translation*]

The government's new investigation, or the one it plans to hold, has no statutory legitimacy and will not report to the public, only to the government. This is unacceptable. We need a public inquiry, we need the Standing Committee on Public Accounts to be able to do its work unfettered and with full transparency.

Can the Prime Minister promise that this will be the case?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the commissioner has taken action. The Minister of Public Safety has taken action by launching a full and independent investigation, which he will report on as soon as possible. These are events that occurred from 2000 to 2003, under the former Liberal government.

We are very concerned about this information and the commissioner will have all the necessary power to reveal the truth to Canadians and to get this truth from the former Liberal government.

[*English*]

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the Prime Minister discusses events that occurred between 2000 and 2003, but in November 2006 the Auditor General concluded that the investigation into the RCMP pension and insurance plans was not structured to ensure that it was independent and unbiased. The RCMP promised at that time to develop a new policy on investigations into its conduct. The RCMP also promised to review all amounts charged to its plans to determine whether anything needed to be reimbursed.

What steps did the Minister of Public Safety take between November and now to ensure that the RCMP kept those two critical promises?

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, I appreciate that observation, because I met with the Auditor General on this very topic as soon as that report was complete. We went over it in detail. I noticed also what she had in bold print in her investigation. She said:

The RCMP has responded. The Royal Canadian Mounted Police has agreed with each of our recommendations and is in the process of taking corrective action.

I asked at the time, and continue to ask, for the progress report on the action that the RCMP committed to give the Auditor General who reviewed this at that time, and we are still doing that.

* * *

[*Translation*]

MINISTER OF PUBLIC SAFETY

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the Minister of Public Safety refuses to stand aside while the RCMP, for which he is responsible, investigates its own actions. There have been some disturbing allegations of corruption and obstruction surrounding the RCMP.

Will the Prime Minister take action and call on his minister to stand aside immediately?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, this is a very old story.

[*English*]

If the member is worried about people who have engaged in acts of inducing people to give up their office, perhaps he could talk to his own leader who, in order for him to have a seat in the House of Commons, the previous MP was given a seat in the Senate. It sounds like an inducement.

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[*Translation*]

SAINT-HUBERT AIRPORT

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the planned partnership between Pratt & Whitney and the Saint-Hubert airport will be in danger if \$70 million are not invested in repairing the runway. Without that investment, Pratt & Whitney will have no choice but to use another airport to test its engines. This is not about competition between a city in Quebec and some other Canadian city. This is about competition between Quebec and other countries. High-quality jobs are at stake. Pratt & Whitney will be making its decision soon.

Does the Prime Minister realize that if something is not done soon, Quebec will surely lose jobs?

Oral Questions

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, does the leader of the Bloc Québécois have a clue about regional economic development? In Quebec, 14 regions share a \$200 million envelope. The leader of the Bloc Québécois is asking me to invest \$70 million—one third of the regional economic development envelope—in a single project in the member for Saint-Bruno—Saint-Hubert's riding. Perhaps the leader of the Bloc Québécois could give me a list of the regions in Quebec from which he believes we should take money so that we can do as his member asks.

• (1425)

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, this is the minister who was talking about the Marshall Plan. He does not look like a general; he looks like Private Ryan.

The ministers should stop squabbling about where to find the money. There is plenty of money.

Rather than insist that projects correspond to programs, should they not ensure that programs correspond to projects and save jobs rather than export them? Does he have a clue what jobs are? Does he have a clue about planning? Does he have any idea what a government is?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, when the Bloc Québécois was elected to this House, it promised to protect the interests of all Quebecers and all regions of Quebec. Now, instead of doing that, the leader of the Bloc Québécois wants to focus on one single issue. He wants to allocate one third of my department's funding to make the member for Saint-Bruno—Saint-Hubert happy. We introduced six new tools to help struggling regions in Quebec. We are working to help all of the regions, not just one project.

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, let the Prime Minister and all the ministers in this government be advised that there is currently an airport capital assistance program, commonly known as ACAP, under which investments can be made in air transport infrastructure.

Why does the government not invest in the airport in Saint-Hubert through this program?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, I do not think that the hon. member is aware of what this government is doing for the regions of Quebec and for the aerospace industry as well. In December, Minister Michael Fortier announced an investment of \$350 million to help Pratt & Whitney. I repeat, \$350 million to help Pratt & Whitney. This goes to show that our support for the aerospace industry is strong.

Moreover, my own department has increased by 61% what goes to the Montérégie region. That is 61% better than what the previous government did for that region.

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, ACAP is an existing program, the government has the money and cabinet has the power to increase funding for that program and to tailor it to meet the needs of the community.

What is the minister waiting for to act on the Saint-Hubert airport issue?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, we do not need lobbyists from the Bloc Québécois to do our work with the companies. We are quite capable of dealing directly with stakeholders, and we do plan to speak with the management at Pratt & Whitney.

There is no way, however, that my department will pour one third of its budget allowance into a single file. I say no to that.

* * *

ROYAL CANADIAN MOUNTED POLICE

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, with respect to the RCMP, it is absolutely vital that we restore trust in our national police force as soon as possible. The half measures announced today could make the situation even worse. It is crucial that the RCMP's honour be restored quickly.

We have heard reports not only of mismanagement and incompetence, but also of corruption, cover-ups and favouritism. This truly is a crisis. The government's attitude, however, gives no indication that this is a crisis.

Can the Prime Minister tell us that he will respond exactly as he should to resolve the situation as quickly as possible? This is vital.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this is why we chose an independent and complete process. At the same time, this process can provide us with a report very quickly. It is essential that we receive all the details as soon as possible.

This government is interested in the truth, obviously, the truth concerning what happened when the former Liberal government was in power.

[*English*]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, this is an extremely serious situation. I would call on the Prime Minister not to step into partisan accusations, but instead to focus on re-establishing the public trust in the RCMP and the honour of our national police force as quickly as possible. After the sordid Maher Arar affair and now the attacks on the pension system, we have a serious problem here.

My question for the Prime Minister is, will he ensure that this inquiry produces all of the evidence that has to be brought forward? Will it be entirely brought forward into the public, so the public can re-establish confidence in our treasured RCMP?

• (1430)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, first of all, as the hon. member knows, this government dealt with the Maher Arar affair that had not been dealt with before.

Oral Questions

At the same time, we obviously want to get to the bottom of this as quickly as possible. That is why we have structured a full independent investigation. I can assure the hon. member that will reach a report rapidly. I can also assure the hon. member, as the Minister of Public Safety just did, that if in any way that investigation is not heeded, its powers will be increased.

Hon. Sue Barnes (London West, Lib.): Mr. Speaker, the investigation announced by the public safety minister today falls far short of a full independent public inquiry.

In light of the shocking revelations made at the public accounts committee yesterday, more now than ever Canadians need to be assured of the integrity of our national police force.

Given that the public safety minister is overseeing the probe he just announced, how can Canadians be assured of the independence of this very serious investigation?

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, there is a question that comes to my mind. We have put in place a process to get answers quickly, to demand answers and also send the message that anybody who will resist giving those answers will be called upon with even further authority. The question that crosses my mind is, why do the Liberals not want to get these answers right away?

Hon. Sue Barnes (London West, Lib.): Mr. Speaker, I think it is important that the minister listen to this question.

The public safety minister is now in an uncomfortable ethical quandary. The testimony at the committee yesterday has impacted and will impact on his ability to properly perform his duties as public safety minister for Canadians, considering the RCMP review is involving the minister himself.

Is it not imperative for the integrity of this investigation and the institution of the RCMP to have the minister step aside at this time? Perception is as important as reality.

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, to the member and the nine people that stood to applaud her, I would like to say that questions do come to mind on this. I will say that I have no ethical quandary in demanding the truth on this particular issue.

When we have on record here previous federal Liberal ministers saying there is no problem, and I have that here, my predecessor saying there is no problem with this particular situation, it gives us great concern.

I guess the other question is, when are all these Liberal cover-ups going to end? When are we going to see an end to this?

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Mr. Speaker, yesterday at the public accounts committee we heard senior RCMP officers describe in detail critical problems at the top echelons of the RCMP. We heard of intimidation and revenge, nepotism, wrongdoers rewarded, whistleblowers punished, fraud, perjury and criminal investigations shut down. Some officers were nearly in tears.

Why did Conservative committee members for months block all attempts to bring this information before the committee? Was that just a mistake?

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, it is getting pretty rich when we have the people who oversaw this entire mess trying to pass and duck the blame. I will say that the previous Liberal minister of public safety said the following when asked a question by a Conservative member:

—let me reassure everyone in the House that there is no conduct on the part of the commissioner that needs to be investigated.

There is some conduct that needs to be investigated and we are going after it. We will get to the truth.

● (1435)

Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.): Mr. Speaker, the RCMP is a national icon, the red tunic an international symbol of integrity and respect. The 25,000 rank and file RCMP officers deserve an RCMP they can trust and be proud of, not one that steals their pension funds.

The minister stated that committees are creatures of their own will and that he will not interfere. However, the voting record will show that for months the Conservatives have blocked all attempts to bring this sordid matter forward and they have had the information for months.

Will the government members of public accounts stop blocking the committee from calling witnesses, along with a public inquiry, guarantee full—

The Speaker: The hon. Minister of Public Safety.

Hon. Stockwell Day (Minister of Public Safety, CPC): Mr. Speaker, I do not know if the member opposite has done the math, but as much as we would like to have a majority on that committee so we could get to the truth on a lot of matters, we do not even have a majority there. There has been no blocking this. It is Conservative MPs who have raised this issue with me. It is Conservative MPs who have been talking on this issue.

There is something else that came out yesterday. I do agree with the member on one area. This is a very large force of people when we talk about the RCMP. One of the people testifying yesterday even said that there were a very small few who he felt had done wrong and that the majority of the force are fine, upstanding individuals upholding the law.

* * *

[Translation]

AEROSPACE INDUSTRY

Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, if the government refuses to budge, hundreds of good jobs in the aerospace sector will not materialize.

Given the importance for the entire south shore of Montreal to maintain and develop its expertise in the aerospace sector, could the government not show us that it intends to take action and do so quickly?

Oral Questions

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, we have already taken action in the aerospace sector. I would like to remind my colleague that we have committed to billions of dollars in military procurement that will benefit Canada's entire aerospace industry. The Bloc Québécois could never have done as much because it is destined to remain an opposition party forever.

Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, the entire sector and all stakeholders ready to go ahead with this project are worried because of the very short lead time for creating new jobs at Pratt & Whitney.

Given that a business decision is about to be made and that it could place Montreal's south shore at a disadvantage, could the members of government act with a sense of urgency in keeping with the situation?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, in our last budget we set out specific measures to foster investment so that we can develop competitive businesses and create employment in this country.

Investment in the country is important. We have measures enabling the private sector to increase its investments in machinery and equipment and that is why the Bloc Québécois supported our budget.

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SAINT-HUBERT AIRPORT

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, the federal government has made a real mess of managing airports in the past. We only need to look at Mirabel. Today the government has an opportunity to try again and avoid another mess at the Saint-Hubert airport.

Could the government act responsibly this time and inject \$70 million into the construction and development of this airport?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, I had a chance to answer the hon. member yesterday when I told her that we could study this project in light of future infrastructure programs. I asked her to be patient.

However, when my hon. colleague raises the issue of Mirabel, so far as I am concerned and on this side of the House, we feel that this was a promise made and a promise kept. We returned 11,000 acres to the Mirabel farmers. So we kept our promise.

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Mr. Speaker, in addition to creating hundreds of quality jobs, this \$70 million investment would help to make the Saint-Hubert airport profitable in the short, medium and long runs, would add another 35,000 passengers a year, and would make it possible to get a \$135 million investment from Pratt & Whitney in Saint-Hubert de Longueuil.

What will it take to make the minister understand how important this investment is for the development of this region?

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, I would like to remind the hon.

member once again that she wants us to take one-third of the regional economic development budget and use it to repave the runway of her airport in Saint-Hubert.

I want to remind the House that good regional economic development means being proper and fair to all the regions in Quebec. There are 14 regions here. That is the situation in which we work. The Blackburn plan and the six actions that we have taken have been very well received in the regions of Quebec.

* * *

● (1440)

[English]

INCOME TRUSTS

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, the Prime Minister once called any tax on income trusts an attack on seniors but then he flip-flopped and destroyed billions of their savings. He also deprived them of a high yield savings vehicle that many seniors use to pay their daily bills. Now he has tabled a bill to kill retirement communities that use the real estate trust structure.

After taking seniors' savings, seniors' incomes and now seniors' homes, where will the finance minister's next attack on seniors be aimed?

Ms. Diane Ablonczy (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, the member knows that this government acted decisively and, I might add, confidentially to bring tax fairness to the Canadian tax base. The member knows that he complimented the government on doing this. He said that this was absolutely the right thing to do. What is he complaining about now?

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, not a word about seniors' savings, seniors' incomes or seniors' homes. Obviously she does not care.

In addition, the minister's plan to help the working poor is so mean-spirited that a person working full time on minimum wage gets nothing.

Why has the minister produced yet another gimmick that does nothing real? Is it because poor people do not vote Conservative or is he on a mission to change his image from slasher of schools and hospitals to saintly defender of the poor? That is a bit of a stretch.

Ms. Diane Ablonczy (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, that, of course, is nonsense. In fact, in the last two budgets, in the last year or so, this government has taken over 800,000 low income Canadians completely off the tax rolls.

In this last budget, we brought in a new working income tax benefit for the working poor. We also cut the GST, which is the only tax that a lot of the poorest Canadians pay.

We care very much for the low income people in this country and we are doing something about it, unlike the previous government.

THE BUDGET

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

He stated in the budget that he would put an end to federal and provincial squabbling but not so. Will he write Rodney MacDonald, Lorne Calvert and Danny Williams and apologize for breaking his promise to be principal beneficiaries of their resources?

He attempted to flatter Danny Williams but the message from Danny Williams to him and the rest of Canada was quite clear: “Flaherty will get you nowhere”.

The Speaker: I know the hon. member is indulging in a play on words but he knows he must not refer to members by name. I think he was referring to the Minister of Finance.

We will now have an answer from the hon. Minister of Fisheries and Oceans.

Hon. Loyola Hearn (Minister of Fisheries and Oceans, CPC): Mr. Speaker, we have not had such excitement since George Baker left the Chamber.

It was quite evident in the motion that the member presented in the House last week that he has not read the budget. I would suggest to him that when he goes home tonight that he get his stepladder, climb up on the bureau, get his copy of the budget and read it.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): It is not my fault, Mr. Speaker, seriously.

Some hon. members: Oh, oh!

The Speaker: Order, please. We need to be able to hear the hon. member who has the floor and the hon. member for Bonavista—Gander—Grand Falls—Windsor has the floor.

Mr. Scott Simms: Mr. Speaker, since the minister was so quick to get to his feet, I would like to remind him what he said since he thinks he read the budget.

He said, “We don’t always have control of our own destiny. We all like to do things...So what do you do then, you make the best of the situation you have...”.

As a matter of fact, the member for Avalon said, “...politicians of all political stripes have made promises before...and many of them have broken the promises they have made, I mean it’s not a new thing to a lot of people...”.

If two of his own members can admit to a promise made, a promise broken, why will the Minister of Finance not?

● (1445)

Hon. Loyola Hearn (Minister of Fisheries and Oceans, CPC): Mr. Speaker, since we are into quotes, let me quote from the document that those members waved around in the House yesterday, except I will read all the quote.

It reads:

The Conservative Party of Canada believes that offshore oil and gas revenues are the key to real economic growth in Atlantic Canada. That’s why we would leave you with 100 per cent of your oil and gas revenues. No small print. No excuses. No caps

That is just what we did in the budget.

Oral Questions

ATLANTIC ACCORD

Mr. Fabian Manning (Avalon, CPC): Mr. Speaker, budget 2007 provides great benefits for the people of Newfoundland and Labrador. It makes our strong economy even stronger.

Our government has kept its commitment to honour and respect the Atlantic accord. We are delivering 100% of what the accord promised, not 50%, without a cap.

Unfortunately, Premier Williams does not share our commitment to a strong economy and wants to pick a fight instead.

Would the Minister of Natural Resources explain the damage that Premier Williams is causing to the people of Newfoundland and Labrador?

Hon. Gary Lunn (Minister of Natural Resources, CPC): Mr. Speaker, Premier Williams is playing a very dangerous game with the economy for the people of Newfoundland and Labrador. This year alone, Newfoundland and Labrador will receive over half a billion dollars in royalties from offshore resources but his reckless actions are not improving things like the south Hibernia expansion.

There are some hard examples that are hurting our economy. We have learned that the offshore Newfoundland petroleum trade show for both local and international suppliers has now been cancelled due to lack of interest.

We encourage Premier Williams to rethink his actions.

* * *

TAXATION

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, by the time our country’s top CEOs are sipping their morning lattes on New Year’s Day, they have already earned more than the average Canadian worker makes in an entire year.

To add insult to injury, companies can write-off those stratospheric salaries against their business taxes. That means average Canadians who work hard, who play by the rules but are nonetheless struggling to make ends meet, are actually subsidizing the salaries of the wealthiest CEOs.

Will the Prime Minister close this outrageous tax loophole and amend the Income Tax Act so that salaries in excess of \$1 million can no longer be deducted from business taxes?

Ms. Diane Ablonczy (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, I remind the member that this Conservative government has acted to ensure that corporations pay their fair share of income taxes.

We restored the balance and fairness to the tax system through our tax fairness plan by ensuring that income from business activity is taxed, whether it is through corporations or whether it is through income trusts.

Furthermore, we introduced international tax fairness initiatives by improving the way Canada taxes foreign source income and also plugging tax loopholes.

Why did the member vote against a budget that actually helped corporations pay their fair share?

Oral Questions

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I did not ask the minister about the budget, but if that is where she wants to go, I am happy to go there.

This budget did not save or create a single job in the steel, auto or forestry sectors, but it did save corporate Canada almost \$9 billion in tax cuts. Even companies that are seeking bankruptcy protection from the courts are protecting the multimillion dollar salaries of their executives while they have no qualms about seeking wage and pension concessions from their workers.

Will the minister agree that it is not acceptable for tax dollars to subsidize the growing prosperity gap that has CEOs earning 240 times more than the average Canadian worker?

Ms. Diane Ablonczy (Parliamentary Secretary to the Minister of Finance, CPC): Mr. Speaker, if she wants to talk about the budget, the budget actually funded the cleanup of Hamilton Harbour. Is she against that?

The budget assisted manufacturing industries including those in Hamilton and boosted skills training for labour. It funded the relocation of the CANMET Laboratory to McMaster University in Hamilton.

I would remind the hon. member that she herself is in the top 10% of income earners. If she believes in equity so much, maybe she should take a voluntary pay cut and put her money where her mouth is.

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●(1450)

THE ENVIRONMENT

Hon. Raymond Simard (Saint Boniface, Lib.): Mr. Speaker, in 2005 the Liberal budget committed \$40 million to improve the ecological integrity of the Great Lakes, including Lake Winnipeg with guaranteed annual investments to improve its ecosystem.

In 2006 the Conservative budget did not mention Canada's lakes and did not provide any new funding. This year's budget pledges a measly \$7 million over two years for Lake Winnipeg.

The Minister of the Environment knows this is totally inadequate. Where is the money to clean up Lake Winnipeg?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, the Liberal Party had 13 years to provide support for Lake Winnipeg and it did not deliver the goods. The Conservative members from Manitoba are delivering the goods for this government. We are also delivering money to Manitoba to help fight climate change.

Here is what the Premier of Manitoba said when we made that announcement. When asked how this government's ecotrust compared to the money provided by the previous Liberal government, he said that he did not get any, none, nada; he was not aware of a single dollar. That is the record of the Liberal Party.

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INFRASTRUCTURE

Hon. Karen Redman (Kitchener Centre, Lib.): Mr. Speaker, the government's budget ignores infrastructure needs in southwestern

Ontario. The finance minister's unfair infrastructure program means that Ontario, with 12 million residents, receives a mere \$25 million.

Why is a government that inherited huge surpluses ignoring southwestern Ontario which is a vital part of our province's economy?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, as a matter of fact there is nothing further from the truth. As I have indicated, we have put an unprecedented amount of money into infrastructure.

Not too long ago with the hon. Donna Cansfield, minister in the government of Ontario, we did have the opportunity of working together and launching the committee for a gateway in southern Ontario.

This government is committed to helping people in southern Ontario and certainly helping Canada to be commercially competitive in world markets.

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TRADE

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, in a recent report the Canadian Chamber of Commerce sounded the alarm over the government's miserable performance with trade and investment with India.

It gets worse. Canada's reputation abroad is being severely damaged. The government has slashed millions from trade programs, eliminated the CAN-Trade initiative, and is closing consular services in key emerging markets.

Why does the minister have no plan to showcase Canada to the world and more importantly, why is he treating Canada's economic future with such neglect?

Hon. David Emerson (Minister of International Trade and Minister for the Pacific Gateway and the Vancouver-Whistler Olympics, CPC): Mr. Speaker, the hon. member is obviously another one from the party opposite who did not read the budget. In the budget there was a provision for a global commerce strategy, \$60 million over two years, and a massive provision for infrastructure.

We just took a mission over to India. I am going to India in two weeks. The government is actually getting things done with the Asia-Pacific, with India, and with our trade performance.

Oral Questions

[Translation]

ATLANTIC CANADA OPPORTUNITIES AGENCY

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Mr. Speaker, in order to create jobs, we have to help small businesses. The ACOA seed capital program is specially designed to help businesspeople with their funding and to create jobs. However, ACOA reduced the funds available for the seed capital program in New Brunswick by over 75% as of March 31, 2007. This cut will have a negative effect on jobs in rural regions.

Why did the minister abandon businesspeople and drop job creation in New Brunswick? Why did the minister abandon the citizens of the Atlantic Region?

[English]

Hon. Greg Thompson (Minister of Veterans Affairs, CPC): Mr. Speaker, we have not done that. All he would have to do is read the budget. A lot of words, but he has not read the budget.

We have put more money into Atlantic Canada. In fact, in this year's budget over \$200 million more was transferred to New Brunswick over the previous government of which he was member.

In terms of regional development and capital cost allowances, we are getting it done in New Brunswick. He should be ashamed of Liberal record. We are getting the job done.

* * *

● (1455)

[Translation]

AFGHANISTAN

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, a devastating report by the American State Department mentions some unacceptable situations in Afghan prisons. According to the report prisoners are regularly subjected to torture, women detainees are regarded as slaves and children are sexually abused.

Does the Minister of National Defence realize that by turning a blind eye to such behaviour he is becoming party to these unspeakable crimes?

[English]

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, I think the Minister of National Defence is hardly shutting his eyes to the situation. He has acted decisively. He met with individuals in Afghanistan to correct any perception or any reality that prisoners would be mistreated.

What we have in our Minister of National Defence is a man who has served his country honourably for 30 years, has led men and women in conflict situations, has served this country proudly as our defence minister, and we are very proud of the job he is doing.

[Translation]

Mr. Claude Bachand (Saint-Jean, BQ): Mr. Speaker, indeed there is more. The much talked-about Afghanistan Independent Human Rights Commission, which the minister likes so much, reports that water, facilities and food are inadequate in these prisons. It also reports that there are not enough blankets and that infectious diseases are commonplace.

Why has the Minister of National Defence once again hidden these facts from the House and the Canadian people? What will it take for the minister to resign?

[English]

Hon. Peter MacKay (Minister of Foreign Affairs and Minister of the Atlantic Canada Opportunities Agency, CPC): Mr. Speaker, there is hardly any attempt to hide the facts. In fact, quite the opposite. We are working with the Dutch and NATO allies to see that the situation, as far as Afghan prisons, is improved.

We continue to do that on every level, just as we do in areas of development, just as we do in areas of building infrastructure within that country by creating programs for vaccinations and creating programs to create new vocations for Afghan people.

We are there doing an important job on behalf of the entire NATO community. We are there putting more money into these programs. We will continue to do so and we will do Canada proud.

* * *

ABORIGINAL AFFAIRS

Mr. Todd Russell (Labrador, Lib.): Mr. Speaker, the Minister of Indian Affairs has refused to acknowledge that an apology is as important as any other component of the residential school compensation package. He says an apology is not necessary because the government was trying to educate first nation Inuit and Métis children.

This is an insult to the survivors. The injustice, the indignity and the hurt the survivors endured is inexcusable. The Conservative government must act honourably and issue a formal apology.

When will he learn that, in his own words, it is not just about the money?

Hon. Jim Prentice (Minister of Indian Affairs and Northern Development and Federal Interlocutor for Métis and Non-Status Indians, CPC): Mr. Speaker, I would point out to the House that it was this government that negotiated the resolution of the Indian residential school situation. What is insulting is the fact that the former Liberal government never got the job done.

I was in the room when the final agreement was negotiated. There was no one from that side of the House in the room. It is a fair agreement. It is generous. It is a compassionate agreement. I intend to proceed to continue to implement it with the other signatories to the agreement.

*Oral Questions***RAIL TRANSPORTATION**

Mr. Larry Miller (Bruce—Grey—Owen Sound, CPC): Mr. Speaker, after two weeks of strike action in February, negotiators for CN Rail and the United Transportation Union reached a tentative settlement in their labour dispute on February 24. The ratification vote will be known on Tuesday, April 10.

Can the Minister of Labour please inform the House what this means for Canadians across the country who depend on Canada's rail system?

[Translation]

Hon. Jean-Pierre Blackburn (Minister of Labour and Minister of the Economic Development Agency of Canada for the Regions of Quebec, CPC): Mr. Speaker, on February 24, an agreement was reached between the members of the United Transportation Union, who are employed by CN, and their employer of course.

The results of the vote will be made known on April 10. I nevertheless wish to be clear: Bill C-46 is still on the order paper, and the government would quickly take action if railway services were once again disrupted by this labour dispute.

* * *

[English]

INDUSTRY

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, there are news reports of a hostile takeover of BCE. BCE is one of Canada's oldest and largest corporations in Canada.

A foreign equity firm wants to snatch it up from underneath Canadians. The company that wants to do this, KKR, is so aggressive, an author entitled a book on KKR, *Barbarians at the Gate*.

I know the government is predisposed to actually selling off Canadian companies and New Democrats understand that the government feels an empathy to do so, but this is a loophole.

I want the Minister of Industry to guarantee right now that he will close this loophole and protect Canadian jobs and BCE.

• (1500)

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, the hon. member must know that it would be inappropriate for me to comment on any speculation in a newspaper. On a future possible merger or something like that, I will not comment on any speculation nor any rumours.

Mr. Brian Masse (Windsor West, NDP): Mr. Speaker, there is nothing to stop the minister from taking action against equity firms stalking good Canadian companies. He can take that position and he knows he can.

I would like to know why the minister is ignoring the industry committee. Yesterday we passed a motion that called for him to actually table legislation in the House of Commons to deregulate Telecom in a public way, not behind back doors with lobbyists.

Why will that minister not do that? Why will he not listen to MPs? Why is he listening to lobbyists behind doors?

Hon. Maxime Bernier (Minister of Industry, CPC): Mr. Speaker, it is very simple. We listen to all Canadians. All Canadians said last December that they wanted deregulation, they wanted better prices, they wanted competition, and they wanted good service and lower prices for Telecom.

The deregulation project we have in front of members right now is a project that will be good for all customers and all Canadians. We are listening to Canadians.

* * *

CANADIAN WHEAT BOARD

Hon. Wayne Easter (Malpeque, Lib.): Mr. Speaker, the tainted barley vote results are clear on one point. Only 13.8% support the minister's efforts to undermine the Canadian Wheat Board and move barley to the open market.

Dual marketing is not possible and the minister knows it. The task force told him so and the farmer elected Wheat Board stated it is not a viable option.

Does the minister really believe a 13% result is enough to take marketing power away from western grain producers and transfer farmers' money to the international grain trade?

Just why does the Prime Minister support American multinationals over Canadian farmers?

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, I would like to thank the hon. member for his filibuster.

Today I received a survey done by the Wheat Board. It surveyed Wheat Board farmers and this is what it found out. The majority said they will get better prices if there is competition with the Wheat Board. They said that the Wheat Board would be forced to provide better service if there were competition, and the majority said they wanted marketing choice.

Why can the member not accept that 62% of farmers want marketing choice? They deserve it and they will get it.

* * *

SENATE TENURE LEGISLATION

Mr. Bradley Trost (Saskatoon—Humboldt, CPC): Mr. Speaker, for 140 years the Senate has remained largely unchanged. It is still unelected, unaccountable, and guess what? The Liberal Senators are determined not to modernize and change it.

Ten months ago Canada's new government introduced a bill to limit the terms of Senators from a current potential of 45 years to a more reasonable eight years.

Business of the House

Would the Minister for Democratic Reform inform the House about the status of this legislation?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Yes, Mr. Speaker, tomorrow, March 30, marks the 10 month anniversary of the introduction of the Senate term limits bill, but after six months of delay and obstruction in the unelected Liberal Senate, we had a glimmer of hope.

A new Liberal leader was chosen and he said he supported term limits. Later he said, "Do not worry, I will get it done. The Liberal Senators will pass the bill".

It turns out he did not get it done. The bill is still, after 10 months, mired at committee in the Senate. It is the same old Liberal story: promise it, talk about it, but just cannot get it done.

The Speaker: Order. It being Thursday, I believe the hon. member for Wascana has a question.

* * *

BUSINESS OF THE HOUSE

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, with respect to the business of the House, I wonder if the government House leader would be good enough to inform us of what his plans are for the rest of this week and also for the first week that the House will return after the Easter break, that is, the week beginning April 16.

Specifically, I wonder if he could provide us with information on three particular points.

First, yesterday we received back from the Senate Bill C-16, having to do with—

An hon. member: Fixed date elections.

Hon. Ralph Goodale: Yes, fixed date elections. There is a royal assent this afternoon. I asked earlier today in the House whether or not the government would make it possible for Bill C-16 to be approved at all remaining stages in the House and put on the list for royal assent this afternoon.

Obviously the Liberal Party is prepared to agree with that. I understand the Bloc has already given consent. It only remains for the government and the NDP to consent. I see the deputy House leader for the NDP nodding his head, so it would appear that the only thing standing in the way at this moment is the government House leader.

I wonder if he could agree to move on Bill C-16, give it the necessary unanimous consent and put it on the list for royal assent this afternoon. Fixed election dates would then be a reality.

Secondly, Bill C-29, the bill dealing with the application of official languages with respect to Air Canada, has not appeared on the business list for the government yet, and I wonder when the government House leader intends to call Bill C-29.

Finally, when will the government table the exact mandate and the exact legal authority given today to some unnamed individual to investigate the trouble in the RCMP? When will we have the tabling of the mandate and the legal authority under which the government is acting?

● (1505)

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, on the question of Bill C-16, it is obvious that the Liberal House leader is very concerned about having an election and wants to do anything he can to stop it. Having watched the news last night and having seen some numbers, I can understand his sentiments. That is not surprising.

However, I am also not surprised that he could not remember what the bill was about. That is because it has been out of this House for half a year while the Liberal Senate was trying to deal with it. If those members wanted it passed quickly perhaps they could have avoided making amendments to it. However, there are amendments and we have to consult about them. As well, certainly, the information about everyone having consented is very different from the information that has been provided to me by the other parties to this point.

We will continue to pursue that and we hope to move forward on democratic reform. At the same time, as we said earlier, we will invite the other parties to move forward with Bill S-4 in the Senate. If they want to see things move quickly, that would represent good democratic reform. As well, we invite them to indicate their support for Bill C-43.

However, this afternoon we will continue with the list of bills on today's Projected Order of Business.

Tomorrow we will begin debate on the budget implementation bill. When the House returns from the Easter break, it will continue with the budget implementation bill if it is not already completed tomorrow.

Also on the list of bills for that week are: Bill C-33, on income tax; Bill C-40, on the Excise Tax Act; Bill C-10, on mandatory and minimum penalties; the Senate amendment to Bill C-16, fixed dates for elections, if we can get everyone's agreement on that to move quickly; Bill C-27, on dangerous offenders; and Bill C-45, the Fisheries Act, 2007.

Thursday, April 19 shall be the first allotted day in this supply period.

The Liberal House leader continues to make comments about moving quickly today. I wish he had been over there in the Senate talking to his Senate friends for the past six months while we were waiting. Perhaps while he is busying hurrying things up he can go and talk to the senators about Bill S-4.

I have a motion that I would like to make at this time.

There have been consultations, Mr. Speaker, and I believe that you would find unanimous consent for the following motion. I move:

Privilege

That, notwithstanding any standing order or usual practices of the House, the remaining debate on the motion to concur in the second report of the Standing Committee on Health be deemed to have taken place and all questions necessary to dispose of the motion be deemed put and a recorded division deemed requested and deferred to Wednesday, April 18, at the end of government orders; and notwithstanding Standing Order 33(2), government orders shall conclude today at 5:30 p.m.

The Speaker: Does the hon. government House leader have the unanimous consent of the House to propose this motion?

Some hon. members: Agreed.

[*Translation*]

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

Some hon. members: Agreed.

The Speaker: I declare the motion carried.

(Motion agreed to)

[*English*]

Hon. Ralph Goodale: Mr. Speaker, I think we can clarify right at this moment the point that seems to be troubling the government House leader with respect to Bill C-16.

Clearly I have indicated on behalf of the official opposition that we are prepared to consent to that bill being approved in final form in the House today and put on the list for royal assent this afternoon at 5:30.

My understanding was that the Bloc Québécois made the same offer earlier today. I believe I now see the deputy House leader for the NDP again nodding the same kind of consent.

Mr. Speaker, I wonder if you would ask the House if there is unanimous consent to agree to all of the final steps that are required with respect to Bill C-16 so that this bill can be put on the list for royal assent this afternoon at 5:30.

• (1510)

Hon. Peter Van Loan: Mr. Speaker, I can understand that the Liberal House leader has a lack of confidence in the ability of his leader to carry him through an election, but I did not realize he had such a lack of confidence that he thought it would take a few years for that confidence to return.

However, the amendment only just arrived. It took the Liberal senators almost six months to figure out what they wanted to do with a very short bill. I honestly have to say that I have not even seen the bill, which arrived last night in its amended form. Perhaps we should look at it as a government before we decide what we are going to do when we consider the amendments that were put to us.

I know there is a different standard on that side, in that we should do what the Liberals say in 12 hours and they should do what we say in maybe a year or two, but we think it should be a little more even.

The Speaker: There is no motion before the House, so I think we will move on.

I believe the hon. member for Lanark—Frontenac—Lennox and Addington is rising on a question of privilege.

PRIVILEGE

PARLIAMENTARY PRECINCT

Mr. Scott Reid (Lanark—Frontenac—Lennox and Addington, CPC): Mr. Speaker, I am rising on a matter of privilege regarding something that has been in the news the last little while.

Two members of this House, the hon. member for Ajax—Pickering and the hon. member for Notre-Dame-de-Grâce—Lachine, two days ago took several boxes of documents that they purport to have found in drawers and filing cabinets in what were formerly the Conservative offices, then the opposition offices, and have gone through them and have found and retained what they say are documents that may be of interest to the public for future release. I can quote from their press release as to exactly what they call these documents.

At any rate, they returned a number of the documents, including personnel files. With regard to retaining them, the hon. member for Ajax—Pickering said that “the Liberal caucus is retaining possession of some of the documents to determine whether or not they contain other issues that are in the public interest”. This is implying that they have gone through these files in sufficient detail to set aside some for further examination.

In addition, the hon. member for Ajax—Pickering said:

Today we're returning five years worth of personal performance appraisals of Conservative staffers that this government negligently left behind.

These are confidential documents on their own staff. Such gross ineptitude makes me nervous about how this government handles other issues of a private nature.

The documents then were boxed up and shipped down the street to the Langevin Building and the Prime Minister's Office.

The reason I rise on this is that, first of all, one of the members of the staff—and I believe there were about 30 members of the then opposition leader's staff whose personnel files were taken—of the then leader of the opposition, and before that of what was then the third party, the Reform Party, was myself. It seems reasonable to assume that further assurance is needed, more than simply the word of these two MPs, that these files have been returned unopened, unexamined and were not looked at and that none of them have been distributed or shown in any way.

I mention this in particular because some of what has been said by these hon. members in connection with this case appears, perhaps, to be at variance with the truth. I draw to your attention, Mr. Speaker, a number of indications of this.

First of all, there are the boxes. One of them contained an address label and this is clearly visible on TV footage of the boxes being transported down Wellington Street. The address label contains in the “from” area, “145 Well”, or in other words, Room 145 or Suite 145, Wellington. I remember this well, of course, because I worked there for a period of time. Second, visible is “320-3”, with no building indicated. That is the address of the Conservative research group on the third floor of the Wellington Building, not the building to which they were being transported.

Therefore, it is highly improbable that this sticker was attached by Liberal researchers or staff. Rather, it was probably a pre-existing label. That suggests that these documents were not in fact found in locked or unlocked drawers, cabinets and so on, but rather were actually in these boxes from the very start. That is one thing.

The second thing is that I have consulted with the individual at the Prime Minister's Office who now has possession of the boxes. It is reported to me that on the sides of the boxes, or at least on one of the boxes or perhaps several of them, are the words "Conservative files for Kev". This is a possible reference to Kevin Bosch, the lead opposition researcher who has devoted many years of his career to doing opposition research with the intention of digging up documentation that might be damaging to the parties he is opposed to. So that certainly, particularly for the Conservative Party, is a matter for concern.

• (1515)

This puts into question the assertion that there was gross negligence on the part of the government in leaving these documents behind. It suggests, rather, that the documents were in fact boxed up to be shipped. We do not know why they were not shipped but presumably they fell into the hands of the opposition leader's office and staff a little more than a year ago at the time that the offices were being changed.

This means that if there is negligence, in that nobody noticed they were there, then that negligence would actually fall on the Leader of the Opposition and his staff. On the other hand, there is another possibility that these documents were retained with the intention of pulling out documents that were found to be potentially embarrassing and leaking them over a period of time as we get close to an election, or even in a writ campaign, and that would seem to be a robust hypothesis given the fact that certain documents were leaked and we were told that others are being saved for future consideration.

My concern in this matter of privilege is that it is difficult for me as a member of Parliament to carry out my functions as a member of Parliament when the only assurance I have that my documentation has not been treated in such a manner is the assurance of a member of Parliament whose recount of what has happened appears on some particulars to be at variance with the facts. This as well may constitute a contempt of Parliament on the part of that member.

At the very least, I would think it would be necessary to have proactive statements confirming that the personnel documents, and my personal document in particular, were treated with extreme respect and some demonstration be made of that from the hon. member for Ajax—Pickering and the hon. member for Notre-Dame-de-Grâce—Lachine who certainly were the ones who showed the folders to the press two days ago, as well as from the hon. Leader of the Opposition and his predecessor, the interim opposition leader in whose office these documents were kept and whose staff must have had them in their possession prior to the time at which these two hon. members drew them to the attention of the media, first selectively, and then as they returned the documents.

I note in this regard that Maingot's *Parliamentary Privilege in Canada* on page 163 states:

That any act within the precincts of Parliament could constitute a matter of privilege.

Privilege

He defines the precinct as the various parliamentary buildings, including the building,

—that was known, formerly the Metropolitan Life building which is now referred to as the Wellington building.

As you know, Mr. Speaker, the Wellington building is the building in which the events I have described took place and where the Leader of the Opposition's office is found and where my file was.

Maingot also points out on page 229,

Contempt is whatever a House finds as contempt

He cites Erskine May's definition:

Any act or omission which obstructs or impedes either House of Parliament in the performance of its functions, or which obstructs or impedes any Member or officer of such House in the discharge of his "parliamentary" duty, or which has a tendency, directly or indirectly to produce such results may be treated as a contempt even though there is no precedent of the offence.

An example of a ruling on a new contempt of Parliament, can be found on March 12, 1996, when the Speaker found a prima facie question of privilege when it was found that a member acted inappropriately after he sent out a press release inviting Quebeckers still serving in the Canadian Forces to integrate into a Quebec armed forces in the event of a yes outcome following the Quebec referendum.

While it is certainly true that the case of the members I mentioned are not identical to the 1996 case, one could argue that their actions are just inappropriate, that they destroy the atmosphere of trust and honour that are necessary to act effectively as a House and that they, therefore, are in contempt of Parliament, that it certainly is a breach of my privileges and is worthy of examination by the Standing Committee on Procedure and House Affairs.

Mr. Speaker, if you find that there is a prima facie case of privilege, I would be prepared to move the appropriate motion.

• (1520)

The Speaker: I appreciate the work of the hon. member for Lanark—Frontenac—Lennox and Addington and I assure him that I will await response from the hon. member for Ajax—Pickering and the hon. member for Notre-Dame-de-Grâce—Lachine.

I have not seen the files except in a photograph in the newspaper showing the two hon. members outside the Wellington Building wheeling a crate of files up Wellington Street, which I did recognize in the photograph. Of course, I only had what words were printed under the picture as evidence as to what was on the cart. Clearly, the Chair is not in a position to give much of an opinion on this matter at this point,

However, I am sure those hon. members will come to the House in due course and explain whatever is necessary and then the Chair will be able to make a ruling as to whether there has been a question of privilege raised by the hon. member and, if so, whether a motion to refer to the matter to the committee should be permitted. I am prepared to deal with that when the hon. members come back.

*Speaker's Ruling***POINTS OF ORDER**

BUSINESS OF SUPPLY—OPPOSITION MOTION—SPEAKER'S RULING

The Speaker: I am now ready to give a ruling that everybody has been waiting a week for on the point of order raised on Wednesday, March 21, 2007 by the hon. government House leader alleging the inadmissibility of the opposition motion placed on the notice paper on March 20, 2007 in the name of the hon. member for Notre-Dame-de-Grâce—Lachine.

[*Translation*]

I would like to thank the hon. Government House Leader for raising this matter, as well as the hon. member for Wascana, the hon. member for Roberval—Lac-Saint-Jean and the hon. member for Vancouver East for their interventions.

[*English*]

In order to recapitulate the contributions made by the hon. House leaders and because of the complexity of the question before us, I have regrouped thematically the arguments presented.

The first argument to consider is the fundamental issue of balance between the majority and the minority in the proceedings of the House. This was raised by the government House leader when he stated that allowing the opposition motion appearing on the notice paper to proceed would “deny the minority parties...the opportunity and protections that exist in the Standing Orders for a full debate”.

The hon. member for Vancouver East also touched on this concept when stating that, “the smallest party in the House, would be the ones who would often be the victims of this kind of procedure”.

Second, the concept of the government prerogative to schedule government business was argued. The government House leader cited Standing Order 40(2) to the effect that, “Government Orders should be called and considered in such sequence as the government determines”.

Noting that the Standing Orders may be set aside temporarily only by unanimous consent and without setting a precedent, the minister contended that the motion in question proposes effectively to enact legislation under the rubric of supply, in violation of constitutional conventions reserving to the government the right to move government business.

[*Translation*]

The hon. members for Wascana and for Roberval—Lac-Saint-Jean invoked Standing Order 81(13) and *House of Commons Procedure and Practice* (Page 724) respectively, to the effect that opposition motions “may relate to any matter within the jurisdiction of the Parliament of Canada”.

This touches upon the third issue that I wish to address today namely, as the hon. member for Roberval—Lac-Saint-Jean underscored, the “wide scope on supply” afforded to members by the Standing Orders with respect to opposition motions and the correlative practice of the Chair not to intervene unless a supply motion is, “clearly and undoubtedly irregular”, i.e., where the procedural aspect is not open to reasonable argument.

● (1525)

[*English*]

Finally, the hon. member for Vancouver East pointed out that the proposed opposition motion would, if adopted, have the effect of an omnibus bill, bundling together a group of legislative proposals in order to expedite their passage. This fourth issue, which touches on the complexity of the motion itself, also requires separate examination.

As I pointed out when I ruled the motion unacceptable, the proposed opposition motion would have the effect of imposing closure or time allocation on four bills simultaneously, something which, in my view, would be out of order even if the government were to propose it.

If the government wanted to do what this motion does, it would need to move a motion after due notice and, in the absence of agreement among the parties, it might resort to closure to have the matter decided and that would come only at a cost of at least one and one-half sitting days.

I would also note that our precedents, with the exception of cases dealing with the reinstatement of bills, would not permit the Chair to allow a government motion to deal with more than one bill in such a circumstance. At best then, the government could expedite passage of only one bill at a time through several stages using this procedure.

The arguments presented in this matter go to the essence of parliamentary procedure and provide a good opportunity for the Chair to remind the whole House of the underlying principles which support the work we do here.

House of Commons Procedure and Practice, at page 209, states that procedure is “at once the 'means' used to circumscribe the use of power and a 'process' that legitimizes the exercise of, and opposition to, power”.

[*Translation*]

Naturally, over time, our rules have evolved. The House has seen fit to adopt rules from time to time to govern how business is to be transacted and certain changes—closure in 1913 and time allocation in 1969, among others—have effectively given the government, in a majority situation, greater control over the advancement of its business. Nevertheless, to quote *House of Commons Procedure and Practice* (p. 210) again:

—it remains true that parliamentary procedure is intended to ensure that there is a balance between the government's need to get its business through the House, and the opposition's responsibility to debate that business without completely immobilizing the proceedings of the House.

[*English*]

At the present time, the chair occupants, like our counterparts in House committees, daily face the challenge of dealing with the pressures of a minority government, but neither the political realities of the moment nor the sheer force of numbers should force us to set aside the values inherent in the parliamentary conventions and procedures by which we govern our deliberations.

Speaker's Ruling

Hon. members are all aware of situations in committees of this Parliament where, because decisions of the chair are subject to appeal, decisions that were procedurally sound have been overturned by the majority on a committee.

Unlike the situation faced by committee chairs, a Speaker's decision is not subject to appeal. All the more reason then for the Chair to exercise its awesome responsibility carefully and to ensure that the House does not, in the heat of the moment, veer dangerously off course.

The Speaker must remain ever mindful of the first principles of our great parliamentary tradition, principles best described by John George Bourinot, Clerk of this House from 1890 to 1902, who described these principles thus:

To protect the minority and restrain the improvidence and tyranny of the majority, to secure the transaction of public business in a decent and orderly manner, to enable every member to express his opinions within those limits necessary to preserve decorum and prevent an unnecessary waste of time, to give full opportunity for the consideration of every measure, and to prevent any legislative action being taken heedlessly and upon sudden impulse.

In the present case, although the government does not have a majority in the House, it still has a duty to present to the House a legislative program and is entitled to expect that it could do so with all the responsibilities but also all the protections associated with our balanced framework of parliamentary law.

[Translation]

It is for this reason that the issue of prerogative is so important. The government has certain prerogatives; the opposition has certain other prerogatives. Our rules now even provide that private members have certain prerogatives. As *House of Commons Procedure and Practice* states at page 390:

Different categories of business have developed over the years in response to the need to adapt to the organization of House business. Some categories are now uniquely reserved for the government or the opposition; some are reserved for private members—

• (1530)

[English]

As the government House leader has pointed out, these prerogatives are given effect by the Standing Orders. He has cited Standing Order 40(2) as an example but there are many more. Only a minister may move closure or time allocation. Only a minister may move to suspend the Standing Orders pursuant to Standing Order 53. Only a minister may move a motion under Standing Order 56.1 when unanimous consent has been denied. The Chair has consistently ruled—and there are Speakers' rulings from 1928, 1944, 1961 and 1982 on this point—that any motion pertaining to the arrangement of the business of the House should be introduced by the ministry.

In short, as Mr. Speaker Fraser ruled in 1988, and I refer to the debates of July 13 of that year at page 17506, it is, with very few specific exceptions “the government's unquestioned prerogative to determine the agenda of business before the House”.

In a similar vein, several of our rules give the prerogative to the opposition—Standing Order 81(4)(a) concerning the consideration of estimates in committee of the whole is an example—and an entire

chapter of our Standing Orders describes the prerogatives of private members with regard to the business that they may bring forward.

Where these prerogatives intersect is with regard to supply day opposition motions. Supply is government business; the government designates supply days or allotted days on which the opposition can exercise what Marleau and Montpetit has called “the right to have its grievances addressed before it considers and approves the financial requirements of the Crown” by proposing motions for debate. I refer hon. members in this regard to *House of Commons Procedure and Practice*, at page 701.

[Translation]

As the hon. members for Wascana and Roberval—Lac-Saint-Jean reminded us, such motions “may relate to any matter within the jurisdiction of the Parliament of Canada”. Members “enjoy a very wide scope in proposing opposition motions on Supply days and, unless the motion is clearly and undoubtedly irregular (e.g., where the procedural aspect is not open to reasonable argument), the Chair does not intervene.”

[English]

Past interventions from the Chair have, accordingly, been rare, restricted to cases in which a motion is “clearly and undoubtedly irregular”. Speaking to this principle, Mr. Speaker Fraser declared that “the use of an allotted day ought not to be interfered with except on the clearest and most certain procedural grounds”. I quote from the *Debates* of June 8, 1987 at page 6820.

Still, there is nothing whatever in the relevant procedural authorities to suggest that opposition motions on supply days were ever conceived of as a means of fast-tracking bills already present elsewhere on the order paper. Indeed, it is evident from their historical background that opposition motions on supply days were never envisaged as an alternative to the legislative process.

While we are reflecting this afternoon on the nature of opposition motions on supply days, may I say that neither were they created to address concerns about House procedure. To be sure, as hon. members have pointed out, the phrasing of Standing Order 81(13) is very broad indeed, stating as it does:

Opposition motions on allotted days...may relate to any matter within the jurisdiction of the Parliament of Canada—

In the same vein, I myself as Speaker in a ruling on October 31, 2002 mused that the opposition has “the right to move whatever motion it chooses to on an opposition day”. It should come as no surprise therefore that, sheltered by that very broad umbrella, the House may have strayed rather far from the original crux of the matter, namely, airing grievances before voting supply to fund the Crown's program. Perhaps the Standing Committee on Procedure and House Affairs can review these Standing Orders to consider whether revisions to their wording might be helpful in realigning them with their original mission.

Speaker's Ruling

The motion which concerns us proposes to expedite the passage of four government bills simultaneously via their deemed adoption at all remaining stages. In this it is similar in form and substance to motions from government ministers which seek to expedite the legislative business of the House. There is, however, a crucial distinction between the two: although both seek the implementation of their provisions notwithstanding any rule or practice of the House, except in very well-established circumstances such as for the reinstatement of bills at the beginning of a session, for example, the government generally may not move such motions without unanimous consent.

• (1535)

[Translation]

Such motions permit the government to rearrange the business of the House by means of temporary suspensions of the Standing Orders. They represent a well-established practice whereby the government introduces motions pertaining to the arrangement of the business of the House. Furthermore, such abbreviations of the legislative process can take place only by unanimous consent, which may be difficult to obtain in respect of the simultaneous fast-tracking and adoption of more than one bill.

[English]

The very high threshold of unanimous consent creates a pivotal safeguard in ensuring that every measure before the House receives full and prudent consideration. What is being proposed not only does away with that safeguard, it takes advantage of the stringent regime governing supply days. In that regard, for example, it is important to note the precedence accorded to opposition motions over all government supply motions on allotted days.

Furthermore, recent amendments to the rules dealing with such motions offer an especially stringent regime: first, the rules provide what amounts to an automatic closure mechanism, since the motion comes to a vote at the end of the day, thus guaranteeing a decision on the motion; and second, no amendment to the motion is possible without the consent of the mover.

In stark contrast, any motion which could be brought forward by the government to expedite consideration of a bill would be debatable and amendable, and the imposition of time allocation or closure would necessitate a separate question from the motion proposing adoption of the bill at a particular stage or stages in the legislative process.

This brings the Chair to the important point raised by the hon. member for Vancouver East regarding the complexity of the motion. The motion in question seeks to fast-track not one but four separate bills. Since it is a supply motion, any amendment would require the consent of the motion's sponsor and the unanimous consent of the House would not be required for adoption of the motion.

[Translation]

The Chair has been unable to find any examples even of government-sponsored multi-bill motions being moved after due notice, with the exception, as noted earlier, of motions to reinstate legislation at the beginning of a session. Even in these cases, the authority of the Speaker to divide a motion is unquestioned.

On this point I refer hon. members to pages 299–300 of Debates for October 4, 2002 where I ruled that just such a motion be divided. In doing so, I quoted p. 478 of *House of Commons Procedure and Practice* which states:

When a complicated motion comes before the House (for example, a motion containing two or more parts each capable of standing on its own), the Speaker has the authority to modify it and thereby facilitate decision-making for the House.

[English]

This passage is supported by rulings from Mr. Speaker McNaughton in 1964, see *Journals* of June 15, 1964, pages 427–31, and another from Mr. Speaker Fraser in 1991, see *Debates*, April 10, 1991, page 19312.

There is little doubt that the motion of the hon. member for Notre-Dame-de-Grâce—Lachine is a complicated one since it concerns four distinct legislative proposals, each of which would be disposed of, in some cases through more than one stage, through a single vote of this House. The motion before us clearly seeks to circumvent the rules and practices governing the legislative process in a manner prejudicial to the proper consideration of proposed legislation.

By curtailing the legislative process, interrupting the consideration of bills in committee, and eliminating opportunities for amendment at various stages of the legislative process without the requirement for unanimous consent, a fertile imagination is not required to imagine that supply motions similar to this could be used to deprive the government of effective control over the content and disposition of its own bills once these have been introduced to the House. Not only would this violate the entire ethos of the business of supply, it would clearly interfere with the “unquestioned prerogative” of the government and it would do so in a manner utterly inconsistent with the limited exceptions contemplated by *House of Commons Procedure and Practice* and other authorities.

By way of analogy, hon. members might wish to consider their own reaction should the government seek to interfere with the consideration of private members' business in a similar fashion. In the Chair's view, any of these scenarios of usurpation, whether the opposition seeks to hijack the government's agenda or the government the opposition's or that of private members, might reasonably be characterized as a “tyranny of the majority” of a type unforeseen even by Monsieur Bourinot.

As your Speaker, it is my duty to remind the House of some of these fundamental tenets of parliamentary procedure. It is now up to the House to determine how it wishes its procedures to evolve. In the meantime, the Chair is not in doubt that in this case, the motion of the hon. member for Notre-Dame-de-Grâce—Lachine as it appeared on the notice paper was “clearly and undoubtedly irregular” and therefore out of order.

I apologize for taking all this time of the House to come back with these lengthy reasons, but I felt that the issue was an important one and I wanted to make very clear what the views of the Chair were on this matter.

Government Orders

• (1540)

MESSAGE FROM THE SENATE

The Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bill:

[*Translation*]

Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters.

GOVERNMENT ORDERS

[*Translation*]

HAZARDOUS MATERIALS INFORMATION REVIEW ACT

The House resumed consideration of the motion that Bill S-2, An Act to amend the Hazardous Materials Information Review Act be read the third time and passed.

Mr. Marcel Lussier (Brossard—La Prairie, BQ): Mr. Speaker, this afternoon I will speak about Bill S-2, An Act to amend the Hazardous Materials Information Review Act. This bill originated in the Senate and had already been tabled. It was formerly called Bill S-40. It has been renumbered and is now S-2.

This bill aims to improve the current process of the Hazardous Materials Information Review Act, and it has three main objectives.

The first objective is to allow companies that want to be exempted from the general rules concerning the listing of hazardous ingredients to make a declaration that information in respect of which an exemption is claimed is confidential business information, and that information substantiating the claim will be provided on request, rather than de facto providing all information.

The second objective is to allow companies to voluntarily give an undertaking to the Hazardous Materials Information Review Commission to modify and to bring a material safety data sheet or a label of products containing hazardous ingredients into compliance with the provisions of the Hazardous Products Act or of the Canada Labour Code.

The third objective is to allow the limited participation of the Hazardous Materials Information Review Commission before an appeal board.

The Workplace Hazardous Materials Information System, or WHMIS, combines an assortment of legislation, regulations and procedures whose objective is to protect workers by preventing illness and injury that could result from the use of certain hazardous chemicals in the workplace.

Quebec, the provinces and the federal government are all part of WHMIS.

Under WHMIS, manufacturers and distributors of controlled (hazardous) products must provide information on the health and safety risks associated with their products, together with instructions for safe handling, storage, transportation, disposal and first-aid treatment. This information is conveyed by the product's mandatory Material Safety Data Sheet (MSDS) and label—

Each product's MSDS must include a number of elements. It must list all hazardous ingredients in the product, its toxicological properties, and the precautions one must take when using the product. The MSDS must also indicate the necessary first aid measures for anyone exposed to a product.

When the indications that must appear on the MSDS involve trade secrets—and this is where the problems begin—and disclosure of these secrets could have serious consequences, a mechanism is in place to, on one hand, assess the pertinence of not disclosing all the information and, on the other hand, ensure that workers' rights are protected. Therein lies the conflict between trade secrets and workers' rights. The mechanism in question is the Hazardous Materials Information Review Commission.

• (1545)

This commission was formed in 1987 and consists of quite a few people. That is the beauty of the commission, which has about 18 people on it. There are automatically two representatives of worker interests, one representative of suppliers, one employer representative, one representative of the federal government, and various representatives of the provincial and territorial governments for a total of about 18 people, who form a review committee.

Simply put, the commission's mandate is to "help safeguard both workers and trade secrets in Canada's chemical industry". So when a company wants an exemption from its general obligations in order to safeguard confidential business information—this could be the identity or concentration of a hazardous ingredient in one of its products—it must apply to the commission for an exemption. The claim is registered and it is up to the commission to decide whether an exemption is called for.

The commission's mandate may also cover evaluating whether certain data sheets and hazardous product labels are in conformance.

There are certain problems with the current legislation. It mandates the council to make recommendations to the health minister on the methods for reviewing claims, the appeal procedures, and the fees to make a claim.

In November 2002, the council officially and unanimously recommended the amendments in the current Bill S-2 to the health minister at the time.

There are three kinds of problems: the complexity of the economic information, the lack of a voluntary process for correcting the data sheets, and finally the lack of flexibility in the exchange of information between the commission and the independent boards in the appeal process.

That is why the bill proposes three amendments. The first amendment in clauses 1, 2 and 8 proposes a change to the obligations in section 11(4) of the Hazardous Materials Information Review Act in order to specify that when companies claim an exemption, they do not need to provide all the documentation previously required. This is intended to reduce the complexity of the claims, especially when the information does not really help the commission very much in judging the economic aspects of the claims.

Government Orders

Under the current process, companies claiming an exemption must submit detailed information on what they have done to safeguard the confidentiality of the ingredients used to manufacture their product and on the financial impact of the possible disclosure of this information.

In her testimony given to the Standing Senate Committee on Social Affairs, Science and Technology in 2006, Sharon Watts, vice-president of the Hazardous Materials Information Review Commission, specified in which cases the commission would require full documentation.

The commission will require full documentation to support a claim for exemption from disclosure when an affected party challenges a claim or when a claim is selected through a verification scheme that we will set up to discourage false or frivolous claims

The second change is proposed at clauses 3 and 4 of the bill which amend sections 16 and 17 of the Hazardous Materials Information Review Act in order to establish a new mechanism for the voluntary revision of material safety data sheets by the companies. With this new mechanism, when a company files a claim for exemption, a screening officer may “send an undertaking to the claimant setting out the measures that are required to be taken for the purpose of ensuring compliance” with those provisions governing dangerous goods contained in the Hazardous Products Act and the Canada Labour Code.

● (1550)

The purpose of this second change is twofold: to ensure that changes to material safety data sheets and labels are made more quickly and that companies acting in good faith will not be issued an order by the HMIRC, as this could be misleading about their willingness to comply.

In comparison, current legislation requires the Hazardous Materials Information Review Commission to issue a formal order for compliance, even if the company seeking an exemption is prepared to comply and to make the necessary corrections after having been notified.

The legislation also provides for a rather strict and time-consuming process. Thus, where non-compliance is found, an order is issued to the company seeking an exemption. This order is then published in the *Canada Gazette* and it does not become binding until 75 days after its publication. Other time limits are specified in the event that the company decides to appeal the order, or to allow the company to comply with the order and submit a new data sheet.

Finally, the existing rules would still allow orders to be issued to uncooperative companies in case of non-compliance with the rules and in the absence of a voluntary undertaking.

The third amendment proposed in Bill S-2 is contained in clause 7 of the bill, which amends the former section 23 of the Hazardous Materials Information Review Act, to enable the commission to provide clarification in respect of an appeal that has been submitted to an appeal board. Clause 8 amends section 48 of the Hazardous Materials Information Review Act to permit the making of regulations “respecting the participation of the Commission in an appeal heard before an appeal board”.

According to representatives of the commission, the third amendment seeks “to improve our appeals process by allowing the commission, at the request of an appeal board, to provide factual clarification of the record to appeal boards, when needed to facilitate the process. Appeals are heard by independent boards with three members drawn from labour, industry and government. The government member acts as chair of the board. Most appeals heard to date would have benefited from additional explanatory information from the commission, but this is not permitted under our legislation”.

In short, the Bloc Québécois supports Bill S-2. The Bloc believes that when it comes to hazardous materials, it is vital to keep in mind worker safety and to base all decisions on that imperative.

The Bloc Québécois recognizes that the amendments to the Hazardous Materials Information Review Act contained in Bill S-2 were unanimously approved by the members of the HMIRC council of governors.

The Bloc, therefore, supports Bill S-2 so that the amendments called for by the principal stakeholders in this kind of workplace can be adopted.

In all its actions, the Bloc seeks to protect the interests of workers. That is why we tabled Bill C-257, which, unfortunately, died on the Order Paper; a bill dealing with preventive withdrawal would have enabled pregnant Quebec workers in companies operating under federal jurisdiction to receive the same benefits as Quebec workers —another bill that died on the Order Paper; and Bill C-269 to improve the employment insurance system.

● (1555)

[English]

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

Some hon. members: Question.

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

Some hon. members: Agreed.

(Motion agreed to, bill read the third time and passed)

* * *

INCOME TAX AMENDMENTS ACT, 2006

The House resumed from February 21 consideration of the motion that Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bilingual expression of the provisions of that Act, be read the second time and referred to a committee.

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, I am pleased to rise today to speak to this fascinating bill, Bill C-33, An Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bilingual expression of the provisions of that Act.

Government Orders

The bill represents a necessary update to the Income Tax Act, particularly as it relates to foreign amendments and other domestic measures. The majority of the bill's provisions are taken from the Liberal government's budget of 1999. The government put the proposed changes up for public comment in July 2005. The changes we are debating today also contain revisions made to that July 2005 release.

Although the amendments to the income tax will be mainly administrative, it is important to highlight them to have a better understanding ahead of an eventual vote.

The bill can be broken down into three parts.

Part one deals with amendments to provisions of the Income Tax Act governing the taxation of non-resident trusts and their beneficiaries and of Canadian taxpayers who have interests in foreign investment entities.

Part two deals with technical amendments that were included in part one of a discussion draft entitled "Legislative Draft Proposals and Draft Regulations Relating to Income Tax", released by the minister of finance in February 2004.

Part three deals with provisions of the act not opened up in parts one and two.

The proposed measures in part one deal with non-resident trusts and foreign investment entities designed to ensure Canada is properly taxing those Canadians who are earning income through foreign intermediaries in the same manner that income would have been taxed had it been earned directly.

It is essential that Canada close tax avoiding loopholes, not only to protect our own tax base but also to demonstrate our commitment to the international community. We must show our international partners that Canada takes its international responsibilities seriously and that Canada is not a destination for taxation loopholes.

If I look at the bill, it is over 500 pages long. It is not likely that anybody in the chamber has read it. Even if people have, I am not too convinced they can understand this type of bill. However, as vice-chairman of the finance committee, I look forward to sending the bill to the finance committee after second reading so we can further study to determine if any amendments will be needed to make it an even better bill than what it is today.

We need bills like this. They may be complex, but in debating the bill in the past, members have decided to concentrate their points on other areas. As an accountant, I know the foundation of these bills are important. They are just as important as any other bill we debate in the House. That is why, if read some of the debate that went on in previous sessions by members of the opposition, especially government members, they had trouble determining what was a tax haven, what was a tax treaty and what were international tax agreements.

Tax havens are jurisdictions where people park their money, or investments, and they pay no income tax on the income generated on these moneys. Tax havens are countries like Bermuda, Cayman Islands, Turks and Caicos, Gibraltar, just to name a few, where people or companies put their money, leave it there and it

accumulates tax free. The purpose of the bill is not to address tax havens.

The second point is government members feel these are tax treaties. This is not a tax treaty. A tax treaty is like one of the bills we discussed a few months ago, Bill S-5. Tax treaties are conventions between two countries. Normally the purpose of the tax treaty is to avoid double taxation so Canadians or residents of the other countries do not have to pay double tax. Bill S-5 was our agreement with countries like Mexico, South Korea and Finland.

Some of the other problems we get into when we speak about tax treaties, tax havens and international conventions is our tax base does not get protected. Canada's tax base needs to be protected. If people start taking their hard-earned money and parking it elsewhere, Canada will be unable to maintain the revenue stream that we need so we can rely on the social programs.

● (1600)

The other item that makes Bill C-33 important is there are advantages to using a non-resident trust. If we do not put limits on it, the foreign investment entities will be eliminated.

There are a lot of points on which I would like to speak, but one of the items is the international tax agreements. We can sign these international tax agreements because this affects foreign entities. From what I understand, in the 1990s, although I was not in the House then but perhaps the Speaker was, a tax treaty with Italy was passed by the House. Italy has yet to ratify that treaty.

Italy now has two members of Parliament from other countries who sit in the House of Commons. It has an elected member of Parliament representing the riding of North America. One member of Parliament was born in the United States. The other one was born in Canada. It even has a senator. These elected members of Parliament and senator live outside of Italy but they have full right of vote. One MP seems to be lobbying. He has asked what has happened with the treaty. It was signed with Canada but it has not been ratified.

This is a typical example of a treaty we signed with a developed country and there has been no advancement. Some residents of both countries have had to pay double tax. Then they have to file their tax returns to get some of the money back, all because one country has ratified the treaty and the other country has not.

Government Orders

We can talk about the tax treaties and what these types of bills do on the international scene. When we look at what the government has done in the last little while on its international tax position, we think about regulation. I read in the today's paper that we have a regulation as to foreign ownership in the telecom sector, but we still see foreign entities trying to take over one of our biggest corporations in Canada, BCE, formerly Bell Canada.

Some of the articles say that they are looking for Canadian partners. If we do not protect ourselves with agreements like this, foreign corporations can come here, set up non-resident trusts, with Canadian owners but not really beneficial owners, and take over our corporations. We have seen that in the last few years. We just saw it last year when Inco was taken over by another foreign company.

If things continue as they are, all our historic corporations, which have added to the country's past, will slowly slip away. CN has its head office in Montreal, but it is just a skeleton. Most of the decisions are made in Chicago. We have lost part of that.

These agreements are important. The government has to realize that when it makes a decision, it has to be an overall decision to protect Canadian interests. Canada's financial markets represent 1% or 2% of worldwide markets. We need to protect Canada's corporations or they will be swallowed up in this international global economy that we live in today.

In the budget just tabled one of the items concerns me when it comes to the international tax system and fairness. Canada and the U.S. apparently have agreed in principle to update the Canada-U.S. tax treaty. They want to eliminate the non-resident withholding tax on interest payments and Canada also plans to unilaterally remove the withholding tax from arm's length interest payments to other countries.

• (1605)

What does that mean? Does that mean we will not collect any money on interest payments that are made to foreign companies? How about having an agreement with the U.S. in this case to ensure that the money will be taxed on the other side? When companies from the U.S. pay Canadians, we can collect our taxes from those Canadians.

The government then says that we need to promote more business investment. We turn around and look at the budget. Budget 2007 proposes to eliminate the deductability of interest incurred to invest in businesses and business operations abroad.

How does that make any sense? The government wants Canadian businesses to buy foreign entities. Does it want foreign entities to buy Canadian businesses? This will eliminate the deductability of interest incurred to invest in business operations abroad.

How will that help Canadians to expand, to go abroad and increase productivity? It will not. I am not sure what the government is trying to avoid here. There is no basis for saying it is going to affect revenues in Canada. Most Canadian companies that borrow to purchase foreign affiliates borrow from Canadian financial institutions. The Canadian financial institutions from what I understand pay taxes here.

Perhaps the government should have put a disclaimer that said if a Canadian business was to purchase an operation abroad, as long as it borrowed the money from a Canadian financial institution, that interest could be deducted.

When other members spoke on the bill, they spoke about income trusts. Income trusts have a non-resident aspect to it. We see now that the rules were changed. Some REITs are still allowed, but the government has put a limit as to how much foreign ownership or foreign property they are allowed to invest in.

In the news it said that Canadian REITs were not allowed to invest in foreign entities or foreign real estate up to a certain level. How will that help Canadian companies if they cannot go abroad? As we say in French, "Les bâtons dans les roues".

Getting back to income trusts, the government has imposed a 31.5% tax on income trusts, which is fine if it chooses to do that. Now it has totally eliminated that sector because it says it did not pay tax or claimed too much tax. The government keeps flip-flopping in terms of its position.

Now we have income trusts that are now going to have to pay 31.5%. People were interested in investing in income trusts, especially the energy sector, because these allowed corporations to go out and get capital at a cheaper price because they were selling units instead of shares. Then the government decided to implement this 31.5% tax. It said that trusts were no longer allowed to operate as of 2011. Existing corporations cannot be converted to trusts.

What has happened is there are no restrictions for foreign entities to buy these companies and turn them into private entities or private trusts to be controlled by foreign entities? There are no restrictions on the actual way in which incomes trusts can now function.

The Liberal way would have been to tax earnings only, to keep the income trusts and tax the non-residents who benefit from the tax free distribution from these income trusts.

Before I get to my next point on private members' bills, I want to go over the tax treaties. The government has also decided to unilaterally provide U.S. companies to borrow in Canada on these limited partnership payments.

Government Orders

•(1610)

What has happened again, if we look at what is in the news, is these limited partnership entities that are allowed to operate in Canada and are allowed to deduct interest payments in the United States are now going to be able to buy up Canadian companies and get a deduction in the United States as well as here in Canada. The only problem is that Canada is not getting cooperation from the U.S. They will probably be able to deduct the interest here in Canada, buy up Canadian companies and use Canadian capital. There is no consistency in how these fee agreements are treated.

There is a whole page on the interest deductibility on the foreign affiliates. There are going to be a lot of problems when we go through this in the finance committee. We are already hearing that Canadian corporations with foreign affiliates are not happy that they are not able to deduct these payments. These items will have to be dealt with when the budget implementation bill is sent to the finance committee.

There was just one more aspect that I want to talk about. If the government is serious about getting a handle on money offshore or making sure that people are not hiding income from Revenue Canada, there are certain procedures that could be used. Some of the departments here in Canada could monitor these moneys or shifts in large sums of money that seem to go offshore and are not accounted for.

FINTRAC, the Financial Transactions and Reports Analysis Centre of Canada was established a couple of years ago. We just did the five year review so it has been around for five or six years. There are financial institutions that have to report to FINTRAC whenever they receive payments of more than \$10,000, so FINTRAC could easily monitor any payments that are going offshore.

The problem is that FINTRAC's basic responsibility is to look at whether sums of money are used for terrorist financing or money laundering. It is for crime proceeds. Tax avoidance does not seem to be within its mandate. This is one of the amendments that I had asked for when we were doing the five year review of its mandate, to see if FINTRAC could look at the way tax avoidance is handled in this country.

Another idea that I had was similar to an initiative which has been done in Europe and a couple of countries. It was to provide Canadians with a once in a lifetime opportunity to declare all their worldwide income, and if they repatriated back here, to charge them something like 10% or 20%, and split that amount with the provinces. It would be a good way to generate some revenue even for the provinces. If somebody had forgotten to declare some money or they happened to have some money in another country, they could bring it back. We could assess a tax of 10% or 20% tax. They would not have to pay any interest or penalties on those sums of money.

This initiative seems to have worked in a few other countries. I do not have the stats but apparently there was a good take on it and it increased government revenues by a good 10% or 15%.

There are other ways in which we can look at how tax havens and tax treaties are handled. A 500 page bill is definitely an interesting way to look at all these complex items. The bill tries to amend the Income Tax Act. The Income Tax Act is one of the more complex

pieces of legislation, although apparently, the Employment Insurance Act is much more complex.

•(1615)

These are all issues the government should be looking at. I am looking forward to seeing Bill C-33 come to committee so we can analyze it and get a better understanding of what this 500 page document is all about.

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I am trying to understand what my Liberal colleague is saying. To the Bloc Québécois, Bill C-33, which deals with foreign investment entities and non-resident trusts, aims, in part, to counter tax avoidance.

I understand that my colleague was talking about income trusts, among other things, and I see that he was trying to connect that with foreign trusts. But for us, this is a bill to counter tax avoidance.

I would like to know if my colleague is for or against tax avoidance, and if he is for or against the bill.

Mr. Massimo Pacetti: Mr. Speaker, I would like to thank my colleague for his question.

We believe that we have to use every tool at our disposal to combat tax evasion. However, the problem with this bill is that it has a lot of details that are difficult to understand. I do not think that this 500-page document will help us prevent all tax evasion. That is the problem.

The government has several tools at its disposal. Sometimes it seems as though the government is not prepared to react because we can be quite certain that some Canadians have money in other countries that they do not declare. Revenue earned with that money is not declared. There is a way to recover that money.

At the end of my speech, I was not talking about that bill in particular, because it is just one part of a long process that will bring additional revenues into government coffers so that it can provide services.

When I say the government, I do not mean just the federal government. I also mean provincial governments. If we can recover money that is not declared in this country—which is tax evasion—and if we bring that money back here, the provinces will also benefit. Every provincial finance department will be able to tax that revenue.

•(1620)

[*English*]

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I listened with great interest to the speech by my colleague from Montreal. I agree with him that it is a very complicated bill, as most tax measures are. He mentioned that he was vice-chair of the finance committee and said that he looked forward to the bill reaching the finance committee.

Government Orders

I hope that the committee will look at the issue of tax avoidance seriously. I know in my constituency of Ottawa West—Nepean the average middle class family in my riding does not have the capacity to exercise any tax avoidance scheme beyond an RRSP contribution. This is a real concern for people who work hard and pay their taxes. They want to know that their fellow citizens, whether they be individuals or businesses, are paying their fair share.

I think this is not an issue of the right or the left. I think it is very much an issue of tax fairness. I know the party opposite did not support the budget. I do hope those members will give some meaningful consideration to the measures to reduce and eliminate tax avoidance so that we can move to a fairer tax system. That is what the average senior in my constituency would say. That is what the average hard-working family in Ottawa West—Nepean would want me to say here today.

Mr. Massimo Pacetti: Mr. Speaker, the member across the way is not only a member of the governing party, but he is also a minister who can do something about these tax avoidance vehicles.

I think we are going to be in favour of it. It is a 500 page document that is quite complex from what I make of it. I read a bit of it. I am in favour of it, but I will have to see if I am in favour of it after second reading.

The government has other ways in which it can handle tax avoidance and it has not done anything. There are four or five pages that talk about international tax treaties and ways in which the government wants to address international investment, but it is not doing anything to attract international investment. It is not going to attract any additional revenue from people who are avoiding tax.

There is nothing in the budget to address tax avoidance. If anything, it is going to hurt even more. The legislation the government opposite is going to table regarding income trusts is actually going to encourage foreign entities to come into Canada, pick up our energy trusts at a discount price, and write off all the investment related to those income trusts, especially in the energy sector, and not pay tax on them.

I would like the minister to tell me which party is for tax avoidance.

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, I have enjoyed the debate today. I look forward to the bill going to committee so the 500 pages can be reflected on by members in the detail that is required.

Last night I had the opportunity to attend a function put on by people from Nunavik. They were talking about tax fairness, but they were talking about the northern residents tax deduction and the unfairness of that deduction.

I noticed in the 2007 budget the government talks about tax fairness regarding the capital gains exemption. It is suggesting that it be raised from \$500,000 to \$750,000 because it has not been raised for 20 years. The same situation exists with the northern residents tax deduction. It has not been raised for 20 years.

Does the hon. member think that the finance committee in its deliberations on fairness, whether it is foreign taxes or other taxes, could set some standards for the fair development of our tax system

so that we can apply these standards in any debate that goes on about taxation and the Canadian public?

• (1625)

Mr. Massimo Pacetti: Mr. Speaker, there is no easy answer to the member's question.

Members of the finance committee looked at visiting places in the north. We ended up going to Whitehorse, which I do not see as a typical place to get a snapshot of what the north is all about. It has a booming economy. Some people hold two or three jobs. People go up there for all kinds of things, whether it is winter sports, hunting, fishing, or tourism. It is the gateway to Alaska. I do not think that was the answer.

We talked about maybe going to Iqaluit and other places in the Arctic and up north because we understand there is a problem. Canadians are overtaxed. There definitely needs to be some tax fairness. That was my point, to get money to come back to Canada. If we could get them to pay the proper amount of tax on the money that actually belongs here in Canada, then perhaps we would have enough money to help people in the north.

[*Translation*]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, on behalf of my party, the Bloc Québécois, I am pleased to speak to Bill C-33. I am going to read the title so that the people listening will understand it. This is an Act to amend the Income Tax Act, including amendments in relation to foreign investment entities and non-resident trusts, and to provide for the bilingual expression of the provisions of that Act.

Now, just from reading the title of the bill, it is clear that it is somewhat complicated, for everyone. This bill is over 400 pages long. I was not joking when I asked my Liberal colleague, a few moments ago, whether his party was for or against tax avoidance, because in the speeches we hear in this House, no one has taken a clear position as the Bloc Québécois has done.

This bill must be passed for the good and simple reason that at present, as we speak, as old age pensions are not being indexed by the federal government, as electricity bills are going up for families in Quebec and probably everywhere else in Canada, as registration fees for car licence plates are going up, as the cost of everything is going up, companies and individuals are using legal entities that are allowed in Canada either to transfer capital abroad or so as not to pay income tax on investment funds. This bill must therefore be passed.

Our position is clear, but we will never stop there. The Bloc Québécois has a single principle: all tax avoidance must be eliminated. It is not acceptable that while some people are having a hard time, others are taking advantage of the situation in order not to pay their taxes here. And then, once those taxes have been collected, we could index old age pensions and raise the various income supports so that people would be able to pay for what they need to survive and meet their everyday expenses.

Government Orders

That is why what some colleagues in this House are saying is incomprehensible. We must never distance ourselves from the public. Certainly this is complex, and we can try, as the Liberal member was just saying, to say that these 400 pages do not solve anything. It is not accurate to say that in 400 pages nothing is being solved. However, he is entirely correct, because tax avoidance is not being solved once and for all. As well, I am not sure that the Liberal Party, which was in power for 13 years, wanted to solve the problem of tax evasion. It did not want to solve the problem, and today, even though the Liberals are in opposition, they will not solve it and they will not do everything in their power precisely to recover all the money that is needed so that we can restore fairness.

I was pleased to hear the minister of the Environment say a moment ago that he wanted to try to restore fairness. This is true of this bill, in part, but the Conservative Party has to be logical in what it says, and restore fairness once and for all. The first aspect of fairness that it should have restored was to index old age pensions on April 1, so that at last everyone who has contributed to the growth of Quebec and Canada would be able to receive dividends on all the time, money and energy they have invested and all the taxes they have paid in the last 40 or 50 or 60 years. That has not been done.

It would be even better if we were told today that what will be recovered with Bill C-33 will be given to those most in need in our society. Never has a Conservative risen in this House, however, to tell us that money would be recovered so that it could be given to those who deserve it. No, that is not what happens. The money is going to be recovered and that is good. The Bloc Québécois agrees with these measures and supports them. You will have our entire support with regard to Bill C-33 and all bills that you propose to eradicate tax evasion once and for all. We will be there to help you, provided that afterwards we can take this money, reinvest it in programs to help those most in need, index old age pensions—as I told you earlier—and be able to reform employment insurance.

With regard to employment insurance, since 1994 the federal government has not invested one cent in the employment insurance plan. It consists of contributions from employers and employees. Believe it or not, the government has managed to generate over \$51 billion since 1996, which it has used to reduce the debt and for all sorts of investments, except improving the employment insurance system so that those who have paid into employment insurance are capable of avoiding the famous black hole or seasonal gap, except in a few regions. It is true that the governments, both Liberal and Conservative, have listened to part of what we had to say, since in certain types of industry and in certain regions some pilot projects have been adopted.

• (1630)

The problem is the lack of jobs in all sectors. There have been massive job losses, particularly in manufacturing, in the past two years.

Furthermore no solution has been found for the problem of older workers who have lost their jobs and who deserve an assistance program so that they can enjoy their old age pensions with decent incomes. We have not been able to do that, even though we are swimming in billions of surplus dollars from the employment insurance fund.

All the Liberal and Conservative members will say today that there is no employment insurance fund; it is the government's consolidated revenue fund. Obviously they collect more from the plan than it costs them, more than they expend on services or insurance for workers.

They make a profit, quite simply. They make money with the employment insurance premiums paid by employees and employers. The reality is that they make a profit. What do they do with the money? They do not give it to the citizens who need it most. They do not improve the plan. We are talking about seasonal workers and workers over 55 who have lost their jobs and who deserve some help until they are eligible for their pensions. We do not see any of that.

There has been no speech in this House, neither from a Liberal nor a Conservative, to say that if we ever passed a bill such as Bill C-33, we could help the least fortunate with that money.

I am not asking that we give this money to those who could benefit from a new employment insurance program. We could simply use the surplus in the fund to improve the EI system. And we could very well use the money saved or recovered through Bill C-33, which addresses tax evasion, to index old age pensions and any other assistance program for the least fortunate in our society.

Once again, and as usual, we are in for a long fight. Those watching us must realize that things do not progress very quickly in the Parliament of Canada. It is a big machine, a big, spacious box with many members and bills that are renewed from one Parliament to the next. Often bills come from previous Parliaments because of elections, etc.

A bill is introduced and then we are informed in this House that the bill did not go through, that we were unable to see it through because we ran out of time and it did not go through all the stages. It is very complicated. However, we must not forget that the party in power often benefits from this, in other words, it arranges things to ensure that the bill does not see the light of day. That is the harsh reality.

We work hard, we try to see bills through, but sometimes the government decides not to pass them quickly. A fast-track procedure exists. Many journalists and media report that we have fast-tracked a bill. What is fast tracking? It is used when we want a bill to pass and we set things up so that it does: we do it quickly and we skip a few stages.

This will not be the case for Bill C-33. The Conservative Party does not want to fast-track. It apparently wants to show an interest in correcting tax evasion.

The Bloc Québécois will give its full support to this bill and any measure seeking to advance the bill as quickly as possible on the parliamentary, jurisdictional, constitutional or any other agenda.

We are prepared to fast-track this bill so that it is enacted as quickly as possible. Why? Because Bill C-33 corrects various provisions of the Income Tax Act. These provisions are being corrected because they made it possible to circumvent tax rules and to evade taxes. The bill is 400 pages and is indeed complex.

Government Orders

Some follow what is happening in terms of tax evasion. Major tax evasion trials are often televised. Individuals have been accused of tax evasion and fraud. Do not get me wrong, but it does not constitute fraud because the law allows tax evasion.

Those who avoid tax have often paid consultants, professionals and a whole host of experts. They have a lot of money and they spend a lot of it to have experts find loopholes in the Income Tax Act, enabling them to avoid expenses and paying taxes.

Today, to deal with the problem, we could all just say that if the government wants to solve the problem of tax evasions it should go ahead and do so. More than 400 pages is needed just to correct some small paragraphs in each amendment. I will not read them all, unless I have the unanimous consent of the House to continue speaking until next week, which I will certainly not obtain.

●(1635)

Be that as it may I would gladly list the sections, paragraphs and sub-paragraphs that have been amended by this bill. In the end, the objective is quite simply to make it more difficult to circumvent the tax regulations and to avoid paying taxes.

The bill responds to the shortcomings identified by the Auditor General in her 2005 report.

It often happens that, here in Parliament, we need the Auditor General to tell us things that we all know. We know that there is tax avoidance in Canada. Cases are reported in the media. People find it maddening that investment money can be legally transferred to other countries without being taxed in Canada. In order to verify that a request was made to the Auditor General. In 2005, in her report, the Auditor General raised the very problem we are trying to rectify today.

The bill before us today will require disclosure of additional information about foreign trusts, which will allow a more rigorous analysis of the figures submitted to the Canada Revenue Agency, in accordance with the recommendations of the Auditor General.

This means data will have to be up to date in order to have all the required information. That is also complicated. We would be hard-pressed to find out how the money was moved, as was the case with trusts; where the money went; where it came from and all the rest. The government absolutely must adopt legislation to control that because, as I said earlier, the big financiers and all those who want to take advantage of the loopholes in the act can hire any number of professionals to help them.

The Auditor General said that this has to stop and that all the required information must be provided. The bill requires that foreign trusts and foreign investment groups must provide all the information required so that we can curb tax avoidance and put an end to it.

I listened to my Liberal colleague earlier and what seems to be the Liberal philosophy. They say they want to put an end to tax avoidance and go after the money offshore so that people pay the taxes they owe. That could take a long time because the money is already gone.

This bill at least has the advantage of allowing the money to be collected before it leaves. That is a good thing in itself. We agree with collecting money that is already in other countries and has not been taxed. We have said that we support any regulations or amendments to the bill for the purpose of recovering taxes from people who have not paid them. But let us start with Bill C-33 to collect taxes from people who want to send their money abroad. We know about foreign trusts, and about all of the foreign investment bodies and entities that transfer capital, and that should be declaring it. We will therefore be collecting the tax right at the start. That is the primary objective that this bill adopts and that the Bloc Québécois adopts.

Tax evasion is much more complex and significant than it appears. This is a principle of fairness. People have to pay their taxes on the money they earn, in Quebec and in Canada, on their sales or however they get it.

When someone sells a car, or a household item, or shares, or whatever, the Income Tax Act allows for exemptions, and that is good because it encourages investment. However, apart from those exemptions, once everyone has understood that after so much profit, they have to pay income tax, this is a simple principle of fairness. In order to redistribute wealth better, we must be able to collect all of the money owing.

We have to stand up. On the day when a government stands up tall, it can tell everyone that they have to pay their taxes, as the law requires them to do, and there will be no more tax evasion or signing of agreements with countries like Barbados, as was done in the past. We denounced the agreements with Barbados, which also allowed the former Liberal prime minister to transfer capital to foreign countries. We have already said a lot about that here in Parliament. This has to stop.

●(1640)

On the day when this message is sent, businessmen will understand that when they make profits, they pay taxes. Our problem is that we allow them to do things and we open the doors that they use. They pay professionals so they can use those doors. On the day when we stop and say that it is over, because we want to have fairness, we will require that they pay their taxes. Because the profits they make are thanks to all the taxpayers who make a lot of corporations wealthy. They often try to make even more profits. We can name them. We saw them when we were talking about income trusts. They are banks and companies that we are dealing with today. Even Bell Canada wanted to create a trust.

One day, we will say to all of them who tried everything they could to make their shareholders wealthy from dividends every quarter, that they have to pay their taxes as they should, and that after that has been done, they will pay dividends. That is it. Dividends will be a little lower, but they will have paid their taxes. When that time comes, the government will be able to resolve the fiscal imbalance once and for all, as we are calling on it to do, not half of it or part of it.

Government Orders

Yes, the Bloc supported the government because it fixed 60% of the fiscal imbalance. But maybe if it recovers all that, it will fix 100% of the imbalance. It will index the old age pension, as it should have on April 1. Maybe it will take a look some day at what an old age pension cheque is supposed to cover. Maybe it will look not only at the cost of living but more at the cost of medications for older people.

It will also look at the cost of housing. Safe housing, including services, is getting more expensive. But the pension has not been indexed for the last 10 years. We have never taken time to discuss the cheque received by older people. Is it really suited to the current needs of our older people, who find that it is getting more expensive to find safe housing. There are a lot of home invasions and people need housing with good security. Are we there yet? No, and we know it. The old age pension was not even indexed on April 1, and it will not be. People who did not know that know it now. I think that most people have already received their cheque and they know that it was not indexed.

In my view, there will have to be a debate some day and the richer people in our society will have to be told that they already have enough and are wealthy enough. They should therefore pay their extra share in taxes. After all, they are not losing all their perks. Corporations and trusts have their own tax rate, which is much lower than the individual rate. They already benefit from the largesse of the system. They already have their ways of saving a few bucks. They will just not get any additional gifts.

The problem is that people who make a lot of money cannot be prevented from wanting to make even more. When people find that the door is wide open and they can detour their funds through foreign trusts and invest their money tax-free elsewhere, why would they not do so, when they can see that their neighbours are doing it?

The income trust story is something like that. The Conservatives are now wrestling with a promise they did not keep and the Liberals with a promise they probably should not have kept. Why? Because originally it seemed like a good idea. But when everybody took advantage of it, they realized that if it continued, one day the big companies would no longer be paying any tax. All of that because they created a little loophole in the Income Tax Act to try to help out. That was done by lobbyists.

We often hear our colleagues tell us that MPs should no longer be there and that lobbyists should take our place. Income trusts have led to this. Lobbyists probably treated members and ministers to lovely evenings with a bottle or two where they had some fine chats about the future. However, lobbyists work for banks and large corporations. They try to find ways for them to make more money. Meanwhile, ordinary citizens sit in front of their televisions and may no longer be able to pay for a meal out. That is difficult to reconcile.

The Conservatives rise to tell us that the Bloc Québécois should disappear. We now have lobbyists. So, all MPs will be replaced. Members will all belong to the same party and the lobbyists will become the official opposition. That will be great, right? That will be just great. Usually, lobbyists do not speak or ask questions in public. Everything is done behind closed doors in order to obtain results.

So, that is how the Conservatives want to govern, and the Liberals before them were not much better. That is the harsh reality. We have allowed lobbies to take over Parliament. It is one of the hard realities faced by new members and they are aware of it.

We receive dozens, even hundreds of invitations every month from various lobby groups trying to take our place as politicians. Personally, I think it is quite something that we have let them take over. Today it has become such a part of daily life that members of the Conservative Party say that there should be no opposition members; the lobbyists will do their work for them. Well, that is how it is. That is what they want because they can be controlled and they have the money to buy them.

One thing is certain: you cannot buy members of the Bloc Québécois. We will always defend a bill, such as Bill C-33, that makes the rich pay their fair share in order to distribute it to those most in need.

•(1645)

[English]

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, I believe there is broad agreement in the House that Bill C-33 is a fairly technical and broad based agreement to close some technical loopholes and things of that nature.

I wonder if the member has addressed his mind to the provision in the budget with respect to the deductibility of interest by Canadian corporations when they acquire corporations or other businesses abroad. I wonder whether he has directed that particular issue in the budget to this morning's headlines in *The Globe and Mail* and, I assume, in the Montreal newspapers with respect to the proposed acquisition of Bell Canada by a New York based company.

I appreciate that the hon. member knows that Bell Canada is possibly Canada's oldest and one of Canada's biggest companies. It is critical to the welfare of Montreal, Quebec and Canada. It probably has the largest law firm in all of Canada, with a huge number of accountants, a huge number of computer specialists and so on.

I wonder whether the member would be prepared to comment on the potential acquisition of Bell Canada by a New York firm that is not subject to the proposed provision in the budget presented last week. That New York firm will be able to deduct any interest costs.

Could the member tell me why we would handicap Canadian companies acquiring foreign based companies while we would not handicap foreign based companies acquiring Canadian companies such as Bell Canada?

While he is answering that, maybe he could also answer what impact he would anticipate the acquisition of Bell by a foreign based company would have on downtown Montreal.

Government Orders

[*Translation*]

Mr. Mario Laframboise: Mr. Speaker, I completely agree with the member. It makes no sense that a foreign company is able to acquire a Canadian company. Bill C-33 attempts to deal with the opposite situation, to prevent Canadian companies from acquiring foreign ones without paying their fair share of taxes.

We will always be prepared to support any bill that could prevent what is happening with Bell Canada. This is another great example of what is allowed. As was said, Bell Canada has a whole team of lawyers and probably accountants and bureaucrats who will try to find a loophole that lets this company make the acquisition, because it would be lucrative for Bell Canada shareholders at this point in time. It would be very detrimental to the Quebec and Canadian economy if all our companies became 100% foreign owned. We must move quickly.

Personally, I would be in favour, and the Bloc Québécois will support any such similar bills. I would like Bell Canada to come here and tell us that it was the recent budget that did nothing to counter it, I believe it knows, but that does not matter. The recent budget could not have predicted that Bell Canada would be the target of a foreign takeover this week. I believe we must intervene quickly and pressure the government to immediately bring forward a bill to stop this takeover. I believe we must act quickly. We cannot do anything but. We cannot say that, since our businesses are being taken over by foreign interests, we will vote against this bill so that our local companies will then be able to make foreign acquisitions without paying their taxes.

I believe we are in the process of creating two different worlds. We are going to allow other companies to come and buy up our businesses without paying any taxes and, to compensate, we will tell Canadian companies that they can now acquire foreign companies without paying any taxes. This seems backwards to me. I am all for fairness and justice, and this means in the United States and in Canada. I have nothing against the Americans. If the Americans had a little more common sense, perhaps they would be willing to spread the wealth a little more. I think they have a serious problem in that regard. If we can help them by adopting legislation to counter this type of argument, similar to what is happening right now with BCE, I think it must be done, and the Bloc Québécois will support this measure.

• (1650)

[*English*]

Hon. John McKay: Mr. Speaker, I take his point. We are in agreement with this issue.

I know his party will support the budget but contained within the budget is this issue of interest deductibility for foreign acquisitions, which effectively handicaps Canadian corporations, whether they are based in Quebec or elsewhere. That, in turn, will lead to a hollowing out of the phrase “corporate Canada”. People have actually spoken out about that.

Is the member concerned with this particular provision in the budget, and we have a live example in front of us, which would effectively hobble Bell Canada, for instance, acquiring businesses elsewhere but not have any impact on those businesses that would like to acquire Bell Canada or other companies in Canada? If that

provision remains, the result will be that business in Canada will be run offshore. The huge irony of that is that we will actually create the very things we are intending to prevent in Bill C-33.

[*Translation*]

Mr. Mario Laframboise: Mr. Speaker, I would like my colleague to be a little more creative. The budget provision that prevents Canadian companies from writing off interest when they buy foreign companies is completely appropriate.

If we allow them to deduct interest, we are authorizing expenses that reduce their income taxes. If they acquire foreign companies, it makes sense that their interest costs should not be tax deductible in Canada. That would enable them to reduce their income taxes and opt out of social equity.

Likewise it does not make sense to allow foreign companies to buy domestic companies, such as BCE. We have to intervene and table a bill to oppose that kind of takeover. We have the right to protect our Canadian enterprises and prevent foreign entities from acquiring our companies. We have the right to do that.

If the member is asking for our support in preventing the Conservatives from selling off all of our companies to foreign interests, he should know that he has it, no problem. The Conservatives want a free market everywhere. The Liberals are creating the same problem by saying that we should let everyone buy up lots of foreign companies, make a profit somewhere other than in Canada, and, moreover, not deduct interest or expenses. This is completely backward. If they protect our Canadian companies and table another bill to prevent the kind of takeover that is happening in BCE's case, they will have the Bloc Québécois' support.

• (1655)

[*English*]

Hon. John McKay: Mr. Speaker, I agree with the hon. member in a lot of his analysis but it seems to me that his solution is that when the horse is out of the barn we will pass a bill, when in fact a provision is in the budget, and I would refer to it as an obnoxious provision in the budget, which makes Canadian companies less competitive and less able to acquire foreign based companies and, because they are less able to acquire foreign based companies, they, therefore, will be acquired themselves.

It seems to me that we would want to strengthen our Canadian companies' ability to acquire rather than play defence by passing a bill that says something to the effect that no foreign based corporation can acquire a Canadian company up to a certain level of shareholding or something like that.

Would the hon. member agree with me that this very blunt instrument that the budget proposes needs to be, in effect, stopped in its tracks very quickly because it will have a huge number of unintended consequences, one of which may actually be playing out today in the pages of our national newspapers with respect to a Canadian icon?

[*Translation*]

Mr. Mario Laframboise: Mr. Speaker, I cannot agree with my colleague's interpretation.

Government Orders

If companies are allowed to write off interest, that means that their tax rate—or the taxes they will pay in Canada—will decrease. I will never agree with letting them pay lower taxes to make more profit, which is paid to their shareholders every three months. I will never agree because the shareholders will not distribute the wealth any better than the government could.

When we let them write off interest, they save taxes in Canada and Quebec. So the revenues of Canada and the provinces are reduced to enable companies to expand their empire and make more profits, which they pass on to their thousands or millions of shareholders, while the rest of the population is penalized. I cannot agree with his interpretation.

These companies must pay their taxes. They should not be allowed to write off interest, since that enables them to save taxes. It should not be allowed. The measure must be maintained, and legislation should be adopted to prevent foreign companies—that would receive tax benefits our companies are not entitled to—from buying up companies here. The share of foreign companies in our companies must be limited. This is what needs to be done, plain and simple.

[*English*]

The Deputy Speaker: I am sorry to bring this series of exchanges between the two hon. members to an end, but the time for questions and comments has expired.

It is now my duty pursuant to Standing Order 38 to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Davenport, Automobile Industry; the hon. member for Etobicoke Centre, Multiculturalism.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I am happy to join in this debate on Bill C-33 on behalf of the NDP caucus. In doing so, I would like to recognize and pay tribute to the work that our finance critic for the NDP caucus, the member for Winnipeg North, has done in this regard.

Many of the provisions that we will find in Bill C-33 were actually dealt with in the last Parliament. Many people on that committee worked on many of these details and find them wrapped up in this omnibus package that we see today.

Let me say, as a relative layperson in regard to these matters of high finance, that my first observation as a dumb carpenter is that I find this volume almost mind-numbingly complex. My first observation as a Canadian taxpayer is that I lament the fact that our tax system is becoming increasingly complex, to the point that every time someone seeks clarification or points out a shortcoming in the tax system it seems to add another layer of complexity, to the point that we get 500 page documents like the one we are dealing with today, which we will add to the volumes and the libraries of pages that already have been written on this tax system.

Just as an aside, I have been going through some boxes of documents belonging to my parents. As we were editing through them, I found an old tax form of my father's from 1950. It was one page long. In fact, it was one-half of one page, and it asked how much he earned. Then it had a line for how much the tax would be. Then one would sign it and send it off. Well, we have come a long

way, baby, since those days of a relatively straightforward, understandable tax system that the average working person could actually understand.

We have heard a lot about tax cuts in recent Parliaments. In fact, it has been the flavour of the month not only in this country but throughout developed nations. We hear more about tax cuts than we hear about tax fairness. That is what I would like to focus on today.

Our tax system is not supposed to be rigged like some shady ring toss on a carnival midway, but that is how some of us feel sometimes, in that as the system gets more complex it is to the advantage of the privileged few who can manipulate it and use it and take advantage of the opportunities that are deep, deep within this tome, this incredible volume. The rest of us are lucky if we can take advantage of an RRSP or an RESP with whatever extra capital or cash we might have that year.

The fact is that the increasingly complex tax system we are seeing, added to again here today, is still missing basic elements of tax fairness, things that we could have addressed long ago, things that have been raised time and time again by our finance critic and others within the NDP caucus. There are gaping loopholes that cost us an enormous amount in lost revenue and there are great shortcomings that result in lost opportunities for ordinary working people. Again, that does not do us any favours.

The Minister of Finance just presented a massive budget. We were optimistic that some of these glaring loopholes would be addressed in that budget. I actually thought I heard the Minister of Finance talking about tax havens, for instance, and about making every business pay its fair share of taxes. I thought I heard him say that we were going to lower corporate taxes but insist that all businesses pay at least what corporate taxes are left.

However, I was shocked to learn just recently that it was all smoke and mirrors. When we read the references to offshore treatment of tax treaties and tax havens, we learn that these loopholes are not plugged. It is all the same. It is just like it was.

Honestly, the Minister of Finance views Canadian taxpayers the way P.T. Barnum viewed circus-goers, I think, because in analyzing the budget, the satisfaction is not there. It is a lost opportunity along a theme that we have adopted in our caucus. I would like to talk about this.

● (1700)

Our tax system is the instrument or mechanism by which we can implement fairness in the way that we redistribute wealth, so to speak, in this country. What we have identified in our caucus is that there was a deal in the post-war years, a labour accord, such that when profits are up and productivity is up, workers' wages and standards of living are supposed to go up. It was a tacit agreement between capital and labour that resulted in a generation of labour peace and productivity.

That compact has been broken. This is what we find. If we were graphing or charting productivity and profits, we would see that workers' wages and families' standards of living were not going up in any kind of corresponding way. If there ever was such a deal, it did not survive. It got violated. It has been compromised. It simply does not exist.

Government Orders

There is a prosperity gap. We are not sharing in an equitable way the prosperity of this great nation. Our tax system is perhaps the most effective instrument that we have to address that shortcoming.

As for when we do put all of the eggs in one basket in terms of addressing some of the inequities, let me point out some reading that I have been doing. There is a disproportionate amount of wealth in one category. I have some interesting figures that I would like to share with members.

One figure is that 1% of the population owns 47% of the stocks and shares on a market value. The remainder of 4% is the bottom quintile of shareholders. When we are addressing only the advantage for a certain segment, we are not redistributing wealth in any meaningful way.

One of the shortcomings that we would point out on this issue of tax havens is that we are not even trying as hard as some other developed nations. In the United States, for instance, even though the Americans have not outlawed tax havens altogether, they are certainly becoming aware of the problem and the revenue loss in allowing this to carry on.

In California, for instance, the state will not do business with any company that is sheltered offshore. In other words, tax fugitives may make the choice that they are going to shelter their companies offshore to avoid paying their fair share of taxes in their home country, but they are not going to get any contracts with the government.

We note that one company that has been in the newspaper recently as a tax fugitive, seeking to avoid paying its fair share of taxes in Canada, is Merck Frosst. Merck Frosst, by some happy coincidence, just benefited enormously by this budget. The budget just introduced by the Minister of Finance announced a \$300 million program for vaccinations against cervical cancer.

While this on the face of it is a laudable idea, there is only one company in the country that can provide that vaccine against cervical cancer, at approximately \$300 per unit. That company is represented by Ken Boessenkool, a well-connected lobbyist who was formerly a senior adviser to the Prime Minister. Is that a coincidence? We do not know, but it certainly is a very fortuitous situation for Merck Frosst, a tax-sheltered company that is taking part in these offshore tax havens.

Nobody has been able to assess the full impact of allowing this tax fugitive or tax haven or tax-motivated expatriation to carry on. In the United States, the Americans estimate it at about \$70 billion a year of lost revenue. If we go by ratio and proportion, perhaps we are 10% of that. Perhaps it is only \$7 billion a year that we are knowingly and willingly allowing to fly out of the country, but that is a significant amount of change in a period of time when we have seen budgetary cutbacks in key social programs that are nickel and diming us on issues, whether it is literacy or status of women offices. The government is willingly watching that amount of money fly out of our national revenue.

• (1705)

We do not understand it. We do not understand why the government continues in this vein, especially at this point in time when we actually thought that in this budget it might be addressed

because the one high profile example that I believe stopped the previous government from addressing tax havens should not be an issue for this government. If the previous government was unwilling to step on Canada Steamship Lines' toes, I do not know why this government would have that same hesitation.

Setting up these shell companies in a tax haven to take earnings from Canada, filter them through a dummy company and call them expenses through that company, I do not know how we can allow it on moral and ethical grounds if we are at all concerned about that, but those people who do operate that way are not in very good company.

Enron had 881 offshore tax havens and dummy shell companies. I do not think they moved any of their production there because they did not need to. There is convenient assistance being marketed on the Internet for anybody who wishes to undertake an offshore tax haven. I pulled off only one as an example, just to show and share with other members of Parliament the type of language and the type of sales pitch that goes on, and what is featured here if we allow it to carry on.

One company called Offshore Companies House is a resource that corporations can look to. It states: "We have many services available from which a client may choose". For immediate use, we could buy into an offshore shelf company or off the shelf vintage companies. The offshore shelf companies are clean and have never held a bank account. They are 100% tax free and clean, but they also offer the ability to funnel our activities through what they call a vintage company, which is already established.

It says that due to unpleasant changes in legislation and tax policy, some of the offshore tax havens are no longer recommended: Cayman Islands and Switzerland, for instance. It recommends some others that have come on board. Belize, Dominica, Seychelles, Panama, Gibraltar and Barbados are in fact recommended as convenient places where we might shelter our company's activity if we choose to be a tax fugitive or engage in this offshore expatriation of our obligations.

It seems to me a missed opportunity, when we open up the Income Tax Act, to not address some of the most glaring issues. I do not know who got to the government. I do not know who convinced the current government of the day that it should not avail itself of this opportunity and plug this unbelievable loophole.

It is not as though the government is not aware of it. I have heard Tory members in the last Parliament rail about this, in fact. Now two budgets have gone by and the government has chosen not to plug this idea. It has tinkered with it enough to where the Minister of Finance can say that he has addressed the issue, but the government certainly has not put a stop to it.

For instance, part two of Bill C-33 enacts provisions to implement announcements made by the finance minister on September 18, 2001, limiting the tax shelter benefits to a taxpayer who acquires future business income of another person, and on October 7, 2003, to ensure that payments received for agreeing not to compete are taxable. A number of these things are not directly applicable. They are simply dealing with tax sheltering, tax exemptions, et cetera.

Government Orders

I am concerned, though, about the issue that was raised by previous speakers in debate that we are also silent on the idea that foreign capital is gobbling up Canadian corporate entities and institutions. This is something that used to be debated with great passion in the House. When I look back over the years, people like Walter Gordon and others in the late sixties and early seventies were fiercely proud Canadian nationalists. They were horrified that a lot of our Canadian businesses and corporation, institutions really, were being bought up.

• (1710)

The government put measures in place where there would have to be a mandatory review of these foreign takeovers to make sure that allowing them to go ahead was in the interests of Canadians.

I cannot find a single example where the Canadian government has ever put the brakes on or said no to one of these foreign takeovers to the point where 80% of businesses in this country are now foreign controlled. I believe that figure is even higher now because that number is a couple of years old.

I am just wondering where the oversight is. Who is minding the store as our Canadian businesses get turned into branch plants, satellites of larger foreign corporations that may or may not have the same interests and loyalty to our best interests?

I am not saying that capital has a conscience. We do not expect these companies to conduct themselves any differently just because of any affinity or love for this country. Those of us in the House of Commons have a love for Canada. We have an affinity for Canada. We want what is best for this great nation.

Somehow there has to be some intervention or some oversight. There needs to be a better accounting of whether these takeovers are in fact in Canada's best interests. Somehow that fell by the wayside to the point where it became unpopular in the era of globalization to put up any barriers or boundaries in terms of takeovers or acquisitions. That was a mistake. We were on the right track when we were putting our foot down. We have seen other countries do it.

It is not only foreign corporations that could be taking over our companies, but foreign nations, state controlled companies. Is it a good idea to let China buy our resource companies? We better give that some serious thought because our precious natural resources are our birthright as Canadians and they may wind up in foreign hands. We would lose control of those resources and we would not be able to steer the industry sector toward our own best interests.

These are concerns that come to mind as we delve into this weighty bill of 500 pages, Bill C-33. The amendments in relation to foreign investment entities and non-resident trusts would add layers of complexity rather than clarity to our income tax regime. Ordinary Canadians would like to know first and foremost if we are acting in the best long term interests of Canada and Canadians, and not pandering to other interests. We on this side of the House are concerned that our tax system is operating to the advantage of a few but maybe not all.

There is an English folk poem that I came across in my research for my speech which says:

They hang the man and flog the woman
That steal the goose from off the common,
But let the greater villain loose
That steals the common from the goose.

That was great wisdom in 1764. I am not sure that we are not allowing this kind of same mentality to drive us today.

I found great insights in this book that I have quoted from. It is called *Pigs at the Trough* by Arianna Huffington, a woman in the United States who was once married to a billionaire. She went through a nasty divorce and ended up telling a lot of secrets out of school about how billionaires conduct themselves. This book gives great insight into how the tax system is manipulated to benefit the wealthy.

We do not really know what is going on. It does have some interesting recommendations. One of which I will restate here for the record, "I believe that any Canadian company that is engaged in tax motivated expatriation, [in other words tax havens, tax avoidance] should be cut off from any government contracts. They should not even be on a pre-qualified list to bid on whatever it may be".

• (1715)

The Government of Canada is a large consumer of many types of goods and services. There is a choice. If the government is not going to plug the loophole and keep allowing the loophole, then it should at least cut off the tax fugitives. They should not be allowed to bid on any government contracts. That is what California has done to Ingersoll Rand and some of these companies.

Mr. Bill Siksay (Burnaby—Douglas, NDP): Mr. Speaker, I want to thank my colleague from Winnipeg Centre for his interesting intervention in the debate this afternoon on Bill C-33, the income tax amendments act.

I want to ask the member to comment on the question that our NDP colleague from Hamilton Mountain put to the Minister of Finance this afternoon in question period. She noted in her question that on January 1, by the time that Canada's top CEOs are sipping their morning coffee on that New Year's Day morning, they have already earned more than the average Canadian earns in an entire year. I think that is a very dramatic example of the growing prosperity gap in Canada.

Indeed, our colleague went on to point out that CEOs earn 240 times what the average Canadian worker earns. That is a huge prosperity gap.

What is worse, she went on to point out that those companies that pay these CEOs those huge salaries can write off those huge salaries against their business taxes, which amounts to a subsidy by Canadian taxpayers of these outrageously huge salaries of these wealthy Canadian CEOs by people who are struggling to pay bills and to make ends meet.

I do not think that Bill C-33 deals with a change to the Income Tax Act or to our tax laws that would make it impossible for that to happen. In fact, the member for Hamilton Mountain has a private member's bill which suggests that any CEO's salary in excess of \$1 million should not be deducted from business taxes. One million dollars sounds like a pretty high threshold and a pretty generous threshold to me, and an acceptable level.

Government Orders

I want to ask the member for Winnipeg Centre to comment on this issue of tax fairness. Could he comment on why this huge loophole in our tax laws has not been covered by the legislation we are discussing?

• (1720)

Mr. Pat Martin: Mr. Speaker, I thank my colleague from Burnaby—Douglas for pointing out a perfect graphic illustration or example of the point I was making of how our tax system is really stacked against the ordinary person with these advantages that some of us have not even realized.

We owe a debt of gratitude to our colleague from Hamilton Mountain for pointing this out. All the salaries in a business are tax deductible, including the \$2 million, \$3 million, \$5 million or \$8 million compensation packages for CEOs in some of these big corporations.

This means that we are underwriting or subsidizing with a tax deduction this outrageous CEO salary issue. I think it is an excellent illustration. It is poignant the way my colleague from Hamilton Mountain pointed out that by 10 o'clock I believe on January 1 some of these CEOs have already made more than the average income.

The Canadian Taxpayers Federation used to have tax freedom day around June 11. It used to have a corporate tax freedom day, but it kept getting in the way of the New Year's Eve celebrations, so it had to cancel it. These corporations were already at an advantage before they had taken their bells and whistles off for New Year's Eve.

The other thing is that stock options should be expensed on the financial statements of the companies where we invest. Some of these white collar corporate governance issues are actually blue collar issues. Many of us in the trade union movement have our pensions invested far and wide in corporate Canada in the financial sector. We need to know because some of these stock options do not show up and only the CEO's salary shows up. The CEO might be sitting on stock options which are greater than the total net worth of the company.

We should have a right to know those investments. We have to be able to trust the financial statements of the companies where our pension plans are investing.

Hon. John McKay (Scarborough—Guildwood, Lib.): Mr. Speaker, I must admit that the last comment by the hon. member is close to the dumbest thing I have heard in this Chamber ever. Not being able to deduct salaries against income makes absolutely no sense. I have heard some pretty loony ideas from that far corner but that is close to the best so far.

I just have a few minutes left and I want to talk about this issue of tax fairness. Bill C-33 is about closing some loopholes and issues with respect to offshore entities. There is not much question that it will enjoy great support in the House. It is a worthwhile bill and it needs to be supported.

However, I want to caution Canadians that whenever the finance minister starts talking about tax fairness they should probably start heading for the hills, especially if he is saying that during an election or during a budget speech.

The folks from the income trust debacle have learned, to their great chagrin, to never trust a Conservative during an election. After specifically and repeatedly saying that they would not tax trusts, they shocked Canadians by imposing a Draconian tax on trusts destroying over \$25 billion in hard-working Canadians' savings and values.

People are so staggered that they have actually taken to putting ads in the national newspapers. Mr. Speaker, I need your help here because all of the ads refer to Stephen Harper and I do not want to say that in the House. I know that you will get upset if I say Stephen Harper, so I want you to correct me and say Prime Minister.

• (1725)

The Acting Speaker (Mr. Andrew Scheer): I will warn the hon. member. He just said it twice and I will not be correcting him every time he makes a mistake. I urge him to read ahead of what he is going to be quoting from and ensure that he does not make that mistake.

Hon. John McKay: Mr. Speaker, I need your help because that is the way the ad is written. However, I will use his title, the Prime Minister.

The ad reads, “[The Prime Minister]’s word is worthless. Just ask 2.5 million Canadian who own income trusts. [The Prime Minister] garnered votes in the last election by promising not to tax income trusts. He promptly reneged on that promise and the process wiped out \$35 billion in Canadians' life savings. He then refused to disclose his analysis behind this policy reversal. If [the Prime Minister] wants a majority, then it's time he started listening to the majority”.

Here are the results of an Angus Reid poll. What part of this poll does the Prime Minister or indeed the Minister of the Environment not understand?

“Was it right for the Prime Minister to break his promise?”

In view of the information provided by the government to date on the tax effect of income trusts, and given the material loss of retirement savings by income trust investors, do you personally believe it was right or wrong for [the] Prime Minister... to break his election promise concerning income trusts?

The Angus Reid poll showed that 70% of people said that it was wrong, which is way beyond the magic 40% that the Prime Minister is looking for. The poll asked: “Is the Prime Minister a leader or is he a misleader?”

The ad goes on to state, “Just ask the premiers of Saskatchewan, Nova Scotia, Newfoundland and Labrador”.

There is a saying in the House that if there is still discussion about the budget 48 hours after it is presented, it is a bad budget. Here we are, 10 days after the budget, and the government has irritated beyond belief the premier of Newfoundland and Labrador to the extent that he takes out national ads. He has a lawsuit from the premier of Nova Scotia. The folks from the income trusts have taken out an ad. The premier of Saskatchewan is also upset.

The Prime Minister promised not to include oil and gas revenues in the equalization formula. It turns out his word is worthless. The constituents in Scarborough—Guildwood actually write and tell me this. I think the Minister of the Environment would be interested in knowing what they said. In fact, I will share with him my e-mails any time he wishes to see them. It appears Canada has a budget deficit. It is a deficit in integrity.

The premier of Nova Scotia, Rod MacDonald, had this to say, “Very disappointed. It's an agreement that we signed, an agreement that we expected our federal government to uphold”.

The premier of Newfoundland and Labrador, Danny Williams, had this to say, “What they've done today is basically completely shafted us”. He said that Newfoundland was very disappointed at being betrayed.

It is really quite extraordinary that on the same day the premier of Newfoundland takes out a full page ad in national newspapers and quotes a Conservative pamphlet distributed during the election. The pamphlet states:

There is no greater fraud than a promise not kept.
No small print. No excuses. No caps.

On March 19, 2007, in his second budget, the right hon. Prime Minister broke that promise. It was a promise that he made in a pamphlet. He stood on two election platforms and said it to our faces. I see the Minister of the Environment is going crazy because he realizes that everything that the premier of Newfoundland says is true. He wrote in letters over and over again that it was a simple, unequivocal promise and he broke it.

The Minister of the Environment understands that completely, which leaves us—

An hon. member: Because he is part of the problem.

Hon. John McKay: Indeed, he is part of the problem.

• (1730)

It leaves us with a simple and unequivocal question: What does that leave us, not just the people of Newfoundland and Labrador, but us, we the people of Canada? If we cannot accept at face value the promise of the Prime Minister, then who can?

Can the people of the Atlantic provinces or Saskatchewan or, yes, even the people of British Columbia and Alberta accept his promise, because all have had promises made to them of one sort or another? All of them should be now asking what those promises are worth. A promise made should be a promise kept and, as the Prime Minister pointed out, there is no greater fraud than a promise not kept.

Then our Prime Minister will not keep a promise as simple as the one he made to us. It is not just the people of Newfoundland and Labrador who lose. We all lose.

When we are talking about tax fairness, Canadians should beware when the government talks tax fairness. If two ads in the national newspapers are not enough, then the premier of Saskatchewan piles on with his outrage. What we have is a Prime Minister so bent on his partisan agenda that he is willing to throw out a promise he made to Premier Lorne Calvert and the people of Saskatchewan and, by the way, other Canadians.

Private Members' Business

ROYAL ASSENT

• (1745)

[*Translation*]

A message was delivered by the Usher of the Black Rod as follows:

Mr. Speaker, it is the desire of Her Excellency the Governor General that all hon. members attend her immediately in the Senate chamber.

Accordingly the Speaker with the House went up to the Senate chamber.

And being returned:

The Speaker: I have the honour to inform the House that when the House went up to the Senate chamber, Her Excellency the Governor General was pleased to give, in Her Majesty's name, royal assent to the following bills:

Bill C-49, An Act for granting to Her Majesty certain sums of money for the federal public administration for the financial year ending March 31, 2007—Chapter 3

Bill C-50, An Act for granting to Her Majesty certain sums of money for the federal public administration for the financial year ending March 31, 2008—Chapter 4

Bill S-3, An Act to amend the National Defence Act, the Criminal Code, the Sex Offender Information Registration Act and the Criminal Records Act—Chapter 5

Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters—Chapter 6

Bill S-2, An Act to amend the Hazardous Materials Information Review Act—Chapter 7

[*English*]

It being 5:45 p.m. the House will now proceed to the consideration of private members' business as listed on today's order paper.

* * *

[*Translation*]

TEXTILE INDUSTRY

The House resumed from February 8 consideration of the motion.

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, I would like to thank you and my colleagues for giving me the opportunity to participate in the debate on Motion M-158 concerning the textile and apparel industries.

Before discussing the merits of this motion, I think this is a good time to remind the members of what our new government has done and what it is still doing to help these two industries compete in an ever more demanding global market.

Among our government's many initiatives worth mentioning, I would like to highlight the in-depth review of several proposals concerning an outward processing program to open new markets for the textile and apparel industries; measures to meet the changing needs of workers in these changing industries through the employment insurance program; and efforts to determine and reduce customs tariffs on textile inputs to improve cost competitiveness.

Private Members' Business

The 2007 budget offered even more support to the textile and apparel sectors. It contains a measure encouraging investment in manufacturing and processing equipment between now and 2009 by applying a 50% straight line write-off for two years. It also increases the capital allowance rate on buildings used for manufacturing and processing from 4% to 10%.

Canada's new government is providing tangible proof of its commitment to helping these industries by taking steps to reduce or eliminate customs tariffs on certain textiles used in the apparel industry. In addition to enabling apparel manufacturers to save nearly \$4.5 million per year in customs costs, these measures will help companies maintain jobs for Canadians by making those companies more productive and competitive. This announcement was very well received by industry representatives. Elliot Lifson, president of the Canadian Apparel Federation, was very happy with this measure, which is a step in the right direction. He said that the industry has been asking for this for a long time.

Our new government has also demonstrated its continuing support of the Canadian Apparel and Textile Industries Program, or CATIP. That program provides financial support for the textile and apparel industries to help them become more competitive. Working in partnership with industry associations and other stakeholder organizations, CATIP assists Canadian textile and apparel firms to adjust to impacts of globalization through numerous approaches including: industry-wide branding initiatives; support for domestic and international marketing activities such as trade shows, match-making events and marketing materials; support for best practices and diagnostic sessions for companies; development of national textiles and apparel portals and e-commerce awareness activities; and, staging of domestic industry conferences. These are examples of initiatives that receive financial support from our government to help manufacturing industries position themselves on the global market.

Another unique component of this program, the textile production efficiency component, more commonly called CANtex, helps companies enhance their productivity and reorient production toward other value-added products for growth markets.

The measures I have just outlined clearly demonstrate that Canada's new government has been and continues to be determined to help these two important industries address the challenges of a global market, which, as we know, is increasingly competitive. But if the textile and apparel industries are going to meet the challenges that extend well beyond their own industry, our government, for its part, must also create an economic climate that encourages business to invest and expand. To help Canadian companies withstand competition and succeed on international markets, we need a specific, long-term economic plan.

That is why Canada's new government has created Advantage Canada, an ambitious plan based on the principles set out in the 2006 budget, a plan that looks to the future and that is designed to make this country a world leader, now and for future generations.

• (1750)

It is these commitments, and the other measures announced in that plan, that will enable the Canadian textile and apparel industries,

and other businesses in Canada, to adapt to rapid changes in the world economy.

Advantage Canada will have a real impact on companies that invest in equipment, innovation and training. One of the fundamental principles of this plan is our government's firm belief that business must be free to grow and succeed. We realize that companies do not necessarily need the government to be directly involved in how they manage their business, and that rather what is needed is for government to act judiciously to guide the economy. They need the government to create a favourable climate that will enable them to excel at what they do best: investing, growing and creating jobs.

One element of the Advantage Canada plan is the reduction of income tax on investments by businesses, an essential measure to ensure our long-term prosperity. Canada wishes to maintain an advantage respecting the taxation of businesses, in order to encourage them to invest here rather than elsewhere. The tax relief plan for businesses introduced in the 2006 budget enables Canada to maintain a competitive advantage over the United States concerning the statutory tax rate for income from manufacturing, while increasing Canada's advantage respecting the general tax rate. We have also enhanced Canada's tax advantage by committing ourselves to establishing the general tax rate for businesses at 18.5% in 2011.

Many other measures designed to improve Canada's fiscal competitiveness have been adopted under Advantage Canada, such as establishing the lowest tax rate on new business investment in the G-7 countries and envisaging the possibility of reducing tax distortions that work to the advantage or disadvantage of certain business sectors or structures.

Our plan is designed to eliminate repetitive and costly administrative procedures that prevent businesses from investing and innovating. Though it is important and necessary to maintain a certain level of regulation when justified by circumstances, we should take energetic measures to eliminate unnecessary regulations that put our country at a competitive disadvantage. As indicated in a study completed by the OECD in 2001, small businesses, the SMEs like those in Lévis—Bellechasse, or businesses found in the automobile sector in the riding of Chatham—Kent Essex, of my colleague here, are penalized the most by the administrative burden. Our new government has already lightened this burden and will lighten it more by adopting a versatile approach that includes the following measures: working with the Canadian Federation of Independent Business in order to reduce businesses' administrative burden by 20%; developing a modern approach to intelligent regulation based on results rather than processes; and targeting the important sectors for small businesses, such as the expansion and implementation of appropriate programs.

Private Members' Business

Generally speaking, we will take steps to help Canadian businesses deal with the challenges of global competition by giving them every opportunity to succeed. Businesses that invest in Canada bring with them expertise and innovation, while foreign trade and investment provide our Canadian businesses with the expertise they need and increase their ability to take advantage of investments and innovation. Opening ourselves up to trade and investment creates opportunities here, and that is why we wish to create a favourable climate.

We want to work with business and Advantage Canada has thus provided these four key elements that are going to support the manufacturing industry: tax reduction; a fiscal advantage, notably by eliminating the debt and thus reducing the Canadian tax burden; a knowledge advantage, in order to have educated, skilled and efficient workers, and an infrastructure advantage, through record, historic investments of \$32 billion over seven years to guarantee the free circulation of goods and services.

It is not surprising that the reaction to Advantage Canada has been positive and I will be pleased to talk further about the support our government is giving to manufacturing businesses and the Canadian textile sector.

• (1755)

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, I am very honoured to rise here today to speak to Motion M-158, which reads:

That, in the opinion of the House, the government should act on the motion proposing to help the textile and clothing industries adopted in the House on October 5, 2005, and worded as follows: "That, in the opinion of the House, the government should establish, in compliance with international agreements, a policy of assistance to the textile and clothing industries in order to enable the industries to compete throughout the world, particularly by allowing clothing made with Canadian textiles but manufactured abroad to be imported without customs duties and by creating an income support program for older workers".

It would be easy enough for the government to implement this motion. It would help to preserve the few jobs that remain in Canada in the textile and clothing sectors.

For years, my Liberal colleagues and I have been exerting pressure to obtain support and to force the government to move this file forward. The Bloc decided to join our fight, but as a party that will never be in power, it can hardly make things happen.

Furthermore, much of the progress achieved in this file comes as a result of the hard work of my former colleague, the former member for Ahuntsic, the hon. Eleni Bakopanos. I would also like to commend the work undertaken in this file by the Liberal Party's new labour critic, the hon. member for Davenport.

Personally, as the member of Parliament for Saint-Léonard—Saint-Michel, a riding where many clothing and textile factories once did business—which, sadly, is no longer the case, I often had the opportunity to meet and speak with people who owned and worked in those businesses and to learn more about the challenges and obstacles facing their industry.

As my hon. colleagues know, the Canadian textile and clothing sector still represents a major source of economic activity and revenue in Canada. Located primarily in large urban centres such as

Montreal, Toronto, Winnipeg and Vancouver, textile companies employ many Canadians of all ages.

[*English*]

Canada's apparel and textile industries began to adapt as soon as they were faced with increasing competition from abroad. From my discussions with various stakeholders, I know that the industry is ready and has been working on ways to confront the new challenges as it faces the move from conducting business with local or domestic clients and markets to competing against huge international players with vast financial resources.

With the continued development of the world, and in particular the rise of third world nations, these industries are being forced to transact in a global economy. Consequently, the Canadian apparel and textile industries have had to transform themselves over the past decade by focusing on higher value added products, on innovative ways to work, on producing attractive new goods, and by identifying and winning niche markets for their products.

However, further change continues to be the order of the day. As I have mentioned, many domestic producers in all industries are faced with strong competition and obstacles internationally, but Canadian manufacturers also have particular problems that other global players do not necessarily have to deal with.

For starters, in the last few years we have seen the appreciation of the Canadian dollar versus the American dollar, which has added to the price of goods manufactured in Canada compared to goods coming from other parts of the world.

Second, the wage disparity between a country like Canada, with its higher standard of living, versus third world countries where wages are a fraction of the cost is also a factor in Canadian goods being more expensive.

Third, the Canadian industry has also had to deal with the dumping of goods by foreign competitors into worldwide markets that are less regulated, whereas Canadian goods are less protected from regulation abroad.

Although many of these changes are not unique to the apparel and textile industries, they are nevertheless having an impact upon the conditions in which these industries have operated and continue to operate. It is in the face of these challenges that the former Liberal government established numerous initiatives to enhance the long term viability of the textile and apparel industries. It is why our party voted in favour of Motion No. 164 in 2005. That is why I will be supporting Motion No. 158 in this session.

I would like to briefly speak to some of the accusations by members of the House that the previous Liberal government did not come to the aid of the textile industry and outline some of the former Liberal government's past measures. It is unfortunate that political grandstanding by members of the opposition and the government can get in the way of facts and that members conveniently forget about the many initiatives the Liberal Party undertook to help this industry because we recognized its urgent needs.

Private Members' Business

In 2005 I made an announcement on behalf of the Liberal government at Peerless Clothing, located in my riding. I announced the elimination of tariffs on textile inputs not produced in Canada as well as additional measures to help strengthen the competitiveness of these industries.

In 2004 the Liberal government introduced the \$26.7 million CANTex program to help Canadian textile manufacturing firms become more competitive and to help them get ready to take advantage of new opportunities. This was a program developed to help save the Canadian textile industry and Canadian jobs.

This past September, the Conservatives viciously and without reason cut dozens of cherished and useful programs in all departments and slashed the CANTex program's budget by \$25 million, effectively shutting it down and stripping it of the power to help numerous businesses. This meanspirited attack on Canadian textile producers is a perfect example of how this government just does not get it.

Getting back to Liberal initiatives, in 2003 the Liberal government created CATIP, a three year program with a \$33 million budget. Thanks to this program for Canadian apparel and textile manufacturers, funding was allocated to over 350 innovative strategic projects to enhance productivity, improve efficiency and identify new markets.

●(1800)

[Translation]

In addition, in 2002, the Canada Border Services Agency was allocated \$0.9 million to combat the illegal transshipment of clothing and textiles by less developed countries.

The former Liberal government also advanced the cause of older workers. In 2005, the former member for Ahuntsic, the hon. Eleni Bakopanos, on behalf of the Minister of Human Resources and Skills Development, announced a payment of \$5.9 million from the sector council program to four projects administered by the Textiles Human Resources Council. Those projects were designed to support skills development in the textile industry, to promote the economic growth of the country and to increase Canada's competitive capacity in this sector.

Moreover, Quebec signed an agreement for more than \$3 million with the former Liberal government as part of the pilot projects designed for older workers. Under that agreement, the Liberal government of Canada made a commitment to continue to cooperate with Québec to address the needs of older workers and to find long-term solutions.

I would like to emphasize how much the efforts made by the former Liberal government contrast with the actions of the current Conservative government. When they were in opposition, Conservative members attacked the government for its so-called inaction. Today, those attacks seem completely empty because the Conservative government has done nothing special to improve the situation of the Canadian apparel industry or to ensure the security of older workers.

●(1805)

[English]

Last week the finance minister had a golden opportunity to deliver real help to the apparel and textile industries when he tabled the budget. He also had a chance to make up for his government's \$25 million assault on the CANTex program. Stakeholders in the industry were paying close attention, hoping that the government would heed their pleas and deliver some aid to one of Canada's oldest and most important industries. Unfortunately, the textile and apparel industries received nothing from the government last week.

[Translation]

Some time ago, the Standing Committee on Industry, Science and Technology adopted some 20 recommendations concerning the manufacturing sector. Out of that number, the Minister of Finance included only one recommendation in his budget. The changes to allow accelerated write-off are certainly useful but for the companies that had already invested capital in machinery last year, or this year before the budget was tabled, that is not enough. What about those companies who do not need to invest in machinery but in human resources instead? Those companies also need help in terms of exporting and marketing their products. This latest budget does not give them very much to keep Canada in the forefront of international competition.

One must conclude that workers and stakeholders in the textile industry simply were not fortunate enough to be included among the chosen few that this Conservative budget is addressed to.

[English]

This was one of the highest spending budgets in Canadian history, yet the finance minister did nothing worthwhile to help this industry in dire straits. It is truly a sad testament to the short-sighted priorities of the government. In its narrow list of priorities, Canada's textile industry did not make the cut again. Many industries and communities did not either.

[Translation]

Mr. Joe Comartin (Windsor—Tecumseh, NDP): Mr. Speaker, I thank the member for Montmagny—L'Islet—Kamouraska—Rivière-du-Loup for introducing this motion, since it gives me the opportunity to speak about this issue.

[English]

It has been interesting to listen to the speakers on this motion from the Conservative Party and the Liberal Party. The motion basically says that we have to do something to save this industry, that the government has to step in and make sure it survives. I have absolutely no hope that either the current government or the Liberal Party if it were ever to get back into government are going to do anything to save this industry.

This industry had in excess of 100,000 jobs a little over two years ago and now it has less than 50,000. There has been a full 50% drop in a year and a half since the new rules came into play.

Private Members' Business

The old Liberal government had the opportunity to do something. We heard the last speaker say that the Liberals did all these things. They did all those things and we got absolutely nothing for it. This sector lost 50,000 jobs. That is how beneficial those programs were. The Liberals had the opportunity to do something.

There was a plan under the WTO that would have allowed them to prohibit the massive incursion of product into this country over the first three years as the rules under the WTO changed. Did the Liberals invoke that? No. They could have restricted that input for a full three years. Did our allies, our competitors in the United States and in other countries, invoke it? Yes, they did. Did they save the jobs in those countries? Yes, they did.

The Conservative government is no different. The Conservatives have the opportunity still to invoke that. We still have 18 months in which this plan could be used. Are they going to do it? Absolutely not.

They are so ideologically hooked into free trade, letting the market decide everything, globalization and all those terms that we hear. That of course ignores what happens when we go down that route, when the government does not play the role it should be playing to protect those jobs. Those jobs disappear.

I want to acknowledge the work of the member from the Bloc in bringing forward this motion. This is the second time he has brought it forward. He brought it forward in the last Parliament and he has brought it forward again this time and rightfully so. We should be doing something, because if we do not, the number of jobs will go from 50,000 to zero. The reason that will happen is the manufacturers themselves have seen the lay of the land. They are moving product in raw form offshore into third world countries primarily. They are exploiting the labour there under reprehensible work conditions. They are also exploiting the natural environment by not meeting any environmental standards whatsoever. Because of the way the trading rules work, that value added product can be brought back into Canada tariff free.

Those 50,000 jobs still exist but they are in China, India and other parts of the undeveloped third world. They are gone from Canada and the other 50,000 will disappear unless we take some positive action.

I find that particularly galling because what I see happening in the textile industry is being mimicked in the auto industry, the sector which is the backbone of the economy in my region. Exactly the same thing is going on. This obsessive adherence to ideological beliefs as opposed to what is practically happening in the marketplace both domestically and internationally is continuing. Again, it is with both political parties, the Liberal Party and the Conservative Party. It does not matter which party is sitting on the government side and which one is sitting on the opposition side, they would be following exactly the same policies and those policies would be leading to the devastation of industries. We are seeing it in the steel industry as well as in the auto industry. Pertinent to the debate today, we can see it in the textile industry and in a number of other ones.

● (1810)

Any industry where there is value added is not being protected. The end result in the manufacturing sector is that overall over the last four or five years we have seen the loss of 200,000 to 300,000 manufacturing jobs. These are well paying jobs. They are jobs and incomes that support the communities where those jobs lie, and those communities in addition to the individual workers are being devastated.

My area alone has lost almost 10,000 manufacturing jobs. Unless there is a quick turnaround in the attitude of government in terms of saying we are going to have an auto policy, we are going to have a policy that is going to protect the textile industry, those jobs are not coming back.

This is not just an economic downturn. This is the disappearance of whole sectors of our economy that we are sending offshore.

The NDP is very happy to support this motion 100%, but I have to say that there is no hope in my party that either the current government, or the Liberal Party, if it ever got back into government, would do anything to implement this motion.

[*Translation*]

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, I am pleased that it is finally my turn to speak. You saw how anxious I was to participate in this discussion on the motion introduced by my colleague, the industry critic from the Bloc Québécois.

This government has an ideological blindness which is beyond understanding. Several thousand manufacturing jobs in Quebec and the rest of Canada are being sacrificed for a laissez-faire economic approach, for economic natural selection, simply because of an ideological obsession. I think this is unfortunate. Earlier, I heard the member for Lévis—Bellechasse talk about Advantage Canada and its great plans. He tried to convince us that everything was fine. Unfortunately, this is not about verbal sparring, it is about the lives of families who worked for years in the manufacturing sector who are losing their jobs and who are in difficult financial and emotional situations. This can even lead to divorce and family crises, among other things. It is not a joke. It is a serious matter, and frankly, I think it is distasteful that members of the government—like the member for Lévis—Bellechasse did earlier—emphasize that their government has lowered corporate taxes and say that the problem is solved.

We are talking here about companies and people who are losing their jobs in the manufacturing sector. They work for companies that are no longer profitable and therefore close their doors. If they are not profitable, they do not pay any taxes, and if they do not pay any taxes, tax cuts will not do them any good.

Private Members' Business

The government could make some very simple decisions. The previous Liberal government could also have done so, but chose not to. The Bloc Québécois has been fighting for years to get these decisions made and will continue doing so. There is still hope. We have fought on many fronts, including the fiscal imbalance, our recognition as a nation, recently the reimbursement of the GST to school boards, and a number of others. The battles we have waged for many years are finally beginning to bear fruit. We will continue, therefore, the fight to protect our manufacturing industry, and we hope that it will ultimately be successful and the government will finally listen to reason, as it did in some of our other struggles.

One of the measures suggested in this motion is very simple. It would allow clothing manufactured abroad from Canadian textiles to be imported duty free. This is totally consistent with the international rules. We have the right to abolish duties on certain materials. This measure would stimulate the Quebec and Canadian textile industries. These are simple, rather inexpensive steps that the government could take, but it refuses to do so.

The International Trade Tribunal has handed down a series of decisions that the government never followed up. People from this tribunal appeared before the Standing Committee on Finance this very day. We spoke with them. My hon. colleague and I questioned them.

This tribunal has made decisions including recommendations to the government that would have enabled it to adopt protective measures without contravening our international treaties. We asked how many of these measures had actually been implemented. The answer was none. The purpose of the International Trade Tribunal is to make recommendations of this kind, but none of the protective measures perfectly in keeping with our international commitments has ever been implemented.

• (1815)

I know the Conservatives will say that the Liberals never implemented these decisions and the Liberals will say that the power rests with the government. They pass the ball back and forth but the reality is that, while they try to assign blame, our manufacturing industry is experiencing great difficulties and is in serious trouble.

I almost regret using the term “manufacturing industry” because it might lead some members of this House to believe that it is an abstract concept, as though the manufacturing industry were an entity that exists in and of itself. I would like to remind all members of this House that when I say “manufacturing industry” I want them to think of the workers who make a living in these industries. I want them to think of the spouses who rely on their partners to survive. I want them to think of these families' children who need the income to live in dignity. That is what we are discussing. This is not a debate about semantics, an ideological or philosophical debate. We must act now.

In closing, we must take steps to protect the industry so that as few jobs as possible are lost. Then we must put in place a program for older workers, the POWA that the Bloc Québécois has been calling for for so long now. It is important to do so. If we are unable to limit the number of jobs lost we must at least help citizens and older workers by providing a real program enabling them to bridge the gap

between the end of their employment and the start of their retirement. These programs do not currently exist. In its first throne speech, the government promised, as a result of a Bloc Québécois sub-amendment, to get the ball rolling. It announced the introduction of a program on several occasions, but it only came up with a requalification program.

In the manufacturing industries, in many cases, when a company closes its doors in a remote region, in Quebec or elsewhere in Canada, it is often in one industry towns where people work at the same plant their entire lives. Sometimes, both members of a couple work at the plant and lose everything. It is not a matter of whether we can provide them with training to go work at another plant or in another sector because there are no other jobs in these regions. Furthermore, these people are just a few years from retirement.

When travelling through Quebec—and people are also going through this in my riding in Montreal—I have seen these people end up with nothing just a few years before their retirement. Once their EI benefits run out, they have to sell all their belongings, their assets, their home and everything else only to end up on social assistance.

I think that for someone who has worked their entire life, who paid taxes their entire life, who contributed to our society their entire life, this is a sad end and it is too bad the government is abandoning them at a time like this.

In the worst case scenario, this program would cost roughly \$120 million across Canada. This is not a lot for a federal budget when there are surpluses of several billion dollars, and this would help maintain the dignity of the people who worked their entire life to build Quebec. The respectful thing to do is to implement this program that already existed and was abolished by the Liberals. The Conservatives promised they would reinstate it, but they still have not done so. We are still waiting and we will continue to fight for this.

• (1820)

[English]

Mrs. Lynne Yelich (Parliamentary Secretary to the Minister of Human Resources and Social Development, CPC): Mr. Speaker, I thank the House for the opportunity to comment on today's motion, which calls upon the government to act on Motion No. 164, adopted in the 38th Parliament.

As a brief reminder, it proposed two somewhat ill-defined measures to help Canadian textile and apparel industries. Chief among them was the establishment of an industrial assistance policy and an older worker income support program.

The apparel and textile industries play a significant role in the country's economy, serving as a source of skilled employment in cities and communities primarily located in Quebec, Ontario, the Maritimes, British Columbia and Manitoba. These industries, however, are facing continual and far-reaching pressures from an increasingly competitive global market.

As Canadian Apparel Federation executive director Bob Kirke notes his industry faces heavy offshore competition from fashion designers as well as factory workers, remarking “you have to be really good to survive”.

These pressures have made the transformation of the textile and apparel industries from national to globally integrated industries a necessity. There is no sign such challenges will abate in the future. Indeed, the trends suggest an even more competitive global outlook.

The elimination of global textile and apparel import quotas in January 2005, pursuant to Canada's World Trade Organization commitments, resulted in significantly increased competition from low wage countries for Canadian producers.

Although the need to adapt to increased competition is not unique to the apparel and textile industries, or even to the Canadian economy, changes in the global marketplace are nevertheless having a significant impact upon the environment in which both industries have and continue to operate.

What is our government doing? In the face of such challenges, our new government is demonstrating its commitment to the long term viability of both the apparel and textile industries, actively working with them to turn the challenges of today into the opportunities of tomorrow.

To assist the two industries in their efforts to compete effectively and efficiently in the changing global markets, we are working with our U.S. and Mexican counterparts to facilitate the access of textile and apparel companies to world-class inputs. We are reviewing proposals for an outward processing program that may provide new market opportunities for the textile and apparel industries. We are continuing to protect against illegal shipment of imported apparel and textile products. We are working, through the employment insurance program, to continue to meet the needs of workers adjusting to changes in the industry.

We are ensuring, through ongoing support for human resource sector councils, that workers obtain the necessary skills to respond to the challenges of a rapidly changing labour market and identifying and reducing tariffs on imported textile inputs to improve the industry's cost competitiveness.

To underline our commitment to this last point, Canada's new government recently announced the implementation of measures to reduce or eliminate tariffs on a number of textile fabrics used in the apparel industry. These measures will provide apparel producers with up to \$4.5 million in annual duty savings.

Canadian Apparel Federation president Elliot Lifson called the announcement “a step in the right direction. The biggest input cost is material so this should encourage manufacturers”.

Such measures are also in line with the goal of “Advantage Canada” to create a Canadian entrepreneurial advantage by encouraging further international trade and investment, while allowing Canadian businesses to do what they do best, invest, expand, and create jobs for hardworking Canadians.

Canada's new government has also demonstrated its continued support of the Canadian apparel and textiles industry program, or CATIP.

Private Members' Business

Working in partnership with industry associations and other stakeholder organizations, CATIP assists Canadian textile and apparel firms adjust to impacts of globalization through numerous approaches including: industry-wide branding initiatives; support for domestic and international marketing activities such as trade shows, matchmaking events and marketing materials; support for best practices and diagnostic sessions for companies; development of national textiles and apparel portals and e-commerce awareness activities; and, staging of domestic industry conferences.

An additional component of CATIP known as CANtex helps textile companies enhance productivity and reorient production toward higher value-added products for growth markets.

● (1825)

The measures I just outlined clearly demonstrate that our new government is working with both industries to address the challenges of globalization and ensure the continued viability of domestic firms.

We are representing more than the Bloc has ever achieved, or will ever achieve, for the apparel and textile industries. Not only will these measures further boost the competitiveness of these industries, they will ensure continued innovation while making the most out of our key competitive advantages and in-depth understanding of niche consumer markets and close proximity to North American consumers.

Canada's new government is confident that by maximizing such competitive advantages we can assist in the renaissance of these important industries. According to Milstein & Co. Consulting a burgeoning renaissance is already underway with a new generation of small clothing manufacturers emerging throughout Canada, stating “The industry will regenerate, there's no doubt about that. It's happening now”.

Additionally, I remind the House of the many measures designed to encourage the entrepreneurial spirit of Canada through the promotion of a more competitive and productive economy.

Accelerating elimination of the federal capital tax, reducing the general corporate income tax and eliminating the corporate surtax will help attract and retain investments in Canada, helping our country respond to the economic challenges of the 21st century.

Before concluding my remarks, I will specifically address the two initiatives referenced in Motion No. 158, namely outward processing and assistance for older workers.

Over the course of the last several months, the Department of Finance along with Industry Canada, the Canada Border Services Agency and Foreign Affairs and International Trade have been working with the Canadian Textile Institute and the Canadian Apparel Federation to develop program options for an outward processing program that would reduce or eliminate the customs duty on imported apparel containing Canadian textiles.

Private Members' Business

Given that approximately \$6 billion of apparel is imported into Canada each year, the textile industry anticipates that such a program would provide new market opportunities for the Canadian textile industry, even if Canadian textiles are used only in a small portion of apparel imports.

In the near future, officials are scheduled to complete their consultations and finalize their evaluation of the options. In conducting this evaluation, consideration will be given to such issues as consistency with Canada's World Trade Organization and NAFTA obligations, and ease of administration.

With regard to the call in Motion No. 158 for increased assistance for older workers, Canada's new government recently brought forward two concrete measures in this respect.

First, this past October, we announced \$70 million for the targeted initiative for older workers, to help older workers in vulnerable communities remain active and productive participants in the labour market.

Second, just this January, as promised in budget 2006, we announced the appoint of an expert panel to study labour market conditions affecting older workers.

Clearly, as textile and apparel industries compete in the new era of increasingly challenging global trade, Canada's new government is committed to putting in place the right policies to assist them as they seek to transform these challenges into opportunities.

● (1830)

[*Translation*]

Mrs. Vivian Barbot (Papineau, BQ): Mr. Speaker, the textile and apparel industries are going through a crisis that is threatening their very survival. Unless something is done, the numerous closures of recent years will only be followed by more closures.

Many would lump all the blame on globalization, but we disagree. The former Liberal government either delayed taking action or did too little, and the new government is no better.

On October 5, 2005, the Bloc Québécois brought before the House a motion that is essentially the same as the one before us today. It was passed by a majority vote. Still, 18 months later, the government has yet to act on it.

We have a duty not to give up, not to let our fellow citizens down, and to start looking for a solution. Time is running out; already, more than 40% of jobs in Quebec's textile and apparel industries have been lost. We are talking about 25,000 jobs in nearly five years.

The apparel industry now employs only 36,000, as compared to 60,000 in 2000 and 90,000 in 1988. In addition, the weight of this industry in terms of manufacturing jobs has dropped from 14% to 6%. It is therefore not an exaggeration to say that this industry is in a very serious crisis.

Obviously, it is difficult for these basic manufacturing sectors to compete with emerging countries, whose wages and working conditions provide a great advantage to large multinational companies. We have to keep a number of these jobs at home, though, and there are several reasons for that.

First, it is practically impossible to compete with the great conditions afforded multinationals in developing countries. We therefore have to help our businesses reposition themselves in the high end textile and apparel market, where we will find significant comparative advantages. This, in turn, will allow us to maintain well-paying jobs.

From a human standpoint, we have to know that these two industries, namely textile and apparel, provide some kind of entry level for unskilled or less skilled workers. That is often where newcomers looking to enter the labour market find their first job.

There has been much discussion recently about immigrants and immigrant integration in Quebec. Work is unquestionably the number one source of pride, dignity and integration in their new surroundings. While not being a panacea, these jobs play a critical role in terms of social cohesion. It is no coincidence that first generation immigrants account for 57% of the manpower in these industries.

In addition, the textile and apparel industry must be able to redirect its efforts into higher-value products. Of course, this will call for investments in research and development, as well as assistance from the government to ensure this development takes place. One can think in terms of high fashion collections, but there are opportunities for other specialized textile products such as medical supplies—I am thinking of artificial arteries and hearts—inflatable pillows and even parachutes.

The picture is not all black for this important light industry, provided, of course, that we act now in collaboration with the companies involved to avoid the tragic plant closings that have taken place in the Huntingdon area and in Montreal.

In the riding of Papineau, which I represent, almost all the jobs related to textiles and apparel have been lost. How long can the 200 workers at the Peter Stone Fashion factory hold on to their jobs? In any event, the fact that prior to my election in 2006, there was a Minister of Foreign Affairs and International Trade in the riding did not prove very useful.

● (1835)

In the face of this situation, the Bloc Québécois is proposing several measures to end the crisis.

First, there is the use of safeguards provided for in trade agreements, by ensuring that import tariffs are maintained on apparel and textiles and restoring quotas on Chinese imports under the WTO access protocol for China. So far, Liberal and Conservative governments have disregarded this proposal.

Then, there are measures that could be implemented to encourage the use of Quebec and Canadian textiles, by allowing the duty-free entry of clothing made abroad from textiles produced in Canada, by imposing stricter rules of origin for less developed countries, by negotiating to include Canada in agreements signed between the United States and countries in Latin America, and by adopting a policy of local purchase, when it is permitted under international agreements.

Next, should be the adoption of an international policy designed to avoid offshoring, by calling on certain countries to raise their minimum labour and environmental standards, and by introducing labelling reforms that would allow consumers to trace the origin of the products they buy.

Finally, we need modernization and conversion of the textile industry through support programs to provide new equipment, research and development, design, etc., that will enable companies to increase productivity and to provide better quality jobs to Canadian workers.

These measures should help stimulate the apparel and textile sectors, and they should enable a region like Montreal to revitalize these sectors rather than watch them die a slow death.

Unfortunately, the Liberal and Conservative governments' inaction has already done its work, and many businesses are in danger of closing. We must also ensure that workers in these factories have the best possible living conditions. That is why the Bloc Québécois introduced a bill to improve the employment insurance program.

The bill introduced by my colleague from Laurentides—Labelle increases the benefit period by five weeks; increases the weekly benefit rate from 55% to 60%; eliminates the waiting period; eliminates the distinctions between new entrants and re-entrants to the work force; increases the maximum annual insurable earnings from \$39,000 to \$41,500; introduces an indexation formula; and calculates benefits based on the 12 best insurable weeks.

Furthermore, the Bloc Québécois has proposed increasing transfers to Quebec for professional training and creating an income support program for older workers to help older workers who become victims of massive layoffs when companies close their doors.

Lastly, we have proposed implementing a modernization assistance program for the apparel and textile sectors that would stimulate research and development and creation.

All of these measures, which are part of a comprehensive action plan with respect to the future of the textile and apparel sectors, have been made public, have garnered support from observers and are both realistic and humane.

They are an expression of the fact that in a democratic society, nobody should be abandoned to their sad fate and that together, in solidarity, we can get through the toughest times.

Elected representatives must stand with workers and businesses when they need support because everyone's future depends on theirs.

• (1840)

Mr. Serge Cardin (Sherbrooke, BQ): I would like to know how much time I have left, Mr. Speaker.

The Acting Speaker (Mr. Andrew Scheer): You have three minutes left.

Mr. Serge Cardin: In that case, I shall be brief.

We have heard great speeches from members from the Bloc Québécois and speeches from members from the Conservative Party and the Liberal Party which, more often than not, did not hold water.

Private Members' Business

I will not attempt to go over all what was said in three minutes, but I would like to at least raise Parliament's awareness of the fact that time has come to act.

The Liberal Party was the governing party at the time when the textile and apparel crisis started to unfold. Now the Conservative Party is in office and, as such, it should be able to take robust action. We have to recognize that power tends to render powerless, impotent. My idea of power was different.

We have witnessed the Liberal government's lack of action back in the days. Now we are witnessing the Conservative government's lack of action. It would have been so easy, in a global context, to put forward safeguard measures, legal ones in the eye of the World Trade Organization, to help modernize equipment in the textile and apparel industries and encourage research and development.

A knowledge-based economy entails added value, innovation and creativity. In Quebec, our workforce is capable of creativity and innovation, and capable of producing textile and apparel elements in very specific niches. But the government has proven to be powerless, or rather it did not want to put a lot of effort into saving the textile and apparel industries in Quebec and Canada.

Time has come to bring pressure to bear on the government. The House will have to vote accordingly, and I am convinced that a majority of members will support this motion. The time to act is now, because the clock is ticking. Safeguard measures have to be put forward and the industry has to be modernized as quickly as possible, so that we can forge ahead toward innovation and creativity in these industries.

• (1845)

The Acting Speaker (Mr. Andrew Scheer): It being 6:45 p.m., the time provided for debate has expired.

The question is on the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Andrew Scheer): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Andrew Scheer): All those opposed will please say nay.

Some hon. members: No.

The Acting Speaker (Mr. Andrew Scheer): In my opinion the nays have it.

And five or more members having risen:

[English]

The Acting Speaker (Mr. Andrew Scheer): Pursuant to Standing Order 93 the division stands deferred until Wednesday, April 18 immediately before the time provided for private members' business.

*Adjournment Proceedings***ADJOURNMENT PROCEEDINGS**

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

[*English*]

AUTOMOBILE INDUSTRY

Mr. Mario Silva (Davenport, Lib.): Mr. Speaker, the facts are simple and they are clear.

The automobile sector in Canada represents approximately 13% of the manufacturing gross domestic product of this country's economy. There are literally hundreds of thousands of Canadians either directly employed in the automobile manufacturing sector or in affiliated industries.

The total economic exports of the automobile industry is in the range of \$90 billion. There are on average over 2.5 million light vehicles produced in Canada annually.

The automobile industry in this country is an essential component of our economy. Canadians employed in the automobile industry are major consumers within that national economy. Its success is Canada's success.

There are millions of Canadians who either depend on or are affected by the automobile industry in this country. We, as a matter of public policy, must recognize that in taking measures to ensure the automobile industry is healthy, we are also, by implication, taking steps to protect our national economy in all sectors.

This Conservative government has continually taken a position that is, quite frankly, incomprehensible. It seems intent upon doing anything but supporting one of the most important industries in Canada.

I cannot believe that the members opposite truly do not understand what is at stake here. Indeed, the hon. Minister of International Trade once stood in this House and defended the previous Liberal government's financial support for the automobile industry. He did this in response to a question from the then opposition leader, now the Prime Minister of Canada.

Perhaps he could take a moment to explain to the Prime Minister, as he did then, the benefits of supporting our country's automotive manufacturers.

My question is a simple question. The previous Liberal government understood the importance of supporting our automobile industry, as do the governments across the world. Will the government commit today to taking substantive measures to protect Canada's automobile industry?

• (1850)

Mr. Colin Carrie (Parliamentary Secretary to the Minister of Industry, CPC): Mr. Speaker, I am pleased today to have the opportunity to respond to the hon. member for Davenport's question about the government's support of our vital auto sector.

The hon. member would have us believe that Canada's auto sector is in serious decline, but I would suggest that the member for Davenport ought to first check his facts.

In fact, in 2006 Ontario outproduced Michigan for the third year in a row as the highest automotive producing region in North America.

Our government is firmly committed to Canada's auto sector and is taking action to ensure it remains strong. We have honoured previous commitments for new automotive assembly investments and we are helping to strengthen Canada's auto parts sector.

In recent weeks, the government announced a repayable investment in a major research project by Linamar Corporation, which is in the midst of a billion dollar expansion of its auto parts operations in Ontario. In December 2006, we also made a \$6 million repayable investment in a \$20 million R and D project by Valiant Corporation of Windsor, Ontario, to develop state of the art manufacturing systems.

That same month we also announced a \$1.7 million repayable investment in an R and D project that will generate environmental benefits for Canadians. This \$5.8 million project will be undertaken by Camoplast Inc., based in Sherbrooke, Quebec, and will reduce atmospheric emissions, decrease energy consumption and waste, and increase productivity by introducing a more efficient way to manufacture composite parts for vehicles.

Canada's auto sector continues to attract billions of dollars of new investment each year. Even during this period of global restructuring for North American automakers, Canadian assemblers are winning new product mandates.

The new Chevy Camaro by GM will be built in my constituency of Oshawa. The Dodge Challenger will be built in DaimlerChrysler's plant in Brampton. In Oakville, Ford is building two new successful crossover vehicles, the Ford Edge and the Lincoln MKX. These are votes of confidence in our people and in our auto industry.

The role of the federal government is to create the right economic conditions to support a strong manufacturing base in Canada, and that is exactly what we are doing. In budget 2007 this government introduced significantly enhanced writeoffs for capital investments in machinery and equipment. Automakers will be eligible for a temporary 50% straight line writeoff, while the capital allowance rate on buildings used for manufacturing or processing will increase from 4% to 10%.

These measures, that had been advocated by the Canadian Automotive Partnership Council to stimulate new automotive investment and that were not done in 13 years under the member's government, help ensure the Canadian automotive industry remains sustainable, innovative and competitive.

Our government will continue to work with automakers to attract new auto investment and new product mandates. Already, our measures from budget 2006 to reduce corporate and personal taxes make Canada an even better place for auto investment. They also help make vehicles built in Canada more affordable for Canadians.

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Our economic plan, "Advantage Canada", is creating a better business environment for all industries. "Advantage Canada" will set the conditions for a more productive and competitive business environment, which will benefit all sectors of the economy. This plan will continue to lower taxes, reduce unnecessary regulation, bring modern infrastructure we need for trade and commerce, and create the highest skilled workforce in the world.

The initiatives this government is putting in place will benefit not only the Canadian auto industry, but all industries, workers and consumers.

Mr. Mario Silva: Mr. Speaker, support for one program here and another program there is not a comprehensive plan. That is exactly what is missing. A comprehensive plan would address this very critical issue. The platitudes and vague responses do nothing to instill confidence in the minds of Canada's automobile workers or those Canadians who rely on this industry.

In cities and towns across this country Canadian workers produce among the best vehicles in the world. Major automobile producers recognize that Canadian workers are dedicated to producing high quality vehicles. They work hard and they are proud of the cars they produce.

Platitudes aside, will the government commit to implementing tangible measures to ensure that Canada's automobile industry receives the support its workers deserve?

Mr. Colin Carrie: Mr. Speaker, the member's party had 13 years for a plan and did absolutely nothing. Canadians asked for action and we delivered.

The hon. member for Davenport voted against \$400 million for the Windsor-Detroit border infrastructure. He voted against infrastructure money for his own community.

He voted against more money for increased border security.

He voted against record amounts of money for research and development.

He voted against the scrappage program to get older polluting cars off the road and consumers into new fuel efficient vehicles.

He voted against the apprenticeship program money, which will help alleviate some of the human resources problems in the auto industry.

He voted against more money for higher education.

He voted against lower taxes for companies that invest in the auto sector right here in Canada.

I could go on.

Finally, the member for Davenport voted against help for his own community. He voted against helping his constituents.

On the one hand he is asking for action, but when we delivered, he voted against it. Can he make up his mind?

● (1855)

MULTICULTURALISM

Mr. Borys Wrzesnewskij (Etobicoke Centre, Lib.): Mr. Speaker, it is with a heavy heart that I must once again rise in the House to call on the Conservative government to live up to the historic internment agreement signed by the previous Liberal government and the Ukrainian Canadian community on August 24, 2005.

This agreement was for the acknowledgement, commemoration and education of Canadians of a dark episode in Canada's history: the internment operations against Ukrainian Canadians.

Beginning in the 1890s, Ukrainian Canadian settlers transformed the wilderness of the Northwest Territories into the golden wheat fields of Manitoba, Saskatchewan and Alberta. They were enticed to Canada with promises of free land. The government did this to counterbalance the northward push of American settlers into Canadian territories.

These hardy pioneers guaranteed the territorial integrity of Canada's borders.

Today, we can in fact say that they were one of Canada's founding peoples.

However, during World War I, prejudice and racism were fanned into xenophobia, leading to the introduction of the War Measures Act by an order in council of the Conservative government of Robert Borden.

Over 8,000 so-called enemy aliens, of which over 5,000 were Ukrainians, were interned, including women and children. Homes and homesteads were confiscated and some 80,000 Canadians were obliged to register as enemy aliens and report to local authorities on a regular basis.

Then, two years later, that same Conservative government passed legislation disenfranchising tens of thousands of Ukrainian Canadians based solely on the location of their birth.

Back on August 24, 2005, the previous Liberal government signed an historic agreement in principle with the Ukrainian Canadian community. An initial amount of \$2.5 million was to be the first instalment of a \$12.5 million multi-year package administered through the Shevchenko Foundation.

During question period on March 1, the Secretary of State for Multiculturalism all but confirmed that the Conservative government had no intention of living up to that agreement.

To add insult to injury, the Prime Minister, the Minister of Finance, the Minister of Canadian Heritage and the Secretary of State for Multiculturalism all thought it more important to declare in their so-called historic budget that three-down football is a heritage sport worthy of public support through heritage tax dollars, yet this same budget was completely silent on the acknowledgement of and education about injustices suffered by Ukrainian Canadians during World War I internment operations.

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What a contrast. In the 2005 Liberal budget, the former finance minister, in his opening paragraphs, referenced Ukrainian Canadians and provided the funding for an internment settlement agreement.

The Conservatives, on the other hand, tore up this historic agreement. There is not even a mention of internment or a future consideration in the Conservative budgets of 2006 and 2007.

This failure to act by the Conservative government, despite record surpluses, is a breaking of the trust. When the Prime Minister was in opposition, he invoked the name of Mary Haskett, born Manko, the last survivor of World War I internment, in a House of Commons speech in which he committed himself to the resolution of internment.

Will the government re-announce this Liberal initiative while Mary Haskett, the sole survivor of the internment operations, is still with us? Will he do the right thing?

Mr. Jim Abbott (Parliamentary Secretary to the Minister of Canadian Heritage, CPC): Mr. Speaker, it might useful to take a look at some facts.

Canada's new government has recognized the historic injustices of the Ukrainian Canadian community. I must remind the member opposite that in 12 years his Liberal Party did nothing to acknowledge historic injustices of wartime periods. It was this current Conservative Prime Minister who in just one year provided redress for the grave injustice of the Chinese head tax and it is this Conservative government that is working diligently to recognize the dark period in our history where Ukrainian Canadians lost their property and in many cases were interned.

The Conservative Party is committed to increasing awareness about the history of wartime measures that resulted in thousands of Canadians of Ukrainian origin being used as slave labour during and after the first world war. For 12 years the Liberal Party did nothing to recognize the Ukrainian internment. Now the Liberals are pretending to care.

Recent times have brought steps toward reconciliation. In November 2005 it was a Conservative member of Parliament, the member for Dauphin—Swan River—Marquette, who tabled the Internment of Persons of Ukrainian Origin Recognition Act. The Liberals did not implement the acknowledgement, commemoration and education program, nor was a final agreement ever concluded. The member talks about tearing up something that did not exist.

On the contrary, in a hasty round of last minute vote buying, the Liberals in the hot summer of 2005 promised up to \$60 million, but in fact did not allocate any more than \$25 million for all groups combined. The agreement in principle signed with the representatives of the Shevchenko Foundation, the Ukrainian Canadian Congress and the Ukrainian Canadian Civil Liberties Association on August 24 and 25 that the member refers to committed \$2.5 million for community based education and commemorative projects, but no more was ever budgeted by the previous government.

After the AIP, and this is important, the previous Liberal government had three months to implement its empty promises but did not. I wonder if there was ever an intention of fulfilling the commitment or was it just an example of empty electioneering?

Now the member for Etobicoke Centre complains that the \$12.5 million the previous government supposedly budgeted in 2005 was not in last week's budget, but why would it be in the 2007 budget if, as the member claims, it was already in the small print in the last Liberal budget? Clearly, this is a tale that grows with the telling.

This government is taking a comprehensive forward looking approach. On June 22, 2006 the Minister of Canadian Heritage announced the establishment of the community historic recognition program and the national historic recognition program. The \$24 million community historic recognition program will provide funding through grants and contributions for community based commemorative and education projects. The NHRP is a \$10 million program that will fund federal initiatives focused on increasing awareness and educating all Canadians, particularly youth, about Canada's history linked to wartime measures and/or immigration restrictions and prohibitions.

The government is currently finalizing the details of both programs. We have held discussions with representatives of the Ukrainian Canadian community and are in the process of coming to a resolution to provide redress to the Ukrainian community.

The Liberals come, they talk, they go away. Conservatives act.

• (1900)

Mr. Borys Wrzesnewskyj: Mr. Speaker, we just saw a blatant case of revisionism on the part of the parliamentary secretary.

He said it was in the small print. First of all, the Conservatives did not even put anything in their 2006 or 2007 budgets for internment, but he said it was in the small print. If he listened, it was referenced in the opening paragraphs of the 2005 budget and he actually acknowledged there was \$25 million. In fact, the sources and uses table on page 4 indicates that an additional \$30 million was put into this particular program.

The Ukrainian Canadian community has said that CHRP and NHRP, the new programs mentioned by the hon. parliamentary secretary, are absolutely unacceptable. In fact, if the government proceeds down this path, they will be looking at legal avenues.

Bill C-331—

The Acting Speaker (Mr. Andrew Scheer): The hon. Parliamentary Secretary to the Minister of Canadian Heritage.

Mr. Jim Abbott: Mr. Speaker, I find the bleating of my Liberal friend really quite fascinating. His party while in government had 12 years. What happened in that 12 years? Nothing, nada.

Mr. Borys Wrzesnewskyj: There was a signing agreement.

Mr. Jim Abbott: Mr. Speaker, there was a signing agreement after which there was a three month period in which nothing further happened. What was the signing agreement all about?

Mr. Borys Wrzesnewskyj: You tore it up. You threw it away.

Adjournment Proceedings

Mr. Jim Abbott: Mr. Speaker, there was no agreement to tear up. There was an agreement in principle only. There was no agreement between the government and the Ukrainian Canadian community. How can one tear up something that never existed? This is outrageous.

•(1905)

The Acting Speaker (Mr. Andrew Scheer): The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7:05 p.m.)

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