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Wednesday, February 21, 2007

Speaker: The Honourable Peter Milliken

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HOUSE OF COMMONS

Wednesday, February 21, 2007

The House met at 1 p.m.

Prayers

• (1300)

[English]

The Speaker: It being Wednesday, we will now have the singing of the national anthem led by the hon. member for Yukon.

[Members sang the national anthem]

ORDERS OF THE DAY

[English]

DELEGATED LEGISLATION

ONTARIO FISHERY REGULATIONS, 1989

Hon. Rob Nicholson (for the Minister of Fisheries and Oceans)

That, given the importance of the fisheries in Ontario and the introduction of Bill C-45, An Act respecting the sustainable development of Canada's seacoast and inland fisheries, by the Minister of Fisheries and Oceans, which addresses the concerns of the Standing Joint Committee on Scrutiny of Regulations, and pursuant to Standing Order 124 and subsection 19.1(5) of the Statutory Instruments Act, the resolution of the Standing Joint Committee on Scrutiny of Regulations providing that subsection 36(2) of the Ontario Fishery Regulations, 1989, be revoked, presented to the House on February 7, 2007, in its Fourth Report (Report No. 78 — Disallowance), not be adopted and that the matter be referred back to the Standing Joint Committee on Scrutiny of Regulations for further review.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I rise on a point of order. The motion reads that Bill C-45 in fact addresses the concerns of the standing joint committee.

I would like to advise the House that today the Fisheries and Oceans department officials have confirmed that in fact Bill C-45 does not satisfy the concerns of the Standing Joint Committee on Scrutiny of Regulations, and accordingly, if the motion is not factually correct, the motion should be ruled out of order.

Mr. Speaker, should you rule that this is simply a matter of debate, I would then ask the government to immediately contact and confirm with Fisheries and Oceans officials that in fact Bill C-45 does not address the concerns raised by the scrutiny and regulations committee, that the motion be withdrawn, and that the government undertake to come forward with an appropriate bill to deal with this matter with the existing Fisheries Act.

The Speaker: I do not think it is a matter for the Chair to decide whether Bill C-45 addresses the concerns of the standing joint committee. That is a matter for the House to decide. The minister has moved a motion saying so. The Chair does not decide on the truth or otherwise of motions, and I do not think I am going to get into that, despite the argument presented by the hon. member for Mississauga South.

I do think it is a matter for debate, and as he knows, this debate is a special one held under specific provisions with respect to the report from the committee. The committee is always free to submit another report if the hon. member does not like the result that is obtained in the House as a result of the decision on the motion, and of course the motion can be accepted or rejected. It is a matter for the House to decide and I will leave it to the House to do so after a debate on the matter, which we will proceed with now.

Debate on the motion, the hon. member for Pitt Meadows—Maple Ridge—Mission.

● (1305)

Mr. Randy Kamp (Parliamentary Secretary to the Minister of Fisheries and Oceans, CPC): Mr. Speaker, I am pleased to respond to the report tabled by the Standing Joint Committee on Scrutiny of Regulations.

First, let me thank the committee for its diligence on behalf of Canadians in overseeing the regulations that govern this country. I have served on that committee. I know that although the work can be tedious at times, it is very important.

Earlier this month the standing joint committee tabled a report that included a resolution to disallow subsection 36(2) of the Ontario fishery regulations under the Fisheries Act. The subsection in question states that:

No holder of a commercial fishing licence shall violate any of the terms or conditions of the licence.

The committee's view is that the Fisheries Act does not provide the authority to set out in a regulation the requirement to comply with licence conditions. The government is of the view that it does.

This has been a long standing issue between the government and the standing joint committee. Governments, long before ours, have always maintained that subsection 36(2) falls within the regulation making authority under section 43 of the Fisheries Act, that it is legally sound and that it is supported by court decisions.

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Section 43 of the Fisheries Act is broad enough to include the requirement to comply with licence conditions. Among other things, section 43 provides the authority to make regulations: "for the proper management and control of the sea-coast and inland fisheries".

It also provides authority to make regulations:

- (b) respecting the conservation and protection of fish;
- (f) respecting the issue, suspension and cancellation of licences and leases;
- (g) respecting the terms and conditions under which a licence and lease may be issued:

The Ontario fishery regulations provide clear guidance as to the conditions that could be attached to a commercial fishing licence in that province. Similar regulations exist for other fisheries. These conditions include the species, size and quantity of fish that may be taken, where and when fishing can occur, and the type of gear that may be used.

Fishing licences, their attached conditions and the requirement to comply with them, are fundamental to the proper management and control of the fishery. They are crucial to protecting and conserving our fishery resources.

In fact, in a fairly recent development, one of which the committee may not have been aware, Ontario is using licence conditions to address a significant threat to its \$2.3 billion recreational fishery. The province has placed certain restrictions on the movement of bait fish to control the spread of viral hemorrhagic septicemia. VHS has been implicated in killing a large number of sport fish in the province.

Clearly, compliance with these conditions as required by subsection 36(2) is critical for the sake of Ontario's sport fishing industry.

Let me add that individuals who participate in the commercial fishery know they must comply with licence conditions or face consequences. The government has always argued that in addition to the authority to suspend or cancel licences, Parliament did make it an offence to contravene the Fisheries Act or regulations under it in section 78 of the act.

The courts have agreed with the government's position. They have ruled that regulations made under the Fisheries Act that require compliance with licence conditions fall within the scope of the act's regulation-making authority, and they found that contravening this requirement is an offence under section 78 of the act.

So, from a legal perspective, in my opinion, subsection 36(2) of the Ontario fishery regulations is on firm footing.

However, I would be the first to say that we are not asking for the status quo. We believe that in most cases the potential for jail time is not an appropriate penalty for such contraventions. Fortunately, the courts have imposed fines in cases involving contravention of subsection 36(2) rather than imprisonment, but I do agree that greater clarity could be provided for the requirement to comply with licence conditions.

We are doing something about that. It comes to us in Bill C-45, which the minister tabled in December. The bill resolves the standing joint committee's regulatory concern with subsection 36(2) and does much more.

Revoking subsection 36(2) is not the right course of action, given that a bill has been tabled that addresses the committee's concern. That is why the minister filed the motion before us today to oppose the committee's resolution for disallowance.

Disallowing subsection 36(2) would create a serious legal gap in Ontario's ability to enforce licence conditions on some 500 commercial fishing licences and about 1,400 commercial bait fish licences.

● (1310)

Furthermore, the standing joint committee has indicated that if its resolution to disallow is supported, the committee would expect similar provisions in other fisheries regulations to be revoked. This would create an enforcement vacuum that would threaten these natural resources in virtually all of Canada's fisheries. During this vacuum, all that would be left to punish lack of compliance with license conditions would be suspension or cancellation of licenses, and the courts have made that process very difficult indeed.

Disallowing this regulation would then compel our government to draw up a quick fix bill to plug this regulatory gap and then get it passed through both Houses. This is something that has not worked on no less than three occasions in the past, Bill C-33 in 2003; Bill C-43 in 2004, which died on the order paper; as did Bill C-52 in 2005

In fact, I did not support Bill C-52 as a solution when I sat on the other side of the House because I believed then, as I do now, that we have much more to offer Canada's fishers.

As tempting as it may be to try to pass a simpler minor amendment to deal with the committee's issue, we owe Canadians that and much more. We owe them a renewed Fisheries Act, one that would resolve this regulatory issue and provide for more collaborative, accountable and transparent fisheries management, which is exactly what Bill C-45 does. It resolves the standing joint committee's concern with subsection 36(2) of the Ontario fishery regulations by clarifying that compliance with fishing license conditions is a requirement of the act.

As I mentioned, the new Fisheries Act does much more. It puts forth a new licensing framework and an administrative sanctioning regime for most breaches of license conditions instead of relying on the courts. It introduces an arm's-length fisheries tribunal to handle violations of the act or its regulations.

The standing joint committee has also expressed concern that because license conditions are administrative decisions, non-compliance with them should not carry potential jail time for violators. Bill C-45 address this concern.

In the sanctions regime, as mandated in the new act, penalties for contravening the requirement to comply with license conditions would no longer include the possibility of jail time. The bill also responds to issues the committee has raised in the past with variation orders, and I will not get into that at this time.

The new Fisheries Act also includes measures for shared stewardship of our fisheries. It allows those with a stake in the fishery to have a say and take a hand in how the resource is managed.

Bill C-45 would also put in place a clearer and more accountable framework for stable access to the fishery and allocation of fish shares.

The new act also clearly spells out the considerations that the minister must take into account when making licensing and allocation decisions, and those which he or she may choose to consider. In other words, all the cards are now on the table.

Protecting fish habitat and preventing pollution are inextricably linked to sound stewardship of our fishery resources. Bill C-45 would compel everyone who administers the act to consider principles of sustainable development, and take an ecosystems-based and precautionary approach to conserving and protecting fish and habitat.

Speaking of principles, passage of Bill C-45 would, for the first time, set out management principles for fisheries and fish habitat right in the act.

In short, Bill C-45 would remedy the standing joint committee's immediate concern with subsection 36(2) of the Ontario fishery regulations and it does so much more on behalf of Canadians who depend on the fishery.

We have an opportunity here to make a lasting difference in better managing our fisheries and oceans by providing Canadians with a modern and more effective Fisheries Act, an act that would help deliver the ultimate sustainable value to the public from Canada's fish and ocean resources for generations to come.

I believe that concentrating the House's efforts on passing Bill C-45 is the right approach. I oppose disallowance of subsection 36 (2) of the Ontario fishery regulations and will be voting to return the report to the committee so it can ensure that its concerns are addressed in Bill C-45. I encourage all members to do likewise.

I again thank the committee for its thorough scrutiny of this country's regulations. I think its work in respect to subsection 36(2) of the Ontario fishery regulations highlights the importance of passing Bill C-45 through Parliament as quickly as possible. I hope members of the House will agree that the time for change in the fishery has come.

• (1315)

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I am rising as the Commons co-chair of the Standing Joint Committee on Scrutiny of Regulations. The committee has representation from all political parties. It has eminent members on it who have more than 10 years of experience. They have been there from the beginning. Since 1989 some of the Commons and Senate members have watched this file and have provided the committee with guidance.

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The member should also know that the Standing Joint Committee on the Scrutiny of Regulations also has a team of legal counsel to guide us, to do the research and to provide us with the assistance that we need to do an appropriate review as authorized by Parliament.

I want to remind the House that the role of the Standing Joint Committee on Scrutiny of Regulations is to ensure that the regulations to any act of Parliament are enabled in the legislation. In other words, if the legislation does not permit it, a regulation cannot take the place. It cannot legislate. If there is a regulation that is not enabled by the act itself, that regulation is illegal and inoperative and will not stand up in the courts.

That is the problem. The intent is to do indirectly what cannot be done directly, namely to impose criminal liability for the breach of a term or condition of a licence which is not legislation.

In adopting the fourth report, the standing committee has concluded that the provision not only lacks legal authority, but also trespasses unduly on rights and liberties, represents an unusual and an unexpected use of the enabling authority and makes the rights and liberties of a person unduly dependent upon administrative discretion.

Regulations imposing sanctions or creating offences must be authorized by Parliament expressly or by necessary implication. No where in the Fisheries Act is the making of regulations creating offences expressly authorized.

There is a fundamental distinction in law between the exercise of legislative power and the exercise of administrative power. Under our system of law and government it is generally accepted that criminal sanctions attach only to the contraventions of the requirement that is established by legislation. A licence, however, is an administrative document. It is not legislation.

Some hon. members: Oh, oh!

The Deputy Speaker: Order, please. There is a lot of conversation in the House that does get in the way of things. If people want to have meetings, please have them outside. That is why we have lobbies.

Mr. Gerald Keddy: Mr. Speaker, I rise on a point of order. Are we speaking to the bill, to the gist, to the thrust of Bill C-45, or are we speaking on debate about the ability of the bill to come to the House? My understanding is we are speaking to the bill.

The Deputy Speaker: The hon. member is free to debate whether he thinks the bill should be before the House. That is quite in order.

Mr. Paul Szabo: Mr. Speaker, we are debating the motion tabled by the government.

In short, the exercise of an administrative discretion by individual officials is enforced as if it were law.

The government has agreed to amend the Fisheries Act, and indeed tabled Bill C-45. However, as I mentioned in my point of order at the beginning of debate, fisheries officials have confirmed that Bill C-45 does not address the problem, the illegality of subsection 36(2) of the Ontario fisheries regulations, because it empowers federal officials. It does not impact provincial officials.

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The problem raised by the Standing Joint Committee on the Scrutiny of Regulations is that we are talking about provincial officials. The motion is factually incorrect. I believe it is out of order.

However, if the members want to argue—

• (1320)

Hon. Loyola Hearn: Mr. Speaker, I rise on a point of order. I cannot let this stand on the record because the member is not being factual. The department of fisheries officials have been clear. They are out in the lobby, if he wants to talk to them. It is quite clear the new act will address this. It is clear in the act, if he would read it. It is clear for anybody who wants to pursue it.

The Deputy Speaker: I am sure the minister of fisheries and the member for Mississauga South can continue this debate as they each take their turn, but it is in fact a matter of debate and not a point of order.

Mr. Paul Szabo: Mr. Speaker, contrary to what has been said by federal and provincial authorities, while the disallowance of subsection 36(2) may change the manner of enforcing complaints with terms and conditions of licences, it would not affect the ability to impose them.

The authority to issue licences and impose terms and conditions in the licence would remain, as would the ability to enforce them through licence suspensions or cancellations. The imposition of a fine or jail term for breach of a licence condition, as opposed to suspending or cancelling the same licence, has nothing to do with the sustainability of the fishery resource or conservation.

It is not unusual for licensing schemes to be established by federal legislation under which suspension or cancellation is the sole means of enforcing licences. While the enactment of new fisheries legislation may resolve this concern, given the substantive nature of the objection as well as the similar section of other regulations, the committee considers a resolution of this issue should not be delayed any further. It has been going on since 1989.

It is not acceptable that the requirements a citizen must obey upon pain of criminal prosecution be determined by a single official who decides what will or will not include the terms and conditions of a licence. That is the issue.

If I can put on my other hat as a member of Parliament and someone who has deep respect for this place, I believe there is time. This matter is very straightforward. The government could bring forward another piece of legislation to put the enabling clause in the existing Fisheries Act. It could come to the House and I am sure it would get unanimous consent to pass all stages at one sitting. The government has the tools to do it.

Bill C-45, even if it is amended to take into account provincial licensing officials, will not happen for a long period of time. In fact, parties are already clamouring for Bill C-45 to be referred to committee before second reading because they have so many problems with it.

After all this time and delay, it is clear the tools are available to the Department of Fisheries and Oceans to address this item, which has been illegal under the laws of Canada because the regulation is not enabled in the legislation. That is the legal opinion of the lawyers

from the Parliament of Canada who have been assigned to our committee.

The committee's fourth report, which calls for this disallowance, was unanimously approved. This matter must be dealt with because the regulation is illegal. That is our role.

I believe the Standing Joint Committee on the Scrutiny of Regulations has done its job. It has shown good faith and given the department every opportunity to correct this error, this illegality. The government now shows that it wants more time. We will have another bill which will totally rewrite the Fisheries Act. It will take many months if not years before the bill ever gets through all the stages of the legislative process. We will be back again asking for the same disallowance.

Now is the time. I ask particularly the Bloc Québécois to consider the concerns that have been raised with regard to whether Bill C-45 addresses this matter. It is the opinion of our officials and of the officials of fisheries that Bill C-45 does not address what the committee has brought to the House. I am pleased the committee has taken this important step again.

It is the sixth time this matter has come before Parliament to be resolved. The Department of Fisheries and Oceans has not shown good faith over all this period of time. It is time for the House of Commons to vote on this matter to ensure that if it does not take the time to fix it now, the regulation be disallowed.

• (1325)

[Translation]

Mr. Raynald Blais (Gaspésie—Îles-de-la-Madeleine, BQ): Mr. Speaker, I am pleased to rise to speak to this matter. I should perhaps summarize the ideas expressed to this point since we are going in different directions. We are presently debating the delegated legislation and discussing Bill C-45 and fisheries management in general.

In its 4th report, the Standing Joint Committee on the Scrutiny of Regulations asked that a part of the Ontario Fishery Regulations be revoked. Although I do not disagree entirely, the committee's conclusions state that the regulation adopted exceeds the authority set out in the act. That is true; however, we must look at the overall picture. A legal void is unacceptable. Consequently, we will support the government's motion to deal with this situation.

A remedy has been presented. However, I feel that the remedy threatens to give rise to more problems than the solution presently provided. At some point we will find ourselves in a legal vacuum.

Although I am not familiar with the Great Lakes fisheries, I do know that they are an immense expanse of water with commercial fishing activities and, primarily, recreational or sport fishing.

I do not feel it would be responsible to say no and just cause problems for the current government on the pretext that there is a problem. There is a legal problem. We have a duty to act responsibly.

That is what the Bloc Québécois has always done and will continue to do. The Bloc will therefore support the motion we are debating.

Given what has been said by the parliamentary secretary, the minister and my Liberal colleague, I do not believe that Bill C-45 has solutions to all the problems with fisheries management.

In my opinion, here again, we have to act responsibly and describe what is really going on. I do not believe that, in its current form, Bill C-45 is really the answer. That is why we are asking to amend the bill and hold public consultations. By meeting with people, stakeholders, fishers from across Canada and Quebec, we will have a more complete picture of the problems with fisheries management.

I would therefore invite the minister to agree to have the committee look at Bill C-45, not to completely change it, but to improve it in order to address the various crises.

The fishing season is about to begin in Quebec and other parts of Atlantic Canada. There are questions that need answers. I believe that, once amended or improved, Bill C-45 will provide some answers. At most, we are talking about next year. We are not talking about this year.

This year, the minister has responsibilities with regard to the season that will be starting for shrimp, crab, lobster and groundfish fishers. He currently has a responsibility regarding other species.

Unfortunately, in my opinion, the government is taking too much time to act. I hope that, in the next few hours, the minister will be able to make announcements that will give shrimp fishers, for example, a good idea of what to expect. Shrimpers from New Brunswick and Quebec were here yesterday. I believe that they will be meeting with the minister today. The message is simple.

• (1330)

Last year, I delivered the very same message about how important it is to be able to take serious, meaningful action to help relieve the burden on shrimp boat operators everywhere, and especially in Quebec. This is basically a matter of survival for fishers, for fish plant workers and for coastal communities.

This all leads up to our position. This is about being as responsible and rigorous as always. We realize that the Standing Committee on Procedure and House Affairs came to a certain conclusion. We might agree with that conclusion, but in the end, we do not believe it is the best way to solve the problem. We do not expect to find an ideal solution, but this is not the kind of solution we are looking for.

I would go so far as to say that the proposed cure could be worse than the disease. We would end up in a legal void. Fishers would automatically find themselves in situations where they might commit offences. I do not think they would make that kind of mistake, but offences may occur.

Nevertheless, we would end up in a legal void. That means that the responsible thing to do would be to support the motion before us.

Today, the government has put forward an extraordinary measure that we support. That said, we must not make a bad habit of this over the years.

It seems to me that the new Fisheries Act, which is to be passed shortly, should improve the situation. Nevertheless I would once again urge the minister—I am told he is listening—to accept the invitation of the opposition—the New Democratic Party, the Bloc

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Québécois, and the Liberal Party—to send it all to the Standing Committee on Fisheries and Oceans immediately, not to drag it out, but to act responsibly and broaden the scope.

I believe this situation calls for everyone's cooperation. If we all row together, we will reach our destination and produce good results. I would urge the minister to give it serious consideration.

[English]

Mr. Paul Dewar (Ottawa Centre, NDP): Mr. Speaker, I welcome the opportunity to speak to the motion. I will begin my comments with some understanding of our role on this committee.

I am new to this place and therefore new to this committee but the committee is extremely important. It deals with all the legislation that has been passed in this place and through the Senate and ensures there is fair measure in terms of how the legislation is being implemented, that there are no problems in terms of the law that exists and the legislation that would be brought in. In other words, we need to ensure things are congruent and fair and, hopefully, to do no harm.

When we look at legislation it is important that we look at its purpose. Legislation normally exists to solve a problem and not to create problems. This committee, which is made up of members of Parliament, as well as members from the other place, scrutinizes, as is in the name of the committee, all legislation so there are no bumps along the road.

As with any legislation that is done by human endeavour, there are problems from time to time. Our role, hopefully, is not to get into a heated debate on a bill that will be coming to this place. What we have today is a motion questioning, in many ways, the work of the joint committee, and I say that without prejudice. I say that as an observation because the motion asks that the recommendation of the committee be sent back to the committee because the government believes it will be able to deal with it in its proposed legislation to deal with the Fisheries Act. In a nutshell, that is what is occurring here. No argument there.

For the record, I would like to bring forward some comments that were made by the hon. Minister of Fisheries and Oceans when he came to committee recently on this very issue. He said:

I want you to know that my department and this government value your insight and views, and we thank you for them. That is why I was eager to appear here before you, because I am committed to resolving this long-standing issue.

He was talking about the longstanding issue that we are dealing with in terms of the disallowance of subsection 36(2) of the Ontario fishery regulations. He acknowledged the concern and he wants to work to solve this problem.

He goes on to say:

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You have told me and my predecessors that it is your view that the Fisheries Act does not provide legislative authority to enforce licensing conditions. The committee believes this subsection of the Ontario Fishery Regulations trespasses unduly on rights and liberties and makes an unusual and unexpected use of the powers conferred by Parliament. It allows officials to determine licence conditions, which are administrative decisions that, if breached, can land someone in jail.

He was simply paraphrasing our point of view. I will skip down to later in his commentary where he says:

In my previous role as fisheries critic, I stood in the House to debate against Bill C-52 a little more than a year ago. The bill would have amended the Fisheries Act to address the issue of concern to the committee, but would not have addressed outstanding issues of significance for our fisheries and Canada's fishing communities. You may recall that, during the debate in the House, I, too, questioned the value of a federal minister and his officials to throw people in jail. I believed then, as I do now, that there are other ways to enforce the rules that provide for orderly fisheries.

I mention that commentary because it is the minister acknowledging the problem that we are trying to grapple with and have grappled with at the joint committee. He acknowledges that this is something that needs to be dealt with. The debate perhaps here is how that should be done and when it should be done.

I believe those of us on the committee, as was mentioned by my colleague, the chair of the committee, would like this to be done quickly. Our concern and the debate in committee was that to wait for the overhaul of the Fisheries Act, which, as the minister said, is something that has not been done since Confederation, is no small task. In fact, it is something that requires diligence and will require a lot of scrutiny and debate.

● (1335)

As committee members, we needed to deal with due diligence. I felt strongly, as I do today, that we need to deal with this now because we can. To put it off again would not be doing due diligence. We would be throwing up our hands and abdicating our responsibility as members of Parliament to ensure we have the proper scrutiny of regulations and where there are problems we propose solutions. I am sure members in the other place would say the same thing.

When a committee proposes solutions it often needs to send correspondence to the relevant ministries and ministers stating that there was a problem with x, y or z. This has been going on, as has already been mentioned, since 1989 when I was a student at the University of Winnipeg.

We are asking the government to remedy this situation. If the government sends it back to committee it would be predictable. It would be a boomerang effect. We will debate this in committee again and say that it is still disallowed and make no changes and then we will be waiting for Godot.

What we need to do is be responsible. This is not, in my opinion, something that should be charged around the whole issue of the overhaul of the Fisheries Act. It should be taken as a separate piece to say that there is a remedy required and it has been going on since 1989.

When the minister was in opposition and certainly when I read his comments from the committee, he suggested there was a problem. Officials suggest there is a problem. The legal team that we are well

served by on the committee knows there is a problem and is essentially saying that we need to remedy it now.

With all due respect to the government, I say without prejudice as a member of the committee on scrutiny and regulations that we cannot support the motion. What we need to do is provide a remedy that will not take long and will get through the House quickly to ensure we are doing our job as parliamentarians and that we are acting on the recommendations of a joint committee, recommendations that were unanimously agreed to by all parties, that the government and this place remedy the situation that has existed since 1989.

● (1340)

Mr. Merv Tweed (Brandon—Souris, CPC): Mr. Speaker, I move:

That notwithstanding Standing Order 126(1)(c), any division or divisions demanded in relation to this motion shall be deferred to the end of government orders.

The Deputy Speaker: The House has heard the request of the hon. member. Is there consent that the vote be so deferred?

Some hon. members: Agreed.

(Motion agreed to)

Mrs. Cheryl Gallant (Renfrew—Nipissing—Pembroke, CPC): Mr. Speaker, I appreciate the occasion to rise in the House today to respond to the disallowance resolution tabled by the Standing Joint Committee on Scrutiny of Regulations. I thank the committee for its consideration and its considerable effort in reviewing hundreds of regulations each year and for specifically looking at subsection 36(2) of the Ontario fishery regulations.

Canada's new government values the insight provided by the committee. However, I must join the minister and the Minister of Natural Resources for the Government of Ontario, the Hon. David Ramsay, in not supporting the committee's resolution to revoke subsection 36(2). Our new government has continuously maintained that the regulation as it stands is legally sound, within the authority of the Fisheries Act, and supported by case law.

This position, I add, is fundamentally the same position that was presented by the previous government. It is with a certain degree of consistency that our new government is supporting a position which is more procedural than it is political, but we do agree that bringing further clarity to compliance with licence terms and conditions as a requirement of the Fisheries Act would be important and useful in managing our fisheries.

We are doing that and more through Bill C-45, which the minister tabled recently, but until such time as Bill C-45 is passed into law and the new fisheries act comes into force, we must keep the regulation in place.

Far be it from me to suggest that politics is playing a role in the actions of the opposition members of the committee in pushing for disallowance. However, I believe it is important to step back and view this matter in context.

I understand the concerns expressed by the committee. However, members of the opposition, when they sat on this side of the House, took the same position as our new government. The apparent flipflop is what makes average Canadians cynical about the political process.

We have a responsibility as parliamentarians to be accountable for our actions. This includes ensuring that Ontario can continue to conserve and protect its fish stocks and manage its fisheries in an effective manner.

Subsection 36(2) of the Ontario fishery regulations is crucial to doing so. It makes compliance with licence conditions, which are a part of the rules that protect the fishery, a requirement.

As the minister mentioned, we are talking about 500 commercial licences and some 1,400 commercial bait fishery licences in the province. The landed valued of Ontario's commercial fishery is somewhere around \$50 million a year, contributing between \$250 million and \$400 million to Ontario's and Canada's economies.

Fishing is important in my riding of Renfrew—Nipissing—Pembroke. As a gateway to beautiful Algonquin Park, its residents are concerned about what effect disallowance will have on conservation efforts in Algonquin Park and all parks. They fail to see where unrestricted fishing in our parks will benefit anyone, which could be a result of a vote of disallowance.

I am pleased to confirm that the Ontario Federation of Anglers and Hunters is in total support of our new government and the Government of Ontario in the need to maintain conservation measures to protect the resource.

Our fisheries are valuable and valued resources. Fishing licences, with the terms and conditions they carry, are fundamental to protecting and managing them. They set the rules for and limits on fishing activities to preserve these resources for the future so everyone can have a chance to enjoy and benefit from them.

The provisions of the Fisheries Act and its regulations give the minister the authority not only to issue fishing licences but also to place conditions on them. Fishing licences establish everything from the type and quantity of fish that can be taken to the start and close of particular fisheries, where fishing can take place, and the type of fishing gear that may be used.

Requiring licence holders to comply with the terms and conditions of their licence is one of the most fundamental parts of an enforceable fisheries management regime. Revoking subsection 36 (2) would leave Ontario in a state of limbo in enforcing these licence conditions. This could result in potentially dire economic and environmental consequences for Ontario's fishing industry and thousands of Canadians who rely upon it.

Let me share part of a recent letter that was copied to the Minister of Fisheries and Oceans. It is from the Ontario Minister of Natural Resources to the standing joint committee joint chairs. It reads:

This subsection currently provides Ontario with a suite of adaptable enforcement tools, resulting in an effective deterrent system to ensure the conservation of the resource and proper conduct of the fishery. It also assures us that the deterrent system will be certain, effective, timely and proportional to the severity of the offence.

In the absence of subsection 36(2), we lose the ability to address licence violations, thus imposing unnecessary hardship to fishers for minor offences. In

Orders of the Day

addition, we would also lose the ability to enforce terms and conditions on fishing licences, which would compromise the management of the commercial fishery and jeopardize conservation objectives.

• (1345)

Clearly, the Ontario minister agrees that licence conditions are a key element of proper fisheries management and control in his province. In other words, they are indispensable to protecting and conserving fishery resources.

By applying for and accepting a licence, fishers agree to go about their business in accordance with attached terms and conditions. They know they will be held accountable if they do not. Fortunately, most fishers follow the rules, but let us make no mistake about it, violations do arise. Revocation of subsection 36(2) would be more than an exercise in legislative authority. It would carry very real impacts in terms of enforcement in the Ontario fishery.

Since the year 2000, more than 400 charges have been laid for failure to comply with this subsection, resulting in fines for the offenders, but I should point out, further to the standing joint committee's concerns, that no jail terms have been imposed.

Let me read for members part of another letter, again from the Ontario Minister of Natural Resources, this time to the former Minister of Fisheries and Oceans:

Without this provision, Ontario would literally have its hands tied with respect to the enforcement of the commercial fishery. It is entirely likely that the revocation of subsection 36(2) would result in chaos in the sector and threaten the sustainability of our fisheries resources.

Now consider the same prospect were fisheries governed by eight similar regulations. The standing joint committee has indicated that it would expect these regulations to also be revoked, based on the precedent this House could be setting here today. This would impact the management and conservation of virtually all fisheries in Canada.

Our party and our government accept very seriously our responsibility to the environment. The conservation pledge of the OFAH sums up our position completely:

I give my pledge, as a Canadian, to save and faithfully defend from waste, the natural resources of my Country—its soils and minerals, its air, water, forests, and wildlife.

This pledge of the OFAH is something that members should consider if they feel as strongly as I do when it comes to protecting our environment. Let us make no mistake about it: supporting disallowance of subsection 36(2) of the Ontario fisheries regulations will have an adverse effect on the environment.

As we proceed on this matter, I would like the members of this House to bear two things in mind.

First, by voting against disallowance of subsection 36(2) and returning the report to the standing joint committee, we would not be ignoring this regulatory concern. We would simply be taking a different approach and a more fruitful path for Canada's fisheries and the Canadians who benefit from them.

Second, the changes proposed to the Fisheries Act in Bill C-45 fully address the committee's concern with the regulation in question.

Orders of the Day

Bill C-45 clarifies that it is a requirement of the act to comply with fishing licence terms and conditions, but unlike a minor amendment bill, which the government would be forced to pursue to fill in the gap created by disallowance, Bill C-45 addresses the committee's issue and provides much more.

It will deliver greater predictability, stability and transparency in the sustainable management of Canada's fisheries. The new fisheries act will require ministers to manage the fishery, taking into account the principles of conservation, habitat protection and greater public input into decision making.

It will open the door to greater collaboration with the provinces, territories and resource users, who will work more closely with government in managing the fishery. It puts into place an effective administrative sanctioning system and brings greater stability and predictability to fishery access and sharing arrangements. It better protects fish habitat and provides a clear and more accountable licensing system.

The new licensing system will be more transparent. The minister will provide a context for all licensing decisions. That means licences will be issued according to the regulations made by the minister, but the minister will have no direct involvement in granting the licences to individuals.

Licensing officers will be the ones issuing licences according to these regulations and, under the new act, licensing officers will have the authority to refuse licences under specified circumstances. They can also attach conditions to the licence for the proper management or control of the fishery as well as the conservation or protection of fish and habitat.

However, under Bill C-45, the possibility of jail time as a penalty for contravening the requirement to comply with licence conditions has been removed.

• (1350)

Stakeholder groups in the provinces and territories have shown strong support for comprehensive changes to the 139 year old Fisheries Act. I do not believe it to be in anyone's interest to delay the speedy debate and approval of Bill C-45. We must move forward on this agenda as expeditiously as possible.

I do not support the standing joint committee's resolution to revoke subsection 36(2) of the Ontario fishery regulations. The better option is to concentrate our efforts on passing Bill C-45. That is why I am asking all members of the House to reject—

The Deputy Speaker: The hon. member for Scarborough—Rouge River.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I am very pleased to engage in the last few minutes of debate on this issue. Really, this is a legal matter for the House. It should not be addressed as a partisan or a political matter. Matters involving the Standing Joint Committee on Scrutiny of Regulations have, by convention, always been treated that way by the House. The House is appreciative of that. By convention, it is not a matter of confidence in the government. I presume we can handle it today in that fashion.

The standing joint committee decided to commence a disallowance, a revocation of this particular regulation, because it was the judgment of the committee, on more than one occasion, that this regulation unduly infringed on the rights and liberties of Canadians by allowing public officials to create quasi-criminal offences to which penalties were attached.

Our law and our Constitution say that only Parliament can create laws that penalize the citizen. As a result, the committee has been firm on this over a number of years. This is the second time it has come to the House.

There have been seven or eight disallowances accomplished by the committee and the House over the years. Only three of them have come to the House. This is the third time we have debated, I understand, since about 1982. On only two and a half occasions, if I can put it that way, has the government rejected the view of the committee.

I have served on that committee for some 17 years now and I should say that in the whole time of the committee it has never been wrong in law when it reached a decision. I say that very clearly and very firmly. The government should take note of that. There was only one time when a justice of the Federal Court, in an obiter, which was not part of the decision, almost crossed swords with the committee. In the end, it was only in an obiter remark and did not. That was Mr. Justice Marceau in the Camano exemption decision of 1992.

However, I point out that the committee and its heritage allow it to be very firm in its view of the law. In its recent report on the subject of the part II Broadcasting Act fees, the committee meant what it said. The committee reads very well: just recently the Supreme Court upheld the provision held by the parliamentarians that those fees were taxes. They were disallowed. Now the government is saying it does not have to return the illegally collected taxes.

I believe the committee will make its views known to the House and thereby to the government on that. I am giving advance notice that the government should give back the illegally taken taxes. Otherwise, the courts will catch up to us, and that will cost us \$1 million or \$2 million in legal costs and a whole lot of time.

In any event, in dealing with this procedure and these rules, the House does control this. It is not the committee that prevails. The proposal, the resolution of the committee to disallow, to trigger a revocation, does not govern unless the ministers do not challenge it or unless the House confirms it. In this case, the committee and the procedure are asking the House to confirm the view of the committee that these regulations should be revoked.

In my view, these regulations are illegal and unenforceable. In theory, a citizen will not actually have to pay any fine. In theory, officials will not be able to do any enforcement if their lawyers are aware of it. Sometimes people will pay a parking ticket just because they got the parking ticket, but in this case the regulations are at risk.

Hon. members should please heed that warning. It is a little bit like a town having an artificial sheriff, a fake sheriff, someone pretending to be the sheriff, a person who has no legal authority but who purports to act as the sheriff. Sometimes that brings about good results, but when push comes to shove, that sheriff, in our scenario, has no legal authority and the town is at risk.

(1355)

I will acknowledge, and it has already been pointed out, that the disallowance of these regulations will create a theoretical vacuum of enforcement, and that may be true. Just as a court of law will sometimes postpone the implementation of its decision pending a rectification of the law in some way to prevent a worse public ill occurring, so in this case it may be the judgment of the House that the disallowance should be postponed pending a rectification or remediation in statute by the government.

The government has told the House it is able to do this with the bill currently before the House for passage. If that is the rationale that sounds reasonable to most citizens, but with a major warning that this is the judgment of the committee and I point out that the committee has never been wrong in law, these provisions are illegal. They unduly infringe on the rights and liberties of citizens. This must be rectified at the earliest possible date, likely through a statutory enactment proposed by the government. I hope members on all sides of the House would support such legislation to repair this regulatory problem.

[Translation]

The Deputy Speaker: It being 2 p.m., it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the motion now before the House.

The question is on the motion.

[English]

Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And five or more members having risen:

The Deputy Speaker: I see five people rising. Therefore, pursuant to an order made earlier today, the recorded division stands deferred until after government orders.

STATEMENTS BY MEMBERS

● (1400)

[English]

WOMEN'S CURLING

Mr. Rick Casson (Lethbridge, CPC): Mr. Speaker, Canada's women's curling championship, the Scotties Tournament of Hearts, is taking place this week at the Enmax Centre in Lethbridge Alberta.

Lethbridge hosted the Tournament of Hearts 20 years ago. It did a terrific job then, and from all accounts, it is doing it again this year.

Over 500 volunteers have come forward to help host the event. The host committee has rolled out the red carpet for curlers and fans alike. Enthusiastic crowds are cheering on provincial and territorial champions as they compete to become Team Canada, compete for the honour to proudly wear the maple leaf on the world stage.

Along with the great curling there are a lot of other events taking place during the week. On Sunday the Sandra Schmirler telethon hit a one day record by raising over \$140,000 to help sick kids. This coming Friday has been designated a red Friday to show support for our troops. Every day and every night the HeartStop Lounge is rocking with great local talent.

I invite everyone to drop in, or tune in, to the great city of Lethbridge, Alberta for all the excitement at the Scotties Tournament of Hearts.

* * *

STEVEN TRUSCOTT

Hon. Brenda Chamberlain (Guelph, Lib.): Mr. Speaker, people across this country have expressed strong support for Steven Truscott in his efforts to clear his name. Those in his community of Guelph are no exception.

People like Alice Hebden, a resident of Guelph for 80 years, knew Steven when he was at the Ontario Training School for Boys. She described Steven as kind, good natured, and someone who would do anything for anyone. During their time together at the school, Alice grew to love Steven like a son.

Throughout her decades as cook for the school, Alice saw so many troubled youths, but Steven stood out as someone special. When she passed away two years ago at the age of 99, Alice still believed in Steven and in his innocence. To her dying day she stood with Steven in his fight.

Stories like these are not rare for people who know Steven.

I would like to thank those in my riding for their continued efforts and the support that they have shown throughout this struggle for justice.

[Translation]

JEAN LEMIRE

Ms. Pauline Picard (Drummond, BQ): Mr. Speaker, for a number of months now, the name of Jean Lemire has been on everyone's lips. I want to pay tribute to this man from Drummondville who recently won two major awards.

He was named personality of the year in the human sciences, science and technology category at La Presse-Radio-Canada's Gala Excellence. Reader's Digest named him Hero of the Year for 2006 in the environment category.

The Jean Lemire team went on an important 430 day mission to the Antarctic peninsula on the sailboat the Sedna IV. This voyage allowed them to study the phenomenon of climate change.

The awareness raising and information gathering done by Jean Lemire and his team, as well as by thousands of experts, brings home to us how important this issue is.

My colleagues in the Bloc Québécois and I would like to congratulate and thank Jean Lemire and his team from the Sedna IV for their contribution to science.

[English]

CHILD SEXUAL EXPLOITATION

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, an epidemic is unfolding in this country in which thousands of our children, mainly girls, are forced into the sex trade just to survive.

The news out of Winnipeg today should be an eye opener for all of us. It is called survivor sex. It is replicated across the country. It is a tragedy spawned in poverty and desperation that is thriving on the inaction of the current government and past federal governments.

The Conservatives loudly proclaim they want to end child sexual exploitation yet yesterday they voted, as did unbelievably the Bloc, against an NDP anti-poverty strategy that would help these girls and their families out of poverty and desperation. Canadians are outraged. What are those members thinking?

Instead of cutting back on women's programs, shelters and services to help children and youth out of this hell, the Conservatives need to make a major injection of funds directly to victim outreach, shelter and prevention services. Instead of burying their heads in ideology they have to provide support to low income Canadians that will keep this epidemic from spreading.

The death of a 14 year old in Winnipeg has shone a spotlight on this deplorable situation. We dare not turn away.

● (1405)

CANADIAN FORCES

Mr. Brian Storseth (Westlock-St. Paul, CPC): Mr. Speaker, while today may not be red Friday, it is still a day to honour and remember our Canadian troops who risk their lives to defend and protect Canada.

My riding of Westlock-St. Paul is privileged to house Canada's top tactical fighter base, 4 Wing Cold Lake. it is known as the home of the fighter pilot and hosts Exercise Maple Flag, a six week international air combat exercise that takes place in May and attracts more than 5,000 participants globally.

As a vital component of the Canadian Forces, make no mistake that 4 Wing's success could not be achieved if it were not for the unsurpassed dedication of the brave men and women who lay their lives on the line defending Canadian airspace, flying search and rescue missions and providing aid during disasters such as floods and ice storms.

I thank those brave men and women for defending Canadian values at home and abroad. I thank them for creating a better and safer future for our children. I thank them for helping to restore peace around the globe. I thank them for risking their lives to save

May we celebrate red Fridays today, tomorrow and every day.

INTERNATIONAL MOTHER LANGUAGE DAY

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.): Mr. Speaker, I am honoured today to acknowledge and celebrate International Mother Language Day. This day was formally established by a unanimous vote at the 30th general conference of UNESCO in 1999 and celebrations have occurred on February 21 since then.

This is a day to acknowledge the contribution languages, including sign language, make to a diverse and multicultural society in Canada. Many of the 6,500 languages in the world are dying with the passing of the last generation who spoke them. We must work to preserve and celebrate our shared heritage. That is why I will be tabling a private member's bill today that calls on the government to establish a mother tongues day in Canada.

As a diverse and multicultural country that promotes these values around the world, it is vital that Canada take the lead in supporting these worthy initiatives.

CANADIAN FORCES

Mr. Russ Hiebert (South Surrey-White Rock-Cloverdale, CPC): Mr. Speaker, on January 28 a fundraising event was held in my riding to kick off the support our troops campaign to send packages, cards and letters of support to Canadian Forces serving in Afghanistan.

Books, Tim Hortons gift certificates and other items have been assembled into packages and are on their way to Kandahar. When I was in Afghanistan last month, I saw first-hand how much efforts such as these mean to our soldiers. Their rec centre is plastered with posters, banners and letters from Canadians. The kind of public support our troops see on the news and televised rallies through campaigns such as the support our troops initiative is appreciated more than we here in Canada realize.

I want to publicly recognize and commend Mr. Clifford Grant, the constituent who spearheaded this initiative and organizations such as the Rotary Club of White Rock, for their continued support of the Canadian Forces.

The pride we feel in our troops is no better expressed than through endeavours such as these.

* * *

[Translation]

DAIRY INDUSTRY

Mr. Robert Bouchard (Chicoutimi—Le Fjord, BQ): Mr. Speaker, in the past seven years, Saguenay—Lac-Saint-Jean has lost 194 dairy farms. The volume of dairy farms decreased by a third during this time. There are 398 farms left. In Saguenay—Lac-Saint-Jean, agriculture—dairy farming in particular—is a significant sector of the economy. It constitutes 47% of total farming revenues and jobs in the agriculture sector.

In order to boost this economic sector and protect the social and economic fabric of rural communities, the federal government must take action quickly because according to the UPA: "Quebec loses two farms with every day that goes by". This cannot continue.

The minister is trying to establish programs from coast to coast for the agriculture sector. By doing so, the minister is showing through his stubbornness that he is not very flexible, and he is putting at risk thousands of dairy farms in Saguenay—Lac-Saint-Jean and in Quebec.

* * *

[English]

AUTISM

Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC): Mr. Speaker, today I need to address an issue of political gamesmanship taken too far.

My 11-year-old son, Jaden, has autism. Bill C-304 purports to help families struggling financially when a child is diagnosed with autism. However, this bill is simply a political manipulation.

The Liberal member knows full well that this is a bill he could never have supported when he was in government. If this bill were to pass, autism would be the one and only disease or disorder named in the Canada Health Act. Cancer is not named. Neither is diabetes nor cardiovascular disease.

The member knows that only the provinces can act on the provision of ABA treatment if we are to maintain the integrity of the Canada Health Act. Why in most cases are the provinces not taking urgent action? That is a question to which voters should demand an answer from their provincial governments.

What the member does not get is that this is not an appropriate wedge issue to exploit for political gain. These are real people with real challenges who are desperate for real solutions. Bill C-304 does nothing but give false hope to families who deserve more than to be treated as pawns in a political game.

● (1410)

[Translation]

INTERNATIONAL MOTHER LANGUAGE DAY

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Mr. Speaker, today marks the sixth celebration of International Mother Language Day. More than 6,000 languages are spoken around the world. In addition to our two official languages, French and English, Canadians speak more than 100 languages altogether.

In my riding of Laval—Les Îles, 60% of the population speaks French as their mother language, for 10% it is English, and 30% speak another language.

To my constituents and to all citizens of this wonderful country, let us join together to celebrate our diversity and our culture. I hope, with globalization, that Canada will take full advantage of its diversity, which will enhance its ability to communicate and be more competitive in the global economy.

* * *

[English]

CHILD SEXUAL EXPLOITATION

Mrs. Joy Smith (Kildonan—St. Paul, CPC): Mr. Speaker, a provincial inquest this week in Manitoba was told that literally hundreds of vulnerable Winnipeg children as young as eight years old were selling their bodies to adult men for money, drugs and even food and shelter.

Detective Sergeant Coates of the Winnipeg Police Service was called to testify at the inquest of Tracia Owen, a 14 year old who started working the streets in the months before her suicide in August 2005. The teen hanged herself with a rope tied to the overhead door of a garage used by prostitutes.

Coates candidly admitted that most heinous sex offenders, adults who prey on young children, go largely unpunished because police lack the resources and ability to go after them. He also stated at the inquest that there needs to be a political will to go after these johns. Our government has that will.

I call on all opposition parties to support our government on the age of protection legislation and other justice legislation that will protect the innocent youth of our country. It is our obligation as Canadian parliamentarians to protect our children.

. . .

NORTHWEST TERRITORIES

Mr. Dennis Bevington (Western Arctic, NDP): Mr. Speaker, Canada's north has been called the last great bastion of colonial rule. While there have been some transfers of authority to the northerners, the north still lacks many of the essential powers that the provinces enjoy. In reality, the north is very much under Ottawa's thumb and that thumb belongs to the Minister of Indian Affairs and Northern Development.

In 1996 I co-chaired the Northwest Territories constitutional development steering committee that was tasked with developing a replacement for the current constitution, the federal Northwest Territories Act. The final recommendation from us was that constitutional development and finalization of aboriginal land and self-government claims should proceed together.

This recommendation was based on the fact that the Canadian Constitution protects both the right to public government and aboriginal inherent right of self-government. Since we have made that recommendation, there has been little progress on the right to public government in the Northwest Territories.

Because of this lack of progress, this weekend aboriginal and community leaders and I will be joint hosting a public forum in Yellowknife on NWT constitutional development.

* * * PEACE BRIDGE BORDER CROSSING

Mr. John Maloney (Welland, Lib.): Mr. Speaker, the Buffalo and Fort Erie Public Bridge Authority operates the second busiest passenger vehicle crossing in Canada, the Peace Bridge.

In 2004 the governments of Canada and the United States announced a land pre-clearance project at the bridge in order to ease congestion while at the same time maintaining high security standards. In good faith and with the financial assistance of the Liberal border infrastructure program, the Peace Bridge authority has continued with its plans for this pilot project by designing space to accommodate clearance facilities on the Canadian side of the plaza for both Canada customs and United States pre-clearance. The launch of this pilot project would be a breakthrough at local border crossings, very similar to the efficient and safe U.S. pre-clearance at our major airports.

All this progress, yet one stumbling block still remains. When will the federal governments of Canada and the United States agree to implement border pre-clearance which was announced in 2004? Should Canada be unable to resolve these difficult legal and operational issues with the United States by this spring, the Peace Bridge must revert to a traditional plaza design. This would be a tremendous regressive step and a huge setback to our trade with the United States.

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[Translation]

INTERNATIONAL MOTHER LANGUAGE DAY

Mr. Richard Nadeau (Gatineau, BQ): Mr. Speaker, International Mother Language Day, created during UNESCO's General Conference, was celebrated for the first time on February 21, 2000.

This celebration reminds us that mother languages "—are not only an essential part of humanity's cultural heritage, but the irreducible expression of human creativity and of its great diversity".

This day serves as a tool for the promotion of linguistic diversity as well as the preservation of cultural pluralism.

On this February 21, 2007, I would like to remind the House of the dishonour done to the French language by the Conservative government. By adopting the National Defence Official Languages Program Transformation Model, it made a mockery of the right of thousands of men and women to work in their mother language.

Quebec will remember those francophone ministers who, rather than defending their mother language, chose to bow to the will of their leader.

* * *

● (1415)

[English]

SENATOR JACK AUSTIN

Hon. Stephen Owen (Vancouver Quadra, Lib.): Mr. Speaker, it is an honour and a delight to rise in this House and turn toward the other place, and bid a fond adieu to Senator Jack Austin, who retires next week.

Senator Austin raises the bar for all parliamentarians: informed, reasoned, seasoned, articulate, and positive about all our country represents and what it can aspire to be.

From his humble beginnings at Harvard Law School, Jack has excelled as deputy minister of Energy, Mines and Resources, principal secretary to Prime Minister Trudeau, and then in Mr. Trudeau's cabinet as super minister for social policy involving 15 separate departments, and on to senior minister of British Columbia and government leader in the Senate in Prime Minister Martin's cabinet.

The key issues of Canadian policy have all benefited from Senator Austin's leadership: natural resources, aboriginal justice, our relationship to Asia, the Canada Health Act, and general good governance.

To all the hundreds of us who came to Ottawa bewildered by the majesty and confusion of it all, Jack is the mentor who stuck out as a class act.

* * *

[Translation]

MEMBER FOR DRUMMOND

Mr. Steven Blaney (Lévis—Bellechasse, CPC): Mr. Speaker, the member for Drummond recently said that in her riding, a number of organizations had sent her letters that proved the usefulness and importance of the summer career placements program to the development of their young people and their region.

I suspect the member is suffering from a severe mental "bloc" because she cannot even remember her own party's election platform and her very own words.

In 2000, the Bloc claimed that the youth employment strategy, the forerunner of the summer career placements program, was counterproductive and nothing more than a federal exposure program.

The Bloc also said that these programs "are out of touch with the global reality of Quebec's youth".

That is not all. Not long ago, the member for Drummond said that the federal government's summer career placement program that she now seems to feel is so necessary was "not adapted to Quebec's regions and directed youth towards big centres".

Surely the members of the Bloc are confused. They should be ashamed of flip-flopping and defending a program that they have been criticizing for seven years.

ORAL QUESTIONS

[English]

JUDICIAL APPOINTMENTS

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, a democratic country is in trouble when judges warn that the government is putting their independence in peril.

It is sad to say that the Canadian Judicial Council, led by the Chief Justice of our Supreme Court, wrote that the government, "—puts in peril the concept of an independent body that advises the government on who is best qualified to be a judge".

Will the Prime Minister agree to stop his unprecedented and unacceptable manipulation of our judicial system?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as the hon. member knows, under our constitutional system the naming of judges is the responsibility of the elected executive arm of government.

The government has established an independent consultative process that includes, in fact, a broader representation of voices than ever before. We do not want the judicial appointments process to become a private club of judges and lawyers. That is why we included voices as diverse as victims and the police.

[Translation]

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, this is not a matter of police forces, which we all respect. This is a matter of judicial independence. Independence is not an individual right of judges.

The judicial council wrote: "Judicial independence is not the private right of judges but the foundation of judicial impartiality and a constitutional right of all Canadians".

Why is the Prime Minister jeopardizing this constitutional right that belongs to all Canadians?

(1420)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, as the leader of the Liberal Party knows, under our constitutional system, it is up to the elected government to appoint judges.

We take our responsibilities very seriously. Which is why we created advisory committees that include more diverse representation than ever before, including police and victim representatives. The appointment process is not reserved for a private club of judges and lawyers.

Oral Questions

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, I explained the problem further to the Prime Minister. He need only read what the council wrote: "—there are seven members who are ... entitled to vote, with four chosen by the Minister of Justice. Because the majority of voting members are now appointed by the Minister, the advisory committees may neither be, nor seen to be, fully independent of the government. This puts in peril the concept of an independent body—"

Will the Prime Minister stop attacking the independence of Canadian judges?

[English]

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, obviously the Liberal Party opposes the change we have made, which is to give the police a voice in this process.

I am not surprised, given what I am reading in *The Vancouver Sun* today, when I read this how the Liberal Party makes decisions: "*The Vancouver Sun* has learned that the father-in-law of the member of Parliament for Mississauga—Brampton South—".

Some hon. members: Oh, oh!

The Speaker: Order, please. We are wasting a lot of time. The right hon. Prime Minister has the floor.

Right Hon. Stephen Harper: Mr. Speaker, I am simply reading what *The Vancouver Sun* reported.

Some hon. members: Oh, oh!

The Speaker: Order, please. We can go straight to the Bloc question if that is the preference. We are wasting time.

Some hon. members: Oh, oh!

The Speaker: The hon. member for Laurier—Sainte-Marie.

* * *

[Translation]

THE ENVIRONMENT

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, yesterday, the Pembina Institute showed the federal government that a plan with absolute reduction targets would cut in half greenhouse gas emissions by major industrial emitters, which are mainly oil companies. These absolute reduction targets would enable Canada to reach the Kyoto protocol targets.

With time running out and the future of the planet at stake, will the Prime Minister finally introduce absolute reduction targets, which everyone is calling for?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this government is the first to promise to regulate greenhouse gas emissions and air pollutants on a national level. That is why we introduced Canada's clean air act. We will be announcing our policy. I can assure all the members of this House that this government does not intend to take any measures that would threaten our economy.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, if he really intends to solve the problem, he should answer the question properly and clearly. Will there be absolute reduction targets?

Oral Questions

He also mentioned the economy. He says he will not do anything to threaten the economy. I would like to remind him that it would cost the oil companies between 58¢ and \$1.16 per barrel to offset their greenhouse gas emissions. They have more than enough money to do this, judging by the companies' annual surpluses.

Will he put the interests of Canadians or the interests of the oil companies first?

(1425)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, it was this government that put an end to the preferential treatment of the oil industry, thanks to the changes to energy trusts.

The Bloc leader says that it is possible, Yet the Bloc Québécois and the other opposition parties voted for a bill that called on the government to define its program. We must propose measures, and we intend to introduce proposals in the House of Commons.

Mrs. Claude DeBellefeuille (Beauharnois—Salaberry, BQ): Mr. Speaker, multinational oil companies had record profits in 2006, pocketing \$12.1 billion, an increase of 25% over 2005 and 70% over 2004.

In view of these astronomical profits, does the government not think that it would be quite justified to have oil companies contribute between \$0.58 and \$1.16 per barrel to the cost of reducing greenhouse gases?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I have stated very clearly that oil companies, just like all other Canadian industries, will have to comply with industry regulations. That is very important. Industries that are not able to improve their processes will have to bear the costs to ensure that the best technologies are used and that we reduce greenhouse gas emissions and improve air quality.

Mrs. Claude DeBellefeuille (Beauharnois—Salaberry, BQ): Mr. Speaker, the time has come to take action. The effects of climate change are omnipresent. The money is available as we can see from oil company profits.

Rather than insisting on defending the "poor"oil companies, why does the government not set absolute reduction targets, thus making it possible for a carbon exchange to be established?

Hon. John Baird (Minister of the Environment, CPC): Mr. Speaker, I have already said that this government will be the first in the history of Canada to regulate industry with regard to greenhouse gases as well as air quality. All Canadian industries will have to comply. That is very important. It will apply to Quebec industries and Alberta oil companies.

[English]

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, the all party committee dealing with climate change is moving at a glacial pace. In fact, glaciers are melting even faster than this committee is moving and it is time the Prime Minister told his MPs to get to work and start producing some results at that committee.

Yesterday, the Pembina Institute very conservatively estimated that it would cost about \$1.50 per barrel of oil to clean up the greenhouse gas emissions from the oil patch. That is worth a cup of coffee for each barrel.

Is that too much to ask of the petroleum industry, with its enormous profits? I ask the Prime Minister, what does he think about this eminently sensible proposition from Pembina?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, I do not know the basis on which that kind of argument was made. I can tell the hon. member that the proposal of the previous government was that the taxpayers of Canada would subsidize the purchase of credits by industry internationally.

We do not think that is a responsible environmental policy. We think the basis of regulation of greenhouse gases and air pollution should be the polluter pay principle, and this will be the basis of the plans we bring forward.

Hon. Jack Layton (Toronto—Danforth, NDP): Mr. Speaker, it is nice to hear the holier-than-thou phraseology, but the government is subsidizing the big oil and gas companies, and is perfectly happy to do it, apparently.

A VP at Suncor said yesterday, "We don't predict job losses or impact on the economy [because] of meeting Kyoto".

Shell has committed to a 50% reduction in its first oil sands project as long as it can be done voluntarily.

This industry has no reason to be fighting regulation and rules with the pollution that it is putting forward.

How can the Prime Minister continue to refuse to act on this situation when even the industry admits that it will not hurt the economy? When is he going to get going? Or on a day when Al Gore is here, calling on us to act as Canadians, will he continue to deny?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, we will take our own decisions as Canadians.

The leader of the New Democratic Party knows that the government has committed to bringing forward, for the first time, a compulsory program of regulation of industry for the control and reduction of greenhouse gases and air pollution.

I am not sure that those oil industry executives were quoted in context, but if they were, I look forward to their support when the government announces its plan.

* * *

● (1430)

JUDICIAL APPOINTMENTS

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the Prime Minister has made an absolutely uncalled for attack on the integrity of a member of the House, and in so doing has shown no respect for this institution.

Similarly, the Minister of Justice appears to show no respect for the institution of the Canadian judiciary. The issue is whether the Conservatives are prepared to listen to what the justices and chief justices of this country are saying. Stop this foolish policy and reverse course.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, since the opposition apparently will not let me read into the record what *The Vancouver Sun* reported, let me say this. It is very clear from the Air-India families, and I think from the police community and the wider Canadian community, that we expect the Air-India investigation to go forward.

It is an important police investigation and nothing in the Liberal Party should interfere with that. It was the Liberal Party that passed these anti-terrorism measures in the first place. Rather than playing partisan games in politics, it should pass it again and allow the police to do their job.

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the insinuation of the Prime Minister that this side of the House would put the public interests of our country—

Some hon. members: Oh, oh!

Mr. Michael Ignatieff: His insinuations do not deserve a reply.

I repeat my question. Will the Minister of Justice listen to the chief justices of our country, or will he get up in the House and say that they are wrong?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, everyone in the country knows, including many in the media who do not normally support this party, that the Liberal Party supported these anti-terrorism measures. Everyone knows that the entire frontbench of the Liberal Party supported those measures until two weeks ago when the leader of the Liberal Party started playing caucus games with the safety and security of Canadians. He should be ashamed of himself.

* * *

THE PRIME MINISTER

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, the Prime Minister's allegations are simply beneath contempt. The Prime Minister has attempted in the House to impugn the character and the reputation of an hon. member of Parliament. That is absolutely unacceptable.

Does he know if the newspaper story was correct or incorrect? Has he followed due process in making the allegations that he was proposing to make? Will he simply withdraw that character slur against a member of the House and live up to the basic decent standard of a prime minister?

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the hon. member—

Some hon. members: Oh, oh!

The Speaker: We will have some order, please. We are wasting a great deal of time today. We will have a little control in here.

The right hon. Prime Minister has the floor to answer the question asked by the member for Wascana.

• (1435)

Right Hon. Stephen Harper: Mr. Speaker, the hon. member in question can take up the facts of the story with *The Vancouver Sun* if he likes. However, everybody knows that the Liberal Party has done a complete flip-flop on an issue that is of vital concern to the safety

Oral Questions

and security of Canadians without explanation. It is inexcusable. It should reverse its position and get back to doing the right thing.

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, the Prime Minister has just confirmed that, to him, partisan advantage is everything. The truth does not matter; it is the allegation that counts. Never mind what the facts are in the final analysis. He just proved his devious and deceitful behaviour and he does not pay any attention to the consequences to any Canadian.

Will the Prime Minister withdraw those allegations and apologize to this House?

Some hon. members: Oh, oh!

The Speaker: Order, please. I would remind hon. members that this is question period. It is not for allegations particularly. We are supposed to be asking questions and getting answers, and we are getting them on both sides, it would seem to me.

The right hon. Prime Minister.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, the Liberal Party can choose to ignore, if it wants, what is in the newspaper. The Liberals can choose to ignore what they want from this party. What they should not be ignoring is the fact that even the Air-India families are saying that the position they are now taking will jeopardize the police investigation into the Air-India terrorism act.

The Liberal Party has no excuse for that position. It is an irresponsible position and it should change that position.

* * *

[Translation]

BIOSAFETY

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, the biosafety protocol has been ratified by 139 countries. Its purpose is to develop a legal framework for determining to what extent multinationals and local growers are responsible when seed or non-GMO species are contaminated with GMOs. Neither Canada nor the United States has ratified the protocol, and neither country is willing to pay for damage caused by GMOs.

How can Canada, which is one of the world's four largest GMO producers, justify its opposition to developing a legal framework unless it is because the government refuses to recognize the polluter-pay principle?

[English]

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, the Government of Canada signed the biosafety protocol in April 2001. To signal our support for that objective, we have actively participated in the three meetings of the parties to the protocol as well as a number of technical task forces. We continue to work with that group to address the legal and technical questions that the protocol has raised.

We have not ratified this protocol yet due to the concerns regarding this lack of clarity. As these working groups put this clarity together and answer those technical questions, we look forward to continuing to support that protocol in the days ahead.

Oral Questions

[Translation]

[English]

Mr. Bernard Bigras (Rosemont—La Petite-Patrie, BQ): Mr. Speaker, the government refused to apply the polluter-pay principle to big oil companies, and now it wants to shelter GMO-producing multinationals from exposure to legal action.

Is the government's refusal to ratify the biosafety protocol further proof that when it comes to GMOs, it intends to put the interests of multinationals ahead of those of farmers and consumers?

Hon. Chuck Strahl (Minister of Agriculture and Agri-Food and Minister for the Canadian Wheat Board, CPC): Mr. Speaker, as the hon. member has pointed out, Canada is one of the largest users of GMO products and those are not used by multinationals. Those are used by our farmers from coast to coast.

We want to ensure that the regulatory regime that comes forward from this biosafety protocol addresses the technical issues, the safety issues and the regulatory issues so when we sign on to this protocol, we will be able to do so with confidence, and our Prairie farmers and Quebec farmers will be able to say that they can continue to do business after we sign on.

[Translation]

NATIONAL DEFENCE

Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, the federal government committed to ensuring that Afghan prisoners would not be tortured and that they would be treated in accordance with the Geneva Convention until their transfer to Afghan authorities. Amnesty International deplores the lack of compliance with that convention.

Can the Minister of National Defence tell us why Canada refuses to follow the example of the Netherlands, which obtained the right to follow up on prisoners transferred to Afghan authorities, in order to ensure that they are treated humanely, that they are not tortured and that their rights are respected?

● (1440)

[English]

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, the current arrangement for detainees was made by the previous government. In that agreement, the International Committee of the Red Cross is mandated to visit and monitor detainees to ensure that they are treated in accordance with the standards of the Geneva Convention. The arrangement also recognizes the role of the Afghan Independent Human Rights Commission with respect to human rights and detainees.

Last fall the president of the International Committee of the Red Cross said that Canada was scrupulous in notifying the Red Cross when it took prisoners and handed them over. We are satisfied with the current arrangements.

[Translation]

Ms. Caroline St-Hilaire (Longueuil—Pierre-Boucher, BQ): Mr. Speaker, in addition to Amnesty International, Louise Arbour, the High Commissioner for Human Rights, stated that cases of extortion, torture, prolonged imprisonment without trial, and the

systematic violation of the rule of law are frequent. The U.S. Department of State has reached the same conclusions.

Given these worrisome findings, what is the Minister of National Defence waiting for to put an end to his wilful blindness and immediately emulate the approach taken by the Netherlands with respect to the transfer of prisoners to Afghan authorities?

[English]

Hon. Gordon O'Connor (Minister of National Defence, CPC): Mr. Speaker, we are in Afghanistan in support of the Afghan government. When lawbreakers come into our hands, we hand them over to the proper authorities. As I previously explained, they are handed over with all the protections of international laws on prisoners.

* * *

[Translation]

THE PRIME MINISTER

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, I have been part of this Parliament for 11 years. I have never seen anything as low as what the Prime Minister tried to do against a member of this House.

It is unbefitting a prime minister. I am asking the Prime Minister to apologize and retract his comments.

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this government is trying to follow through on antiterrorism measures adopted by a Liberal government and supported by the Liberal Party until a few weeks ago, a few days ago in fact. Because of the actions of the Liberal Party, police investigations are in danger. It is the Liberal Party that should apologize and offer an explanation to Canadians for its irresponsible positions.

[English]

Hon. Stéphane Dion (Leader of the Opposition, Lib.): Mr. Speaker, at that time, some members of the Conservative Party voted against these two dispositions. They voted for the sunset as well.

That is not the point. The point is the Prime Minister tried to tarnish the reputation of a member of the House. It was so low. Many of us have never seen it in 11 years in Parliament. The Prime Minister must withdraw and he must apologize.

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, the Leader of the Opposition said that some members of the Conservative Party voted against something about four or five years ago.

It seems to me that those members have a lot of explaining to do when they told the Canadian public, in the last election, that they wanted to get tough on crime and they wanted to increase mandatory minimum sentences. What have they done? They have fought our attempts to get rid of house arrest for serious crimes. They have fought our attempts to increase mandatory minimum sentences. They want to weaken terrorism laws. The only thing they have been consistent about is they have been complaining about police officers every day for the last three weeks.

[Translation]

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): Mr. Speaker, a prime minister is supposed to represent all citizens in this country, all Canadians. We expect a prime minister to behave like a head of state. Today, the Prime Minister uttered words unbefitting a prime minister.

Some hon. members: Oh, oh!

Hon. Lucienne Robillard: Fortunately we were here to prevent him from saying even more, Mr. Minister of Transport.

Will the Prime Minister apologize for what he dared to do in this House?

• (1445)

Right Hon. Stephen Harper (Prime Minister, CPC): Mr. Speaker, this Prime Minister has not had the opportunity to say anything because of the actions of the Liberal Party. I simply want to say that because of the actions of the Liberal Party caucus, we have put police investigations in danger with respect to the Air India case, the largest act of terrorism in Canadian history. Because of an irresponsible and inexplicable policy, where the Liberal Party decided in caucus to vote against its own—

The Speaker: The hon. member for Westmount—Ville-Marie.

Hon. Lucienne Robillard (Westmount—Ville-Marie, Lib.): Mr. Speaker, all those who are watching this question period and those who will read the transcripts of this question period will know what the Prime Minister's intention was. It is very clear. This is unparliamentary.

Today he is trying to completely change the story. We even asked him, at first, how he could put his ideology ahead of judicial independence.

Then he made allegations about an hon. member of this House, who was democratically elected, and he is not even able to apologize

The Speaker: The hon. Minister of Justice.

[English]

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, what is clear is that the Liberal Party has no intention of fulfilling the obligations it made to Canadians in the last election. It promised to get tough on crime and to support us on that but it has done absolutely nothing.

With respect to the Prime Minister, his job is to protect and defend Canadians and that is exactly what he is doing with this legislation.

FISHERIES ACT

Mr. Blaine Calkins (Wetaskiwin, CPC): Mr. Speaker, I am alarmed to hear that opposition parties are threatening to play political games to undermine the new fisheries bill, even though they have agreed that we need to modernize this 139 year old act or risk jeopardizing 21st century fisheries.

Could the Minister of Fisheries and Oceans assure the House that he remains committed to accountability, transparency and protecting Canadian fisheries and fish habitats?

Oral Questions

Hon. Loyola Hearn (Minister of Fisheries and Oceans, CPC): Mr. Speaker, I have never been more committed to dealing with this act, which would replace the one that is 139 years old. The provinces want it, the industry wants it, the fishermen want it and their unions want it.

I hope, with the help of my colleagues, we will refine the act to make it the kind of act that everybody wants. We can do it in second reading and in committee. I am willing to work with them. If they do not want to do that, they can answer to their constituents.

* * *

AIRLINE SECURITY

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, Canada's aviation inspectors understand air safety better than anyone and they are telling the minister that his so-called SMS, self-serve safety, is a literal disaster waiting to happen.

These inspectors know what they are talking about. We need only look at what happened to railway safety and marine safety when oversight was handed over to the industries' CEOs. Accident rates rose and safety plummetted.

Will the minister listen to those who know best and stop his attempt to turn Canadian airline passengers into cannon fodder? Will he stop playing games with the safety of Canadians?

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, the facts are the following. We are putting in place a security management system that basically calls upon everybody who is involved in the industry to add on an additional layer in terms of security and safety to those who take our airlines.

In that sense, we are continuing to be the safest airways, not only in Canada but throughout the world. I call upon my colleague to support these actions. They are good actions for Canadians.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, the fact is, the minister is promoting the reckless endangerment of Canadians.

Eighty per cent of Canada's inspectors say that the minister's self-serve safety will prevent them from correcting safety problems before they happen. Three-quarters of Canada's inspectors believe that a major accident will occur soon and that the public would lose confidence in aviation safety if they knew what reckless, feckless plans the minister has.

The minister is putting Canadian lives at risk. Why will he not listen to those who know aviation safety best?

• (1450)

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC): Mr. Speaker, surely it is not my hon. colleague who knows aviation safety the best.

Oral Questions

We have been working extensively on this file. We are putting in new layers of protection. We are ensuring that our inspectors are doing the job.

Incidentally, we have just appointed a review panel to look at railway safety in the country. We are acting and that party is not doing anything.

* * *

THE PRIME MINISTER

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, the Prime Minister made two allegations in this House. The first one was against the character and integrity of a member and his family. The second one was the political insinuation that this side of the House would make its decisions on a matter of public policy in order to protect that member.

I would ask him to withdraw both of those allegations.

Hon. Rob Nicholson (Minister of Justice and Attorney General of Canada, CPC): Mr. Speaker, what is very disappointing is the Liberal position with respect to the Anti-terrorism Act. This was put in by a Liberal government five years ago. The police supported it, members of the Liberal party supported it and the Conservative Party and its antecedents supported it.

To make a change at this time, when police are counting on these weapons to fight terrorism in this country, I do not buy the Liberals' story that somehow the problem has gone away. We need it more today than we ever needed it and they should get behind it and support it.

Mr. Michael Ignatieff (Etobicoke—Lakeshore, Lib.): Mr. Speaker, a clear question was asked in this House about unsubstantiated allegations. The House deserves the respect of a clear answer to a question that relates to the integrity of a member.

Some hon. members: Oh, oh!

The Speaker: Order, please. The government House leader has risen to answer the question raised by the hon. member for Etobicoke—Lakeshore and we will hear the answer.

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, we are getting into the realm of points of order here. I think the member may wish to raise those at the appropriate time.

I was in the House and I did not hear any allegation made. I know there was an effort to read an article. I often hear that being done by members on the other side.

However, the real question is why the member for Etobicoke—Lakeshore, with all the things he has said about the dangers of terrorism in this world and all the positions he has taken, which are far more aggressive than the Anti-terrorism Act, has now joined his leader in flip-flopping on this issue and wanting to oppose the Anti-terrorism Act protections that Canadians need to rely on.

Hon. Bill Graham (Toronto Centre, Lib.): Mr. Speaker, I rise with considerable difficulty, given the decorum in the House today, but I believe it would be obvious to you and to all members what caused it.

I would add my voice to those who would ask our Prime Minister to speak with the voice of Canada, to speak with the decency of politics, to speak with the consideration that members of this House have always shown for one another and apologize and withdraw what clearly was going to be a drive-by smear against a young, hon. member of this House who is seeking to represent his constituents and his country.

Will he do the decent thing and speak up?

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I respect what the hon. member said about decorum. It would be nice to have a little in the House so we could deal with these issues.

However, it is a very odd situation. We are being asked to apologize for something that was about to happen. I think the Liberals should apologize for what they are about to do in terms of the Anti-terrorism Act.

The problem that is facing Canadians is a very serious one and it is not a question of games in the House of Commons. It is not a question of who is calling each other names or that kind of thing. It is a question of the security of Canadians. It is a very serious and profound question. The Liberals may be trying to dodge and divert, but the fundamental issue remains.

• (1455)

Hon. Bill Graham (Toronto Centre, Lib.): Mr. Speaker, that answer, unfortunately, seeks to move the question away.

What I am asking is that the Prime Minister restore civility in the House and restore the sense of dignity of politics in our country and to speak for all Canadians and for what Canada is about, which is decency and respect for one another as we seek to resolve essential issues of the day.

What we want is a Prime Minister for Canada, not for partisanship, every day in the House.

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, there can be no less partisan issue in the House than the question of the extension of the Anti-terrorism Act provisions. Hundreds of Canadians have lost their lives in terrorist acts. All Canadians are at risk should these provisions not be extended.

The question is not the issue that the Liberals are trying to divert us to today. The question is why the Liberals will not look at reversing themselves on this. Why have they flip-flopped on it? Why are they willing to give up those protections? Canadians need that explained to them.

[Translation]

EQUALIZATION

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, when he tabled his budget yesterday, Quebec's minister of finance made it abundantly clear that correcting the fiscal imbalance would involve changing the equalization formula, which must include all 10 provinces and all their revenue sources.

Oral Questions

In his budget, will the Minister of Finance respond positively to this request, which reflects a unanimous consensus of all the parties in the National Assembly?

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, as I am sure the member opposite is aware, I will not talk about what might or might not be in the budget.

We have had extensive consultations over the course of the past more than one year now with respect to that issue and other issues. We have reviewed all the studies. Certainly the finance ministers and the first ministers have had discussions. My colleague across the floor will have to wait until the budget, which will be March 19.

[Translation]

Mr. Pierre Paquette (Joliette, BQ): Mr. Speaker, we are not asking the minister to divulge what is in his budget. The minister said that the solution he would propose to correct the fiscal imbalance would be based on clear principles.

What I am asking is whether these principles will include the 10province rule and 100% of those provinces' revenues, including both renewable and non-renewable natural resources? That is what I am asking. It is a question of fairness.

[English]

Hon. Jim Flaherty (Minister of Finance, CPC): Mr. Speaker, the principles upon which predictable, long term funding will be based to resolve the fiscal imbalance and create fiscal balance will be in the budget.

HEALTH

Mr. Mike Wallace (Burlington, CPC): Mr. Speaker, HIV-AIDS affects people from all walks of life in all parts of the world. Earlier this week, the Prime Minister, the Minister of Health, the Minister of International Cooperation and the Minister of Industry, along with Mr. Bill Gates, announced funding for research into the development of an HIV vaccine.

Would the Minister of International Cooperation share with the House the importance of this initiative in regard to HIV-AIDS research?

[Translation]

Hon. Josée Verner (Minister of International Cooperation and Minister for la Francophonie and Official Languages, CPC): Mr. Speaker, I thank my colleague for his question.

Yesterday, the Government of Canada, along with Bill Gates, announced that it was investing \$111 million in the Canadian HIV vaccine initiative. This major investment shows that Canada is an international leader in HIV-AIDS research and prevention. Of course, we have also contributed \$250 million to the global fund to fight AIDS, tuberculosis and malaria, and, last December, we announced \$120 million in funding for nearly 20 projects.

[English]

THE PRIME MINISTER

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, the last time the Conservatives accused us of being soft on terror, they were slurring Maher Arar.

Earlier in the House, the Prime Minister said that if I doubted a particular story in The Vancouver Sun I could check with the newspaper.

Did he not check himself before proposing to use that news story in the House of Commons? Does he subscribe to the view that any old smear will do? Why will the government simply not do the honourable thing today and withdraw that allegation?

● (1500)

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, once again the member is talking about something that he is supposing we were about to say. Had it been said, I suppose opposition members could explain the article themselves. They had an opportunity to do that on the public record. They still have the opportunity to explain it and I do not wish to deny that to them.

The real issue is that this is a diversion. The real issue is that the big question of the day is the serious question of the Anti-terrorism Act and the risk that Canadians are being put at because the Liberals are pulling their support for those important public security measures.

EMPLOYMENT INSURANCE

Mr. Yvon Godin (Acadie-Bathurst, NDP): Mr. Speaker, last March Clearwater of Glace Bay, Nova Scotia locked out around 100 workers. In June 2006 it decided not to reopen the fish plant. The federal government rejected the workers' claims for employment insurance, since there are no benefits during a strike or lockout and the dispute was not over. However, the EI ruling gave the workers full benefits, including retroactive payments, but the federal government decided to appeal the ruling.

Could the minister please explain to these workers why he is letting them down?

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, obviously, it is a tragedy whenever anyone loses their job. In situations like this, there are a range of benefits that are available for people if they meet the standards, and 83% of people who lose their jobs through closures like this ultimately are able to get benefits

In some cases, there is a dispute. Those disputes are sent to an objective body, to an arm's-length body, a panel of referees, and ultimately, it is appealed again to an umpire. That process is now underway.

Privilege

[Translation]

Mr. Yvon Godin (Acadie—Bathurst, NDP): Mr. Speaker, this situation is unacceptable. These workers have not received any money for a year or more. They will have to wait at least six months because the government has appealed. The message being given to the workers is very clear: not only are we going to abandon you, but we will do everything possible to avoid helping you. These workers and their families deserve much more.

Will the minister withdraw the appeal filed by this government, which is unfair to its workers?

[English]

Hon. Monte Solberg (Minister of Human Resources and Social Development, CPC): Mr. Speaker, this member is really way out of line here. The government has moved to help workers on many occasions, including the targeted initiative for older workers. We have extended unemployment benefits in areas of high unemployment.

In this case, I can guarantee the member that this is a fair process and that people will be treated fairly. As I pointed out earlier, workers are able to get benefits. I would urge the member to let the process take its course.

PRESENCE IN GALLERY

The Speaker: I would like to draw to the attention of hon. members the presence in the gallery of The Right Honourable The Baroness Scotland of Ashtal, Minister of State, Home Office of the United Kingdom.

Some hon. members: Hear, hear!

ROYAL ASSENT

[English]

The Speaker: I have the honour to inform the House that a communication has been received as follows:

Rideau Hall

Ottawa

February 21, 2007

Mr. Speaker:

I have the honour to inform you that the Right Honourable Michaëlle Jean, Governor General of Canada, signified royal assent by written declaration to the bills listed in the Schedule to this letter on the 21st day of February, 2007, at 11:05 a.m.

Yours sincerely,

Sheila-Marie Cook

Secretary to the Governor General

The schedule indicates the bills assented to were Bill C-28, A second Act to implement certain provisions of the budget tabled in Parliament on May 2, 2006, and Bill S-1001, An Act respecting Scouts Canada.

• (1505)

PRIVILEGE

ALLEGED REMARKS BY PRIME MINISTER DURING ORAL QUESTIONS

Hon. Ralph Goodale (Wascana, Lib.): Mr. Speaker, I rise on a question of privilege pertaining to the deeply disturbing events that took place during question period today. The issue that seized question period is a terribly serious issue and it cannot be treated with the frivolous disregard that we saw from the government over the course of the last hour or so.

There can be no doubt about the Prime Minister's intention. He can try to hide behind the excuse that he did not get an opportunity to read his insult into the record, but there is no doubt about what that insult was intended to be.

This is a matter that has impugned the character and the reputation of an hon. member of this House. The Prime Minister was asked on no less than 12 occasions to withdraw those remarks and to apologize to this House. That opportunity, that invitation, was ignored by the Prime Minister.

He has avoided the opportunity of doing the right thing, the honourable thing, and that kind of conduct in this House by the Prime Minister or anyone else simply cannot be condoned. To move on to the ordinary flow of business without first raising this issue is absolutely untoward.

Therefore, Mr. Speaker, I invite you to review the record of what happened here very carefully. As soon as people have had an opportunity to read the transcript in *Hansard* from question period and as soon as members have informed themselves of the *Hansard* record, I invite you to hear arguments in this House about how the reputation of this member of Parliament, an hon. member, has been impugned by the Prime Minister and by the government, and that cannot be allowed to stand.

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, on the same question of privilege, I heard the opposition House leader actually raising a question of privilege that did not relate to himself, and I understand that is not the way in which questions of privilege are to be raised in this House. Second, it is a very unusual question of privilege relating to something that was not said and that is particularly unusual.

I however would like to raise a question of privilege about something that was in fact said by the member for Wascana and therefore is very much in order, and that is his comments today where he accused the Prime Minister in fact of being deceitful.

As the Speaker well knows and all member of this House know, that is unparliamentary. On February 23, 1970 at page 3953 of *Hansard* and on May 19, 1970 at page 7087 of *Hansard*, Mr. Speaker, you will find that it was ruled unparliamentary to accuse another member of being deceitful.

All of us who were here heard those words actually spoken by the member for Wascana, and therefore he should withdraw those words and apologize to the House.

Hon. Ralph Goodale: Mr. Speaker, if the House leader is in fact offended by that reference, of course I withdraw it. However, it does not undermine the basic point today, that the behaviour of the government is unacceptable and that behaviour must be corrected on the record of the House of Commons.

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Mr. Speaker, I would also like to raise a question of privilege with respect to the comments that were made in the House today. I had the opportunity to listen to the Prime Minister attack my integrity, the integrity of my family, and I would personally ask that the Prime Minister apologize.

(1510)

Hon. Peter Van Loan: Mr. Speaker, I will simply restate the point that I made. I did not hear any words spoken in this House. I did hear an article referenced. If the hon. member has a difficulty with what was actually in that article, words which were never spoken by any member of this House, then his remedy lies within the courts with that newspaper.

Hon. Ralph Goodale: Mr. Speaker, the government House leader cannot do indirectly what he cannot do directly.

The House leader said that he heard nothing spoken. I would refer him to the written *Hansard* of today where the Prime Minister is quoted as saying: "*The Vancouver Sun* has learned that the father-in-law of the member of Parliament for Mississauga—Brampton South—".

That clearly identifies the article. There is absolutely no doubt about what was intended here and the government cannot hide behind a fiction.

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, it was very difficult to actually hear the comments that were made during question period because of the complete bedlam that took place.

We would like the opportunity, if you are not making a ruling immediately, Mr. Speaker, to actually review what the *Hansard* said because the response that was given is something we would like to look at. We would like to reserve the right to make a comment after we look at the *Hansard* when it comes up and we actually see the comments that were made.

The Speaker: That is exactly what the Speaker will do when we have finished the mini debate that is taking place on this item now. I suggest that we leave the matter here, so that all hon. members will have the opportunity to review the *Hansard*, and so that we are not arguing on the basis of what might have been said during the excessive noise that occurred during question period today.

ROUTINE PROCEEDINGS

[English]

COMMITTEES OF THE HOUSE

JUSTICE AND HUMAN RIGHTS

Mr. Art Hanger (Calgary Northeast, CPC): Mr. Speaker, I have the honour to present, in both official languages, the ninth report of the Standing Committee on Justice and Human Rights.

Routine Proceedings

In accordance with the order of reference of Tuesday, June 13, 2006, the committee has considered Bill C-10, An Act to amend the Criminal Code (minimum penalties for offences involving firearms) and to make a consequential amendment to another Act, and has agreed on Tuesday, February 20, 2007, to report it with amendments.

PROCEDURE AND HOUSE AFFAIRS

Mr. Gary Goodyear (Cambridge, CPC): Mr. Speaker, I have the honour to present, in both official languages, the 35th report of the Standing Committee on Procedure and House Affairs.

Pursuant to Standing Order 111.1, the committee examined the qualifications and the competence of the nominee, and agreed that the nomination of Mr. Marc Mayrand as Chief Electoral Officer of Canada be concurred in.

[Translation]

FINANCE

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Mr. Speaker, I have the honour to present in both official languages, the Thirteenth Report of the Standing Committee on Finance in relation to Bill C-37, An Act to amend the law governing financial institutions and to provide for related and consequential matters, with amendments.

[English]

I would like to thank all the members for handling the bill expeditiously and allowing me to chair the committee once again.

HUMAN RESOURCES, SOCIAL DEVELOPMENT AND THE STATUS OF PERSONS WITH DISABILITIES

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, I have the honour to present, in both official languages, the ninth report of the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities regarding Bill C-257.

* * *

INTERNATIONAL MOTHER LANGUAGE DAY

Mr. Sukh Dhaliwal (Newton—North Delta, Lib.) moved for leave to introduce Bill C-407, An Act respecting an International Mother Language Day.

He said: Mr. Speaker, it is an honour for me today to table my first private member's bill, an act to declare February 21 international mother language day.

Many thanks should be given to the mother language lovers of the world for their tireless efforts in advocating this cause. As one of the diverse and multicultural countries that promotes these values around the world, it is vital that Canada take the lead in supporting these worthy initiatives.

I hope that all members will see the importance of supporting the bill.

Routine Proceedings

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

* * *

● (1515)

CHIEF ELECTORAL OFFICER

Hon. Peter Van Loan (Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, by prior agreement of all the House leaders and as was done the last time the House appointed a Chief Electoral Officer, I would seek the consent of the House to move a motion, which is seconded by the member for Wascana, the member for Roberval—Lac-Saint-Jean, and the member for Vancouver East. I move:

That, in accordance with section 13 of the Canada Elections Act, Chapter 9 of the Statutes of Canada, 2000, this House appoint Marc Mayrand as Chief Electoral Officer.

The Speaker: Is there consent to proceed with three seconders as indicated by the government House leader?

Some hon. members: Agreed.

[Translation]

The Speaker: 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]

PETITIONS

DAYLIGHT SAVING TIME

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I have a petition signed by a number of Yukoners who no longer want to change the time on their clocks as is done in a number of parts of Canada. There are some parts of Canada where this does not occur. The petitioners feel that changing the time on clocks upsets people's rhythms. There is daylight all day long in the Yukon in the summer, so why would we change the time on the clocks?

The petitioners call on Parliament to stop time change practices in the Yukon.

MARRIAGE

Mr. Ed Fast (Abbotsford, CPC): Mr. Speaker, it gives me great pleasure to rise in the House to table a petition signed by 32 residents from across British Columbia.

The petitioners call on Parliament to recognize the traditional definition of marriage as that of one woman and one man to the exclusion of all others.

CONSUMER PRICE INDEX

Ms. Chris Charlton (Hamilton Mountain, NDP): Mr. Speaker, I am pleased to table a petition which builds on the questions that I have been raising in the House about fairness for ordinary Canadians who were shortchanged by their government as a result of an error in calculating the rate of inflation.

The petitioners call on Parliament to take full responsibility for this error and take the required steps to repay every Canadian who was shortchanged by a government program because of the miscalculation of the CPI.

This petition is signed by hard-working people in my riding of Hamilton Mountain who are simply seeking some fairness from their government to help them make ends meet.

MAIL DELIVERY

Hon. Gurbax Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition signed by constituents of Bramalea—Gore—Malton.

The petitioners call upon the Minister of Transport, Infrastructure and Communities to review Canada Post's recent decision to locate community mailboxes along formerly designated rural routes and restore home to home mail delivery and thus avoid threats to personal safety.

COPYRIGHT

Mr. Art Hanger (Calgary Northeast, CPC): Mr. Speaker, I have two petitions to present to the House today.

In the first petition, the petitioners call upon Parliament to ensure generally that users are recognized as interested parties and are meaningfully consulted about proposed changes to the Copyright Act and to ensure in particular that any changes at least preserve all existing user's rights, including the right to use copyrighted material under fair dealing and the right to make private copies of audio recordings.

The petitioners call upon Parliament further not to extend the term of copyright and to recognize the rights of citizens to personally control their own communication devices.

(1520)

CHILD PORNOGRAPHY

Mr. Art Hanger (Calgary Northeast, CPC): Mr. Speaker, the second petition deals with child pornography.

The petitioners call upon Parliament to protect our children by taking all necessary steps to ensure that all materials which promote or glorify pedophilia or sado-masochistic activities involving children are outlawed.

ELECTORAL REFORM

Ms. Catherine Bell (Vancouver Island North, NDP): Mr. Speaker, I am pleased to present petitions regarding electoral fairness. There are over 400 signatures.

People from my riding signed these petitions in support of a consultation process, an open process to consult with Canadians on the values and principles that they want to see in their electoral system and also to report those findings back to Parliament.

I thank these residents of my riding for their continued support for electoral reform.

GENETIC USE RESTRICTION TECHNOLOGIES

Mrs. Nina Grewal (Fleetwood—Port Kells, CPC): Mr. Speaker, it gives me great pleasure to rise here today on behalf of the constituents of Fleetwood—Port Kells to present a petition signed by hundreds of residents from my riding.

The petitioners call upon Parliament to enshrine in legislation a permanent ban on genetic use restriction technologies to ensure that these are never planted, field tested, patented or commercialized in Canada.

IMMIGRATION

Ms. Peggy Nash (Parkdale—High Park, NDP): Mr. Speaker, on behalf of over 100 hard-working Canadians I am very happy to introduce a petition in support of my once in a lifetime bill.

The petitioners understand that family reunification should be a key component of a fair immigration policy and that the current family class rules are too restrictive and mean that many close relatives are not eligible. They want the Parliament of Canada to ensure that Canadian citizens and landed immigrants are given a chance once in a lifetime to sponsor a family member from outside the current family class as currently defined in the Immigration and Refugee Act. I thank them for submitting this petition.

RIGHTS OF THE UNBORN

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Mr. Speaker, I have the honour today to present a petition on behalf of the residents of Kitchener—Conestoga and the surrounding area.

The signatories of this petition recognize that the Supreme Court, on January 28, 1988, stated that it is for Parliament to enact the appropriate defences of its legitimate interest in the lives of all subjects, including those yet in the womb.

In light of that, the petitioners are requesting that Parliament consider restoring to the Criminal Code the prudence it held prior to 1968 by removing the words "after becoming a human being" from subsection 223(2).

THE ENVIRONMENT

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, I have a petition to present which has to do with the Kyoto protocol. The petitioners note that the world's climate scientists are agreed that the impacts of climate change will become catastrophic unless we reduce greenhouse gas emissions immediately. The petitioners call on Parliament to honour the legal commitment to the Kyoto treaty.

GENETIC USE RESTRICTION TECHNOLOGIES

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, this petition concerns the terminator seed technology. The petitioners are calling upon Parliament to enshrine in legislation a permanent national ban on terminator technologies to ensure that they are never planted, field tested, patented or commercialized in Canada.

HOUSING

Ms. Libby Davies (Vancouver East, NDP): Mr. Speaker, this petition is signed by many people in Vancouver and elsewhere in British Columbia. They point out that more than two million Canadians are in desperate need of affordable housing. They also point out that assistance should be provided to the 10,000 co-ops that

Government Orders

lost their subsidies and that 200,000 units of affordable and co-op housing be built based on a national housing strategy. They call on Parliament to make sure that this becomes a priority.

* * :

OUESTIONS ON THE ORDER PAPER

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I ask that all questions be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

* * :

MOTIONS FOR PAPERS

Mr. Tom Lukiwski (Parliamentary Secretary to the Leader of the Government in the House of Commons and Minister for Democratic Reform, CPC): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[English]

CANADIAN HUMAN RIGHTS ACT

The House resumed from February 19 consideration of the motion that Bill C-44, An Act to amend the Canadian Human Rights Act, be read the second time and referred to a committee.

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

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: On division.

The Deputy Speaker: I declare the motion carried. Accordingly, the bill stands referred to the Standing Committee on Aboriginal Affairs and Northern Development.

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

* * *

● (1525)

CANADA TRANSPORTATION ACT

The House resumed from February 6 consideration of Bill C-11, An Act to amend the Canada Transportation Act and the Railway Safety Act and to make consequential amendments to other Acts, as reported (with amendment) from the committee, and of the motions in Group No. 1.

The Deputy Speaker: If I remember correctly, the hon. member for Eglinton—Lawrence had six minutes left when we last visited this piece of legislation.

Hon. Joseph Volpe (Eglinton—Lawrence, Lib.): Mr. Speaker, yes, we were talking about Bill C-11, a transportation bill that was born out of much policy development by the former Liberal government. I complimented the current government for having had the wisdom to adopt the bill that preceded this one and was divided into three parts in order to secure speedier passage in the House. We have done that already with one bill. This is the second one. There is a third one coming up.

I know that my colleagues on the transport committee are busy in committee right now. I am not suggesting that they are not here and therefore that it is bad; I am saying that they are involved in the business of the House in another place and it is left to me to carry the load, as it were.

The last time we spoke to this bill, we addressed one aspect of the importance of Bill C-11. What we were looking at really was establishing a mechanism for resolving disputes between public passenger service providers and railway companies. In other words, we were looking for access to rail lines for those commuter companies, especially in main centres like Vancouver, Toronto and Montreal, so that they could have an opportunity to develop commuter services on lines that were already existing. They wanted to have access and this legislation provides for their getting that access.

They also wanted to have an appropriate mechanism for arriving at an acceptable market driven and public policy driven price for that access. They were looking for mediation. This legislation provides it, as did its predecessor.

Finally, when rail companies are in the process of divesting themselves of the assets, they would be offered up to the commuter companies on a predetermined basis.

The last time we were discussing this in the House we talked about the importance of this as public policy. It is integrated into the legislation and for that purpose the legislation demands our support. In fact, it should have our support.

There is a series of other important issues here. My colleagues know that if we can pass this legislation expeditiously, we will have seen the fruit of the labour of at least two governments.

The Liberal government, in which I was proud and privileged to serve as a cabinet member, had come forward with transportation policy that reflected the real needs of the day some 24 months ago. There has been a different government for well nigh on 13 or 14 months, and here we are, still here with that same piece of legislation that would have authorized the government to put in place the kinds of things that consumers, the industry and the Canadian public as a whole demanded and which the economy needed to have in order to ensure there would be an efficient, safe transportation network around the country. Whether it involved rail or air was immaterial. The issues were those that required the opportunity for government to intervene to ensure that the efficiency, security and safety of those mechanisms be always there.

Safety is defined of course as all Canadians always define it, that the security and safety of the person always be first and foremost, but it includes as well the security and safety of the movement of goods and services. I know that my colleague from Montreal agrees with me, being a former justice minister who at the time was a consultant on the language of the legislation. I am sure he is pleased to see the realization of the sum of his thoughts.

It is true that we have finally as parliamentarians come forward with something that addresses, as I said, the economy and the consumer.

(1530)

For members of the House to think about anything other than passing this piece of legislation would be a disservice to the entire Canadian commonweal.

Some members are making suggestions about a series of amendments that ought to take place. We have accepted a good number of those amendments. I say that we have accepted them not because we are presenting the legislation. We originated the legislation, but we are not the ones who have proposed it to the House. We did propose it, and the opposition parties of the day turned it down, especially those on the extreme left of the spectrum. They are on the extreme left of this House too and they have almost disappeared.

Mr. Speaker, I know you will not be offended by that because you are one of the few who has been here longer than I have, and whose hair is greyer than mine, and you are always interested in transportation issues. Those transportation issues are absolutely crucial to the proper functioning and the economy of this country. The infrastructure cannot move along without a good infrastructure in law and that is what this bill is supposed to represent.

We support it. It is not ours, but it comes very close to what we wanted to do. We always want to look out for the interests, safety and security of Canadians and the proper, efficient functioning of an economic infrastructure that would allow us to profit by our own enterprise.

I will take 10 seconds to note that the rail strike by CN has gone on for far too long without government attention. I deplore the fact that the Minister of Transport has not addressed this issue. It cries for government attention, but the government is being inattentive and inactive.

I leave on those very careful words. We hope that the government will become active on and attentive to an issue that is crucial to everybody. I know the hon. member will agree with me when I say that all members on this side of the House, the good guys, want immediate action.

[Translation]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, I listened carefully to my Liberal colleague's presentation about how much he wants Bill C-11 to be adopted.

I would like to review the history of this bill because it is a nearly word-for-word copy of part of Bill C-44, which was introduced by the Liberals in the previous Parliament.

One of the reasons Bill C-44 never went through, that is, was not adopted before, is that the Liberal Party itself decided to block its own bill. Bill C-44 had a whole section devoted to developing VIA Rail. It wanted to change VIA Rail from a Crown corporation to an independent corporation to enable it to grow. Among other things, the bill promoted VIA Rail's growth and development. VIAFast would have made it possible to build a high-speed train from Quebec City to Montreal and from Montreal to Windsor.

My question is simple: Why is the Liberal Party in such a hurry today? Why was it not in a hurry when it was in power during the previous Parliament?

Hon. Joseph Volpe: Mr. Speaker, the answer is clear. The member need only look in a mirror. The answer can be found in the power of the member who asked the question.

If his party had had the opportunity or wisdom to say that it was a very good bill and that they would support it, we would already have this legislation and the legislation on VIAFast.

However, the Bloc Québécois, their NDP friends and the Conservatives wanted an election rather than legislation that would have given Canadians everything they now want for the citizens of Quebec, Ontario and the rest of Canada.

• (1535)

[English]

It is a very simple answer. Had those members accepted what we presented some 15 months ago, we would not be talking about this legislation because we would have already had it implemented. They wanted an election instead. They had it and now this is what we have. They wanted change and they deplore it now.

[Translation]

Mr. Mario Laframboise: Mr. Speaker, I listened to my Liberal colleague. As he very well knows, the Liberals were divided and the Chrétien team definitely wanted VIAFast and the bill concerning VIA Rail to be passed, while supporters of the hon. member for LaSalle—Émard wanted simply to abandon that part of the bill.

Once again, my hon. colleague's memory fails him. As he very well knows, the Liberal Party itself did not want the VIAFast project to proceed. However, the Bloc Québécois always supported the VIA Rail option and Bill C-44.

I hope my colleague will be able to make the distinction, now that he is transport critic. He need only read past editions of *House of Commons Debates* to see that it was not the Bloc Québécois that prevented the VIA Rail project from proceeding, rather it was his own party.

Hon. Joseph Volpe: Mr. Speaker, that is far from the truth. As you know, 18 years ago, I was one of the first members in this House to want a VIAFast system, as it is known today. At the time, the costs were estimated at \$2 billion. Just imagine.

He speaks of the Chrétien team project. It was the Liberal team. A feasibility and viability study with a price tag of almost \$12 billion was being considered. We were discussing the feasibility of such a cost for a project. The Liberal team had already accepted, in principle, the project establishing a VIAFast system between Quebec City and Windsor.

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We are not altering history. I am living it. It is the present. We want Canadians to have access to high speed rail. I am here today to support a good project. It is not the best project, because the best project was the one proposed by the Liberal Party and the Liberal government 16 months ago. Unfortunately, today we must accept the second best, but we have to do it.

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Mr. Speaker, on behalf of the Bloc Québécois, I am pleased to speak to Bill C-11, An Act to amend the Canada Transportation Act and the Railway Safety Act and to make consequential amendments to other Acts. As hon. members could see by the exchange I had with my Liberal colleague earlier, the Bloc Québécois was in favour of Bill C-44, which preceded Bill C-11.

Unfortunately, Bill C-44 did not make it through the legislative process because of the infighting within the Liberal family, namely whether VIA Fast would see the light of day or not. The leadership of the Liberal Party changed and VIA Fast did not see the light of day. In the meantime, an entire section of Bill C-44 was devoted to making VIA Rail an independent corporation that would be able to ensure its own development. Today, once again, the railway sector is stagnating.

However, Bill C-44 was divided into a number of bills, including Bill C-11, which is now before us. Since the beginning, the Bloc Québécois has been very interested in the development of this bill for the simple reason that it includes several sections—I am not saying they are big sections, just that they are very important—on the problems that some of the population might experience, the noise problem in the rail road sector, among others.

The purpose of Bill C-11 is to help all citizens, all Quebeckers, who are experiencing problems with noise. There are some major problems with noise, such as the noise generated by the big railroad yards, the Moreau yard in Hochelaga, the Joffre yard in Lévis—Bellechasse, formerly Charny, the Farnham yard in Brome—Missisquoi and the Pointe-Saint-Charles yard in Jeanne-Le Ber in Montreal's east end.

With the new technology, jobs have been lost. Employees have simply been replaced by remote controlled technology. This causes an infernal noise when the cars are being connected to the locomotives or to other cars.

With the arrival of this technology, in the 1990s, jobs were cut to save money. What was once done by hand, more intelligently and less noisily, was replaced by technology, and no one has yet found a solution to the problem of remote linking. It takes a lot of momentum to join cars together. People living near marshalling yards have to put up with a terrific amount of noise, not to mention locomotives running practically day and night, even during cold weather.

All this causes problems for the people living near marshalling yards, in addition to all the other noise and vibration problems.

I would like to read clause 95.1 of the bill:

When constructing or operating a railway, a railway company must cause as little noise and vibration as possible—

Previously, the bill mentioned noise only, and the Bloc Québécois worked very hard to have the word "vibration" included. Now, the bill requires that companies cause as little noise and vibration as possible. We hope that the bill will be adopted.

I will continue to read from clause 95.1:

- -taking into account
- (a) its obligations under sections 113 and 114, if applicable;
- (b) its operational requirements;
- (c) the area where the construction or operation takes place; and
- (d) the potential impact on persons residing in properties adjacent to the railway.

The bill amends the act by adding provisions that state that companies operating a railway must cause as little noise and vibration as possible and must take into account the impact on persons residing in properties adjacent to the railway.

For the first time, the Transportation Act is being amended to enable the agency, under clause 95.2, to issue and publish guidelines and receive complaints. This was not allowed previously. Courts ruled that even though the Transportation Agency had wanted to get involved in the complaint process, it did not have the authority to do so. In one case in Ontario, the courts told the agency that it did not have the authority to intervene and that even though it issued recommendations and acted as a mediator, it could not force the company to comply with those recommendations.

(1540)

That is where the law stood. Obviously this prompted a lot of people who objected to join together and organize to express their opposition. When they became aware of the judgment of the Ontario court, they decided that there was no point and they were spending their money for nothing.

All of these communities got together and wanted to challenge this, and tried to get the railway companies to change, in particular, as I said earlier, the Moreau switching yard, the Joffre yard in Lévis—Bellechasse, the Farnham yard in the riding of Brome—Missisquoi and the Pointe-Saint-Charles yard in the riding of Jeanne-Le Ber.

The people who live near those yards decided to step back and try to reach an amicable agreement. All the Transportation Agency did was arrange a meeting. They met with representatives of the railway companies. The citizens' groups tried to explain their problems to the companies, and in some cases, some of the companies adopted some solutions.

However, when it came to noise, when the noise was a problem for people, the companies came up with all sorts of reasons. When it cost the company a bit too much, they did nothing. And if they were presented with good recommendations, they did not apply them or did not follow them, even though, in some cases, agreements had been made between the company and the citizens' groups.

I myself have met with members of the public, with citizens' groups, and even with representatives of the company, in particular in Hochelaga, the riding next to the Moreau yard. Even though we showed good faith, when we took part in that meeting—my colleague from Hochelaga was there—nothing came of it.

In any event, before the railway company representatives left the meeting, they said that the complaints merited consideration, but they never adopted any solution after that.

This is what people want and what this bill provides that is new: that from now on, the Transportation Agency can receive complaints and make and publish recommendations, and compel the companies to abide by them.

Obviously, it must be understood that we would have wanted more from this bill. It refers only to noise and vibration; it says nothing at all about environmental damage or the other requests that a number of my colleagues had made to me. Even though the railway companies make huge profits, they are not always inclined to comply with environmental standards, to pick up their garbage or what have you. As well, when they lay new tracks, they often leave all the wood lying there all along the rail line. They are in no hurry to clean up.

We were very aware of that and we wanted to propose some amendments. Yet the government went ahead and tabled its noise bill. Since we are on the subject today, we have to be very careful when we propose amendments: amendments that change the spirit of the bill are not allowed. As such, our amendments were automatically dismissed by the legislator or counsel representing legislative services here in Parliament.

Our colleagues submitted good changes and good amendments that they would have liked to have seen reflected in the act, but their amendments were found to be unacceptable by counsel for the legislators here in Parliament.

It is not that we did not try; it is that the law did not let us. Clearly, the government only wanted to address noise. Consequently, we could not move on other problem areas. We managed to include vibrations because they can be considered a noise problem.

As to the other interesting and intelligent amendments proposed by members of the Bloc Québécois and others, we could not move them through; the legislator found them to be unacceptable because they would have altered the spirit of the bill.

This bill includes other provisions concerning air travel complaints. There is to be a complaints commissioner who will address these issues directly.

As I am sure hon. members are all too aware, there have been a lot of complaints about Air Canada. So the complaints commissioner's office will also include a section to address complaints from citizens who were not served in their official language when using Air Canada services or who have experienced other problems related to airlines.

This will make it easier to file a complaint, and, once again, the office of the commissioner will have the power to intervene. We hope that this bill will be adopted swiftly.

● (1545)

[English]

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, I listened to the comments by my colleague, the hon. member for Argenteuil—Papineau—Mirabel, and do not disagree with many of the remarks he made. I know that he was an active participant in the construct of this bill.

I also agree with him when he says that our rail system is stagnating. I know he is aware that we in the NDP have been aggressively trying to champion the state of our national rail system. Many of us believe that we should be making a conscious effort to get the freight off trucks and back on the rails where it belongs.

In fact, I have heard you, Mr. Speaker, make that very point in this chamber many times over the years.

My colleague from Burnaby—New Westminster put forward some amendments to this bill, which I think were seconded by my colleague from Western Arctic. I am hoping that the Bloc can see fit to support these amendments when it comes time to vote. Specifically, they are Motions Nos. 2 and 5 and Motions Nos. 3 and 11. We are optimistic that we can count on the Bloc's support.

On the issue of noise, let me simply say that my riding of Winnipeg Centre is bordered by a significant rail yard where the hostlers are constantly putting trains together. I am well aware of how residents feel about the noise in the night as the hostlers couple the trains. Sometimes prairie trains are 200 and 300 cars long. A significant amount of that goes on.

However, that inconvenience is offset by the enthusiastic support that we as Winnipeggers feel for our national rail system. We lament and in fact we terribly regret and even criticize how the rail system in Canada has been dismantled systematically by years of neglect. It has been dismantled by successive federal governments that are not in favour of a national rail system and prefer to put the freight on the road, much to the expense of the environment, jobs and everything else that goes with it.

Having said that, I hope we can count on my colleague's support for the motions that the NDP did succeed in putting forward to amend Bill C-11. Perhaps he can give us that assurance today.

• (1550)

[Translation]

Mr. Mario Laframboise: Mr. Speaker, I will answer the first part of his question.

With regard to rail transportation, I hope that my colleague realizes that there is another staunch supporter of the railway system, the Bloc Québécois. I agree with him insofar as the rest of Canada is concerned, but in Quebec, the Bloc Québécois defends the railway system.

From the very beginning, when Minister Collenette tabled the bill—a bill pertaining to VIAFast and a high-speed train between Quebec City and Montreal and Montreal and Windsor—the Bloc Québécois has been in favour of the project. That is why we are supporting this bill today.

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The New Democratic Party has tabled motions to amend or remove, among other things, clause 3 of the bill, which states that the Transportation Agency shall have five members. There were seven and that number has been reduced to five. The witnesses heard by the committee clearly showed that it was possible.

First, the agency has been working with five members for two years for various reasons, including the fact that other members were not replaced and budget constraints. We feel that it has been proven that the Transportation Agency can deal with the number of files it has with five members.

I regret that I must say that we cannot support them in that regard. We can understand the government's budget constraints. We can work with the government as long as the budget constraints are reasonable. In this case, we thought that reducing the number of members of the Transportation Agency from seven to five was reasonable. Obviously we will be voting against the NDP amendments.

I am also aware of the last part of the question posed by my hon. colleague, concerning problems facing the railway sector. Yes, there are some safety problems. Yes, trains are now too long. This bill probably should have had some provisions in that regard. Trains are now so long that, in certain areas of the country—including Quebec—it is difficult for firefighters and paramedics to ensure the safety of citizens because roadways are so obstructed that emergency service vehicles cannot get through. This could not be included in this bill because the government had not listed it and thus it would have changed the nature of the bill.

This issue was covered in the amendments proposed by my Bloc Québécois colleagues. Yes, we would have liked to ensure that emergency services were able to travel more freely. We would have also liked to be able to limit the length of trains. We must force the government to introduce another piece of legislation or introduce private members' bills, which we could try to have adopted here in the House. Nonetheless, the amendments we proposed would have changed the nature of the bill and therefore were ruled out of order. Thus, it was not for lack of trying.

I understand my hon. colleague's problems. Things are going so well in the rail sector. As I said earlier, they are making plenty of money. We do not understand why they have not resolved the noise problem. Nevertheless, we will have to address the issue of long trains some day, because they are creating problems in certain areas of Quebec.

● (1555)

[English]

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

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Deputy Speaker: I declare the motion carried.

(Motion No. 1 agreed to)

The Deputy Speaker: The next question is on Motion No. 2. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.
Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And five or more members having risen:

The Deputy Speaker: A recorded division on the motion stands deferred.

The next question is on Motion No. 3. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Deputy Speaker: All those in favour of the motion will

Some hon. members: Yea.

please say yea.

Some hon. members: No.

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

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

I declare the motion lost. (Motion No. 3 negatived)

The Deputy Speaker: The next question is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Deputy Speaker: I declare the motion carried.

(Motion No. 4 agreed to)

The Deputy Speaker: The next question is on Motion No. 5. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.
Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And five or more members having risen:

The Deputy Speaker: The recorded division on Motion No. 5 stands deferred.

The next question is on Motion No. 6. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Deputy Speaker: I declare the motion carried.

(Motion No. 6 agreed to)

• (1600°

The Deputy Speaker: The next question is on Motion No. 7. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed. **An hon. member:** On division.

The Deputy Speaker: I declare the motion carried.

(Motion No. 7 agreed to)

The Deputy Speaker: The next question is on Motion No. 8. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed. **An hon. member:** On division.

The Deputy Speaker: I declare the motion carried.

(Motion No. 8 agreed to)

The Deputy Speaker: The next question is on Motion No. 9. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Deputy Speaker: I declare the motion carried.

(Motion No. 9 agreed to)

[Translation]

The Deputy Speaker: The question is on Motion No. 10. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Deputy Speaker: Motion carried on division.

(Motion No. 10 agreed to)

[English]

The Deputy Speaker: The next question is on Motion No. 11. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.
Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

Seeing no members rising, I declare the motion lost.

(Motion No. 11 negatived)

The Deputy Speaker: The next question is on Motion No. 12. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Deputy Speaker: I declare the motion carried.

(Motion No. 12 agreed to)

The Deputy Speaker: The House will now proceed to the taking of the deferred recorded division at the report stage of the bill.

Call in the members.

And the bells having rung:

The Deputy Speaker: The vote on the motions stands deferred until today after government orders.

* * *

INCOME TAX AMENDMENTS ACT, 2006

Hon. Jay Hill (for the Minister of Finance) moved 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 bijural expression of the provisions of that Act, be read the second time and referred to a committee.

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, I appreciate the opportunity to introduce Bill C-33 at second reading.

The bill proposes measures regarding the taxation of non-resident trusts and foreign investment entities, as well as implementing certain technical amendments to the Income Tax Act.

The bill before the House today is indeed complex. Rather than focusing on its technicalities, I will illustrate for hon. members just how Bill C-33 fits into the commitment of how Canada's new government is working to improve our tax system and make it more competitive.

First, how can we have a competitive tax system when Canadians have been paying more taxes than is necessary? This new government believes that Canadians have been overtaxed for too long and we need to move that burden of excess taxation so we can encourage the qualities that are at the very core of what drives and enriches Canadian lives. That is what makes Canada competitive, especially in the global marketplace.

Why should Canadians keep handing over so much of their hardearned money to government? Canadians need to keep more of their money. They need it to invest in their own families, in their own priorities and in their own futures. They also need it to invest in our economy and help businesses thrive. That helps all of us as Canadians.

The time is now to take less from Canadians in terms of taxes. That is what Canada's new government started doing in budget 2006 and will continue to do.

Members need only look at our record. We delivered almost \$20 billion in tax relief to individual Canadians and families over two years. That is more tax relief in one budget than the previous government's last four budgets combined.

As members know, we reduced the GST from 7% to 6% effective July 1, 2006, and there is more to come. We made a further commitment with respect to another percentage point reduction. Cutting the GST cuts taxes for everybody, including those who do not earn enough to pay income tax. Is that not fair?

We did more for individual Canadians by providing personal income tax relief. We increased the basic personal amount and reduced the lowest personal income tax rate. These two measures will provide personal income tax relief of \$4.6 billion in 2006-07 and 2007-08.

Last fall, the Minister of Finance announced the new tax fairness plan for Canadians. The plan will restore the balance and fairness to our tax system and create a level playing field between income trusts and corporations. This plan will also deliver over \$1 billion of new tax relief annually to Canadians.

The measures in this plan are significant steps forward in the strengthening of our social security system for pensioners and seniors.

Canada's new government also recognizes the importance of Canadian businesses to a strong economy and we want to create a supportive economic environment that helps businesses compete and grow, and that rewards success.

In budget 2006, we started by eliminating the federal capital tax as of January 2006. We will be eliminating the corporate surtax in 2008 and we will be reducing the general corporate income tax rate to 19% from 21% by 2010.

These cuts will allow Canada to regain the solid statutory tax rate advantage that we had prior to the 2004 tax changes in the United States. We also helped small businesses.

An important way that Canada's federal income tax system supports the growth of small businesses is through a lower tax rate on the first \$300,000 of qualifying income earned by a Canadian controlled private corporation. This measure helps these small businesses to retain more of their earnings for reinvestment and expansion, thereby helping to create jobs and promote economic growth in Canada.

To further encourage small business growth in Canada, in last year's budget we increased the amount of small business income eligible for the reduced federal tax rate to \$400,000 from the current limit of \$300,000 as of January 1, 2007. We also reduced the current 12% income tax rate applying to qualifying small businesses to 11.5% in 2008 and 11% in 2009.

I have spoken thus far about how Canada's new government has reduced taxes, both on a personal level as well as a corporate level. This reflects how this new government is dealing with the excessive taxation that Canadians have endured for far too long.

(1605)

Canada's new government is committed to cutting taxes. In his speech for the recent economic and fiscal update, the Minister of Finance introduced advantage Canada, an economic plan designed to make Canada a world leader for today and future generations. It will help build a strong Canadian economy and make our quality of life second to none through competitive economic advantages.

One of the key advantages in this plan is a commitment to reduce taxes for all Canadians and establish the lowest tax rate on new business investment in the G-7. The tax back guarantee announced in the plan will ensure that Canadians benefit directly from debt reduction by dedicating interest savings from debt reduction each year to permanent personal income tax reductions. Any unanticipated surpluses will be used to accelerate that reduction and, hence, tax reduction.

Lower debt means less interest, which means lower taxes for Canadians. In short, this plan will create the right conditions and opportunities for families and businesses to succeed. As to the taxation of non-resident trusts and foreign investment entities, part of the equation in keeping taxes low is that everyone needs to keep their fair share and that is where the measures in Bill C-33 come in.

Bill C-33 moves forward in this government's goal in promoting fairness and equity in our tax system. Specifically, the bill amends provisions of the Income Tax Act to prevent tax deferral and avoidance though the use of foreign investment funds and trusts. In other words, if someone tries to avoid taxes by using these investment vehicles, any income earned on that investment will be taxed as if it were earned in Canada.

It is important to point out that most of these changes concerning non-resident trusts and foreign investment entities proposed in this bill are the result of extensive consultations with taxpayers, professional tax advisors and the taxation authorities.

It is also important to emphasize that the measure in the bill to prevent tax deferral and avoidance through the use of foreign investment funds and trusts is intended to protect the tax base as opposed to raising additional revenues. In fact, activity of this nature has moderated substantially in years. Bill C-33 would ensure that if that activity does occur, the income earned will be taxed as if earned in Canada.

Canada generally imposes income tax on the income of taxpayers resident in Canada from all sources. On the other hand, Canada generally taxes just the Canadian source of income of taxpayers that are not resident in Canada. An income tax incentive therefore exists for Canadian residents to earn investment income using non-resident trusts and foreign investment entitles based in a country other than Canada that imposes no tax or a low tax.

What this means is that without effective countermeasures, such as those proposed in Bill C-33, residents of Canada who use non-resident trusts and foreign investment entities to earn investment

income would inappropriately avoid or defer the payment of Canadian taxes. That creates unfairness.

Avoiding taxes in that manner not only erodes the Canadian tax base, it creates inequities which, in turn, undermine the integrity of our tax system. The effect of these rules is that investment income earned by non-resident trusts and foreign investment entities on behalf of Canadian residents will be taxed in Canada. That income would have been taxed in Canada if the income were earned by resident trusts and resident investment entities on behalf of those Canadians. Therefore, the tax advantages of using non-resident trusts and foreign investment entities will be eliminated.

Not only that, the measures in Bill C-33 would have the effect of eliminating erosion of the tax base, promoting the integrity of Canada's tax system and levelling the playing field for all investment vehicles, whether Canadian or foreign based. These are important considerations

The measures I just outlined constitute the major portion of Bill C-33. However, the bill also includes a number of technical amendments to the Income Tax Act that would accomplish a number of housekeeping objectives.

The amendments are too numerous to mention. Suffice it to say that the proposed amendments correct or clarify the application of existing income tax provisions or provide legislative authority for measures that have already been announced. Moreover, the bill proposes measures to deal with other income tax situations that require a legislative response.

• (1610)

In conclusion, when considering the bill today, I remind hon. members of the two important objectives of the proposed legislation.

First, Bill C-33 promotes fairness in our tax system. The measures proposed in the bill will help reduce inappropriate tax avoidance by ensuring that income from foreign investments is properly reported. The second objective, which goes hand in hand with the first, is to protect the integrity of Canada's tax system and deter the erosion of the tax base. Bill C-33 would address both of these objectives in such a way that will improve our tax system for the benefit all Canadians.

Since its election, Canada's new government has taken important steps in building a more successful Canada. Bill C-33 would help us continue down that road of prosperity by transforming the tax system into a competitive edge, not an impediment.

Mr. Roger Valley (Kenora, Lib.): Mr. Speaker, my colleague mentioned Canada's new government. I point out that the present Conservative government is the first government to raise income tax. It raised income tax on the lowest common denominator and did it at a time when it could least afford it.

I will go back to one of the first speeches I heard the finance minister make. He talked about how much Canadians would save with the GST cut. He spoke about homes in eastern Ontario. He spoke about \$50,000 vehicles. People in my riding do not have the opportunity for those kinds of purchases. They will be unable to save the grand amount of money about which the Conservatives speak.

How much money can people save with a GST cut when they do not have any disposable income? How much money can people save with a GST cut when they do not have a job? How much money can people save with a GST cut when first nations people are marginal people in Canada? Could the member tell us how much they can save when they have no money to spend?

Mr. Dean Del Mastro: Mr. Speaker, the member mentioned an increase in personal income taxes, and we know that is not true. Budget 2006 set in law a reduction of personal income tax, which included the lowest personal level. He may want to check his facts. That is, in fact, factually correct.

He touched on the GST reduction of which I am very proud. He asked me how much people could save if they were in the lower income bracket. I believe in reducing the taxes on our lower income brackets, and that includes Canadians who do not pay income tax whatsoever. I suggest the member consider those people who do not pay income tax and the fact that we need to give tax reductions to those people who need it more than any of us.

(1615)

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Speaker, my colleague spoke about tax fairness. If anything, it should be tax complicated. The bill is 542 pages, which further compounds the absurdity of our taxation system.

The government has failed to address two issues of tax fairness, on which I would like the member to comment.

One is what the government calls tax motivated expatriation, in polite terms. We call it sleazy, tax cheating loopholes in the form of offshore tax havens. This does not plug offshore tax havens. It talks about earnings offshore et cetera, but it does not talk about sheltering money offshore to avoid paying taxes altogether. We expected the Conservative government to act on that issue of tax fairness because it was certainly critical when the Liberal government failed to act on it

The second thing is the government did raise the basic lowest tax rate from 15%, as proposed by the Liberals, to 15.5%. It may seem small, but at the low income level it is serious. The other thing it did was reduce the basic personal exemption, the amount on which no taxes are paid, which means we pay taxes on more of our income. Hardly anybody seemed to notice this.

How can those members possibly say that they lowered the lowest level of taxes when they raised it? Have they considered the impact this had on low income Canadians, when the basic personal exemption went from \$9,039 to \$8,639 as of July 1, 2006, a \$400 lower basic personal exemption?

Mr. Dean Del Mastro: Mr. Speaker, I will address the hon. member's first question on the use of offshore tax havens, which is a concern of mine.

Government Orders

The hon. member might be interested to know that, in the prebudget consultation document, I specifically championed a recommendation that the government should look into the use of offshore tax havens and eliminate them. I know the finance minister is interested in this and he is working on it. I appreciated that the Bloc members also supported the motion and had it put into the finance committee's recommendations.

On the hon. member's second question, my point is quite simple. The government, in law, reduced the basic lowest tax rate to 15.5% from 16%. I am aware there were three budgets in 2005 from the former Government of Canada, the third of which made amendments to the tax act that were never passed in law.

Budget 2006 reduced the lowest personal income tax rate and increased the basic personal exemption in law from their previous levels. That is my point.

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, the hon. member has now heard three times that the government, on July 1, 2006, increased taxes from 15% to 15.5%. It also reduced the basic personal income, as the member from the NDP said. This is despicable because people with high incomes, who did not ask for a tax break at the expense of low income people, received a tax break. It would not have hurt nor would it have cost very much to give people with low income the same tax break as people with high income. It was totally unfair.

Is the hon, member proud that his government deceived Canadians and told them it would never again tax income trusts? It was a blanket statement during the campaign. The Prime Minister said, "Never again".

A single mother in my riding wrote to me. She said that all her money had been put into a registered education savings plan for her son. She had done so on the promise of the Prime Minister. That day it went down 25%. Is the hon, member proud of that deceit?

● (1620)

Mr. Dean Del Mastro: Mr. Speaker, the hon. member may want to check his facts. Budget 2006 removed 655,000 low income Canadians off the tax bracket permanently, plus it reduced the GST for all Canadians. That was tax fairness.

On the hon. member's question relating to income trusts, I am very happy to take that. Does the hon. member believe that all Canadians should pay more taxes so corporations pay no taxes? Is that his point? Would he like to see the Government of Canada pursue that? I do not think that is tax fairness whatsoever.

The government did the right thing for standing up for Canadians. The hon. member should support it.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, it is not a question of whether the government taxed the income trusts. The hon. member for Yukon is correct. The government made a promise that it would not do so.

We in the NDP are intellectually honest about it. We said that we never should have had income trusts in the first place. Without notification, the Conservative government reversed itself. Thus, thousands of pensioners and individuals, who trusted the words of Conservative government, that it would not tax income trusts, lost thousands of dollars.

The hon. member can stand up and at least apologize to the constituents of the member for Yukon and to other Canadians. If he cannot blush and admit he was wrong, then at least say he is sorry, that eventually the government had to do the right thing. At least apologize for screwing these people out of so many thousands of dollars.

Mr. Dean Del Mastro: Mr. Speaker, I enjoyed listening to the hon. member's question. Quite frankly, I am amused the way he comes around to making his point. When something is clearly the right thing to do, one does it, that is leadership.

Clearly, as the finance minister has outlined, the situation pertaining to income trusts changed. That meant we had to take a different position on it, and it was the right thing to do. It has been backed up by credible sources, including the Governor of the Bank of Canada and every finance minister in Canada.

I know Liberal members are trying to make hay on this, and the actions they have taken are deplorable. We have taken a position of leadership for Canadians, one of which I am very proud. I am very proud of this government and the leadership it is demonstrating in protecting the tax base. We will be able to provide the services on which Canadians rely and a system of tax fairness by the decisions the government has made. I stand behind those decisions.

Hon. John McCallum (Markham—Unionville, Lib.): Mr. Speaker, I am very pleased to rise in debate on the bill. As my colleague opposite said, it is a technical bill. I do not think it is very controversial and it does useful things. In fact, it was produced under the Liberal government. Therefore, I do not think my party will have trouble supporting it.

However, I did notice a few of the comments of my colleague across the way and I would like to comment on some of them.

His comment about the allegation that the Conservatives cut income tax is a very good illustration of why politicians in our country are in such disrepute in public opinion. While he uses a technical argument about legalities, that our tax cut was not in legislation, the fact is it happened. Every Canadian who filled out his or her tax form paid that lower tax. The basic personal exemption actually went up under the Liberals. Yes, it was passed by a ways and means motion, but it happened, it was reflected on the tax forms and in the taxes paid by every Canadian. Then the Conservatives came along and raised the tax and put more Canadians on the tax rolls by reducing the basic personal exemption.

What I have just said is true. Every Canadian who has filled out his or her tax form knows it. The Conservatives raised income tax. Now they are saying they cut it, which is patently false, except if we use this legality subterfuge, which matters not a whit to Canadians who pay their income tax.

The point is the Conservatives raised income taxes and added people to the tax rolls in order to finance their GST cut. That is bad enough in itself, but when they do not have the basic honesty and decency to admit it, then I believe they have put all politicians into disrepute.

● (1625)

Mr. Dean Del Mastro: Mr. Speaker, I rise on a point of order. Quite frankly, we are debating Bill C-33 and his comments have nothing to do with it.

The member is basically suggesting that I have misled the House. I have not misled the House, and I ask that the point be—

The Deputy Speaker: Order, please. I think the hon. member for Markham—Unionville was speaking about the hon. member's party collectively. The rules are such that he can say pretty much what he likes about people collectively as long he does not reflect on individual members.

The hon. member for Markham-Unionville.

Hon. John McCallum: Thank you, Mr. Speaker. I did refer to the bill and I also am following up on some of the points the hon. member made in his own speech.

To resume that part of my speech, what I said is that not only is it patently false to say that the Conservatives cut income taxes when all Canadians know they raised them, and not only is it patently false to say that they took people off the tax rolls when all Canadians know they put them on the tax rolls, but it is also doing a general disservice to politicians from all political parties because it feeds this notion that politicians cannot be trusted.

There is another point I would like to allude to. In his speech, the hon. member talked about income trusts. My contention is that the government did two things wrong. First of all, there is absolutely no doubt that the Conservatives broke their promise. They said as clearly as it is possible to say that they would not tax income trusts, and then they did. As a consequence, one million-plus Canadians lost some \$25 billion of their hard-earned savings, some \$25,000 per person on average.

However, as if that was not bad enough, the second crime, the second indecency, is that this action was executed extremely incompetently. The evidence shows, and the witnesses that appeared before the finance committee will agree, that the government simply did not think through the consequences of its action.

The government thought there was a problem to address and, let us give it the benefit of the doubt, there was. Let us take that assumption, but the government addressed that problem by dropping a nuclear bomb on the industry unnecessarily, not only breaking its promise but destroying billions of dollars in savings by Canadians when it could have addressed those challenges in a much more surgical approach, which is what our Liberal proposal is doing.

I think the evidence shows conclusively that the finance minister not only broke the Prime Minister's promise, but he did not think through the consequences of his action. So it is not just that he destroyed \$25 billion of Canadians' wealth, but he did it unnecessarily, because there were surgical, cleaner, more subtle methods available, which he chose not to use. So yes, he acted decisively, but he ended up being decisively wrong.

Part of the proof of my position is that he keeps changing his story on the subject of income trusts. First of all, in the early days he said we had to stop Bell and Telus because otherwise it would cost taxpayers \$800 million in lost revenues. That was the basis for his action. Then, a little while later, Bell and Telus came out with statements saying that as corporations they would pay no tax or negligible tax for the foreseeable future. Whoops. That argument had to be jettisoned.

The finance minister had to scramble and find another argument so he said it was tax fairness, that income trusts would cost the government \$500 million a year of lost revenue so we had to stop it or else corporations and income trusts would not pay their fair share and the burden would be shifted to families. That was his second argument.

However, we then had all those witnesses before the finance committee. About four of them testified that those numbers were totally wrong. Not one witness came to the defence of the finance department in terms of the numbers. They did in other matters, but I am talking about the \$500 million number. The only witnesses there were against the finance department. The most credible witness, one who has worked with the department and has used the same methodology, said the cost was not \$500 million a year but \$32 million a year. Whoops. Another argument went out the window.

If the finance minister truly believed his story about tax fairness, he would release the numbers, but in spite of repeated requests from Liberals, the Bloc and other members of the committee, all we get is a blacked-out censored document with not one legible number. That is the government's defence of its basic argument for destroying those savings of Canadians.

• (1630)

He does not have a leg to stand on. His first argument about Telus and Bell was shown to be wrong. He then switched to his second argument, which was shown to be wrong. Now he is starting to talk about governance. There may be governance problems, but that has absolutely nothing to do with the central issue before us, which is why he so unfairly destroyed \$25 billion in hard-earned savings of Canadians.

The government is guilty not only of breaking a promise, which is bad enough, but of acting incompetently, acting before it thought, not thinking it through and, in so doing, unnecessarily destroying \$25 billion of the hard-earned wealth of Canadians, and also unnecessarily destroying a vehicle for savings, income trusts, which is extraordinarily important to seniors because it offers a higher yield than is available from many assets.

The seniors who have to live on the savings they have accumulated throughout a long working life to pay the bills are in a bad way, because the government destroyed income trusts. Not only did it did not fix the problem, it acted with such irresponsible and incompetent behaviour by dropping a nuclear bomb on it that it destroyed all those savings of Canadians. It took away this instrument that was extremely valuable for Canadian seniors. It is destroying a sector which, many studies have shown, and with which the Governor of the Bank of Canada agrees, improves the productivity in the energy sector. This is a disaster.

Government Orders

Our Liberal proposal, instead of imposing a draconian 31.5%, imposes a modest 10% tax that is refundable to all Canadian residents. That is enough, our experts have shown, to cover any tax leakage and ensure tax fairness. Experts tell us that will return to the Canadians who have suffered this terrible loss at the hands of the government some two-thirds of the \$25 billion that has been lost.

I am disappointed that the NDP is refusing to join with the Bloc and the Liberals to force the government to change. The NDP, which prides itself historically as the party of social democracy, is abandoning in their hour of need those hundreds of thousands of Canadians who have lost millions of dollars. If the NDP were to join forces with the Bloc and the Liberals, we would come to a solution which would at least mitigate some of the terrible damage done by the government and would at least help the seniors and others, who have lost thousands of dollars each and billions of dollars in total, to recover part of those losses.

If the NDP, with its social democratic roots, were simply to come to the aid of those hundreds of thousands of Canadians in their hour of need, those Canadians who have suffered a grievous loss as a consequence of the behaviour of the government, then we would have the votes in Parliament to force the government to change its policy. But the NDP so far, probably because it is so low in the polls that it is desperately afraid of an election and feels it has no choice but to support the government, is refusing to do the rational, sensitive, caring thing, which is to come to the aid of the hundreds of thousands of Canadians who, because of the incompetent broken promise of the government, have seen their saving go down disastrously.

There is another thing I would like to comment on. I have just spoken for several minutes on income trusts and demonstrated not only the broken promise but the incompetence of the government and the fact that it did not think through the consequences of its actions. It is very important for a finance minister of any party, likely to be Conservative or Liberal because I do not think the NDP or the Bloc will be in government any time soon, but whatever party the finance minister belongs to, I think that person should think through the consequences of his or her actions before acting.

• (1635)

There was a really important situation affecting the livelihood of a million-plus Canadians and the finance minister simply did not think it through. I guess he likes to look decisive, but he ended up being decisively wrong and unnecessarily costing all of those hardworking Canadians some \$25 billion in losses.

I think it is shameful that the government broke its promise and behaved incompetently, but I would add that it is equally shameful that the NDP, which purports to be the party of social democracy, is refusing to come to the assistance of those hundreds of thousands of Canadians in their moment of need.

However, it is not as if that is the only negative thing that one can say about this government. I would remind the member opposite that his finance minister is one of the gang of three who were senior members of the Harris-Eves cabinet. I would remind all members opposite of their fiscal record.

I would remind the member opposite of the 2003 Ontario budget. It was a pre-election budget, no doubt full of election goodies, but according to the government of day, of which the current finance minister was a very senior member, it was a balanced budget. People would vote for this government, the government hoped, because it was handing out all sorts of goodies and running a balanced budget. We Liberals believe in balanced budgets and have had surpluses for many years consecutively. The mere act of running on a balanced budget is not bad, except we know what happened. They lost.

Dalton McGuinty's government came in. That in itself was a good thing, but then the government called in the auditors and said, "Tell us. Is this really a balanced budget?" The auditors went through all the items in the budget with a fine-tooth comb and issued a report. Do members know what the auditors said? That it was not a balanced budget at all. It was full of lies. In reality, there was a \$5.6 billion deficit. Now, that is at the level of the Ontario government, but could members imagine how big the deficit would be if this finance minister learned from his earlier trickery, tried to repeat the same thing at the federal level and left an even bigger mess?

Those members ran on a balanced budget. It ended up that the auditors came in and there was a \$5.6 billion mess that Dalton McGuinty and his government had to clean up.

That is the Conservative way. It is exactly what happened in 1993 with the Mulroney government and the Kim Campbell government. Do members remember that? The Conservatives ended up with two seats. Do members remember what their deficit was? It was \$42 billion. It makes the Harris-Eves gang look like misers with only a \$5.6 billion deficit. However, that was at the Ontario level.

An hon. member: What was Trudeau's deficit?

Hon. John McCallum: The member mentions Trudeau. Canada had a consecutive AAA credit rating from Standard & Poor's from 1951 on, all through the Trudeau years. Do members know when it was downgraded? In 1992. Who was the prime minister? Brian Mulroney. What was the deficit? It was \$30 billion to \$40 billion. Standard & Poor's downgraded Canada under the Conservative regime. Under Trudeau, it had been AAA all the way.

We can detect a pattern emerging. There was a \$5.6 billion deficit under Harris and Eves and our current finance minister, with the worst thing about that being the fact that they claimed it was a balanced budget, so they were lying. They only got caught because they lost the election and the auditors came in and went through every single item. They left a \$5.6 billion deficit and left Dalton McGuinty to clean up the mess.

What do members think happened when Kim Campbell came in? She had a \$42 billion deficit. She ran and was left with two seats. Who was left to clean up the Conservative mess? The Liberals. This is the sad fate of Liberals. It has been our lot in Canadian history and our lot in Ontario history that we are always called in to clean up these Conservative fiscal messes.

• (1640)

Someone has to do the job, so when the Liberals came in in 1993, Mr. Trudeau had had a AAA rating all the way, which I think the hon. member did not hear. He was a magnificently fiscally prudent chap in addition to all his other virtues. How else could he have been

AAA all the way? Obviously Standard & Poor's thought he was doing okay.

The Conservatives left us this huge unimaginable \$42 billion fiscal mess in 1993, and we lost our credit rating of AAA. We were downgraded by Standard & Poor's but we got to work. We took the tough decisions under Mr. Chrétien and the member for LaSalle—Émard. After getting a credit downgrade because of Conservative fiscal irresponsibility, we could not get our good rating back right away. It took until 2002, 10 years after the Conservative downgrade, before Canada finally got back its AAA rating, thanks to the Liberals successfully cleaning up the Tory mess.

My concern is that this Tory pattern, although I should not say Tory, this Alliance, neo-conservative, Conservative pattern of creating fiscal messes might be about to repeat itself. We had the Mulroney fiscal mess in 1993 of \$42 billion. We had the fiscal mess of the current finance minister and his provincial colleagues in 2003, having claimed they were running a balanced budget. I am afraid that the fiscal accounting trickery that he learned during his time at Queen's Park might be about to be imported to Ottawa in the lead-up to the budget. I will not go further into that, but certainly the Conservative pattern is to run huge deficits.

I remember Mr. Pearson saying that John Diefenbaker, and we can go back that far, had run seven consecutive deficits. Diefenbaker was a Conservative. Before that it had been surpluses all the way under the Liberals. It is the fate of Liberals to inherit Conservative fiscal messes. We saw it under John Diefenbaker. We saw it under Brian Mulroney. We saw it under Mike Harris and Ernie Eves.

Look south of the border. We saw it under Ronald Reagan. He ran huge deficits. Remember: voodoo economics, Reagan economics, tax cuts paid for themselves. That had to be cleaned up by the Democrats. Look at the United States today under George Bush. Hon. members laugh but if they just look at the facts, Bill Clinton, a Democrat, ran—

The Deputy Speaker: Order. The hon. member's time has expired. I did try to give him some warning, but if he does not look at the Chair, it is hard for me to warn him.

The hon. member for South Shore—St. Margaret's.

Mr. Gerald Keddy (South Shore—St. Margaret's, CPC): Mr. Speaker, the hon. member mentioned John Diefenbaker. Whenever I think of John Diefenbaker, I think of a Canadian prime minister who decided that Canadians needed a bill of rights. I think of a Canadian prime minister who was the first prime minister in the history of this country to give the vote to first nations. That is what I think about: real, honest to goodness, forward moving ideas from a Conservative prime minister.

I take exception to the hon. member's comments about a \$42 billion debt. It was not a \$42 billion debt. The debt, we all know, was much higher than that. It was the deficit, and \$38 billion of that belonged to the previous Liberal government. That \$4 billion increase in deficit, at a time when all governments were running deficits, was also at a time when this country had 19% interest rates. It was a ferocious time, a terrible time to be in business.

They were tough times. The previous Conservative government moved forward on a number of issues to bring this country out of the hole it was in at that time. It signed the free trade agreement with the United States, which was totally misrepresented and fought against by the Liberals. It brought in the GST to help finance debt reduction in this country and allowed the previous government to actually get rid of that deficit.

What is more, that \$42 billion deficit was at a time when we did not cut transfer payments to the provinces. We did not cut payments for education and we did not cut health care. We did not get rid of the deficit on the backs of ordinary hard-working Canadians.

● (1645)

Hon. John McCallum: Mr. Speaker, I must profess to being a little shocked as I think the hon. member's comments have gone beyond the scope of Bill C-33. I would have thought you might have reprimanded him for that but since you did not, I would assume he is in order.

Certainly I am an admirer of Mr. Diefenbaker. I am just old enough to remember him. I used to enjoy listening to his French when my French was not very good. An anglophone listening to him could understand every word of his French.

I do not think he was uniformly perfect. I think he cancelled the Avro Arrow. He was nevertheless, I am sure, a great prime minister in many ways and I do not deny that. My only point is that numbers were not his forte because he ran seven consecutive deficits. The story is that Lester Pearson almost fired his speech writer because Mr. Pearson had a bit of a lisp and instead of saying "seven consecutive deficits", he said something like "theven conthecutive defithits" and the speech writer almost got fired. That is why it stuck in my mind.

But, it is a fact that he did run seven consecutive deficits and it therefore goes along with my hypothesis. We can go from Diefenbaker, to Mulroney, to Harris, to Ronald Regan and George W. Bush south of the border, who were all examples of Conservative or Republican leaders who ran huge deficits and left big fiscal messes for their Liberal or Democratic successors to clean up.

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, if he wants a lesson on fiscal records, Allan Blakeney of the NDP had 11 straight surpluses. In fact, a finance report that just came out said that the best fiscal premiers in the history of this country were New Democrats.

I do not have to remind my Conservative colleagues of the great Grant Devine who took Saskatchewan and ended up with half of his cabinet in jail. I do not have to remind them of the great Conservative John Buchanan who put Nova Scotia in such serious debt that we are still paying for it.

Government Orders

For my question we are going to go back to Bill C-33. The member talked about tax havens. According to records there may be over \$80 billion worth of money offshore in these tax havens. In fact, the former prime minister, the member for LaSalle—Émard, is one of the beneficiaries of those tax havens. The reality is that this bill does nothing to stop those tax havens and nothing to close the loopholes.

The reality is that the member can yell and scream all he wants about income trusts. At least we are honest about them. We never would have had them in place had we been in government. The member is right about what the Conservatives did. They misled the Canadian people and on a promise Canadian people invested in those income trusts and now they are being punished.

If he is coming to the NDP to fix their problems, it is not going to happen. The reality is that I would like him to stand up in the House and say what the Liberal Party is prepared to do to close these loopholes and to stop the offshore tax havens.

Hon. John McCallum: Mr. Speaker, I recall from my days as minister of national revenue that we were working in that area and making good progress, but I would like to answer the hon. member on income trusts because we agree on certain things. Yes, the Conservatives were wrong to break their promise.

The member says that income trusts should not exist. They do exist. We cannot will them out of existence. The fact of the matter is that they do exist. The Conservatives were wrong to break their promise and the reality of the situation, as of today, is that there are hundreds of thousands of ordinary Canadians, not rich Canadians, many of them senior Canadians who have been saving all their lives, who put a lot of their money into income trusts wrongly believing the word of the Prime Minister and then because of the broken promise they lost a fortune.

We can debate whether income trusts should or should not exist. It is irrelevant. The reality is that those people are crying out for our help. They are getting help from the Liberals. They are getting help from the Bloc. Those ordinary Canadians in their moment of need are getting no help from the NDP. If the NDP would have helped us, we could have helped those people recover some two-thirds of their losses

I say shame on the NDP, especially with its social democratic roots, for failing to come to the help of hundreds of thousands of ordinary Canadians in their moment of need.

● (1650)

[Translation]

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, this debate is somewhat scattered, probably because the bill before us is quite technical in scope. Nonetheless, some of the measures in this bill are intended to prevent tax evasion. What is missing, however, are stricter measures to prevent Canadian companies from using tax havens—Barbados, for instance—to avoid paying taxes. As we know, certain members of the previous government frequently used this legal provision.

Government Orders

I would like to know the opinion of my Liberal Party colleague. Now that the Liberals are in the opposition, do they not think it is time to go further with this bill to put an end to tax havens and ensure that Canadian companies pay taxes, even if they reside in tax havens like the Barbados?

Hon. John McCallum: Mr. Speaker, I want to thank my fellow member of the Standing Committee on Finance for his question. It is true that the Bloc and the Liberals do not entirely agree on the details, but we are united in the sense that we want to help those who have lost a fortune over the broken promise of this government. I want to thank him for that.

To get back to his question, when I was Minister of National Revenue, we had started to create a program where we were going to be much stricter as far as tax evasion is concerned. We recognized that there was a lot of it going on. It is difficult to do because lawyers, who are extremely well paid, always try to stay one step ahead of us when it is a matter of hiding these funds. Nonetheless, I think that if we were back in power, we would like to be much stricter than the current government is toward those who are trying, in an illegal manner, to evade Canada's tax system

Mr. Thierry St-Cyr (Jeanne-Le Ber, BQ): Mr. Speaker, I will continue to address tax evasion and the tax havens used in Barbados.

As my colleagues who spoke before me have said, Bill C-33 is somewhat technical and contains a number of provisions to prevent circumvention of the tax rules and to prevent tax evasion. It responds to a number of requests made by the Auditor General. The Bloc Québécois will therefore support the bill. However, as I said in the question I asked earlier, I think that it does not go far enough in dealing with tax havens. Contrary to what my colleague from the Liberal Party said, we are not talking about people committing tax fraud, we are talking about people who avoid tax and find legal schemes so that they do not pay tax. The reason they can do that is that the existing legislation lets them.

In my presentation, I will try to explain how these people operate and what has to be done to stop this. On the question of tax havens, I would like to tell the House about a comment made by the Auditor General on February 27, 2001. He said that one of the biggest threats to the tax base lies in the international activities of Canadian taxpayers, particularly the use of tax havens.

Tax havens are countries that have a zero or very low tax rate and loose tax rules. That combination is an incentive for taxpayers to settle there or transfer a portion of their activities there in order to be exempt from the Canadian tax system and not have to pay taxes here. Most of the time, these are countries that are notable for their absolute bank secrecy, which makes it impossible to trace all the movements of capital that take place there.

Because of that bank secrecy, it is difficult to measure this phenomenon. In 1998, the OECD estimated that from 1989 to 1994 foreign direct investment rose three times faster in tax havens then elsewhere. That is not a small matter. The OECD drew up a list of tax havens based on four criteria: no or only nominal taxes; lack of effective exchange of tax information; lack of transparency in the operation of tax laws; and no substantial activities in the country where operations are purported to occur. Thirty-five countries met those criteria. The OECD pointed a finger at 47 other countries

which, while they were not tax havens, had provisions worthy of a tax haven in certain areas. It should be noted that Canada was on the list of 47 countries because of its tax policies relating to the international shipping of goods.

In 2001, that list was amended by a group of 13 OECD member countries, including Canada, to remove the no substantial activities criterion, which brought the number of tax havens—on paper, obviously—down to 7 from 35. Those countries have not ceased to be tax havens; they are still tax havens.

In 2002, Barbados was removed from the list of countries regarded as tax havens by the OECD. However, Barbados has not changed its fiscal practices; quite the opposite is true. The tax system in Barbados is interesting. I hope that the fact that I am talking about it will not encourage any Quebec or Canadian companies to move there, despite the wonderful conditions it provides, such as a fixed fees of \$250 per year and a tax rate of only 2.5% on the first US\$5 million in profits. It then declines gradually, to 1% after \$15 million. For a company that does not want to pay income tax, this is extremely advantageous.

In Canada, the tax system is tailor made, expressly for Barbados. Let us look at how it operates. The general rule is that all income earned in Canada or abroad is taxable in Canada. However, if income is earned in a country with which Canada has signed a tax treaty to avoid double taxation, that income may not be taxable.

● (1655)

If the foreign subsidiary is deemed to be non-resident in Canada and the tax treaty prohibits double taxation, the general rule that all income received by a Canadian is taxable is bent. It is then the tax treaty that applies.

In theory, in the case of Barbados, the treaty does not apply to subsidiaries that have a tax rate of virtually zero. Like the tax treaty with Cyprus, the Canada-Barbados tax treaty specifically excludes what is known as international business companies or any other similar kinds of companies that enjoy the favourable tax treatment I referred to earlier in Barbados. If we exclude these companies and consider only the normal tax rate in Barbados, which is approximately 40%, virtually all the Canadian companies with a subsidiary in Barbados have established it specifically to enjoy favourable tax treatment. For the most part, these have been established under the Barbados International Business Companies Act and are therefore excluded from this convention.

The companies covered by this provision of the tax treaty are therefore considered under the Income Tax Act to be resident in Canada and therefore subject to Canadian taxation. Based solely on the Income Tax Act and the tax treaty between Canada and Barbados, dividends received by the Canadian parent corporation of a subsidiary in Barbados should be taxed in Canada when they are transferred home. So far, so good.

There are, however, provisions in the Income Tax Regulations which are specifically designed to enable companies to circumvent this difficulty and transfer profits from Barbados tax-free in Canada. I will spare you the whole list of provisions; suffice it to say that paragraph 5907(11.2)(c) of the Income Tax Regulations, if anyone feels like looking it up, renders moot article 30 of the tax treaty, the one that excludes international business companies. It sets out a series of criteria for a company to be considered non-resident in Canada and therefore not subject to tax. Thus, Barbadian subsidiaries of Canadian companies fall into that category.

By invalidating article 30 of the tax treaty, the regulation allows the dividends of Barbadian subsidiaries of Canadian companies to be tax exempt in Canada. Incidentally, through the Access to Information Act, the Bloc Québécois obtained a copy of correspondence between the Minister of Finance and an accounting firm, confirming that this section of the regulations was drafted specifically to allow Canadian businesses to use Barbados as a tax haven.

In July 1994, Wallace Conway, of the taxation policy branch of the finance department, confirmed the following to Craig Cowan, who was employed by the accounting firm Arthur Andersen:

• (1700)

[English]

Be advised that proposed paragraph 5907(11.2) is intended to ensure that a Barbados international business corporation which is a foreign affiliate will remain eligible to earn an exempt surplus.

[Translation]

So, the bill did not come into force until 1997, but it was specified that it would be retroactive to 1994. With this amendment to the regulations, Canadian businesses with a subsidiary in Barbados win on both fronts. First of all, since their business is not covered by the tax treaty, Barbados is under no obligation to share information with Canadian tax authorities and, second, since the income tax regulations disregard that exclusion, profits sent back to Canada are tax exempt. The behaviour of the Canadian government, particularly under the Liberals, was all the more deplorable considering that Canada even worked to undermine all the efforts being done by the OECD, this to ensure that Barbados would not be deemed to be a tax haven.

This work to get Barbados off the list was done in two stages. In 2000, the notion of tax havens was replaced with the notion of non-cooperative tax havens, following a recommendation made by a 13 member committee, which included Canada.

Secondly, that same committee changed the criteria to determine whether these countries were cooperative or not. Now, a tax haven simply has to commit to being transparent and to sharing tax information with other countries to be taken off the list. That is really very little.

The tax treaty is essentially based on the exchange of tax information. Thus, once a tax treaty is signed with a tax haven, it is virtually automatically removed from the list. That change made the working group on harmful tax practices completely pointless, and Canada, as a result of what the Liberal government of the time did, was a major participant in weakening it.

Government Orders

For years, the failure to act could be laid at the doorstep of the Liberal Party. We must now recognize, however, that the Conservative government has proposed nothing to fix this. I hope it will soon do so. Probably the budget will be an appropriate opportunity to do it.

The Auditor General has repeatedly deplored Canada's failure to act. She first did this in 1992. In 1996, she took up the issue for the second time; in 1998, for the third time; in 2001, for the fourth time; and ultimately, in 2002, for the fifth time. Still there has been no action by the government, no action by the Liberals at the time and still no action by the Conservatives today. In fact, Canadian investments in tax havens continued to multiply over the same period when the Auditor Generals were issuing us their warnings.

From 1990 to 2003, Canadian companies invested major and growing amounts in countries recognized as offshore financial centres, particularly in the Caribbean. Between 1990 and 2003, Canadian assets in those countries grew by a factor of eight, rising from \$11 billion to \$88 billion. In 2003, the five main OFCs I referred to earlier were among the 11 countries where there were the most Canadian assets, and so on.

We must realize, from the various reports on television that have dealt with the subject, that this is a situation in which there is more and more money being invested in tax havens, despite the warnings from the Auditor General and, of course, from the Bloc Québécois. The government has never done a thing and we still see nothing being done about this. This is particularly unfortunate from the Conservatives, who claim to want to stand up for taxpayers. What are they waiting for, to ensure that big businesses pay their fair share of taxes, by preventing them from using tax havens?

The Bloc Québécois proposes that all tax treaties go through the House of Commons, which they do not do at present. Bill S-5, which provides for tax treaties to come into force, shows the importance of international treaties in everyday life.

● (1705)

These treaties do not need implementing legislation to be passed. In this case, no treaty will be submitted to Parliament, quite simply.

The federal executive controls all phases of the process of adopting an international treaty. The executive is also responsible for what takes place in negotiations—which are for the most part secret. Nothing is made public during negotiations.

The provinces are seldom consulted, and in many cases they are completely excluded from those negotiations, even though, because of something that falls under their jurisdiction, they often have an interest in the negotiations.

Today, there is no democracy at all when an international treaty is involved. It is worth noting that there is no complete collection of treaties published. The government makes them public on a sporadic basis, and we do not even know whether it discloses all of them. Even the treaty section of the Department of Foreign Affairs does not have a list that we can consult. This is quite incredible, when you think about it.

Government Orders

The government is not even required to table them in the House. It is not even required to inform the House or the people when it signs or ratifies treaties. I find it incredible that in 2007, in our democracy, a government can sign an international treaty without even informing the population. Obviously, the House does not approve them, yet since 2002, in Quebec, the agreement of the National Assembly has been required for Quebec to sign any treaty. This improvement was brought in by the Parti Québécois at the time. It would be interesting to propose such an improvement in this House.

Not only does the House not approve international treaties, but the members are not involved in any way in the process. All we can do is consult with the people and try to obtain their approval.

As I said earlier, the government is not required to consult the provinces even when treaties concern areas of provincial jurisdiction. It is totally absurd that no consultation mechanism is in place. This situation is completely unacceptable.

It used to be that international treaties governed relations between States and had little or no impact on how society functioned or on the lives and rights of citizens. At the time, it was acceptable for the government to unilaterally sign or ratify treaties.

Now, however, international treaties, especially trade agreements, affect the power of the State, the workings of society and the role of citizens. Furthermore, they often have an even greater impact than many bills.

The Canadian treaty ratification process is not in line with this new reality. The people's representatives must be involved in decisions that affect the people they represent.

During the election campaign, the Conservatives promised to bring treaties before the House prior to ratifying them, but they still have not kept that promise. Recently, the government signed an investment protection agreement with Peru. I would note that the agreement still has not been put to the House and that it was already signed before the members could approve it. This agreement is based on chapter eleven of NAFTA, which has been criticized by many.

When the House presses the government to honour its international commitments, as it has done in the case of the Kyoto protocol, the government does what it pleases, with no regard for the will of the people or the promise it made when it signed the treaty.

It is rather paradoxical that the Kyoto protocol is probably the most important of all the treaties this House has approved, yet the government is refusing to acknowledge and implement it. This is a far cry from the Conservatives' promise to submit treaties to the House. I do not know whether the Conservatives meant that they would submit treaties to the House, but would not abide by the House's decision or respect its will. They may have forgotten to mention that when they made their election promises.

● (1710)

The government should have treaties approved and then enforce them.

Not involving representatives of the people is an anachronism in treaty ratification. I would like to point out that Canada is less democratic today than it was in the 1920s.

In fact, in 1926, Prime Minister Mackenzie King introduced a resolution that was unanimously adopted by the House of Commons. It read as follows:

Before Her Majesty's Canadian ministers recommend ratification of a treaty or convention involving Canada, Canada's approval must be obtained.

In 1941, Mackenzie King reiterated his commitment to this approach:

With the exception of treaties of lesser importance or in cases of extreme urgency, the Senate and the House of Commons are invited to approve treaties, conventions and formal agreements before ratification by or on behalf of Canada.

Over the years, the House of Commons had been consulted less and less, and even when it gave its approval in the case of the Kyoto protocol, the government refused to implement it. Nothing in the rest of the industrialized world can compare with that.

I said earlier that Canada was lagging behind Quebec. In Quebec, treaties signed by the Government of Quebec are approved.

On three occasions, the Bloc Québécois has introduced a bill on treaties to modernize the whole process of concluding international treaties. I am referring to Bills C-214, C-314 and C-260. Each time, the federalist parties have rejected the bill. This is very unfortunate.

In conclusion, this bill should be improved—

The Acting Speaker (Mr. Royal Galipeau): The hon. member for Peterborough for questions and comments.

[English]

Mr. Dean Del Mastro (Peterborough, CPC): Mr. Speaker, the member is a contributing member of the finance committee and I have a couple of questions for him regarding his speech.

We heard the previous speaker in the House refer to the income trust hearings that have been going on in our committee and the member spoke about a number of things, and this certainly comes under the heading of some of his discussions. I would like to ask him, on behalf of his party, if he could make their position clear.

We know the Liberal Party has had three specific policies on income trusts, all quite different, and none would have solved the situation that surfaced on income trusts.

We heard supporting testimony from people such as David Dodge, from the Bank of Canada, Jeffrey Olin from Desjardins, Kevin Hibbert of Standard & Poor's, Dominic D'Alessandro from ManuLife, Kevin Dancey of the Canadian Institute of Chartered Accountants, Art Field of the National Pensioners and Seniors Federation, Ramy Elitzur of the University of Toronto, the hon. Mitch Murphy from the Government of Prince Edward Island, and I could go on and on.

[Translation]

Government Orders

This is really important because I know that the issue of the fiscal imbalance is very important to the Bloc Québécois. We have had many people coming forward and saying this tax leakage issue is a real issue, it is something that the government has done correctly. They are saying that we have acted correctly to protect the tax base and encourage tax fairness. I would like to know if, after listening to all these expert witnesses, the Bloc Québécois is now prepared to support the measures taken by the government relating to tax fairness on the income trust issue.

● (1715)

[Translation]

Mr. Thierry St-Cyr: Mr. Speaker, it is somewhat surprising to see my colleague from the Standing Committee on Finance oppose these infamous income trusts, given that, during the election campaign, he promised not to tax them. In my opinion, the crux of the problem before us today and the billions of dollars lost by investors basically stems from that absurd, irresponsible and ridiculous promise made by the Conservatives during the election campaign. That said, the Bloc Québécois has always believed that the financial structure of a corporation should not be dependent on tax benefits.

For this reason, we believe that we should no longer—as was true in the past and remains true today—give tax benefits to income trusts, which means and which meant that more and more corporations were converting to income trusts, not because it was the best business structure for them, but simply to reap the tax benefits. That is an unhealthy way to structure the economy.

The Conservatives' promise to not do what they have just done was irresponsible. They should not have promised it. They could have then done things differently and done them properly. The Bloc Québécois proposes increasing the transition period from four years to ten years, in order to stop the conversions to income trusts and to grant more time to existing income trusts, in order to appease and accommodate investors.

[English]

Hon. Larry Bagnell (Yukon, Lib.): Mr. Speaker, I have two questions for the member.

First, as he mentioned, the Conservatives seem to be ignoring more and more what Parliament does in motions and even in bills. When they were in opposition, as the member will remember, they would say that it was an affront to Parliament or an affront to the people.

In particular, relating to the bill put forward by the hon. member for Honoré-Mercier on Kyoto, which the member mentioned in his speech and which basically told the government to come up with a plan, the government's answer was that there was no plan in the bill.

Obviously, the bill is telling the government by law to come up with a plan. I would like the hon, member to comment on that.

Second, does the hon. member not think that the government tax increase on July 1, 2006 for the lowest income people in this country from 15% to 15.5% was totally unreasonable and unCanadian when everyone else was getting a tax decrease?

Mr. Thierry St-Cyr: Mr. Speaker, following the tabling of the budget and discussions of the Standing Committee on Finance, I had the opportunity to sit in on the never-ending debate between the

Liberals and the Conservatives about who raised taxes and who lowered them. Frankly, I find this rather ridiculous. They do not want to acknowledge that the decrease in taxes planned by the Liberals had not yet been adopted but that, in practice, it had already gone into effect. It is a silly game and they can keep on playing it.

To return to the first question, it is disconcerting to see the government disregard the will of this House. It is unfortunate and it seems that the government does not understand that it is in a minority position, that the majority of Canadians did not support it, that it must find a way to work with various parties and that if it is isolated, it must give way to the opinion of the majority.

I do not understand why the government would not abide by the Kyoto protocol bill. It must abide by it. If the House adopts a principle, it must respect the principle and the rules. The Bloc Québécois tabled a motion calling on the government to set absolute targets for greenhouse gas reductions and this resolution was adopted by the majority of the House. In my opinion, a responsible government would not wait to have a bill before it to respect the will of the House.

● (1720)

[English]

Mr. Peter Stoffer (Sackville—Eastern Shore, NDP): Mr. Speaker, I thank the hon. member for his continued support for the Kyoto protocol. My question to him is related to taxation and the discussion we are having today.

As he knows, a few years ago the Bronfman family sent \$2 billion out of the country to avoid paying taxes. A gentleman from Winnipeg actually took the issue all the way to the Supreme Court. Unfortunately, he was not successful, but the fact is, it should not have been an individual from Winnipeg doing that. It should have been the government putting a stop to that.

The problem is that the loopholes for tax havens are still there. If I am not mistaken, the finance minister recently reported that over \$80 billion are secured offshore in tax havens.

I would like to know if the hon. member can speak on behalf of his party. Is the Bloc Québécois prepared to close the loophole that stops Canadian dollars from being secured in offshore tax havens?

[Translation]

Mr. Thierry St-Cyr: Mr. Speaker, for some time the Bloc Québécois has been seeking to limit and prohibit the use of tax havens.

As I previously explained in my presentation, some might say they are loopholes in the legislation. However, as I demonstrated earlier, they are not loopholes but are put there by design to enable people, certain wealthy individuals and companies, to avoid paying taxes.

Orders of the Day

I mentioned the case of an exchange of e-mails proving the intent. I will attempt to find it because it is very interesting. In 1994, an official of the Department of Finance told Craig Cowan, of Arthur Andersen, the following:

[English]

Be advised that proposed paragraph 5907(11.2) is intended to ensure that a Barbados international business corporation which is a foreign affiliate will remain eligible to earn an exempt surplus.

[Translation]

Obviously the government wanted a way around the legislation. It is not a loophole. It was designed that way.

[English]

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Mr. Speaker, I am pleased to participate in the debate on a lengthy bill, Bill C-33

For those viewers watching the program today, who may have missed the point, this bill is about income tax changes, many of them technical in nature, but we have digressed a great deal and we are talking about a number of other issues.

I intend to speak to the bill and I will do it in three ways. I will address the issues of income trusts, tax havens and the question of unfairness in our tax regime.

I will begin with income trusts because it seems that the Liberal finance critic, the member for Markham—Unionville, has chosen to spend most of his time attacking the New Democratic Party. I did not realize that we had so much power and that we were in a position to determine the affairs of the nation but that clearly is what the member from Markham thinks.

The member's bullying tactics against the NDP, and myself in particular, will not work, just as the bullying tactics of the big oil companies will not work when they take out paid advertisements attacking me directly and the NDP for having dared to suggest that income trusts have no place in our system and should have been phased out. We acknowledge the fact that we have been consistent on this issue from day one and have not flip-flopped or changed our minds, as both the Conservatives and the Liberals have done.

We have not used this issue as a political football and we have not attempted to put one over on Canadians. We will continue to indicate why we are concerned about income trusts and the huge loss of revenue for government programs and the very important programs and initiatives for Canadians.

There is no question in our mind that we are talking about tax leakage, tax slippage and tax loopholes that the Liberals, for over 13 years, upheld and which the Conservatives now seem determined to be party to.

When it comes to this issue, it is clear that the Liberals cannot hold a candle to anyone. They are absolutely shameless when it comes to attacking others, when in fact their record is horrific. The Conservatives, obviously, have fallen into the footsteps of the Liberals by ensuring the perpetuation of large tax loopholes and havens for their corporate friends. That needs to be stopped for the good of all Canadians.

I am not surprised at the member for Markham—Unionville, given his banking background. We know that when push comes to shove the Liberals will be the defenders of big oil and big banks. That was apparent over the last 13 years.

Today we are dealing with a bill that arises out of concerns from the Auditor General about the perpetuation of tax loopholes and tax havens. If truth be told, we are talking about Auditor General reports that go back 14 years, to 1992. The first report of the Auditor General on tax havens happened in that year. It was followed by a report in 2001, a report in 2002 and, more recently, a report in 2007. In each and every case, the Auditor General raised concerns about tax havens.

The Liberal government had ample opportunity to address this very serious issue and chose not to. In fact, it chose to go the opposite way by encouraging tax havens and ensuring that the Barbados remained as a tax haven for investors. That haven continues to be used today by big drug companies, big banks, big oil companies and big shipping companies.

We are talking about the loss of a huge amount of money that ought to have been put to the benefit of Canadians to ensure they and their families were able to make ends meet. If truth be told today, one could say that if anyone deserves a break, it is average families, hard-working Canadians who have seen their ability to cover growing expenses become more and more difficult, while in fact the rich get richer and big corporations get more and more access to tax loopholes and havens.

• (1725)

The point of today's legislation is to crack down on tax loopholes and tax havens but I doubt that this bill is adequate to do the task. However, we will, over the course of the debate, be making some suggestions.

I will be proposing an amendment to the bill that would deal with one of the outstanding issues pertaining to income trusts, which is that many investors, in using income trusts as a way to make money, have overvalued their trusts. As a result, Canadians have been taken to the cleaners and have lost a great deal of money.

Today we propose that the government take the NDP private member's bill to deal with this and ensure accountability and transparency in all aspects of the income trust field so long as they are with us knowing in fact we would like to see them phased out.

ORDERS OF THE DAY

• (1730)

[Translation]

DELEGATED LEGISLATION

ONTARIO FISHERY REGULATIONS, 1989

The House resumed consideration of the motion.

The Acting Speaker (Mr. Royal Galipeau): It being 5:30 p.m., pursuant to order made earlier today, the House will now proceed to the taking of the deferred recorded division on Motion No. 14 under government business.

Orders of the Day

[English] Storseth Sweet Thibault (Rimouski-Neigette-Témiscouata-Les Basques) Call in the members. Thompson (New Brunswick Southwest) Thompson (Wild Rose) **●** (1805) Toews Trost Van Kesteren Tweed Van Loan Vellacott (The House divided on the motion, which was agreed to on the Wallace following division:) Warawa Warkentin Williams Watson (Division No. 119) Yelich- - 153 YEAS NAYS Members Abbott Albrecht Ablonczy Alghabra Angus Allen Atamanenko Bagnell Allison Ambrose Bains Barnes Anderson Arthur Bélanger Beaumier Bell (Vancouver Island North) Bachand Baird Bevilacqua Batters Bellavance Black Bevington Bernier Bezan Blaikie Blackburn Blais Boshcoff Brison Blaney Bonsant Brown (Oakville) Cannis Bouchard Boucher Chamberlain Chan Breitkreuz Bourgeois Charlton Christopherson Brown (Leeds—Grenville) Brown (Barrie) Coderre Comartin Bruinooge Brunelle Cullen (Skeena—Bulkley Valley) Cotler Cannan (Kelowna-Lake Country) Calkins Cuzner D'Amours Cannon (Pontiac) Dhaliwal Davies Carrie Carrier Dion Dryden Casey Casson Easter Eyking Davidson Chong Folco Fry Godin DeBellefeuille Day Del Mastro Godfrey Demers Goodale Graham Devolin Deschamps Guarnieri Holland Doyle Dykstra Ignatieff Jennings Emerson Epp Julian Kadis Faille Karetak-Lindell Karygiannis Finley Fitzpatrick Keeper LeBlanc Fletcher Flaherty MacAulay Galipeau Freeman Malhi Maloney Gaudet Goldring Gallant Marleau Marston Gauthier Martin (Esquimalt-Juan de Fuca) Martin (Winnipeg Centre) Goodyear Gourde Martin (Sault Ste. Marie) Mathyssen Masse Gravel Grewal Matthews Guay Guergis McCallum McDonough Guimond Hanger McGuinty McGuire Harris Harvey McTeague McKay (Scarborough—Guildwood) Hawn Hearn Hiebert Hill Murphy (Charlottetown) Murphy (Moncton-Riverview-Dieppe) Hinton Jaffer Nash Neville Kamp (Pitt Meadows-Maple Ridge-Mission) Jean Owen Pacetti Keddy (South Shore-St. Margaret's) Kenney (Calgary Southeast) Patry Pearson Khan Komarnicki Kramp (Prince Edward—Hastings) Peterson Priddy Kotto Ratansi Proulx Laframboise Redman Regan Lauzon Lavallée Robillard Rota Lemay Lemieux Russell Savage Lessard Lévesque Savoie Scarpaleggia Lukiwski Lunn Scott Sgro Lunney Lussier Silva Siksay MacKay (Central Nova) MacKenzie Simms St. Denis Simard Manning Ménard (Hochelaga) Mayes St. Amand Ménard (Marc-Aurèle-Fortin) Steckle Menzies Merrifield Stronach Szabo Miller Mills Telegdi Thibault (West Nova) Temelkovski Moore (Port Moody—Westwood—Port Coquitlam) Tonks Moore (Fundy Royal) Turner Valley Nadeau Norlock Nicholson Volpe Wasylycia-Leis Wappel O'Connor Wilfert Obhrai Oda Wilson Wrzesnewskyj Ouellet Pallister Zed- — 115 Paradis Perron Petit Picard **PAIRED** Poilievre Prentice Preston Rajotte Members Reid Richardson Ritz Schellenberger Barbot Benoit Shipley Skelton Bigras Clement Smith Solberg Laforest Duceppe

Lalonde

Mark

Malo

Scheer

St-Cyr

St-Hilaire

Government Orders

Verner- — 12

The Speaker: I declare the motion carried.

[Translation]

Accordingly, pursuant to Standing Order 125(1), the corresponding resolution, standing on the order paper in the name of Mr. Szabo, is deemed withdrawn.

(Motion agreed to and resolution deemed withdrawn.)

GOVERNMENT ORDERS

[English]

CANADA TRANSPORTATION ACT

The House resumed consideration of Bill C-11, An Act to amend the Canada Transportation Act and the Railway Safety Act and to make consequential amendments to other Acts, as reported (with amendment) from the committee, and of the motions in Group No. 1.

The Speaker: The House will now proceed to the taking of the deferred recorded divisions on the motions at report stage of Bill

The question is on Motion No. 2.

Hon. Jay Hill: Mr. Speaker, I think if you seek it, you would find unanimous consent to apply the results of the vote just taken to the motion presently before the House, with Conservative members present this evening voting no.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

Hon. Karen Redman: Mr. Speaker, Liberals will be voting no. [Translation]

Mr. Michel Guimond: Mr. Speaker, the Bloc Québécois is against this motion.

Mr. Yvon Godin: Mr. Speaker, the NDP is voting in favour of this

Mr. André Arthur: Mr. Speaker, the hon. member for Portneuf— Jacques-Cartier is voting against the motion.

[English]

Mr. John Cummins: Mr. Speaker, I would like to be included as voting in opposition to this, as well.

[Translation]

Julian

(The House divided on Motion No. 2, which was negatived on the following division:)

(Division No. 120)

YEAS

Members

Marston

Atamanenko Angus Bell (Vancouver Island North) Bevington Black Blaikie Charlton Christopherson Comartin Cullen (Skeena—Bulkley Valley) Davies Godin

Martin (Winnipeg Centre) Martin (Sault Ste. Marie)

Mathyssen McDonough Nash Savoie Stoffer

Wasylycia-Leis- - 25

NAYS

Members

Abbott Ablonczy Albrecht Alghabra Allen Allison Ambrose Anders Anderson Arthur Bachand Bagnell Bains Baird Batters Barnes Bélanger Bellavance Bernier Bevilacqua Bezan Blackburn Blaney Bonin Boshcoff Bonsant Bouchard Boucher Bourgeois Breitkreuz Brown (Oakville) Brison Brown (Leeds-Grenville) Brown (Barrie) Bruinooge Brunelle

Calkins Cannan (Kelowna-Lake Country)

Cannon (Pontiac) Cardin Carrie Carrier Casey Chamberlain Casson Chong Cotler Chan

Coderre Cummins Cuzner D'Amours Davidson DeBellefeuille Day Del Mastro Demers Deschamps Devolin Dhaliwal Dion Dryden Doyle Dykstra Easter Emerson Epp Faille Eyking Fast Finley Fitzpatrick Flaherty Fletcher Folco Freeman Frv Gallant Galipeau Gauthier Goldring Godfrey Goodale Goodyear Gourde Graham Grewal

Gravel Guarnieri Guay Guergis Guimond Hanger Harris Harvey Hawn Hearn Hiebert Hill Hinton Holland Ignatieff Jaffer Jennin Kadis

Kamp (Pitt Meadows-Maple Ridge-Mission) Karetak-Lindell

Karygiannis Keddy (South Shore-St. Margaret's) Keeper Kenney (Calgary Southeast) Khan Komarnicki

Kramp (Prince Edward-Hastings)

Kotto Laframboise Lavallée Lauzon LeBlanc Lemieux Lemay Lévesque Lessard Lukiwski Lunney Lussier

MacAulay MacKay (Central Nova)

MacKenzie Malhi Maloney Manning

Marleau Martin (Esquimalt-Juan de Fuca)

Matthews Mayes McCallum McGuinty

Government Orders

McGuire McKay (Scarborough—Guildwood) (Division No. 121) McTeague Ménard (Hochelaga)

Ménard (Marc-Aurèle-Fortin) Menzies Merrifield Merastv Miller Mills

Minna Moore (Port Moody-Westwood-Port Coquitlam) Moore (Fundy Royal) Murphy (Moncton-Riverview-Dieppe)

Murphy (Charlottetown) Nadeau Neville Nicholson Norlock O'Connor Obhrai Oda

Ouellet Owen Pacetti Pallister

Patry Paradis Pearson Perron Peterson Petit Poilievre Picard Prentice Preston Proulx Rajotte Ratansi Redman Reid Regan

Robillard Rota Savage Schellenberger Russell Scarpaleggia Scott Sgro Shipley Silva

Simard Simms Skelton Smith Solberg Sorenson St-Hilaire St Amand St. Denis Steckle Stanton Strahl Storseth Stronach Szabo Telegdi

Thibault (Rimouski-Neigette-Témiscouata-Les Temelkovski Basques)

Thompson (Wild Rose) Tonks Trost Turner Tweed Valley Van Kesteren Van Loan Vellacott Vincent Volpe Wallace Wappel Warkentin Warawa Watson Wilfert Williams Wilson Wrzesnewskyj Yelich

PAIRED

Toews

Thompson (New Brunswick Southwest)

Members

Barbot Benoit Bigras Clement Laforest Duceppe Lalonde Malo Mark Scheer

The Speaker: I declare Motion No. 2 lost.

[English]

Zed- — 245

Thibault (West Nova)

The next question is on Motion No. 5.

Hon. Jay Hill: Mr. Speaker, I think of you seek it, you would find unanimous consent to apply the results of the votes just taken to the motion presently before the House.

The Speaker: Is there unanimous consent to proceed in this fashion?

Some hon. members: Agreed.

(The House divided on Motion No. 5, which was negatived on the following division:)

YEAS

Members

Martin (Sault Ste. Marie)

Angus Bell (Vancouver Island North) Bevington Blaikie Black Charlton Christopherson

Comartin Cullen (Skeena—Bulkley Valley) Godin Davies

Julian Marston

Martin (Winnipeg Centre) Mathyssen McDonough Priddy Savoie Siksay Stoffer

Wasylycia-Leis- — 25

NAYS

Members

Abbott Ablonczy Albrecht Alghabra Allen Allison Ambrose Anders Anderson Arthur Bachand Bagnell Bains Baird Barnes Batters Beaumier Bélanger Bellavance Bernier Bevilacqua Bezan Blackburn Blais Blaney Bonin Bonsant Boshcoff Bouchard Boucher Breitkreuz Bourgeois Brison

Brown (Oakville) Brown (Leeds-Grenville) Brown (Barrie) Bruinooge Brunelle

Calkins Cannan (Kelowna—Lake Country) Cannis

Cannon (Pontiac) Cardin Carrie Carrier Casson Chamberlain

Chan Chong Coderre Cotler Cummins Cuzner D'Amours Davidson Day Del Mastro DeBellefeuille Demers Deschamps Devolin Dhaliwal Dion Dovle Drvden Dykstra Easter Emerson Faille Eyking Finley Fast Fitzpatrick Flaherty Fletcher Folco Freeman Galipeau Gallant Gaudet Gauthier Goldring Godfrey Goodale Goodyear Gourde Graham Grewal Gravel Guimond Harris

Guarnieri Guergis Hanger Harvey Hawn Hiebert Hearn Hill Hinton Holland Ignatieff Jaffer Kadis

Kamp (Pitt Meadows-Maple Ridge-Mission) Karetak-Lindell

Karygiannis Keddy (South Shore-St. Margaret's) Kenney (Calgary Southeast) Keeper

Khan

Kramp (Prince Edward-Hastings) Kotto

 Laframboise
 Lake

 Lauzon
 Lavallée

 LeBlanc
 Lee

 Lemay
 Lemieux

 Lessard
 Lévesque

 Lukiwski
 Lunn

 Lunney
 Lussier

MacAulay MacKay (Central Nova)

MacKenzie Malhi Maloney Manning

Marleau Martin (Esquimalt—Juan de Fuca)

Matthews Mayes McCallum McGuinty

McGuire McKay (Scarborough—Guildwood)

McTeague Ménard (Hochelaga)
Ménard (Mare-Aurèle-Fortin) Menzies
Merasty Merrifield
Miller Mills

Minna Moore (Port Moody—Westwood—Port Coquitlam)

Moore (Fundy Royal) Murphy (Moncton—Riverview—Dieppe)

Murphy (Charlottetown) Neville Nicholson O'Connor Norlock Obhrai Oda Ouellet Owen Pacetti Pallister Patry Paradis Pearson Perron Peterson Petit Poilievre Picard Prentice Preston Prouly Raiotte Redman Ratansi Reid Richardson Ritz Robillard Rota Russell Savage Schellenberger Scarpaleggia Scott Sgro Shipley Silva Simard Simms Skelton Smith Solberg Sorenson St-Hilaire St Amand St. Denis Stanton Steckle Strahl Storseth Stronach Sweet Telegdi

Szabo Telegdi Temelkovski Thibault (Rimouski-Neigette—Témiscouata—Les

Basques)
Thibault (West Nova)
Thompson (Wild Rose)
Toews
Trows

Tonks Trost Turner Tweed Valley Van Kesteren Van Loan Vellacott Vincent Volpe Wallace Wappel Warkentin Warawa Watson Wilfert Williams Wilson Wrzesnewskyj

PAIRED

Members

 Barbot
 Benoit

 Bigras
 Clement

 Duceppe
 Laforest

 Lalonde
 Malo

 Mark
 Scheer

 Tilson
 Verner— 12

The Speaker: I declare the motion lost.

[Translation

Zed- - 245

Hon. Lawrence Cannon (Minister of Transport, Infrastructure and Communities, CPC) moved that Bill C-11, An Act to amend the Canada Transportation Act and the Railway Safety Act

and to make consequential amendments to other Acts, as amended, be concurred in at report stage.

The Speaker: 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)

PRIVATE MEMBERS' BUSINESS

● (1810) [English]

NATIONAL STRATEGY FOR THE TREATMENT OF AUTISM ACT

The House resumed from February 14 consideration of the motion that Bill C-304, An Act to provide for the development of a national strategy for the treatment of autism and to amend the Canada Health Act, be read the second time and referred to a committee.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at second reading stage of Bill C-304 under private members' business.

● (1815)

[Translation]

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 122)

YEAS

Members

Alghabra Angus Bagnell Bains Barnes Beaumier Bélanger Bell (Vancouver Island North) Bevilacqua Bevington Blaikie Black Bonin Boshcoff Brison Brown (Oakville) Cannis Chamberlain Chan Charlton Christopherson Coderre Comartin

Cotler Cullen (Skeena—Bulkley Valley)

Cuzner Davies Dhaliwal Dion Dryden Easter Eyking Fry Godin Folco Godfrey Goodale Guarnieri Holland Ignatieff Julian Kadis Karetak-Lindell Karygiannis Keeper LeBlanc Malhi MacAulay Maloney Marleau

Marston Martin (Esquimalt—Juan de Fuca)
Martin (Winnipeg Centre) Martin (Sault Ste. Marie)

Martin (Winnipeg Centre)
Masse
Mathyssen
Matthews
McCallum
McDonough
McGuinty

McGuire McKay (Scarborough—Guildwood)

McTeague Merasty

Routine Proceedings Ouellet

Paradis

Poilievre

Preston

Shipley

Sorenson

St-Hilaire

Sweet

Toews

Tweed

Van Loan

Vincent

Wappel

Warkentin

Williams

Petit

Reid

Ritz

Murphy (Moncton-Riverview-Dieppe) Murphy (Charlottetown) Pallister Owen Neville Perron Patry Picard Pearson Peterson Priddy Proulx Rajotte Redman Ratans Richardson Regan Robillard Schellenberger Rota Russell Skelton Savage Savoie Solberg Scarpaleggia St-Cyr Sgro Siksay Stanton Silva Simard Strahl Simms St. Amand Thibault (Rimouski-Neigette-Témiscouata-Les Basques) St. Denis Steckle Thompson (New Brunswick Southwest) Stoffer Stronach Thompson (Wild Rose) Szabo Telegdi Trost Thibault (West Nova) Temelkovski Van Kesteren Turner Vellacott Valley Wallace Wasylycia-Leis Wilfert Warawa Watson Zed- — 113 Yelich- - 155

> NAYS **PAIRED**

Members Ablonczy

Abbott Albrecht Allen Bigras Clement Allison Ambrose Duceppe Lalonde Laforest Anders Anderson Malo Arthur Bachand Scheer Baird Batters Verner-Bellavance Bernier Bezan Blackburn

Blais Bonsant Bouchard Boucher Bourgeois Breitkreuz Brown (Leeds-Grenville) Brown (Barrie) Brunelle

Bruinooge Cannan (Kelowna-Lake Country) Calkins

Cannon (Pontiac) Cardin Casey Casson Chong Cummins Davidsor DeBellefeuille Del Mastro Demers Deschamps Devolin Dvkstra Emerson Faille Epp Finley Fitzpatrick Flaherty Fletcher Freeman Galipeau Gallant

Gaudet Gauthier Goldring Goodyear Gourde Gravel Grewal Guay Guimond Guergis Hanger Harris Harvey Hawn Hearn Hiebert Hinton Jaffer Jean

Kamp (Pitt Meadows—Maple Ridge—Mission) Keddy (South Shore—St. Margaret's)

Kenney (Calgary Southeast) Khan Komarnicki Kotto Kramp (Prince Edward-Hastings) Laframboise Lake Lauzon Lavallée Lemay Lemieux Lessard Lévesque Lukiwski Lunn Lunney

Lussier MacKay (Central Nova) Manning MacKenzie Ménard (Hochelaga) Mayes

Ménard (Marc-Aurèle-Fortin) Menzies Merrifield Miller

Mills Moore (Port Moody-Westwood-Port Coquitlam)

Moore (Fundy Royal) Nicholson Norlock O'Connor Obhrai

Barbot Benoit

The Speaker: I declare the motion lost

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

FINANCE

[English]

The House resumed from February 15 consideration of the motion.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion to concur in the 11th report of the Standing Committee on Finance concerning the extension of time to consider Bill C-253.

• (1820)

Hon. Jay Hill: Mr. Speaker, were you to seek it, you would find unanimous consent to pass this motion unanimously.

The Speaker: Is that agreed?

Some hon. members: Agreed.

(Motion agreed to)

The House resumed from February 15 consideration of the

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion to concur in the 12th report of the Standing Committee on Finance concerning the extension of time to consider Bill C-305.

Hon. Jay Hill: Mr. Speaker, again, I think you will find the consent of all members present in the chamber this evening to pass this motion unanimously.

The Speaker: Is that agreed? Some hon. members: Agreed.

(Motion agreed to)

PRIVATE MEMBERS' BUSINESS

[English]

KELOWNA ACCORD IMPLEMENTATION ACT

The House resumed from February 15 consideration of the motion.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at report stage of Bill

[Translation]

The question is on the motion.

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 123)

YEAS Members

Alghabra Angus Atamanenko Bachand Bagnell Bains Beaumier Barnes Bélanger Bell (Vancouver Island North) Bellavance Bevilacqua Bevington Blaikie Blais Bonin Bonsant Boshcoff Bouchard Bourgeois Brison Brown (Oakville) Brunelle Cannis Cardin Chamberlain Carrier Charlton Chan Christopherson Coderre Comartin
Cullen (Skeena—Bulkley Valley) Cotler Cuzner D'Amours Davies DeBellefeuille Demers Deschamp Dhaliwal Dion Dryden Faster Eyking Faille Folco Freeman Fry Gaudet Gauthier Godfrey Godin Graham Goodale Gravel Guarnieri Guav Guimond Ignatieff Jennings Julian Karetak-Lindell Kadis Karygiannis Keeper Laframboise LeBlanc Kotto Lavallée Lemay Lee Lessard Lévesque Lussier MacAulay Maloney Marleau Marston Martin (Winnipeg Centre) Martin (Sault Ste. Marie) Martin (Esquimalt-Juan de Fuca) Martin (LaSalle—Émard) Masse Mathyssen

Matthews McCallum McGuinty

McKay (Scarborough-Ménard (Hochelaga) McGuire -Guildwood) McTeague

Ménard (Marc-Aurèle-Fortin)

Minna Murphy (Moncton-Riverview-Dieppe)

Murphy (Charlottetown) Neville Ouellet Owen Pacetti Patry Pearson Perron Peterson Picard Priddy Proulx Ratansi Redman Regan Robillard Rota Russell Savage Scarpaleggia Scott Sgro Siksay Silva Simard St-Cyr St-Hilaire St. Amand Steckle Stoffer Stronach Szabo Telegdi

Temelkovski Thibault (Rimouski-Neigette-Témiscouata-Les

Basques) Thibault (West Nova)

Tonks Valley Vincent Volpe Wasylycia-Leis Wappel Wilfert

Wilson Zed- — 152 Wrzesnewskyj

NAYS

Members

Abbott Ablonczy Albrecht Allen Ambrose Allison Anders Andersor Arthur Baird Batters Bernier Bezan Blackburn Blaney Boucher Breitkreuz Brown (Leeds-Grenville) Brown (Barrie) Calkins

Bruinooge Cannan (Kelowna—Lake Country) Cannon (Pontiac) Carrie

Casson Chong Cummins Davidson Day Devolin Del Mastro Dvkstra Dovle Emerson Epp Fast Finley Fitzpatrick Flaherty Galipeau Gallant Goldring Goodyear Gourde Guergis Grewal Hanger Harris Harvey Hawn Hearn Hiebert Hinton Jaffer

Kamp (Pitt Meadows—Maple Ridge—Mission) Keddy (South Shore—St. Margaret's)

Kenney (Calgary Southeast)

Kramp (Prince Edward-Hastings) Komarnicki

Lake Lauzon Lemieux Lukiwski Lunn Lunney MacKenzie MacKay (Central Nova) Mayes Merrifield Manning Menzies Miller Mills Moore (Port Moody-Westwood-Port Coquitlam)

Moore (Fundy Royal)

Nicholson O'Connor Obhrai Pallister Oda Paradis Petit Poilievre Prentice Preston Rajotte

Richardson Schellenberger Shipley Skelton Solberg Sorenson Stanton Storseth Strahl Thompson (New Brunswick Southwest)

Thompson (Wild Rose) Toews

Tweed Trost Van Kesteren Van Loan Vellacott Wallace Warkentin Warawa Williams Watson Yelich- - 119

PAIRED

Members

Barbot Benoit Bigras Duceppe Clement Laforest Lalonde Malo Mark Scheer

The Speaker: I declare the motion carried.

* * *

CRIMINAL CODE

The House resumed from February 16 consideration of the motion that Bill S-211, An Act to amend the Criminal Code (lottery schemes), be read the second time and referred to a committee.

The Speaker: The House will now proceed to the taking of the deferred recorded division on the motion at second reading stage of Bill S-211 under private members' business. The question is on the motion.

● (1840)

Dryden

Eyking

Gauthier

Folco

(The House divided on the motion, which was agreed to on the following division:)

(Division No. 124)

YEAS Members

Easter

Faille

Freeman Gaudet

Godfrey

Alghabra Angus Bachand Atamanenko Bagnell Barnes Batters Bélanger Beaumier Bell (Vancouver Island North) Bellavance Bevilacqua Bevington Black Blaikie Bonin Bonsant Boshcoff Bouchard Bourgeois Brison Brunelle Brown (Oakville) Cannis Cardin Carrier Chamberlain Chan Charlton Chong Christopherson Coderre Comartin Cotler Cullen (Skeena—Bulkley Valley) Cuzner Davies D'Amours DeBellefeuille Demers Deschamps Dhaliwal Dion Doyle

NAYS Members

Abbott Ablonczy Albrecht Allen Ambrose Allison Anders Andersor Arthur Baird Bernier Bezan Blackburn Blaney Boucher Breitkreuz Brown (Leeds—Grenville) Brown (Barrie) Bruinooge Calkins Cannan (Kelowna—Lake Country) Cannon (Pontiac) Casey Casson Cummins Davidson Day Devolin Del Mastro Dykstra Emerson Epp Finley Fast Fitzpatrick Flaherty Fletcher Galipeau Gallant Goldring Goodyear Gourde Grewal Guergis Hanger Harvey Harris Hawn Hearn Hiebert Hill

Godin Goodale Graham Gravel Guarnieri Guay Guimond Holland Ignatieff Jennings Julian Kadis Karetak-Lindell Karygiannis Keeper Laframboise Keddy (South Shore-St. Margaret's) Kotto Lavallée LeBlanc Lee Lessard Lemay Lévesque Lussier Lunney MacAulay Malhi Maloney Marleau

Marston Martin (Esquimalt—Juan de Fuca) Martin (Winnipeg Centre) Martin (LaSalle-Émard)

Martin (Sault Ste. Marie) Masse Mathyssen Matthews McCallum McDonough McGuinty McGuire McTeague McKay (Scarborough—Guildwood)

Ménard (Hochelaga) Ménard (Marc-Aurèle-Fortin) Merasty Murphy (Charlottetown)

Murphy (Moncton-Riverview-Dieppe) Nadeau Ouellet Neville Owen Pacetti Patry Pearson Perron Peterson Picard Priddy Proulx Ratansi Redman Regan Robillard Rota Russell Savage Scarpaleggia Savoie Scott Siksay Silva Simard Simms St-Cyr St-Hilaire St. Amand St. Denis Stoffer

Steckle Telegdi Temelkovski Thibault (Rimouski-Neigette—Témiscouata—Les Basques) Thibault (West Nova)

Tonks Valley Turner Volpe Wappel Wasylycia-Leis Watson Wilfert Wilson Wrzesnewskyj

Zed- — 159

Hinton Kamp (Pitt Meadows-Maple Ridge-Mission) Kenney (Calgary Southeast) Komarnicki Kramp (Prince Edward-Hastings) Lake Lemieux Lauzon Lukiwsk MacKay (Central Nova) MacKenzie Manning Maves Menzies Miller Moore (Port Moody-Westwood-Port Coquitlam) Moore (Fundy Royal) Nicholson Norlock O'Connor Obhrai Oda

Pallister Paradis Petit Poilievre Prentice Preston Rajotte Reid Richardson Schellenberger Shipley Skelton Smith Solberg Sorenson Storseth Strahl Sweet

Thompson (New Brunswick Southwest) Thompson (Wild Rose)

 Toews
 Tweed

 Van Kesteren
 Van Loan

 Wallace
 Warawa

 Warkentin
 Williams

Yelich- — 109

PAIRED

Members

The Speaker: I declare the motion carried.

Accordingly, the bill stands referred to the Standing Committee on Justice and Human Rights.

(Bill read the second time and referred to a committee) [English]

The Speaker: It being 6:43 p.m., the House will now proceed to the consideration of private members' business as listed on today's order paper.

PERSONS WITH DISABILITIES

Hon. Karen Redman (Kitchener Centre, Lib.) moved:

Motion No. 243

That the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities be instructed to undertake a study of the current level of financial support provided to persons with disabilities through the Canada Pension Plan Disability Benefit and report to the House no later than May 2007.

She said: Mr. Speaker, I am pleased to speak in the House today to Motion No. 243 which calls on Parliament to ask the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities to undertake a study of the current level of financial support provided to persons with disabilities through the Canada Pension Plan Disability Benefit and report back to the House no later than May 2007.

An individual's income security is closely linked to one's ability to fully participate in society. As a member of Parliament and I am sure many members in this House share my concern with the number of

people with disabilities who face constant challenge in meeting the bare minimum of basic living expenses.

All too often, constituents come into my office and tell me about having to choose between purchasing their medications or paying for food and rent. It is absolutely unacceptable in a nation as prosperous as Canada.

In December 2006, the United Nations adopted a landmark Convention on the Rights of Persons with Disabilities. The convention focuses on the rights and development of people with disabilities and presents a vision where disabled people will no longer have to endure discriminatory practices and attitudes that have been permitted to prevail for far too long.

For Canada to fully respond to the need for every person to contribute to the best of their abilities and to fulfill their potential, we must address the income deficiency that exists among people who live with disabilities.

Research shows that Canadians with disabilities have a lower than average income and rely more heavily on government programs for income support than other Canadians. People with disabilities are not always able to earn an adequate income through employment.

While the average earnings of people with disabilities increased by 3.7%, compare that with the 5.3% that people found they gained in earning ability without disabilities between the years 1999 and 2004.

The average earnings of people with disabilities remain substantially lower than those without disabilities. In 2004, average earnings for people with disabilities were \$30,700 a year, almost 15% less than what people earned without disabilities who had an average earning of \$35,300.

People with disabilities are more likely to have low earnings. About 17.1% of people with disabilities have earnings of less than \$5,000 in contrast to people earning that amount of money without disabilities who are 12.4% of the population.

In addition, people with disabilities are less likely to have high earnings. When we compare that earning bracket, about 18.4% of people with disabilities have incomes of \$50,000 or more a year and this compares to 23.4% in that earning bracket who do not have disabilities.

There are significant differences between the incomes of men and women as well. For both sexes, people with disabilities are more likely to have lower earnings and are less likely to have higher earnings.

However, women with disabilities are much more likely to have very low earnings and 19.6% have earnings under \$5,000 a year. This contrasts with men in that same group with 14.6% who are much less likely to be in that high earnings bracket. Some 10.9% of women with disabilities earn \$50,000 or more a year in contrast to the 25.6% of men in that bracket with disabilities.

Last fall, researchers at the University of Manitoba released a study that revealed women with disabilities were far more likely to be victims of domestic violence. The study found that women with disabilities were almost 40% more likely than non-disabled women to be victims of violence, sadly enough, at the hands of their husbands.

In particular, women with disabilities are at risk at facing severe violence. Perpetrators of such horrific violence may feel that women with disabilities are vulnerable and are less likely to be able to resist domination, jealous and possessive as well as violent behaviour.

(1845)

Further, it was shown that disabled spouses were less likely to report the violent behaviour because they tended to be more dependent on their partners for daily assistance.

Although many people with disabilities can become self-sufficient if given the opportunity, some are unable to be in part of the labour market and must rely on governments to provide the financial resources to meet their basic needs of food, shelter and clothing.

People with disabilities are three times more likely to have income from government sources as their major source of income. This reliance on government sources has decreased over the years. It has come down from the 32% that it was in 1999.

However, we know the Government of Canada provides support for people with disabilities and we also try to give some financial relief to their caregivers through a variety of income support measures. We provide, through the government, tax measures for people with disabilities and people who care for them to ensure they are treated more fairly. The Income Tax Act offers tax privileges to registered charities and this, too, contributes to the building of the capacity within the disabled community.

The personal income tax system provides a number of tax credits, as well as deductions for people with disabilities and their caregivers. There is the disability tax credit, the disability tax credit supplement for children, medical expense tax credit, the caregiver credit, the infirm dependant credit, the disability supports deduction and a refundable medical expense supplement. All of these supports need to be looked at to see if they are adequate for people who use this as their sole source of income.

In 2003, the technical advisory committee on tax measures for persons with disabilities was established to provide advice on how to address tax issues that affect people living with disabilities.

Budget 2006 completed the implementation of the committee's policy recommendations, as well as going beyond. It increased the maximum annual child disability benefit to \$2,300 and that was up from \$2,044. The child disability benefit is a supplement of the child tax benefit that, I would point out, was brought in by a Liberal government.

It extended the eligibility for child disability benefit to middle and higher income families caring for a child. It also increased the maximum amount of the refundable medical expense supplement up to \$1,000 from the \$767 that was in place previous to the 2006 tax year.

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The purpose of my motion is to seek a review of the financial support provided to disabled Canadians through the Canadian pension plan disability. In 2005-06 almost 296,000 individuals with severe and prolonged disabilities, along with 89,000 of their dependent children, received \$3.3 billion from the Canadian pension plan disability through monthly benefit payments. In 2006, the maximum benefit available was \$1,031. This amounts to roughly \$12,372 annually.

On average, eligible Canadians are receiving \$775 a month, or \$9,300 annually. The children's monthly benefit in 2006 was \$200.47 for each eligible child. Far too often the CPP disability cheque is the only source of income for people with disabilities and they receive it, as I said, on a monthly basis. They have to use these limited funds to cover rent or mortgages, pay their utilities, buy their food and pay for their medication.

Quite simply, the sum of money that is stretched in so many directions is not adequate to cover the very basic needs of these people and the basic necessities of life.

There are more than three million Canadians with disabilities. Despite progress in the last two decades, Canadians with disabilities and their families still face significant barriers. It is clear that the experience of exclusion, poverty and isolation for people with disabilities continues. Quite simply, this is unacceptable.

Some of the most difficult meetings I have had with constituents are with those people who have the impossible decision of choosing whether to buy food, pay for their medication or cover their rent.

(1850)

In my community, there are organizations that help disabled residents and disabled residents do turn to them for support, for fellowship, as well as for information on how they can make these limited resources last the month. These community resources now provide food hampers and prepare 650 lunches per month for clients who otherwise would not be able to eat.

Canada's budget has been in a position of surplus for a decade. Over that time, governments have reinvested in various priorities. Efforts, some of which I have already mentioned, have been put in place to address the needs of Canadians with disabilities, as well as lower income Canadians but we need to do more. We have the resources to do more and it is our responsibility to do so.

The motion I have before the House asks for a review pertaining to the CPP disability but I hope it will go much further than that. I hope it will rejuvenate a multi-jurisdictional dialogue that will bring forward increased investments to substantially improve the availability of supports, as well as to alleviate the poverty experienced by Canadians living with disabilities.

As a government, as a nation, we have a commitment to inclusion and full participation. Members of this House share a willingness to see that no one gets left behind and that no one is denied opportunities.

This message was most eloquently expressed by the former prime minister in his Speech from the Throne in February 2004. The right hon. member for LaSalle—Émard said:

What kind of Canada do we want?

—a Canada where people with disabilities and their families...have the support they need.

Canadians agree. An Environics poll from 2004 states that more than 80% of Canadians believe that people with disabilities should be supported by public funds to live fully and participate in their communities.

Further, the poll states that the government has a role, a primary role, for supporting persons when it comes to providing good health care, reliable transportation, mobility equipment and education.

The need is great. We need to take action to ensure we are doing all we can to uphold the rights of people with disabilities.

I encourage this House to commit to action that will address the income deficiency that exists among people with disabilities. We owe it to them and, quite frankly, we can do no less.

• (1855)

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, I want to come back to the Liberal record on the disability benefit.

It is clear that in 1993, when the average CPP disability monthly payment was about 96% of the maximum allowed, we saw an evolution from 1993 through 2002. Effectively, through that period, when the Liberal Party was in power, the average monthly CPP declined from 96% of the maximum allowed to about 80% of the maximum payment. The maximum payment in 2002 was \$956, which is well below the poverty line.

I certainly appreciate the sincerity of the member, and I know she is sincere in this particular issue, but how does she explain the disastrous record of the Liberal government in this same regard when what we saw over the period of the Liberal government was a steady decline in the ability of people to access the maximum amount allowable and also a steady decline in the actual amounts that were paid to people with disabilities?

Hon. Karen Redman: Mr. Speaker, there is no doubt that when we came into government in 1993, we were looking at a \$42 billion deficit. There is no doubt that Canadians right across this country, in every sector, tightened their belts.

I would point to the reinvestments that we were able to make once we had the fiscal house in order. We did invest in the disability tax credit. We did put in place the supplement for children. We brought in the national child tax benefit, which helped all Canadians. However, there were specific examples of things that we did to help the disabled community.

We looked at the medical expense. We also looked at the pressure that is brought to bear on caregivers. I think we would all agree in this House that all too often this falls on the shoulders of women who have children in the home, who may have a family member they are looking after, as well as working full time in the labour force. We looked at the caregiver credit and we looked at the infirm dependant

credit. All of those things are done to help alleviate and help supplement some of the shortcomings.

I would agree that we need to do more, which is why I put this motion before us. We need to continue to improve on supporting Canadians living with disabilities.

(1900)

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, I do not want to embarrass the hon. member for Kitchener Centre, because she deserves credit for proposing this motion, which is very relevant right now. However, I would simply like to elaborate on the point raised by the NDP member.

The \$42 billion deficit of 1993 cannot explain everything. Year in, year out, the Canadian government has generated surpluses, particularly since 1996.

I realize that the hon. member may be embarrassed by the reply, but today we should be happy. When a government is defeated, that is probably a good thing, because it makes people think and it puts things back in order.

My question is directed to the member for Kitchener Centre. What exactly does she want? I, as vice-chair of the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, need to know what exactly she wants to achieve by asking for a study of the level of financial support provided to persons with disabilities.

[English]

Hon. Karen Redman: Mr. Speaker, I do appreciate the question, although I fundamentally disagree that Canada would be better off with other than a Liberal government, but that is probably a debate for another time.

I would hope that we would continue to look at the level of the disability pension available through the Canada pension plan. I would also hope that the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities would also look at the relationship between our benefit and how it works.

Obviously the problems that I know best are those of Ontario. There are certain drugs that are covered through the Ontario disability plan that are not covered through the Canada pension plan. I would hope that we would look at the threshold of support. I would hope that we would look right across Canada and how we can complement rather than have disincentives, depending upon what level of support somebody is getting through the federal programs as well as provincial programs.

As I mentioned in my speech, I believe there is a role that communities can play. I—

The Acting Speaker (Mr. Royal Galipeau): Order, please.

Resuming debate, the hon. member for Niagara West-Glan-brook

Mr. Dean Allison (Niagara West—Glanbrook, CPC): Mr. Speaker, I appreciate the opportunity to speak to Motion No. 243 presented by the hon. member for Kitchener Centre.

This motion would instruct the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities to undertake a study of the current level of financial support that is being provided to people with disabilities through the Canada pension plan disability benefit.

May I state at the outset that the Government of Canada is pleased to support this motion.

In supporting Motion No. 243, I would like to talk today about three central points: first, what the Canada pension plan disability benefit is intended to do; second, who it is meant to assist; and third, how it is governed. I wish to briefly discuss each of these areas because I think it is important for Canadians to understand what the CPP disability benefit is all about.

What is it intended to do? I would like to remind members that the Canada pension plan is one of the most highly regarded public pension plans in the world. The Canada pension plan, along with old age security, provides Canadians with a solid foundation upon which to build their retirement income. Together, Canada's public pensions deliver about \$54 billion in benefits to Canadians each year.

Starting at the age of 18, Canadian employees and the selfemployed contribute to the CPP throughout their working lives. Employers match the contributions of their employees. The funds built up by the investment of these contributions enables CPP contributors to access important benefits for themselves and for family members over the course of their lives. These benefits include retirement pensions, survivor and death benefits, children's benefits, as well as disability benefits.

I know that members are already aware of how important the CPP disability program is to Canadians. CPPD is the largest long term disability insurance program in Canada. It provides annual benefits of more than \$3 billion to almost 300,000 Canadians with severe and prolonged disabilities who can no longer work, as well as nearly 90,000 dependent children. As a matter of fact, according to the 2005-06 statistics, the most recent available, there were 296,000 beneficiaries of which 89,000 were children, and a total of \$3.3 billion in benefits.

Who is it meant to assist? The primary role of CPP disability is to replace a portion of the earnings of contributors who, due to a disability, are incapable of regularly working. It is important to understand the specific eligibility requirements for CPP disability. It consists of two parts as laid out in the Canada pension plan.

First, applicants must have made valid contributions to CPP in four of the last six years. This means that applicants have to have worked recently to be eligible for CPP disability benefits. Second, the legislation stipulates that eligible applicants must have a severe and prolonged mental or physical disability which prevents them, on a regular basis, from doing any substantially gainful work, not just their previous job. This means that not all Canadians with a disability are eligible for the benefit. It is a benefit intended for some of the most vulnerable Canadians.

Who gets CPPD? Let me give the House a snapshot.

Seventy per cent of CPPD beneficiaries are between the ages of 50 and 64. The gender breakdown of recipients is roughly equal, with

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females at 50.5% and males at 49.5% in 2005-06. It is interesting to note that this is a significant change from 20 years ago when over 70% of the beneficiaries were male, or 70.7%. That was in 1986.

Persons with mental disorders now represent the largest proportion of Canada pension plan disability beneficiaries at 27%. Until recently, 2004-05, persons with musculoskeletal conditions represented the largest category.

How is it governed? A moment ago I referred to the Canada pension plan legislation. This brings us to the issue of how CPP, including CPPD, is governed. Although the federal government administers the Canada pension plan, the federal, provincial and territorial governments are joint stewards of the plan.

• (1905)

It should be noted that the legislation stipulates that substantive changes to CPP benefits and financing require the approval of Parliament, as well as that of at least two-thirds of the provinces with two-thirds of the population.

Every three years federal, provincial and territorial ministers of finance review the Canada pension plan to ensure that it remains financially sound and to make any necessary adjustments. This review also enables us to ensure that the CPP is evolving to meet the changing needs of Canadians throughout their lives.

The triennial review process, therefore, is an important way of demonstrating accountability and transparency to Canadians.

Notwithstanding the ongoing review of the CPP, we welcome the opportunity to have a separate study of CPP disability benefits as proposed by Motion No. 243.

A study of this kind by the standing committee would help to reinforce the practice of the Department of Human Resources and Social Development to continually monitor and assess the plan in order to ensure that it is meeting Canadians' current and future needs and that it remains affordable and financially sustainable.

I spoke earlier about the eligibility requirements for CPP disability. I would now like to discuss our government's recent action in this area.

In November 2006 this government introduced Bill C-36, which will, among other things, ease disability eligibility rules to promote fairness by making it easier for applicants who have worked for many years to qualify for disability benefits. This is a change that the disability community, as well as members of the House, have long wanted. This is exactly what our government has delivered. We are listening carefully to Canadians' concerns and acting on them.

The amendment will allow applicants with 25 or more years of contributions to become eligible for disability benefits if they have contributed in three, rather than four, of the last six years. Of course the applicants, including long term contributors, must still meet the medical eligibility requirements.

Introducing this change to the CPPD eligibility rules will mean that in the future, thousands of applicants will be able to receive disability benefits. For example, in the four years following the coming into force of this amendment, it is estimated that an additional 3,700 disabled individuals will receive CPPD benefits, as well as 800 of their children. This is an estimate by the chief actuary of the CPP.

This improvement and others included in Bill C-36 clearly demonstrate how governments can work together to improve the lives of Canadians while keeping CPP affordable.

Today I have tried to underscore the important role that CPP disability plays in the lives of hundreds of thousands of Canadians. Accordingly, we want to ensure on an ongoing basis that this program is soundly administered and transparent in all aspects of its operation. We want to also assure Canadians that it provides good value for money with demonstrable results in keeping with the program's intent.

The study proposed by the hon. member for Kitchener Centre would enable the standing committee to provide us with valuable information to help keep this essential program strong, transparent and accountable.

For these reasons, I, along with the Government of Canada, am very pleased to support Motion No. 243.

• (1910)

[Translation]

Mr. Yves Lessard (Chambly—Borduas, BQ): Mr. Speaker, I am pleased to speak to this motion presented by the hon. member for Kitchener Centre. I had a chance to read it aloud earlier, during a question I asked the hon. member. It is a timely motion to allow the House of Commons, through its Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities, to study the level of financial support provided to persons with disabilities.

This is timely because over the past few years, the Canadian government has failed in a number of its responsibilities toward the least fortunate and the most underprivileged in society, those who cannot easily earn a living or stand up for themselves.

Let us not forget the Canadian government 's withdrawal from social housing, for example, or from employment insurance or the fate of seniors. When we talk about these major issues, they affect many persons with disabilities.

However, what is a bit odd today is that a member of the Liberal Party is presenting this motion. I am glad about this and so is my party. However, we cannot ignore the Liberal Party's despicable record when it comes to the least fortunate in our society.

Let us look at what the new government has done, as it calls itself. Just because it is new does not mean it is better. Let us be clear. It talks about being new and therefore better, but that is not the case.

Recently, on September 26, 2006, one day after announcing a \$13 billion surplus, it cut \$1 billion in support from all kinds of agencies that help our least fortunate. This applied to literacy and employment retraining as well. These are major files that the Conservatives interfered in and made cuts to.

Mr. Speaker, I am counting on you to tell me when I have two minutes remaining because I would like to propose an amendment to the motion before ending my presentation.

The Acting Speaker (Mr. Royal Galipeau): You have seven minutes remaining. As usual, I will signal to you when two minutes remain and again when one minute remains.

Mr. Yves Lessard: I am counting on you, Mr. Speaker, and I thank you very much. That will allow me to propose an amendment.

Recently, in 2004, the Canadian government wanted to have even greater control over managing the file concerning persons with a disability, in relation to the provincial jurisdiction and Quebec's jurisdiction.

At that time the Bloc Québécois proposed an amendment to the plans for reforming the system, an amendment to ensure that the Canadian government would respect provincial jurisdictions. The government of the day rejected the motion in order to exercise even greater control over this area of provincial jurisdiction.

In my proposal, I maintain that we, as Quebeckers, find it quite appalling that every time the Canadian government interferes in aspects of those jurisdictions that should belong to the provinces and to Quebec, it fails in its duty to correctly assume this responsibility.

As I stand and speak here today, an election has just been called in Quebec. Every time there is an election, this issue of jurisdictions enters into the debate: our ability to be able to exercise our powers, to manage our own holdings and, of course, the money we send here to Ottawa, and the assurance that it will be used as it should be.

Employment insurance is one example. To date, the government has diverted more than \$50 billion from employment insurance. At least a quarter of this amount belongs to Quebec.

Today, in ridings throughout Quebec, including my own, activists and other members of the public are meeting to discuss how to reopen this political debate during the election campaign, not just to focus attention on this issue, but to see how Quebeckers can eventually regain control over their own destiny. I want to commend the people who have already begun the debate.

In my opinion, it is important to point out to the hon. members of this House that we in the Bloc Québécois have always been open about our intentions, our goals and our vision of the future. Today, feel

about our intentions, our goals and our vision of the future. Today, when we look at the issue of persons with disabilities, the federal government's responsibility for these persons, the way it has handled this issue and the government's negligent attitude toward monitoring support for persons with disabilities, we are sorely disappointed.

This study will also have to look at the issue of areas of jurisdiction.

The member for Kitchener Centre has called on us to examine all aspects of the treatment of the disabled. She would entrust this task to the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities.

This is a matter that we must not take lightly and we need to take our time to study it correctly. At this time, the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities is studying several bills. We have just completed a review, after recommendations, of Bill C-257, An Act to amend the Canada Labour Code (replacement workers). We have before us Bill C-36, An Act to amend the Canada Pension Plan and the Old Age Security Act. This government bill deals with the guaranteed income supplement for seniors. We also have two bills pertaining to employment insurance.

Mr. Speaker, I see you are indicating that I have two minutes left. All these bills will require a great deal of time to study.

(1915)

If we want to do our job with regard to the motion before us, the following amendment should be made. I move:

That motion M-243 be amended by replacing "no later than May 2007" with "no later than November 30, 2007".

I believe I require the consent of the member who tabled the motion, thus the member for Kitchener Centre, to amend the motion. She could second it, if she consents.

● (1920)

The Acting Speaker (Mr. Royal Galipeau): I must inform the hon. members that, pursuant to Standing Order 93(3), amendments to private members' motions and to the motion for the second reading of a private member's bill may only be moved with the consent of the sponsor of the item.

[English]

I therefore ask the hon. chief opposition whip if she consents to the amendment being moved.

Hon. Karen Redman: Mr. Speaker, I do.

[Translation]

The Acting Speaker (Mr. Royal Galipeau): It would appear that the amendment is in order.

Resuming debate. The hon. member for Burnaby—New Westminster.

Mr. Peter Julian (Burnaby—New Westminster, NDP): Mr. Speaker, first, I must honestly say that I am disappointed. I fully understand the intention of the member for Chambly—Borduas, but I cannot agree with the amendment. The problem has to do with the

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fact that persons with disabilities always have to wait—and then wait some more. For that reason, even though I will support the motion, I feel that the amendment to postpone this for another six months is unfortunate. I understand the reason for it, and I know that it is proposed in good faith and with good intentions, but I find it difficult to support it.

I want to go back to the motion. We can agree with a motion asking to undertake a study of the current level of financial support provided to persons with disabilities. That is not the problem. A similar study was done in 2002-03, but we did not act on it. We can agree with the principle of conducting a study, but that is not where the problem lies. The problem is that persons with disabilities in this country are going through a crisis. Four million Canadian men and women are living in a deplorable economic situation. In Canada, 50% of all homeless people have disabilities. Half of the 300,000 people who, tonight, will sleep in parks, on the streets or in some shelter, are handicapped persons. Indeed, it is estimated that out of the 300,000 homeless people, 150,000 are persons with disabilities.

Forty percent of people who rely on food banks to survive are people with disabilities. These are Canadians across the country, in Quebec as in British Columbia. Over one third of families with a member who has a disability live below the poverty line. This crisis exists and it is serious. Conducting this study in the spring or next November will not change the fact that this Parliament and this government have been ignoring people with disabilities for several decades. The situation is not improving; rather, it is worsening. That is how things are right now. Poverty is a problem. Homeless people and others have to rely on food banks to survive. What do we have to offer them? We offer them a study that could go on for as long as nine months. Best-case scenario, it will last three months. That is ridiculous.

We have to realize what is going on in this country. The government is giving big companies tax breaks without studying and understanding the financial impact of those measures. It has been cutting taxes for big businesses and corporations for years. These are major tax breaks for them. This year, the government is giving over a billion dollars to Canada's oil industry. The industry is raking in record profits and we are giving them even more money. When one considers that fact alongside the fact that half of this country's homeless are people with disabilities, it is not hard to understand why Canadians are getting more and more frustrated. We are not doing what needs to be done to resolve this crisis.

• (1925)

[English]

The Conservatives, since they have come to power, have done nothing, absolutely nothing to address this crisis that exists in our country.

With the Liberals, in 13 years, we actually saw a decline in disability benefits. We actually saw a decline in the approval rate, very similar to employment insurance. We saw a decline in the approval rate of people who were actually applying for CPP disability benefits.

We have seen a complete and total erosion of the capacity of Canadians with disabilities to live and contribute to society. They are struggling every single day and they are struggling in a circumstance that is tougher and tougher.

What is the NDP approach? Last September in Quebec City we adopted a comprehensive disability strategy. We certainly hope this will be part of the discussion that will take place in the next election. The four million Canadians with disabilities who live from coast to coast to coast need to know that there are going to be fundamental changes in how we respect their presence and their opportunity to contribute to our country.

What the NDP said in Quebec City last September was that we would put into place a comprehensive set of policy measures that would include a new investment package that would combat poverty and exclusion of people with disabilities and their families, that would include achievable targets over a five year period to reduce by half the annual income gap between Canadians with and without disabilities, reduce by half the poverty rate of adults with disabilities, reduce by half the labour market participation gap between Canadians with and without disabilities, and reduce by half the non-reimbursed costs faced by persons with disabilities.

Unbelievably, in this country in many provinces there are Canadians with disabilities who have to host bake sales and do fundraising to get a wheelchair. It is unbelievable at a time of record corporate profits and when the wealthy in this country are making money in an unbelievable way. Never before in Canada have we seen so much wealth going to so few people and yet Canadians with disabilities are having to sell their goods and have bake sales to try to get a wheelchair. It is deplorable.

That is the reality on main streets from coast to coast to coast and here in this Parliament we are discussing a study and whether it is done in May or whether it is done in November. It is not going to help the appalling rates of poverty that we see among Canadians with disabilities, the appalling exclusion, the fact that there is no help or support for them to get into the labour market, and the fact that for decades they have been neglected and forgotten. A study is not going to change that. A study is not going to change their situation.

We need a comprehensive policy put in place immediately. We need to move to address those four million Canadians and bring them into the mainstream and give them the tools that they need, the supports that they need in the workplace so that they can contribute their talents and their ability which are considerable. However, they are not able to do that because there is no infrastructure in place for them.

In the NDP policy we talk about establishing a Canadians with disabilities act that builds on existing rights and enforcement bodies, and brings right to this Parliament on a regular basis the actual situation of people with disabilities in this country.

Canadians with disabilities are a wide spectrum of individuals. When we talk about the deaf community, which I know most well having worked as executive director for the Western Institute for the Deaf & Hard of Hearing, there is a wide spectrum and a cultural liveliness, dynamism, that would serve Canada well.

We are talking about the blind and visually impaired Canadians, Canadians with mental disabilities, and Canadians with physical disabilities. We are talking about Canadians who have enormous talents and yet they are continually shut out of the mainstream.

We need a long term disability strategy. We need specific strategies to address the needs of aboriginal people with disabilities. We need federal leadership to ensure the full and equal participation of Canadians with disabilities in all aspects of Canadian life.

Even though we support the study, we need to do much more. A study of a couple of months duration is something we could certainly support, but only as a first step to that day when we will have full inclusion for Canadians with disabilities in every aspect of Canadian life.

• (1930)

Mr. Mike Lake (Edmonton—Mill Woods—Beaumont, CPC): Mr. Speaker, I am pleased to have this opportunity to speak to Motion No. 243, which proposes to study the level of financial support provided to persons with disabilities through the Canada pension plan disability benefit.

The CPP disability benefit provides basic earnings replacement for contributors who are incapable of working regularly due to a disability that is severe and prolonged.

As a \$3.3 billion program that affects the lives of nearly 300,000 Canadians, it warrants regular monitoring. That is why the government is pleased to support this motion.

However, this is not to say that the CPP and the CPP disability benefit do not regularly undergo other forms of evaluation or that they are not subject to ongoing improvement.

In fact, one of the reasons the study called for in Motion No. 243 is welcome is that it will serve to complement other work in this area

Built into CPP legislation is a requirement that every three years federal, provincial and territorial ministers of finance, as joint stewards of the CPP, review it to ensure that it is financially sound and to make necessary adjustments.

The triennial review provides an opportunity to see that the CPP, including CPP disability, evolves to meet the changing needs of Canadians throughout their lives.

The most recent review, completed in 2006, confirmed that the Canada pension plan is indeed on firm financial footing now and for the foreseeable future.

Of course, any major changes to the CPP benefits and financing require the approval of Parliament and of two-thirds of the provinces with two-thirds of the population. Working together, the provinces, territories and the federal government ensure that the CPP remains accessible to Canadians.

I would like to take this opportunity to talk about some of the other ways the government is improving the Canada pension plan disability benefit.

First, the government is working to improve services for persons with disabiliti

First, the government is working to improve services for persons with disabilities, focusing on the needs of clients so that they can access their benefits as easily and quickly as possible.

Secondly, the CPP disability now provides support for beneficiaries who return to work. For example, since early 2005, when Parliament passed an amendment to the CPP, beneficiaries have a new financial safety net to count on when trying to return to regular employment: the automatic reinstatement of CPP disability benefits.

Automatic reinstatement helps CPP disability clients take a chance on returning to the workforce. Before this provision came into effect, clients were not sure they would requalify for benefits if it turned out that they could not continue working. Automatic reinstatement reduces this uncertainty by providing extended entitlement to clients whose CPP disability benefits come to an end because they begin working again on a regular basis. These clients have a two-year period during which, if their disability recurs and prevents them from staying at work, they can ask to have benefit payments restarted using a simple process.

A survey of clients who have used this provision shows it is doing what it was intended to and is serving those clients very well.

A substantial majority, 75%, felt that automatic reinstatement would influence their future return to work plans and a third of these clients indicated that the provision offers security and improves their self-confidence in planning a return to work. Almost 80% were completely or mostly satisfied with all facets of the process, including ease of use.

I would now like to put the Canada pension plan disability benefit in the context of the many other ways in which the government supports the participation and inclusion of persons with disabilities in Canadian society.

Members of the House may be aware of Human Resources and Social Development Canada's social development partnerships program disability component.

This \$11 million grants and contributions program provides funding to national non-profit disability organizations actively engaged in ensuring full inclusion of Canadians with disabilities.

We recently extended these agreements for an additional year, with an increased investment to help people with disabilities to enter and stay in the labour market.

HRSDC also administers the opportunities fund, which is designed to assist people with disabilities to prepare for, find and maintain employment. About 4,800 Canadians with disabilities benefit from this program.

Through labour market agreements for persons with disabilities, HRSDC provides federal funding to the provinces to support programs and services for Canadians with disabilities.

I would like to underscore that over its relatively short lifespan, the government has taken significant steps to address the needs of the more than 3.6 million Canadians living with a disability.

In budget 2006, our government introduced several new measures to help families deal with the costs of caring for family members

Private Members' Business

with disabilities. Specifically, the annual child disability benefit maximum was increased from \$2,044 to \$2,300, effective July 2006.

(1935)

Also effective July 2006, eligibility for the child disability benefit was extended to medium and high income families who are responsible for caring for a child who is eligible for the disability tax credit. As well, budget 2006 increased the maximum refundable medical expense supplement from \$767 to \$1,000.

We recognize the difficulties for families who are dealing with disabilities and all of these measures are putting hard-earned tax dollars back into their pockets.

The government strongly believes that people with disabilities deserve every opportunity to participate fully in Canadian society. We are working toward this goal by showing leadership and by working to continually improve services to all Canadians, including those with disabilities.

On December 4, in honour of the International Day of Disabled Persons, the Minister of Human Resources and Social Development released the fourth federal disability report. The report provides an overview of the activities, results and expenditures of more than 50 federal programs and initiatives that support the needs of Canadians with disabilities. I urge hon. members to read it.

Among these many programs, the CPP disability benefit will continue to be one of the Government of Canada's primary supports for people with disabilities. We therefore want to ensure on an ongoing basis that this program is soundly administered and transparent in all aspects of its operations and that it provides good value for money with demonstrable results in keeping with the program's intent.

The Department of Human Resources and Social Development itself is about to undertake a comprehensive evaluation of CPPD. As it will be much broader in scope than the study proposed by this motion, the two can serve to complement each other.

Hard-working Canadian families make responsible decisions about their own budgets every single day. They expect their government to do the same, to be prudent, to be accountable, to deliver the programs Canadians need while respecting their tax dollars.

The study proposed by the hon. member opposite is very much in keeping with our government's promise to strengthen accountability and increase transparency and oversight in all government operations, a commitment exemplified in our government's new Federal Accountability Act. This is why I urge my hon. colleagues from all parties to support this important motion.

• (1940)

Mr. Patrick Brown (Barrie, CPC): Mr. Speaker, I am very pleased to join the Minister of Human Resources and Social Development in support of the motion calling on the Standing Committee on Human Resources, Social Development and the Status of Persons with Disabilities to study the level of financial support provided through the Canada pension plan disability benefit, or CPPD. In speaking to the motion I would like to take the opportunity to talk about the CPPD, the current payment structure and its accomplishments.

Canadians are fortunate to have a public pension system that is internationally recognized as one of the best in the world. Of course, most Canadians are aware of the Canada pension plan retirement pensions paid to contributors starting as early as age 60. What many do not fully appreciate is that each month almost 300,000 Canadians with disabilities and nearly 90,000 of their children receive financial support in the form of CPP disability benefits.

The CPP disability program is the largest long term disability insurance program in Canada. Without it, some of the most vulnerable Canadians would be left without basic financial support. CPP contributors who find themselves unable to work at any job due to a severe or prolonged mental or physical disability can count on the Canada pension plan disability benefit when they need it most.

When employees, employers and the self-employed contribute to the Canada pension plan, they are investing in their future, whether it is to ensure a basic level of retirement income in their later years or to provide basic earning replacement in the form of disability benefits in their working years.

Like other investments, the CPP requires careful monitoring to ensure it remains financially sound while staying relevant to the needs of those who contribute to it today and who will draw on it in the years ahead.

Federal, provincial and territorial governments have collaborated for many years to ensure the long term sustainability of the CPP on behalf of Canadians today and for future generations.

Since the motion speaks to the level of funding provided by the CPPD, let us turn to the payment structure currently in place. Monthly CPPD payments are made up of two parts: a fixed amount, which is set at \$405.96 for 2007; and a variable amount based on the level of CPP contributions and the length of time over which those contributions were made before the client became disabled. The combination represents the monthly amount a CPPD beneficiary will receive. In 2007, the maximum benefit payable is \$1,053.77 per month. Last year on average, CPPD beneficiaries received \$763.37 per month. In addition, eligible children of disabled contributors are entitled to a fixed monthly payment of \$204.68.

It is important to note—

The Acting Speaker (Mr. Royal Galipeau): It is with regret that I must interrupt the hon. member, but the time provided for consideration of private members' business has now expired and the order is dropped to the bottom of the order of precedence on the order paper.

When this matter returns to the House, there will be seven minutes left for the hon. member for Barrie to continue his remarks. [*Translation*]

It being 7:44 p.m., the House stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

(The House adjourned at 7:43 p.m.)

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